

City of El Paso, Texas



Comprehensive Annual Financial Report For The Fiscal Year Ended August 31, 2015

CITY OF EL PASO, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FOR THE YEAR ENDED AUGUST 31, 2015



**Prepared by
Office of the Comptroller**

Cover photo courtesy of
Rick Isaias, Public Information Officer
Digital Wall at the Museum of History
El Paso, Texas

The Digital Wall (Digie) is a vast collection of images and videos exploring El Paso's past and present including an interactive 3-D CityScape. Digie is presented on five 95" touch-sensitive monitors that interpret our region through time, neighborhoods and themes. Digie is the first digital wall in the United States and second in the world. The first digital wall is located in Copenhagen, Denmark.

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INTRODUCTORY SECTION





Office of the Comptroller

Mayor

Oscar Leeser

March 30, 2016

City Council

District 1

Peter Svarzbein

Honorable Mayor and City Council
City of El Paso, Texas

District 2

Larry Romero

State law requires that every general purpose local government publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement for the fiscal year ended August 31, 2015.

District 3

Emma Acosta

In addition, Section 7.21 of the City Charter requires an annual audit of all City accounts by an independent certified accountant. The Comprehensive Annual Financial Report (CAFR) is the summary of the City's financial 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 that all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

District 4

Carl L. Robinson

District 5

Dr. Michiel R. Noe

The Office of the Comptroller assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that have been established for this purpose. Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

District 6

Claudia Ordaz

District 7

Lily Limón

BKD, LLP, independent auditors, have issued an unmodified ("clean") opinion on the City's financial statements for the year ended August 31, 2015. The independent auditor's report is located at the front of the financial section of this report

District 8

Cortney C. Niland

City Manager

Tommy Gonzalez

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 auditor's report.

Profile of the City

El Paso is located in far west Texas on the international boundary between the United States and the United Mexican States (Mexico). Situated on the Rio Grande

Patricia Degman – Comptroller

City 1 | 300 N. Campbell | El Paso, Texas 79901 | (915) 212-1170

"Delivering Outstanding Services"

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 – 679,036), the remainder of El Paso County (estimated population – 154,451) and Ciudad Juarez, Mexico (estimated population – 1.6 million) has a population in excess of 2.4 million. El Paso is the sixth largest city in Texas and the largest American city along the border with Mexico. The City's corporate limits encompass approximately 255.2 square miles.

The City was incorporated in 1873, operates under a Home Rule Charter with a Council-Manager form of government consisting of a mayor and eight council members. The mayor is elected at large for a four-year term. Council members are elected from eight single member districts for a four-year term. Elections are held bi-annually. The City Manager, appointed by the City Council, is responsible for the management of City employees and the administration of all City affairs.

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; and general administration of services.

Other interesting facts about El Paso:

- #1 Lowest Crime Rate in the US over 500,000 population 4th year in a row
(CQ Press, January 2014,)
- #4 Least Expensive U.S. Metros for conducting business
(Market Watch - Wall Street Journal, July 16, 2014)
- #5 Best in Nationwide Well-Being Index 2014
(Gallup-Healthways Well-Being Index, April 2015)
- #7 Best City for Veterans in the United States 2015
(WalletHub, November 2015)
- #11 on the 2015 National Tourism Quality Performance Rankings list
(Resonance Report, August 2015)

Financial Reporting Entity

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

This report includes financial statements of the funds required for those activities, organizations, and functions related to the City and that are controlled by or dependent upon the City's governing body, the City Council. The financial statements present the City of El Paso, which includes the primary government and its component units.

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.

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 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 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 and the fund financial statements 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 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 2015.

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 fire fighters 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.

Internal Control Framework

Integrated within the business systems of the City are the policies and procedures over accounting and financial reporting that make up the internal control framework. The internal control framework provides reasonable assurance that the accounting systems and underlying data are reliable. There are, however, certain limitations inherent in the internal control framework. Management may choose to accept certain risks because the cost to prevent all risk is not reasonable. Management is responsible for establishing and maintaining effective internal controls. Although some level of risk within the internal control framework is unavoidable, the City's management maintains an attitude of supporting strong and effective internal controls.

Because the City receives federal awards, it is responsible for ensuring adequate internal controls are 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 (SEFA), and the independent auditor's reports on compliance and on internal control over financial reporting are issued in a stand-alone Single Audit Report. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

Budgetary Control

The City adopts an annual budget for all funds. If a fund is not overspent, it is in compliance with the budget ordinance. Increases to the overall budget require City Council approval, but reallocation of budget within funds is managed by budget transfers, approved by the Office of Management & Budget. All unexpended appropriations lapse at the fiscal year end.

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. General Fund reserves may only be utilized for one-time or emergency type capital procurements that would otherwise need debt financing.

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. In fiscal year 2015, the operating budget was funded with current revenues. At the close of the fiscal year, actual revenues had exceeded the budget by \$1.9 million.

Since most operating costs of the City are anticipated to increase in future budgets, balancing without the use of reserves or tax/fee increases will remain a major focus. 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 FY2016 and all future General Fund budgets without the use of fund balance.
- Maintain strong bond ratings, S&P's AA; Fitch's AA.
- Maintain performance based budgeting in FY2016 and continue to align services to City Council's Strategic Goals.

FINANCIAL CONDITION

El Paso is the largest metro area along the Texas-Mexico border which boasts a best-in-class, business friendly operating environment while also offering a great living experience. Our region represents one of the largest manufacturing centers in North America and is recognized as globally competitive. This is largely due to El Paso's unique quality of possessing the largest bilingual and bi-cultural workforce in the Western Hemisphere.

The City's financial position remains stable as both tax and operating revenues out-performed budgeted revenues this fiscal year. In addition, City management continued to exercise conservative fiscal practices and careful monitoring of departmental spending during the year. The City's 2015 General Fund activities reflect a \$9.6 million increase in fund balance. Approximately \$1.9 million was due to revenues collected over budgeted revenues, and \$7.6 million less than budgeted expenditures.

General Fund Unassigned Fund Balance of \$21.4 million, plus the \$17.5 million in cash reserves restricted by the City Charter, totaled \$38.9 million as of August 31, 2015 or 11% of spending in fiscal year 2015. In fiscal year 2014, the General Fund activities reflected a \$3.9 million decrease in fund balance, with undesignated General Fund reserves of \$26.6 million at August 31, 2014, or approximately 7.9% of spending in fiscal year 2014.

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. As the sixth-largest city in Texas, El Paso is a top 20% U.S. performing economy and continues to experience positive economic growth by attracting new businesses and helping existing companies grow. The City's focus is to create new

employment opportunities in 21st century industries, maintain a great quality of life, and facilitate business growth at the local and international levels.

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 long-term strategic goals and Management continues to focus on the 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. Strategic goals include:

- Create an environment conducive to strong, sustainable economic development
- Improve community resilience through education, outreach, and the development of a resilience strategy
- Deliver services timely and efficiently with focus on continual improvement
- Promote a well-balanced customer service philosophy throughout the organization
- Enhance El Paso’s quality of life through recreational, cultural, and educational environments
- Advance two way communication of key messages to external customers
- Ensure continued financial stability and accountability through sound financial management, budgeting, and reporting

Each year the elected officials engaged in a strategic planning process culminating in a new strategic plan which can be found on the City’s website.

GFOA Award

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 (CAFR) for the fiscal year ended August 31, 2014. The Certificate is the highest form of recognition in governmental accounting and financial reporting, and represents a significant accomplishment by a government and its management. This was the sixteenth 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 CAFR. This report must satisfy both Generally Accepted Accounting Principles (GAAP) and applicable legal requirements.

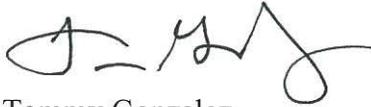
A Certificate of Achievement for Excellence in Financial Reporting is valid for a period of one year only. We believe that our current CAFR continues to meet the Certificate of Achievement Program’s requirements and we are submitting it to the GFOA.

Acknowledgments

The preparation of this report was made possible by the dedicated service of the employees of the Office of the Comptroller. 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, 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.

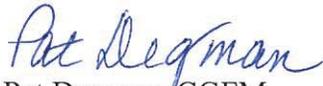
Respectfully submitted,



Tommy Gonzalez
City Manager



Mark Sutter, Ph.D.
Chief Financial Officer



Pat Degman, CGFM
Comptroller



Government Finance Officers Association

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

Presented to

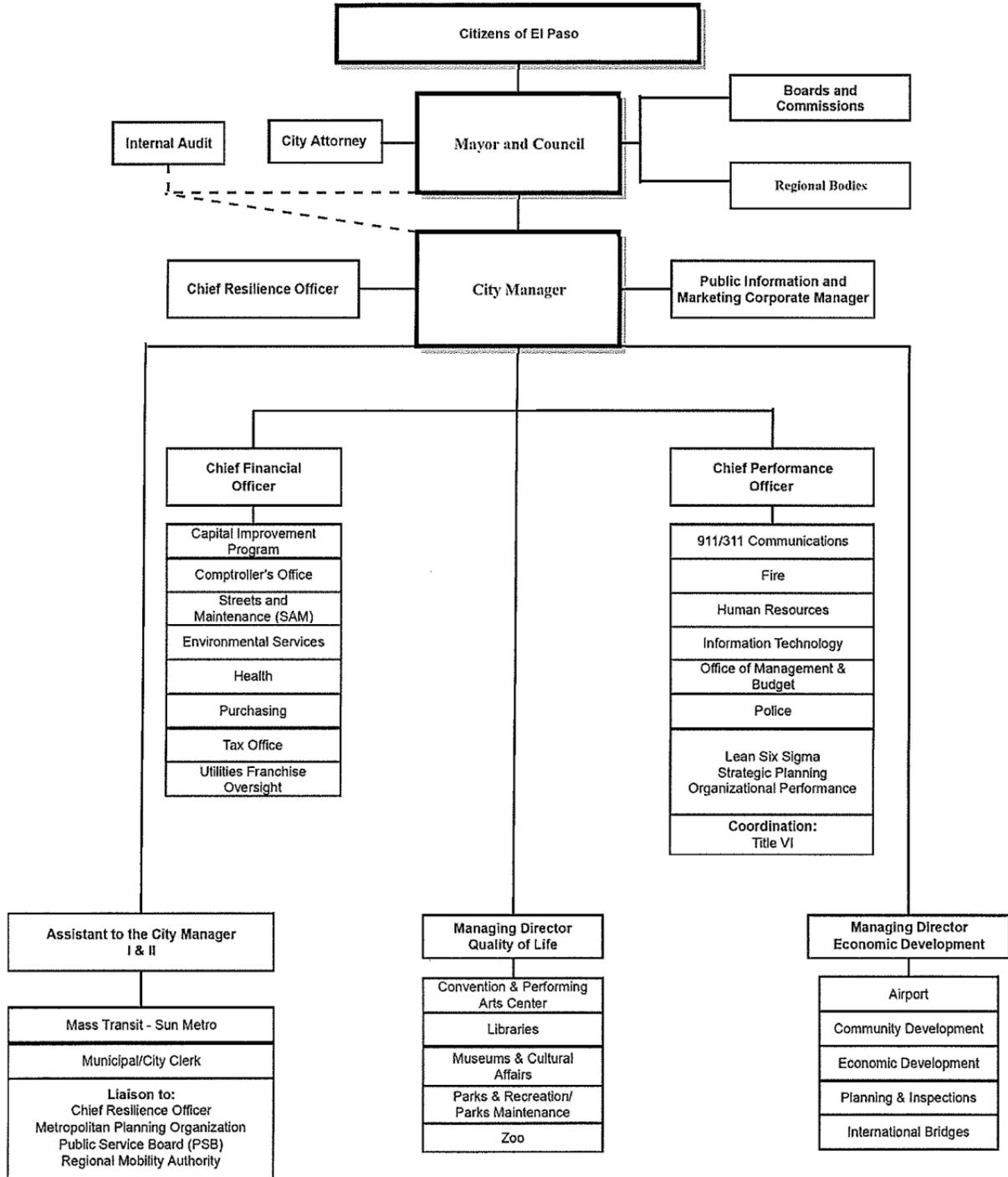
**City of El Paso
Texas**

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

August 31, 2014

Executive Director/CEO

**City of El Paso Organizational Structure
as of June 1, 2015**



LIST OF PRINCIPAL OFFICIALS



OSCAR LEESER

Mayor

PETER SVARZBEIN

District 1

DR. MICHIEL NOE

District 5

LARRY ROMERO

District 2

CLAUDIA ORDAZ

District 6

EMMA ACOSTA

District 3

LILY LIMON

District 7

CARL L. ROBINSON

District 4

CORTNEY NILAND

District 8

TOMMY GONZALEZ

City Manager

DR. MARK SUTTER

Chief Financial Officer

NANCY BARTLETT

Chief Performance Officer

Department Directors

Monica Lombrana	Capital Improvement Program
Dr. Mark Sutter	Chief Financial Office
Nancy Bartlett	Chief Performance Office
Sylvia B. Firth	City Attorney
Tommy Gonzalez	City Manager's Office
Juliet Lozano	Communications & Public Affairs
Veronica Soto	Community & Human Development
Bryan Crow	Convention & Visitors Bureau
Cary Westin	Economic & International Development
Samuel Pena	El Paso Fire Department
Monica Lombrana	El Paso International Airport
Gregory K. Allen	El Paso Police Department
Dionne Mack	El Paso Public Library System
Ellen A. Smyth	Environmental Services & Code Enforcement
Linda Ball Thomas	Human Resources
Enrique Martinez Jr.	Information Technology Services
Edmundo S. Calderon	Internal Auditor
Matthew McElroy	International Bridges
Jay Banasiak	Mass Transit (Sun Metro)
Richarda Duffy-Momsen	Municipal Clerk
Tracey Jerome	Museum & Cultural Affairs
Avelardo Talavera	Office of Emergency Management
Robert Cortinas	Office of Management & Budget
Pat Degman	Office of the Comptroller
Tracy Novak	Parks & Recreation
Larry Nichols	Planning & Inspections
Robert Resendez	Public Health
Bruce Collins	Purchasing & Strategic Sourcing
Ted Marquez	Streets & Maintenance
Maria O. Pasillas	Tax Office
Steve Marshall	Zoo

FINANCIAL
SECTION



Independent Auditor's Report

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, 2015, and the related notes to the 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, a discretely presented component unit of the City. We also did not audit the financial statements of El Paso Firemen and Policemen's Pension Fund, a component unit of the City, which financial statements reflect assets constituting 48.0% of total assets and revenues constituting 38.7% of total revenues of the aggregate remaining fund information. Those statements were audited by other auditors, whose report has been furnished to us, and our opinions, insofar as it relates to the amounts included for these 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 financial statements of the El Paso Firemen and Policemen's Pension Fund, a component unit included in the financial statements of the aggregate remaining fund information, were not audited in accordance with *Government Auditing Standards*.

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

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.

Opinions

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, 2015, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in *Note 15* to the financial statements, in 2015, the City changed its method of accounting for pensions with the adoption of Governmental Accounting Standards Board Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*, as amended. Our opinions are not modified with respect to this matter.

Other 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 postemployment 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 that collectively comprise the City's basic financial statements. 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 by us and the other auditors, 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. In our opinion, based on our audit and the reports of the other auditors, the 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 that collectively comprise the City's basic financial statements. 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 March 30, 2016, 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
March 30, 2016

CITY OF EL PASO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
August 31, 2015

The Management Discussion and Analysis (MD&A) presents an overview and analysis of the financial activities of the City's for the fiscal year ended August 31, 2015. This document is designed to:

- Provide a comparison of current year to prior year and identify specific economic factors contributing to changes;
- Help users of the financial statements understand the relationship between the results reported in the government-wide financial statements for governmental activities and the results reported in the major governmental fund 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 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's total assets and deferred outflows exceeded its liabilities and deferred inflows (net position) at August 31, 2015 by \$34.9 million. There is a \$554.1 million unrestricted net position deficit.
- ◆ The Primary Government's total net position decreased by \$381.6 million. Governmental activities decreased net assets by \$337.9 million while decreases from business-type activities totaled \$43.7 million. This decrease in net position stemmed from the implementation of GASB Statement 68 related to the Net Pension Liability and accounted for \$398.7 million in decreased net position. The Primary Government's total expenses were \$707.9 million, an increase of \$20.2 million from 2014.
- ◆ The cost of the Primary Government's governmental activities was \$524.6 million for the 2015 fiscal year.
- ◆ As of August 31, 2015, the City's governmental funds reported combined ending fund balances of \$151.9 million, an increase of \$85.9 million compared with the prior year. Approximately 13.8% of the combined fund balances, or \$21.0 million, is unassigned and available for the discrete purposes for which these funds are collected.
- ◆ The unassigned fund balance in the General Fund was \$21.4 million or 6.3% of total General Fund current year expenditures.

CITY OF EL PASO, TEXAS
 MANAGEMENT'S DISCUSSION AND ANALYSIS
 August 31, 2015

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
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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 outflows of resources, liabilities and deferred inflows 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 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.

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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.

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 operations, 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 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 in 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. The reconciliation will help readers 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 between governmental funds and governmental activities.

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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 governmental funds are combined into a single column, titled Non-major Governmental Funds. Individual fund data for each of these non-major governmental funds is presented in the form of combining financial statements and schedules following the Required Supplementary Information. These fund financial statements follow the basic financial statements in this CAFR.

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, Environmental Services, Sun Metro Transit, and International Bridges) since they are considered major funds of the City. All internal service funds are combined into a single aggregated column on the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements and schedules.

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.

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.

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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.

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 postemployment benefits.

Other Information

Following the required supplementary information are additional schedules such as the combining statements of the non-major governmental funds, internal service funds, fiduciary funds, and schedules of expenditures for capital projects.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

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

Condensed Schedule of Net Position
(In Thousands)

	Governmental Activities		Business-type Activities		Total	
	2015	2014	2015	2014	2015	2014
Current and other assets	\$ 281,564	\$ 235,675	\$ 83,486	\$ 158,974	\$ 364,050	\$ 394,649
Deferred outflows	71,211	6,651	7,532	180	79,846	6,831
Capital assets	1,048,737	1,066,037	489,103	414,850	1,537,840	1,480,887
Total assets and deferred outflows	<u>1,401,512</u>	<u>1,308,363</u>	<u>580,121</u>	<u>574,004</u>	<u>1,981,633</u>	<u>1,882,367</u>
Other liabilities	121,158	46,826	28,614	25,926	149,772	72,752
Long-term liabilities	1,544,770	1,213,076	213,736	179,793	1,758,506	1,392,869
Deferred inflows	25,289	267	13,163	22	38,452	289
Total liabilities and deferred inflows	<u>1,691,217</u>	<u>1,260,169</u>	<u>255,513</u>	<u>205,741</u>	<u>1,946,730</u>	<u>1,465,910</u>
Net position:						
Net investment in capital assets	126,064	313,233	345,991	297,504	472,055	610,737
Restricted	93,863	82,008	23,068	23,752	116,931	105,760
Unrestricted	<u>(509,632)</u>	<u>(347,047)</u>	<u>(44,451)</u>	<u>47,007</u>	<u>(554,083)</u>	<u>(300,040)</u>
Total net position	<u>\$ (289,705)</u>	<u>\$ 48,194</u>	<u>\$ 324,608</u>	<u>\$ 368,263</u>	<u>\$ 34,903</u>	<u>\$ 416,457</u>

During 2015, the City adopted GASB 68 that required a reduction in beginning of year net position of \$398,674,941. The 2014 balances have not been adjusted to reflect this restatement.

Analysis of the City's Net Position

The net position may serve over time as a useful indicator of a government's financial position. For fiscal year 2015, the City's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by \$34.9 million which decreased from fiscal year 2014 due to the implementation of GASB No.68.

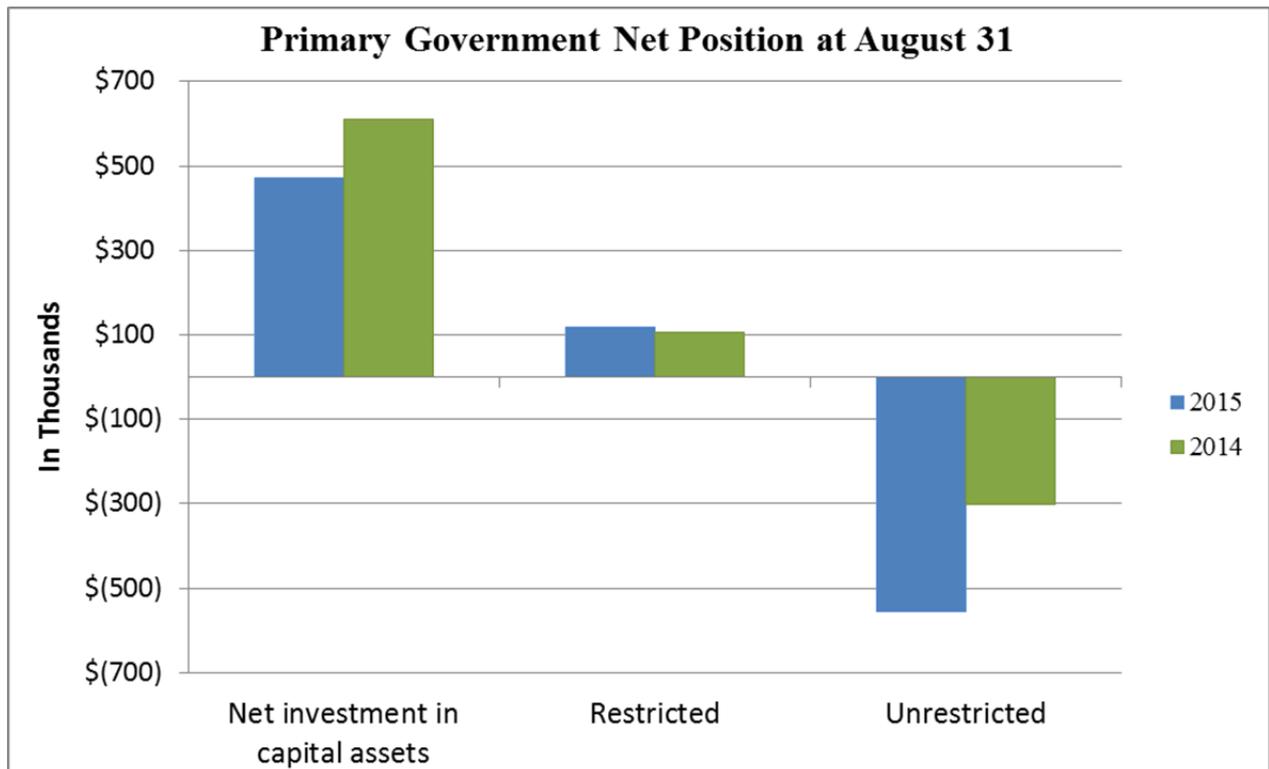
CITY OF EL PASO, TEXAS
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The largest portion of the City's net position, \$472.1 million, reflects its investment in capital assets (e.g. land, buildings, equipment, improvements, construction in progress and infrastructure), less any outstanding debt 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 because the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the City's net position, \$116.9 million, represents resources that are subject to external restrictions on how they may be used. This restricted net position is held for debt service, amounts restricted by other funding agencies, as well as a \$17.5 million cash reserve required by the City Charter. Restricted net position increased \$11.2 million (10.6%) 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 \$509.6 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 \$44.5 million deficit, decreasing \$91.5 million from 2014.



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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, 2015 and 2014. Governmental activities increased the City of El Paso's net position by \$19.7 million accompanied by a decrease in the business-type activities of the City of \$2.5 million resulting in a net position increase of \$17.1 million from current activities.

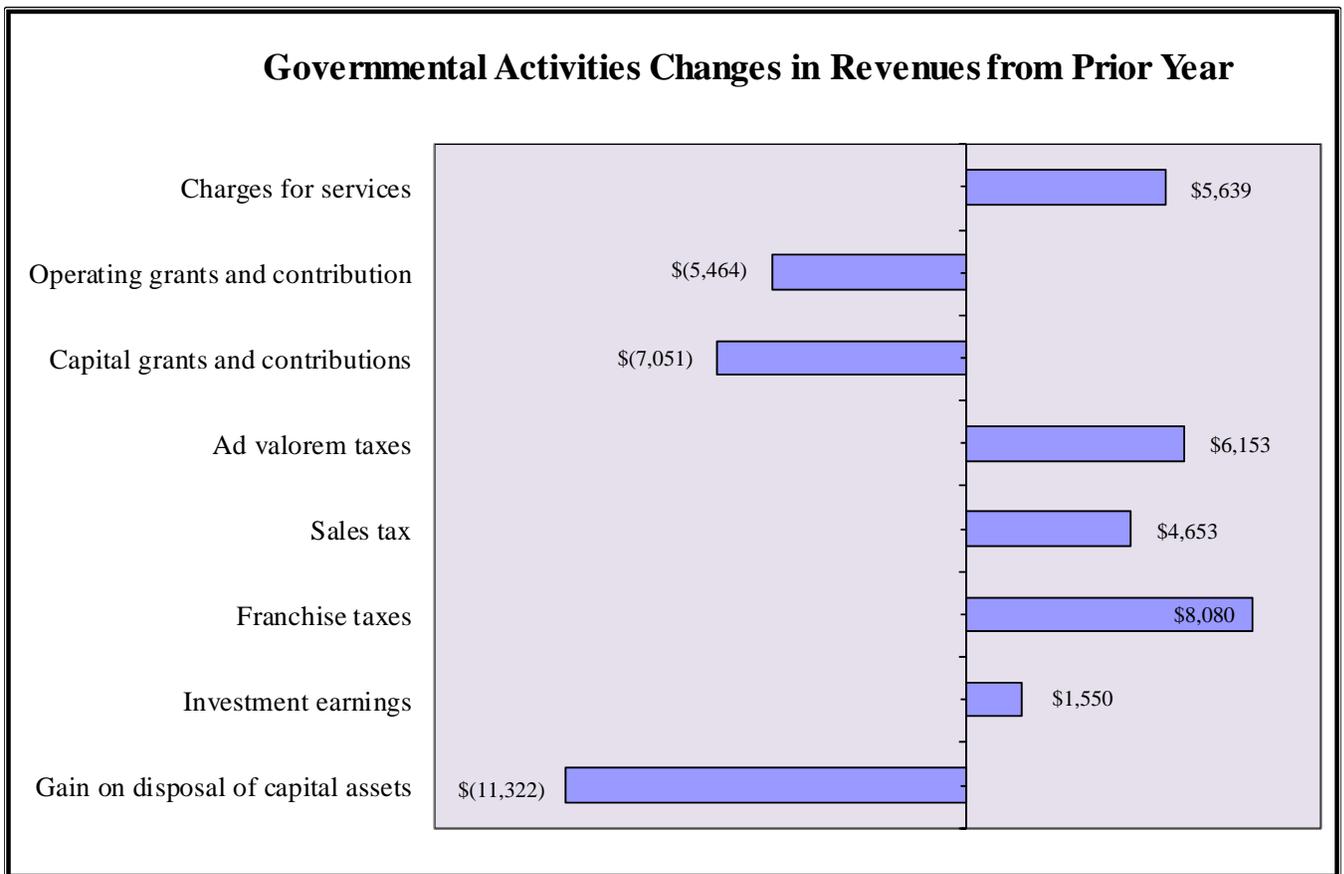
Condensed Schedule of Changes in Net Position
For the Year Ended August 31
(in thousands)

	<u>Governmental Activities</u>		<u>Business-type</u>		<u>Total</u>	
	2015	2014	2015	2014	2015	2014
Revenues						
Program revenues						
Charges for services	\$ 131,520	\$ 103,303	\$ 120,377	\$ 106,218	\$ 251,897	\$ 209,521
Operating grants and contribution	24,912	38,743	8,490	11,630	33,402	50,373
Capital grants and contributions	2,187	9,155	16,872	50,084	19,059	59,239
General revenues						
Ad valorem taxes	225,043	218,557	-	-	225,043	218,557
Sales tax	97,088	92,435	40,534	38,837	137,622	131,272
Franchise taxes	54,402	46,323	-	-	54,402	46,323
Investment earnings	1,495	(55)	338	545	1,833	490
Gain on disposal of capital assets	1,754	1,027	3	151	1,757	1,178
Total revenues	<u>538,401</u>	<u>509,488</u>	<u>186,614</u>	<u>207,465</u>	<u>725,015</u>	<u>716,953</u>
Expenses						
Governmental activities						
General government	39,518	62,586	-	-	39,518	62,586
Public safety	244,856	240,271	-	-	244,856	240,271
Public works	76,506	66,741	-	-	76,506	66,741
Public health	20,342	20,162	-	-	20,342	20,162
Parks	25,310	15,110	-	-	25,310	15,110
Library	10,870	10,382	-	-	10,870	10,382
Culture and recreation	23,330	23,863	-	-	23,330	23,863
Community and economic development	32,531	31,759	-	-	32,531	31,759
Interest on long-term debt	51,315	39,051	-	-	51,315	39,051
Business-type activities						
Airport operations	-	-	43,740	41,909	43,740	41,909
Industrial park & other operations	-	-	5,818	5,818	5,818	5,818
International Bridges	-	-	6,988	5,789	6,988	5,789
Environmental Services	-	-	45,597	51,593	45,597	51,593
Mass Transit	-	-	81,173	72,711	81,173	72,711
Total expenses	<u>524,578</u>	<u>509,925</u>	<u>183,316</u>	<u>177,820</u>	<u>707,894</u>	<u>687,745</u>
Excess (deficiency) before transfers	13,823	(437)	3,298	29,645	17,121	29,208
Transfers	5,831	10,924	(5,831)	(10,924)	-	-
Increase (decrease) in net position	19,654	10,487	(2,533)	18,721	17,121	29,208
Net position - September 1	48,194	37,707	368,263	349,542	416,457	387,249
Change in accounting principle	(357,553)	-	(41,122)	-	(398,675)	-
Net position - August 31	\$ (289,705)	\$ 48,194	\$ 324,608	\$ 368,263	\$ 34,903	\$ 416,457

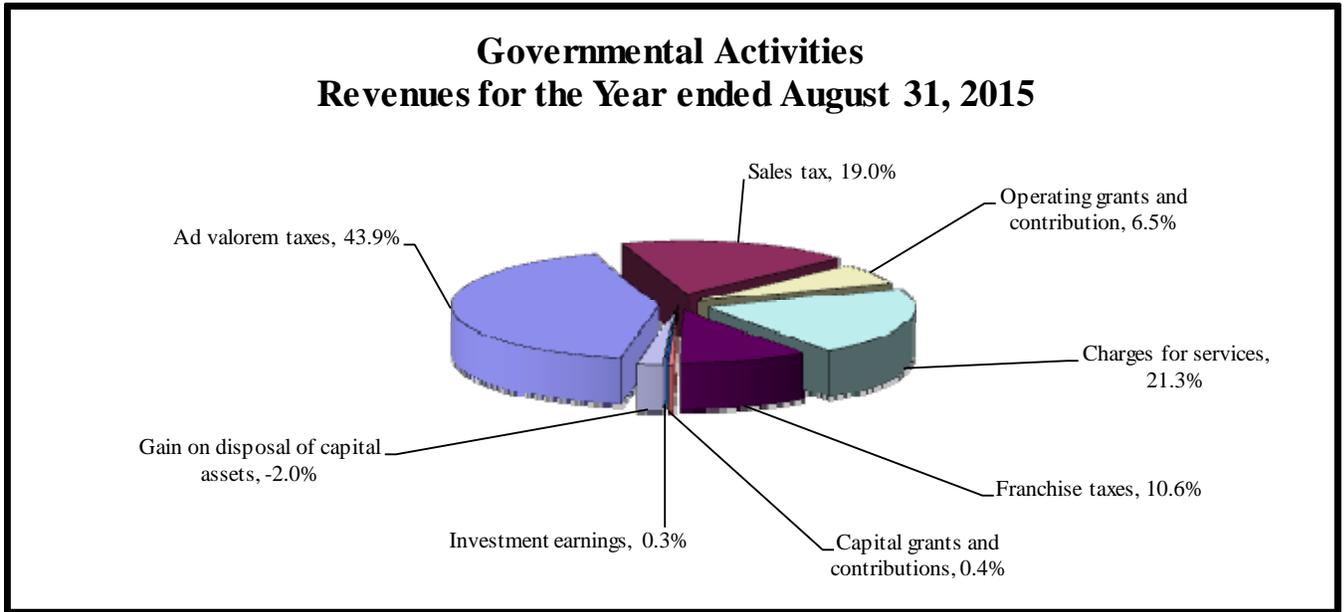
Program Revenues and Expenses – Governmental Activities

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 (in thousands) shows the change in governmental activities' revenues from the previous year.



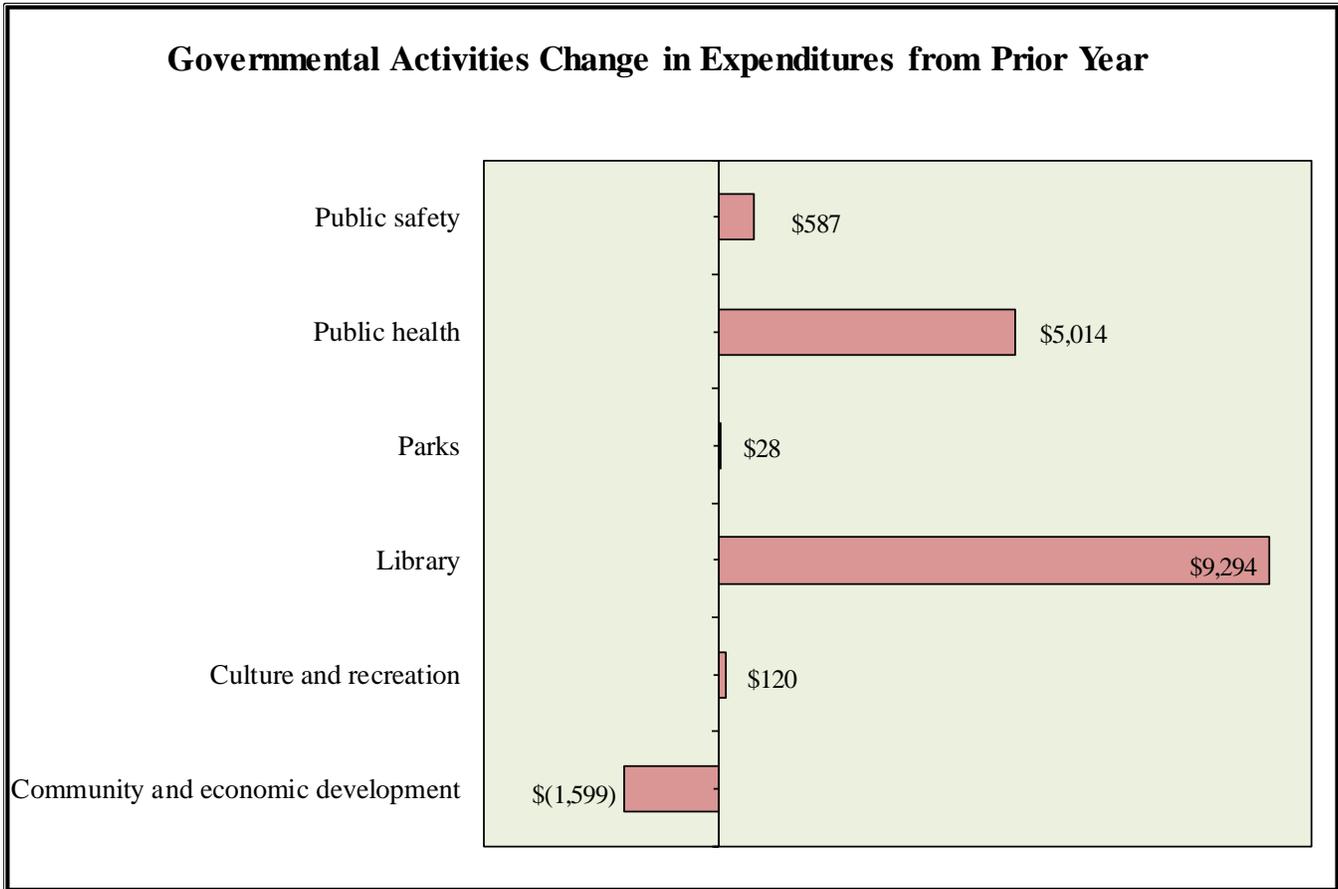
Revenues for governmental activities totaled \$538.4 million, an increase of \$28.9 million or 5.6% from 2014.



The total ad valorem taxable valuation increased 1.2% while the overall tax rate increased 1.5% from 2014. Ad valorem property tax revenues increased \$6.5 million (3.0%). Sales taxes increased \$4.7 million (5.0%), franchise taxes increased \$8.1 million (17.4%), operating/capital grants and contributions decreased \$20.8 million (43.4%) due to a decrease in available grant dollars.

The cost of governmental programs and services was \$524.6 million, an increase of \$14.7 million (2.9%) from 2014. The net pension liability expense for governmental activities increased \$19.5 million relating to the implementation of GASB Statement 68, other post-employment benefits expense increased \$7.2 million, compensated absence expense decreased \$10.2 million, and interest on governmental long-term debt increased \$12.3 million.

The following chart (in thousands) shows changes in governmental activities' expenses from 2015.



Program Revenues and Expenses – Business-type Activities

Charges for services increased \$14.2 million (13.3%) to \$120.4 million. Operating expenses, net of depreciation, increased \$2.2 million to \$137.8 million (0.1%) and depreciation expense increased \$3.6 million to \$39.9 million (9.9%). The increase in operating expenses is primarily due to increased Contractual Services of \$0.8 million. Non-operating revenues, including operating and capital grants, decreased \$9.8 million to \$49.8 million, and non-operating expenses increased \$2.0 million to \$5.6 million. Capital contributions decreased \$33.2 million to \$16.9 million. Transfers-out decreased \$5.1 million to \$5.8 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 \$3.5 million to \$37.0 million. There was an increase in operating expenses of \$0.8 million to \$46.9 million with depreciation increasing by \$0.9 million. Non-operating revenues increased \$152 thousand to \$8.9 million and non-operating expenses increased \$0.2 million to \$8.9 million. Capital contributions decreased \$0.6 million to \$8.3 million and transfers out decreased \$1.3 million.

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Other significant changes were:

- Decrease in personnel services of \$852 thousand
- All other operating expenses, excluding depreciation, increased \$760 thousand
- Depreciation expense increased \$918 thousand
- Investment earnings decreased \$137 thousand
- Passenger facility charge revenue increased \$158 thousand
- Customer facility charge revenue increased \$127 thousand

Environmental Services

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

Operating revenues increased \$7.9 million to \$49.0 million.

Operating expenses decreased \$6.2 million to \$44.9 million and includes \$2.2 million increase in Landfill Utilization expense. Other significant changes were:

- Personnel expense decreased by \$1.1 million
- Outside contracts decreased by \$695 thousand
- Materials and supplies decreased by \$933 thousand
- Depreciation expense decreased \$986 thousand

Mass Transit

Mass Transit operating revenues increased \$1.1 million to \$12.8 million.

Operating expenses increased \$7.8 million to \$79.1 million including a \$3.6 million increase in depreciation expense. Other significant changes were:

- Personnel expenses decreased \$86 thousand as a result of outsourcing LIFT and safety and security services, which affected approximately 130 full-time employees.
- Fuel expense decreased \$2.4 million as prices dropped during the year.
- Outside contracts increased by \$1.1 million due to outsourcing the management and operations of LIFT.
- FTA subsidy (entitlement grant) decreased \$11.5 million.
- Capital contributions, from the FTA, decreased by \$24.5 million due to the increased 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.

International Bridges

This fund represents activity related to the City's international bridges. There was no fee increase from 2014. Operating revenues increased \$1.6 million to \$21.6 million due to an increase in vehicular and pedestrian traffic crossing the City's bridges.

Operating expenses increased \$1.1 million including Maintenance and Repair expense of \$32 thousand. Other significant changes were:

- Outside contracts increased by \$121 thousand
- Contractual services increased by \$849 thousand
- Depreciation expense increased by \$69 thousand

FINANCIAL ANALYSIS OF THE 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 \$151.9 million, an increase of \$85.9 million from 2014. Approximately 13.8% of this total amount or \$21.0 million constitutes unassigned fund balance. Non-spendable fund balance of \$4.1 million indicates that inventory is not available to liquidate liabilities. Restricted fund balance of \$116.4 million indicates there are legal restrictions on how these funds may be expended. Committed fund balance of \$10.5 million indicates City Council has restricted how these funds may be expended.

General Fund

The General Fund is the general operating fund of the City. The fund balance for the General Fund totaled \$42.9 million, increasing by \$9.6 million from the prior year. Restricted Fund Balance totaled \$17.5 million, increasing by \$0.1 million from prior year.

There were no changes in sales tax/franchise fee rates and no material changes to the City's revenue fee schedules from 2014.

Revenues increased \$21.8 million and transfers in decreased \$6.2 million or a net increase of \$15.6 million from 2014.

Property tax revenues increased \$6.1 million or 4.3%. The adjusted assessed taxable valuation increased 1.2% and the general fund property tax rate increased changed to 41.389 per \$100 of assessed valuation.

Sales taxes increased \$3.5 million. Franchise taxes increased \$7.6 million due to increases in sales and services, while Charges for Services increased \$3.7 million due to an increase in engineering charges associated with the volume of operating units recording reimbursed expenditures.

Investment earnings increased \$143 thousand as the yield on securities increased during fiscal 2015. Amounts invested during 2015 were comparable to 2014.

Revenue from the County of El Paso, relating to providing health services to County residents, decreased \$122 thousand to \$630 thousand.

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Overall, expenditures decreased \$2.8 million while transfers out increased \$5.0 million for a net increase of \$8.4 million or 2.6%.

Personnel expenditures increased \$1.7 million. There was a net \$1.6 million (0.85%) decrease in civilian workforce expenditures and an increase of \$106 thousand in overtime. The City continues to closely monitor the need to fill positions vacated through attrition. There was a net \$1.5 million (1.40%) decrease for public safety uniformed personnel expenditures, offset by an increase in overtime of \$897 thousand.

Self-Insurance Fund charges, including Retiree health benefits expenditures, decreased \$3.8 million.

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 increased \$741 thousand dollars from 2014 to \$15.2 million. The City utilized \$15.2 million in program revenues in 2015.

Debt Service Fund

Ad valorem property tax revenues increased \$3.6 million (4.9%) as a result of an increase in the debt service ad valorem property tax rate. Principal and interest payments increased \$5.2 million. \$125 thousand was transferred out of the Debt Service Fund to reimburse General Fund for County Participation. Fund balance for the debt service fund increased \$1.4 million from 2014.

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, \$2,180,503 in 2015. 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 \$43.3 million. Net proceeds of debt issued in 2015 were \$93.6 million while other funding sources (Hotel/Motel Tax, Interest and other) were \$21.1 million. Net transfers between other funds were \$157 thousand, of which, \$126 thousand were transfers to the Debt Service Fund to close capital projects as required by bond covenants.

This resulted in an increase in fund balance of \$71.6 million to \$80.0 million.

Downtown Development Corporation

The Downtown Development Corporation Fund has a balance of \$570,577. The fund had total expenditures of \$4.3 million related to debt service and \$3.8 million in revenues from operations. There were transfers to the capital projects fund and to the art fund in the amount of \$1.4 million in total. Transfers in of \$1.1 million related to a subsidy from General Fund for this program.

Non-major Governmental Funds

Revenues in these funds were \$62.5 million and expenditures were \$57.9 million. Fund balance increased \$4.1 million to \$24.8 million.

Federal Grants

Funding for these activities is program specific and is provided by the U. S. Congress. Expenditures totaled \$5.5 million as follows:

- Public Safety – Police Department \$4.2 million including capital outlays
- Public Safety – Fire Department \$1.2 million including capital outlays

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 \$219 thousand as follows:

- Public Safety TPA \$219 thousand

State Grants

Expenditures for these activities are program specific and is provided by State Agencies or Departments. Expenditures by the City totaled \$2.7 million as follows:

- Community Development - TDHCA \$541 thousand
- Museums - Arts \$272 thousand
- Library \$8 thousand
- General Government \$47 thousand
- Police Department \$1.9 million

Other Grants

Expenditures, funded by local and/or nonpublic sources, totaled \$164 thousand.

Public Health

Expenditures, totaling \$13.4 million, and funding provided by DSHS, for these activities, is program specific.

Non-grants

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 \$40.5 million and expenditures were \$35.8 million and a net transfer out of \$0.5 million, resulting in a \$4.1 million increase in fund balance from fiscal year 2014. The ending fund balance as of August 31, 2015 was \$24.7 million.

Fund balances as of August 31, 2015 include the following:

- PEG \$4.5 million
- Convention and Visitors Bureau \$0.3 million
- Parks Department \$2.1 million
- Police Department \$3.9 million

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- Economic Development \$5.2 million
- Museums \$.4 million
- Mayor and council \$2.6 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:

	2015	2014
El Paso International Airport	\$ 4,640,664	\$ 2,194,407
Environmental Services	10,290,073	(4,233,937)
Mass Transit	(20,192,874)	18,148,585
International Bridges	2,728,802	2,612,596
Net position increase	<u>\$ (2,533,335)</u>	<u>\$ 18,721,651</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 leave the overall tax rate at \$1.85 per \$100 in taxable value. The General Fund property tax rate remained \$1.389 and the Debt Service property tax rate remained \$.461. The taxable assessed valuation of real and personal property increased approximately 1.2% from 2014.

During 2015, charges to appropriations were increased a net total of \$12,096,747. Appropriation increases included \$8.8 million increase related to Parks. City-wide resource appropriations increased by \$13,896,747 primarily due to a property taxes and Charges for Services.

CAPITAL ASSETS

The City of El Paso’s investment in capital assets for its governmental and business-type activities as of August 31, 2015 amounts to \$1.5 billion (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 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.

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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.

The schedule below presents governmental assets net of depreciation, as reported in the government-wide statements.

CAPITAL ASSETS AT YEAR-END
(NET OF ACCUMULATED DEPRECIATION)

	Governmental Activities	Business- Type Activities	Total
Land	\$ 175,558,875	22,610,345	198,169,220
Artwork	-	979,637	979,637
Buildings	249,289,701	105,790,344	355,080,045
Equipment	62,426,815	79,742,801	142,169,616
Improvements	5,510,335	181,158,392	186,668,727
Infrastructure	363,700,572	-	363,700,572
Construction in Progress	192,251,038	98,820,990	291,072,028
Total	\$ 1,048,737,336	489,102,509	1,537,839,845

DEBT ADMINISTRATION

At the end of the fiscal year, the City of El Paso had total debt payable of \$1.3 billion. Of this amount, \$1,091,505,000 is bonded debt backed by the full faith and credit of the government. Revenue Bonds of \$78,420,000 and Notes Payable of \$4,425,372 are Energy Conservation Notes; both are secured solely by fees for services. This debt also includes Capital Lease obligations of \$16,340,574 to acquire buses and radio equipment and fire department equipment.

**OUTSTANDING DEBT AT YEAR-END
BONDS, NOTES PAYABLE AND MASTER EQUIPMENT LEASE/PURCHASE
AGREEMENTS**

	Governmental Activities	Business-Type Activities	Total
General Obligations	\$ 545,373,724	22,996,276	568,370,000
Certificate of Obligations	427,760,000	95,375,000	523,135,000
Revenue Bonds Payable	60,785,000	17,635,000	78,420,000
Capital Lease Obligations	31,508,841	-	31,508,841
Notes Payable	4,425,372	-	4,425,372
Unamortized (Discount) premium, net	57,427,707	4,230,525	61,658,232
Total	\$ 1,127,280,644	\$ 140,236,801	\$ 1,267,517,445

CITY OF EL PASO, TEXAS
MANAGEMENT’S DISCUSSION AND ANALYSIS
August 31, 2015

During the fiscal year, the City issued \$57,710,000 in certificates of obligation and \$116,415,000 in general obligation 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 report.

ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES

Economic Factors

The City’s financial position remains stable as both tax and operating revenues out-performed budgeted revenues this fiscal year. In addition, City management continued to exercise conservative fiscal practices and careful monitoring of departmental spending during the year. The City’s 2015 General Fund activities reflect a \$9.6 million increase in fund balance. Approximately \$1.9 million was due to revenues collected over budgeted revenues, and \$7.7 million less than budgeted expenditures.

General Fund Unassigned Fund Balance of \$21.4 million, plus the \$17.5 million in cash reserves restricted by the City Charter, totaled \$38.9 million as of August 31, 2015 or 11% of spending in fiscal year 2015. In fiscal year 2014, the General Fund activities reflected a \$3.9 million decrease in fund balance, with undesignated General Fund reserves of \$26.6 million at August 31, 2014, or approximately 7.9% of spending in fiscal year 2014.

In November 2015, El Paso’s metropolitan statistical area (MSA) projected unemployment rate fell to 5.2% with a projected labor force of 341,800. Employment numbers at the end of November 2015 reflected a positive change of 17,131 jobs from November 2014.

CITY OF EL PASO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
August 31, 2015

General Fund Budget

Fiscal year 2015 appropriations increased \$12.1 million (3.5%) to \$360.2 million from 2014 actual expenditures and transfers. Appropriations, by function, increased (decreased) as follows:

<u>Function</u>	<u>Change</u>
Public safety	(1,226,602)
Nondepartmental	6,278,723
Public works	(614,357)
Parks department	8,287,921
Library	276,381
Culture and recreation	347,265
Community and human development	28,166
Economic development	908,913
Public Health	543,918
General government	1,514,896
Environmental Code Compliance	-
Facilities Maintenance	(4,248,477)
	<u>12,096,747</u>

Estimated revenue and transfers increased \$17.3 million (5.1%) to \$360.2 million from 2014 actual revenues and transfers. Revenues and transfers increased (decreased) as follows:

<u>Revenue and transfers in:</u>	<u>Change</u>
Property taxes	\$ 5,379,763
Charges for services	6,418,017
Sales taxes	2,344,421
Fines and forfeits	(97,497)
Transfers In	(6,331,077)
Interest	216,499
County Participation	(196,721)
Intergovernmental revenues	444,928
Rents and other	246,574
Licenses and permits	1,152,540
Franchise fees	7,768,490
	<u><u>\$ 17,345,937</u></u>

The City's overall certified taxable assessed valuation for real and personal property increased 1.2% for the fiscal year 2015 tax levy. City Council increased the general fund rate from \$0.445699 to \$0.460937 and the Debt Service tax rate from \$0.232679 to \$0.238847 from 2014 to 2015; however the composition of the debt and general fund tax changed only slightly.

CITY OF EL PASO, TEXAS
MANAGEMENT'S DISCUSSION AND ANALYSIS
August 31, 2015

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/comptroller/accounting-and-reporting/financial-reports>. If you have questions about this report or need any additional information, you may contact:

Office of the Comptroller
300 N. Campbell
El Paso, Texas 79901

CITY OF EL PASO, TEXAS
Statement of Net Position
August 31, 2015

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	El Paso Water Utilities - February 28, 2015	El Paso Housing Finance Corporation - December 31, 2014
ASSETS					
Cash and cash equivalents	\$ 70,283,717	\$ 38,732,504	\$ 109,016,221	\$ 18,997,810	\$ 116,142
Investments	54,265,438	37,908,306	92,173,744	10,535,441	6,187,102
Receivables, net of allowances	115,298,135	15,409,126	130,707,261	24,405,084	-
Other current assets	-	-	-	514,032	-
Prepaid items	473,784	484,245	958,029	1,996,006	1,506
Internal balances	35,141,744	(35,141,744)	-	-	-
Due from component unit	1,163,349	-	1,163,349	-	-
Inventory	4,937,987	5,355,894	10,293,881	1,870,845	-
Restricted cash and cash equivalents	-	20,737,945	20,737,945	85,084,894	250,000
Restricted investments	-	-	-	89,100,564	-
Restricted trade and other receivables	-	-	-	550,360	-
Capital assets, not being depreciated	369,442,913	122,603,163	492,046,076	272,217,206	-
Capital assets being depreciated, net	679,294,423	366,499,346	1,045,793,769	1,052,970,688	352,801
Total Assets	<u>1,330,301,490</u>	<u>572,588,785</u>	<u>1,902,890,275</u>	<u>1,558,242,930</u>	<u>6,907,551</u>
DEFERRED OUTFLOWS OF RESOURCES					
Deferred charge on refunding	5,314,280	234,100	5,548,380	5,232,151	-
Deferred pension contributions	28,073,521	6,277,771	34,351,292	-	-
Difference in projected and actual earnings on pension assets	35,860,084	-	35,860,084	-	-
Difference in expected and actual pension experience	1,962,734	1,020,180	2,982,914	-	-
Total Deferred Outflows of Resources	<u>71,210,619</u>	<u>7,532,051</u>	<u>78,742,670</u>	<u>5,232,151</u>	<u>-</u>
LIABILITIES					
Liabilities:					
Accounts payable	22,952,293	14,494,607	37,446,900	17,647,161	16,613
Accrued payroll	7,850,578	876,294	8,726,872	3,556,859	-
Taxes and fees payable	1,307,526	57,572	1,365,098	-	17,864
Accrued interest payable	1,496,392	250,049	1,746,441	347,657	-
Unearned revenue	15,277,126	1,942,712	17,219,838	383,847	-
Other current liabilities	-	-	-	433,914	-
Construction contracts and retainage payable	1,285,807	2,624,780	3,910,587	2,251,122	-
Long-term liabilities-current	70,988,743	8,367,984	79,356,727	75,876,902	-
Long-term liabilities-non-current	1,186,931,924	178,885,724	1,365,817,648	583,585,333	-
Net pension liability	357,838,216	34,850,752	392,688,968	-	-
Total Liabilities	<u>1,665,928,605</u>	<u>242,350,474</u>	<u>1,908,279,079</u>	<u>684,082,795</u>	<u>34,477</u>
DEFERRED INFLOWS OF RESOURCES					
Deferred gain on refunding	-	18,042	18,042	131,896	-
Difference in projected and actual earnings on pension assets	25,288,831	13,144,488	38,433,319	-	-
Total Deferred Inflows of Resources	<u>25,288,831</u>	<u>13,162,530</u>	<u>38,451,361</u>	<u>131,896</u>	<u>-</u>
NET POSITION					
Net investment in capital assets	126,063,774	345,990,881	472,054,655	776,031,841	-
Restricted for:					
Debt Service	6,208,534	3,645,555	9,854,089	61,953,141	-
Cash Reserve	17,506,277	-	17,506,277	-	-
Municipal Court	3,687,761	-	3,687,761	-	-
PEG	3,891,507	-	3,891,507	-	-
Civic Center	535,265	-	535,265	-	-
Zoo	105,240	-	105,240	-	-
Library	358,956	-	358,956	-	-
Art Museum	533,665	-	533,665	-	-
Parks	1,760,703	-	1,760,703	-	-
Police	6,330,058	-	6,330,058	-	-
Public Works	103,699	-	103,699	-	-
Economic Development	3,333,067	-	3,333,067	-	-
Community Development	48,681,091	-	48,681,091	-	-
Mayor and City Council	256,208	-	256,208	-	-
Passenger Facilities	-	7,708,067	7,708,067	-	-
Facilities, infrastructure and equipment	570,577	11,713,851	12,284,428	21,536,166	-
Unrestricted	(509,631,709)	(44,450,522)	(554,082,231)	19,739,242	6,873,074
Total Net Position	<u>\$ (289,705,327)</u>	<u>\$ 324,607,832</u>	<u>\$ 34,902,505</u>	<u>\$ 879,260,390</u>	<u>\$ 6,873,074</u>

CITY OF EL PASO, TEXAS
Statement of Activities
For the Year Ended August 31, 2015

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, 2015	El Paso Housing Finance Corporation - December 31, 2014
Primary Government:									
Governmental Activities:									
General government	\$ 39,517,748	\$ 11,023,551	\$ 217,736	\$ -	\$ (28,276,461)	\$ -	\$ (28,276,461)	\$ -	\$ -
Public safety	244,856,205	32,250,982	5,639,256	1,420,435	(205,545,532)	-	(205,545,532)	-	-
Public works	76,506,248	31,475,932	56,485	-	(44,973,831)	-	(44,973,831)	-	-
Public health	20,341,813	10,847,368	8,749,490	218,925	(526,030)	-	(526,030)	-	-
Parks	25,309,878	5,720,725	11,090	245,223	(19,332,840)	-	(19,332,840)	-	-
Library	10,870,393	300,159	9,996	-	(10,560,238)	-	(10,560,238)	-	-
Culture and recreation	23,330,274	8,515,991	312,980	5,446	(14,495,857)	-	(14,495,857)	-	-
Community and economic development	32,531,231	31,385,413	9,914,845	296,510	9,065,537	-	9,065,537	-	-
Interest on long-term debt	51,314,447	-	-	-	(51,314,447)	-	(51,314,447)	-	-
Total governmental activities	<u>524,578,237</u>	<u>131,520,121</u>	<u>24,911,878</u>	<u>2,186,539</u>	<u>(365,959,699)</u>	<u>-</u>	<u>(365,959,699)</u>	<u>-</u>	<u>-</u>
Business-type Activities:									
El Paso International Airport	43,740,554	28,228,439	-	17,071,907	-	1,559,792	1,559,792	-	-
Industrial park and other operations	5,817,711	8,804,354	-	-	-	2,986,643	2,986,643	-	-
Solid waste disposal operations	45,596,671	48,964,695	-	879,822	-	4,247,846	4,247,846	-	-
Mass transit operations	81,173,227	12,795,418	179,089	7,231,389	-	(60,967,331)	(60,967,331)	-	-
International bridges operations	6,988,024	21,584,262	-	-	-	14,596,238	14,596,238	-	-
Total business-type activities	<u>183,316,187</u>	<u>120,377,168</u>	<u>179,089</u>	<u>25,183,118</u>	<u>-</u>	<u>(37,576,812)</u>	<u>(37,576,812)</u>	<u>-</u>	<u>-</u>
Total Primary Government	<u>\$ 707,894,424</u>	<u>\$ 251,897,289</u>	<u>\$ 25,090,967</u>	<u>\$ 27,369,657</u>	<u>(365,959,699)</u>	<u>(37,576,812)</u>	<u>(403,536,511)</u>	<u>-</u>	<u>-</u>
Component Units:									
Water and reclaimed water	149,083,541	126,965,537	371,364	8,207,432	-	-	-	(13,539,208)	-
Wastewater	21,572,362	57,064,138	-	-	-	-	-	35,491,776	-
Stormwater district	9,171,521	15,876,722	-	-	-	-	-	6,705,201	-
Low/moderate income housing	109,735	48,003	-	-	-	-	-	-	(61,732)
Total Component Units	<u>\$ 179,937,159</u>	<u>\$ 199,954,400</u>	<u>\$ 371,364</u>	<u>\$ 8,207,432</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 28,657,769</u>	<u>\$ (61,732)</u>
General revenues:									
Taxes:									
Property taxes, levied for general purposes					147,542,510	-	147,542,510	-	-
Property taxes, levied for debt service					77,500,216	-	77,500,216	-	-
Franchise taxes					54,402,456	-	54,402,456	-	-
Sales taxes					97,088,308	40,533,736	137,622,044	-	-
Investment earnings					1,495,386	96,962	1,592,348	1,516,525	-
BABS Federal Tax Credit					-	240,551	240,551	-	-
Gain on disposal of capital assets					1,753,589	3,256	1,756,845	882,618	-
Transfers					5,831,028	(5,831,028)	-	-	-
Total general revenues and transfers					<u>385,613,493</u>	<u>35,043,477</u>	<u>420,656,970</u>	<u>2,399,143</u>	<u>-</u>
Change in net position					<u>19,653,794</u>	<u>(2,533,335)</u>	<u>17,120,459</u>	<u>31,056,912</u>	<u>(61,732)</u>
Net Position - Beginning of Year, as Previously Reported					48,193,824	368,263,163	416,456,987	848,203,478	6,934,806
Change in Accounting Principle					<u>(357,552,945)</u>	<u>(41,121,996)</u>	<u>(398,674,941)</u>	<u>-</u>	<u>-</u>
Net Position - Beginning of Year, as Restated					<u>(309,359,121)</u>	<u>327,141,167</u>	<u>17,782,046</u>	<u>848,203,478</u>	<u>6,934,806</u>
Net Position - End of Year					<u>\$ (289,705,327)</u>	<u>\$ 324,607,832</u>	<u>\$ 34,902,505</u>	<u>\$ 879,260,390</u>	<u>\$ 6,873,074</u>

CITY OF EL PASO, TEXAS
Balance Sheet
Governmental Funds
August 31, 2015

	General Fund	Community Development Block Grants	Debt Service	Capital Projects	Downtown Development Corporation	Nonmajor Governmental Funds	Total Governmental Funds
ASSETS							
Cash and cash equivalents	\$ 15,968,617	\$ 1,844,277	\$ 1,959,538	\$ 16,458,356	\$ 1,739	\$ 19,162,548	\$ 55,395,075
Investments	8,292,191	1,248,313	1,326,328	20,349,632	1,177	12,970,311	44,187,952
Receivables - net of allowances							
Taxes	19,550,505	-	2,917,898	-	443,619	-	22,912,022
Interest	9,780	293,281	8,447	605	-	1,019	313,132
Trade	2,202,498	541,869	5,772	12,338,919	124,042	2,374,742	17,587,842
Notes	1,900,000	43,961,495	-	-	-	77,969	45,939,464
Due from other government agencies	10,289	1,399,088	-	1,435,943	-	12,819,128	15,664,448
Other	10,148,510	-	-	-	-	2,207,782	12,356,292
Prepaid items	-	-	-	-	-	-	-
Due from other funds	4,594,062	-	-	37,694,316	-	-	42,288,378
Due from component unit	1,163,349	-	-	-	-	-	1,163,349
Inventory	4,027,347	-	-	-	-	40,574	4,067,921
Total Assets	\$ 67,867,148	\$ 49,288,323	\$ 6,217,983	\$ 88,277,771	\$ 570,577	\$ 49,654,073	\$ 261,875,875
LIABILITIES							
Accounts payable	\$ 7,118,275	\$ 555,471	\$ 4	\$ 4,377,151	\$ -	\$ 8,282,221	\$ 20,333,122
Accrued payroll	7,436,640	32,777	-	21,213	-	297,523	7,788,153
Due to other funds	-	-	-	2,552,572	-	4,594,062	7,146,634
Taxes payable	1,214,458	-	9,447	-	-	83,619	1,307,524
Unearned revenue	3,682,378	-	-	16,070	-	11,578,678	15,277,126
Due to other government agencies	1,314	18,984	-	-	-	58,587	78,885
Construction contracts and retainage payable	-	-	-	1,285,807	-	-	1,285,807
Total Liabilities	19,453,065	607,232	9,451	8,252,813	-	24,894,690	53,217,251
DEFERRED INFLOWS OF RESOURCES							
Unavailable revenues - low income housing loans and community development	-	48,681,091	-	-	-	-	48,681,091
Unavailable revenues - property taxes	5,469,747	-	2,608,419	-	-	-	8,078,166
Total Deferred Inflows of Resources	5,469,747	48,681,091	2,608,419	-	-	-	56,759,257
FUND BALANCES:							
Nonspendable	4,027,347	-	-	-	-	40,574	4,067,921
Restricted	17,506,277	-	3,600,113	80,024,958	570,577	14,685,206	116,387,131
Committed	-	-	-	-	-	10,480,770	10,480,770
Unassigned	21,410,712	-	-	-	-	(447,167)	20,963,545
Total Fund Balances	42,944,336	-	3,600,113	80,024,958	570,577	24,759,383	151,899,367
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCES	\$ 67,867,148	\$ 49,288,323	\$ 6,217,983	\$ 88,277,771	\$ 570,577	\$ 49,654,073	\$ 261,875,875

CITY OF EL PASO, TEXAS
Reconciliation of the Balance Sheet to the Statement of Net Position
Governmental Funds
August 31, 2015

Fund balances - total governmental funds balance sheet \$ 151,899,367

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

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

Governmental capital assets (excluding internal service funds)	1,941,057,318	
Accumulated depreciation	(892,497,242)	
		1,048,560,076

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

Unavailable revenue from low income housing loans and community development	48,681,091	
Unavailable revenue from property taxes	8,078,166	
		56,759,257

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. A significant portion of the internal service fund's net position is included in the governmental activities in the statement of net position. 2,947,423

Long-term liabilities (excluding internal service funds), including bonds payable and net pension liability (and the related deferred inflows and outflows of resources), are not due and payable in the current period and therefore are not reported as liabilities, deferred inflows or deferred outflows of resources in the governmental funds. Long-term liabilities consist of:

Accrued interest payable	(1,496,392)	
Claims and judgments	(500,000)	
Compensated absences	(45,566,736)	
Net pension liability	(355,035,442)	
Deferred pension contributions	27,568,649	
Difference in projected and actual earnings on pension plan assets	11,628,361	
Difference in expected and actual experience	1,880,689	
Other postemployment benefits	(66,384,216)	
Unamortized bond issuance premium	(57,427,707)	
Deferred charge on refunding	5,314,280	
Bonds and notes payable	(1,069,852,936)	
		(1,549,871,450)

Net position of governmental activities \$ (289,705,327)

CITY OF EL PASO, TEXAS
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended August 31, 2015

	General Fund	Community Development Block Grants	Debt Service	Capital Projects	Downtown Development Corporation	Nonmajor Governmental Funds	Total Governmental Funds
REVENUES							
Property Taxes	\$ 147,583,822	\$ -	\$ 76,324,343	\$ -	\$ -	\$ 563,924	\$ 224,472,089
Penalties and Interest-Delinquent taxes	1,225,829	-	1,175,873	-	-	-	2,401,702
Sales Taxes	83,902,829	-	-	3,671,604	2,905,482	6,608,393	97,088,308
Franchise Fees	49,843,740	-	-	-	-	4,558,716	54,402,456
Charges for Services	32,758,457	2,922,562	1,283,773	5,008,592	126,338	33,094,308	75,194,030
Fines and Forfeitures	11,009,509	-	-	-	-	1,740,264	12,749,773
Licenses and Permits	12,973,474	-	-	-	-	58,107	13,031,581
Ticket Sales	-	-	-	-	262,528	-	262,528
Intergovernmental Revenues	2,186,539	11,823,775	-	12,415,643	-	14,489,156	40,915,113
County Participation	630,388	-	-	-	-	-	630,388
Interest	26,428	7,768	36,206	-	124	5,736	76,262
Rents and Other	1,621,162	493,901	1,057,387	-	533,333	1,417,692	5,123,475
TOTAL REVENUES	343,762,177	15,248,006	79,877,582	21,095,839	3,827,805	62,536,296	526,347,705
EXPENDITURES							
Current:							
General Government	24,501,826	159,475	-	95,158	-	1,057,223	25,813,682
Public Safety	211,693,127	-	-	-	-	13,230,305	224,923,432
Public Works	16,976,661	-	-	7,567,177	-	5,139,435	29,683,273
Facilities Maintenance	16,916,385	-	-	-	-	632	16,917,017
Public Health	5,859,631	-	-	-	-	12,974,602	18,834,233
Parks Department	19,060,611	204,026	-	-	-	1,583,109	20,847,746
Library	8,532,286	-	-	-	-	68,580	8,600,866
Non Departmental	13,373,036	-	-	-	-	1,557,823	14,930,859
Culture and Recreation	6,158,665	-	-	1,430,003	-	9,950,448	17,539,116
Economic Development	8,400,734	-	-	56,273	-	8,976,865	17,433,872
Environmental Code Compliance	-	-	-	-	-	429,833	429,833
Community and Human Development	500,798	11,621,012	-	-	-	612,674	12,734,484
Debt Service:							
Principal	5,750,041	-	36,429,689	-	-	-	42,179,730
Interest Expense	521,194	-	51,462,211	43,389	4,311,571	-	56,338,365
Fiscal Fees	-	-	705,986	781,845	9,497	-	1,497,328
Capital Outlay	294,679	3,259,363	-	33,290,676	-	2,282,901	39,127,619
TOTAL EXPENDITURES	338,539,674	15,243,876	88,597,886	43,264,521	4,321,068	57,864,430	547,831,455
Excess(Deficiency) of revenues over expenditures	5,222,503	4,130	(8,720,304)	(22,168,682)	(493,263)	4,671,866	(21,483,750)
OTHER FINANCING SOURCES(USES):							
Transfers In	14,649,651	-	2,322,020	2,712,815	1,061,044	5,885,453	26,630,983
Transfers Out	(10,317,215)	(4,130)	(125,930)	(2,556,004)	(1,387,430)	(6,409,286)	(20,799,995)
Face Amount of Bonds Issued	-	-	-	87,810,000	-	-	87,810,000
Face Amount of Refunding Bonds Issued	-	-	82,790,000	-	-	-	82,790,000
Premium on Issuance of Bonds	-	-	13,941,716	5,765,690	-	-	19,707,406
Payment to Refunding Bond Escrow Agent	-	-	(88,780,000)	-	-	-	(88,780,000)
TOTAL OTHER FINANCING SOURCES(USES)	4,332,436	(4,130)	10,147,806	93,732,501	(326,386)	(523,833)	107,358,394
Net change in fund balances	9,554,939	-	1,427,502	71,563,819	(819,649)	4,148,033	85,874,644
Fund balances - beginning of year	33,389,397	-	2,172,611	8,461,139	1,390,226	20,611,350	66,024,723
Fund balances - end of period	\$ 42,944,336	\$ -	\$ 3,600,113	\$ 80,024,958	\$ 570,577	\$ 24,759,383	\$ 151,899,367

CITY OF EL PASO, TEXAS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities For the Year Ended August 31, 2015

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

Net change in fund balances - total governmental funds \$ 85,874,644

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 depreciation exceeded capital outlays in the current period.

Capital acquisitions	39,591,333	
Depreciation	<u>(44,804,274)</u>	(5,212,941)

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

Cost of disposed assets	(13,687,878)	
Accumulated depreciation on disposed assets	<u>1,516,209</u>	(12,171,669)

Certain revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the governmental funds. This amount is the net change in deferred inflows of resources.

Unavailable revenue from low income housing loans and community development	11,769,037	
Unavailable revenue from property taxes	<u>(1,831,065)</u>	9,937,972

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. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.

Principal amount of debt issued	(170,600,000)	
Repayments	42,179,730	
Face amount of debt refunded	88,780,000	
Premium on issuance of bonded debt	(19,707,406)	
Amortization of deferred charge on refunding	(1,337,045)	
Amortization of premiums on bonds issued	7,116,210	
Decrease in accrued interest payable	<u>663,877</u>	(52,904,634)

Some expenses (excluding internal service funds) 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	10,131,164	
Decrease in claims and judgments	3,251,103	
Increase in other postemployment benefits	<u>(6,955,415)</u>	6,426,852

Current year pension expenditures are reported on the fiscal year basis on the governmental statement of revenues, expenditures and changes in fund balance and as actuarially determined in the government-wide statement of activities. These differences are reflected in deferred inflows and outflows of resources. (8,093,393)

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. (4,203,037)

Change in net position of governmental activities \$ 19,653,794

CITY OF EL PASO, TEXAS

Statement of Net Position

Proprietary Funds

August 31, 2015

Business-type Activities - Enterprise Funds						
	El Paso International Airport	Environmental Services	Mass Transit	International Bridges	Totals	Governmental Activities - Internal Service Funds
ASSETS						
Current assets:						
Cash and Cash Equivalents	\$ 29,256,041	\$ 7,410,628	-	\$ 2,065,835	\$ 38,732,504	\$ 14,888,642
Investments	19,802,166	18,106,140	-	-	37,908,306	10,077,486
Receivables - Net of Allowances:						
Taxes	-	-	6,394,090	-	6,394,090	-
Interest	18,863	-	-	1,185	20,048	7,069
Trade	3,040,873	3,579,602	232,371	-	6,852,846	517,866
Due from Other Government Agencies	1,496,947	645,195	-	-	2,142,142	-
Prepaid Items	417,094	-	67,151	-	484,245	473,785
Due From Other Funds	-	-	2,552,572	-	2,552,572	-
Inventory	1,544,952	-	3,810,942	-	5,355,894	870,066
Total current assets	55,576,936	29,741,565	13,057,126	2,067,020	100,442,647	26,834,914
Noncurrent assets:						
Restricted Cash and Cash Equivalents	-	19,339,676	-	1,398,269	20,737,945	-
Capital Assets:						
Land	1,381,099	6,887,813	11,871,902	2,469,531	22,610,345	-
Buildings, Improvements & Equipment, Net	201,254,819	34,012,926	115,638,736	16,764,693	367,671,174	177,260
Construction in Progress	50,106,294	523,591	48,098,885	92,220	98,820,990	-
Total noncurrent assets	252,742,212	60,764,006	175,609,523	20,724,713	509,840,454	177,260
Total Assets	308,319,148	90,505,571	188,666,649	22,791,733	610,283,101	27,012,174
DEFERRED OUTFLOWS OF RESOURCES						
Deferred charge on refunding	-	-	-	234,100	234,100	-
Deferred pension contributions	1,163,933	1,745,489	3,152,089	216,260	6,277,771	504,872
Difference in expected and actual pension experience	189,147	283,654	512,235	35,144	1,020,180	82,045
Total Deferred Outflows of Resources	1,353,080	2,029,143	3,664,324	485,504	7,532,051	586,917
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
	\$ 309,672,228	\$ 92,534,714	\$ 192,330,973	\$ 23,277,237	\$ 617,815,152	\$ 27,599,091
LIABILITIES						
Current liabilities:						
Accounts Payable	\$ 9,385,455	\$ 1,317,310	\$ 3,677,925	\$ 113,917	\$ 14,494,607	\$ 2,540,289
Accrued Payroll	226,257	224,160	388,072	37,805	876,294	62,425
Certificate of Obligation Bonds - Current						
Current Portion	1,202,425	1,367,057	1,706,392	1,245,079	5,520,953	-
Due to Other Funds	1,347,752	2,153,106	33,771,205	422,253	37,694,316	-
Taxes Payable	57,564	-	8	-	57,572	-
Interest Payable on Bonds and Notes	102,536	41,804	91,907	13,802	250,049	-
Unearned Revenue	1,932,077	5,142	493	5,000	1,942,712	-
Construction Contracts and Retainage Payable	2,624,780	-	-	-	2,624,780	-
Compensated Absences - Current	702,989	380,373	574,427	60,437	1,718,226	337,063
Landfill Closure Costs - Current	-	800,000	-	-	800,000	-
Claims and Judgments - Current	-	-	328,805	-	328,805	4,841,084
Total current liabilities	17,581,835	6,288,952	40,539,234	1,898,293	66,308,314	7,780,861
Noncurrent liabilities:						
Certificates of Obligation Bonds	40,000,000	21,274,270	51,200,360	6,168,228	118,642,858	-
Revenue Bonds	16,289,044	-	-	-	16,289,044	-
Compensated Absences	1,640,307	887,537	1,340,330	141,018	4,009,192	95,069
Landfill Closure Costs	-	18,417,631	-	-	18,417,631	-
Delta Transfer Station Closure Costs	-	122,045	-	-	122,045	-
Claims and Judgments	-	-	-	-	-	11,295,862
Net Pension Liability	6,461,516	9,690,003	17,498,673	1,200,560	34,850,752	2,802,774
Other Postemployment Benefits	4,547,191	6,211,704	9,704,453	941,606	21,404,954	1,619,994
Total noncurrent liabilities	68,938,058	56,603,190	79,743,816	8,451,412	213,736,476	15,813,699
Total Liabilities	86,519,893	62,892,142	120,283,050	10,349,705	280,044,790	23,594,560
DEFERRED INFLOWS OF RESOURCES						
Deferred gain on refunding	-	18,042	-	-	18,042	-
Difference in projected and actual earnings on pension assets	2,437,059	3,654,731	6,599,889	452,809	13,144,488	1,057,108
Total Deferred Inflows of Resources	2,437,059	3,672,773	6,599,889	452,809	13,162,530	1,057,108
NET POSITION						
Net investment in capital assets	192,523,427	18,723,155	122,610,864	12,133,435	345,990,881	177,260
Restricted for:						
Debt Service	3,645,555	-	-	-	3,645,555	-
Passenger Facilities	7,708,067	-	-	-	7,708,067	-
Customer Facility Charge	11,713,851	-	-	-	11,713,851	-
Unrestricted	5,124,376	7,246,644	(57,162,830)	341,288	(44,450,522)	2,770,163
Total Net Position	220,715,276	25,969,799	65,448,034	12,474,723	324,607,832	2,947,423
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION						
	\$ 309,672,228	\$ 92,534,714	\$ 192,330,973	\$ 23,277,237	\$ 617,815,152	\$ 27,599,091

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

CITY OF EL PASO, TEXAS
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended August 31, 2015

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	El Paso International Airport	Environmental Services	Mass Transit	International Bridges	Total	
OPERATING REVENUES:						
Charges of Rentals and Fees	\$ 36,128,373	\$ 46,467,568	\$ 137,283	\$ 77,498	\$ 82,810,722	\$ -
Charges of Tolls	-	-	-	21,043,670	21,043,670	-
Charges of Fares and Fees	356,019	200,531	9,902,834	-	10,459,384	-
Sales to Departments	-	71,957	-	-	71,957	17,423,738
Premium Contributions	-	-	-	-	-	50,017,483
General Revenues	548,401	2,224,639	2,755,301	463,094	5,991,435	1,076,676
Total Operating Revenues	37,032,793	48,964,695	12,795,418	21,584,262	120,377,168	68,517,897
OPERATING EXPENSES:						
Personnel Services	16,727,328	19,847,480	33,905,273	2,452,441	72,932,522	5,575,118
Contractual Services	18,575	17,158	-	1,381,959	1,417,692	-
Professional Services	590,440	11,839	249,656	2,162	854,097	1,322,151
Outside Contracts	5,987,228	1,992,141	12,172,352	1,133,953	21,285,674	3,491,682
Fuel and Lubricants	249,433	2,679,582	3,837,298	6,335	6,772,648	5,974,979
Materials and Supplies	1,134,677	7,562,079	4,298,645	93,058	13,088,459	4,184,224
Communications	332,050	182,625	134,051	14,664	663,390	1,745
Utilities	1,474,552	153,841	1,297,105	85,256	3,010,754	24,931
Operating Leases	32,951	44,516	770,130	345,919	1,193,516	53,412
Travel and Entertainment	137,389	50,837	54,465	16,888	259,579	3,695
Benefits Provided	228	-	34,907	-	35,135	50,490,085
Maintenance and Repairs	1,350,377	174,165	866,389	163,733	2,554,664	1,557,479
Landfill and Transfer Station Utilization	-	725,041	-	-	725,041	-
Other Operating Expenses	2,027,364	3,322,862	7,515,668	91,657	12,957,551	30,242
Depreciation	16,842,421	8,055,414	13,944,421	1,076,048	39,918,304	40,841
Total Operating Expenses	46,905,013	44,819,580	79,080,360	6,864,073	177,669,026	72,750,584
Operating Income (Loss)	(9,872,220)	4,145,115	(66,284,942)	14,720,189	(57,291,858)	(4,232,687)
NONOPERATING REVENUES (EXPENSES):						
Interest Revenue	90,733	-	-	6,229	96,962	29,650
Interest Expense	(2,653,252)	(777,091)	(2,092,867)	(123,951)	(5,647,161)	-
Federal Tax Credit - Build America Bonds	-	-	240,551	-	240,551	-
Gain(Loss) on Sale of Equipment and Land	3,256	-	-	-	3,256	-
Passenger Facility Charge	5,417,130	-	-	-	5,417,130	-
Customer Facility Charge	3,344,072	-	-	-	3,344,072	-
Sales Tax	-	-	40,533,736	-	40,533,736	-
FTA Subsidy	-	-	179,089	-	179,089	-
Total NonOperating Revenues (Expenses)	6,201,939	(777,091)	38,860,509	(117,722)	44,167,635	29,650
Income (Loss) Before Capital Contributions and Transfers	(3,670,281)	3,368,024	(27,424,433)	14,602,467	(13,124,223)	(4,203,037)
Capital Contributions	8,310,705	879,822	7,231,389	-	16,421,916	-
Transfers Out	-	(2,594,448)	-	(11,873,692)	(14,468,140)	-
Transfers In	240	8,636,675	170	27	8,637,112	40
Change in net position	4,640,664	10,290,073	(20,192,874)	2,728,802	(2,533,335)	(4,202,997)
Net Position, Beginning of Year, as Previously Reported	222,242,612	27,610,453	107,185,998	11,224,100	368,263,163	10,601,310
Change in Accounting Principle	(6,168,000)	(11,930,727)	(21,545,090)	(1,478,179)	(41,121,996)	(3,450,890)
Net Position, Beginning of Year, As Restated	216,074,612	15,679,726	85,640,908	9,745,921	327,141,167	7,150,420
Net Position, End of Year	\$ 220,715,276	\$ 25,969,799	\$ 65,448,034	\$ 12,474,723	\$ 324,607,832	\$ 2,947,423

CITY OF EL PASO, TEXAS
Statement of Cash Flows
Proprietary Funds
For the Year Ended August 31, 2015

	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	\$ 37,501,249	\$ 47,972,555	\$ 46,085,777	\$ 21,492,900	\$ 153,052,481	\$ 84,763,153
Payments to Suppliers	(7,374,180)	(16,111,333)	(34,721,441)	(3,301,292)	(61,508,246)	(66,934,686)
Payments to Employees	(16,872,939)	(20,106,873)	(34,637,066)	(2,339,395)	(73,956,273)	(6,043,924)
Proceeds to Other Funds	-	-	-	-	-	(201,352)
Net cash provided by (used for) operating activities	<u>13,254,130</u>	<u>11,754,349</u>	<u>(23,272,730)</u>	<u>15,852,213</u>	<u>17,587,962</u>	<u>11,583,191</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Transfers to Other Funds	-	(2,594,448)	-	(11,873,692)	(14,468,140)	-
Transfers from Other Funds	240	8,636,675	170	27	8,637,112	40
Sales Tax	-	-	40,305,797	-	40,305,797	-
FTA Subsidy	-	-	21,134,321	-	21,134,321	-
Net cash provided by (used for) noncapital financing activities	<u>240</u>	<u>6,042,227</u>	<u>61,440,288</u>	<u>(11,873,665)</u>	<u>55,609,090</u>	<u>40</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Passenger Facility Charge	5,417,130	-	-	-	5,417,130	-
Customer Facility Charges	3,344,072	-	-	-	3,344,072	-
Capital Contributions from Federal Government	8,310,705	-	7,231,389	-	15,542,094	-
Purchases of Capital Assets	(57,024,254)	(10,472,840)	(46,276,259)	(133,776)	(113,907,129)	(126,000)
Payment of Landfill Closure and Transfer Station costs	-	(1,476,167)	-	-	(1,476,167)	-
Proceeds from Capital Debt	-	-	3,525,000	-	3,525,000	-
Principal Paid on Capital Debt	(1,142,425)	(1,211,588)	(815,064)	(899,603)	(4,068,680)	-
Interest Paid on Capital Debt	(2,704,267)	(767,374)	(1,827,383)	(125,669)	(5,424,693)	-
Proceeds from Sale of Capital Assets	-	110,586	8,306	-	118,892	-
Net cash used for capital and related financing activities	<u>(43,799,039)</u>	<u>(13,817,383)</u>	<u>(38,154,011)</u>	<u>(1,159,048)</u>	<u>(96,929,481)</u>	<u>(126,000)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Proceeds from sales and maturities of investments	16,995,270	-	1,796	-	16,997,066	-
Purchases of Investments	-	(8,718,587)	(19,197)	(500,418)	(9,238,202)	3,394,214
Interest	102,574	-	-	6,217	108,791	37,197
Net cash provided by (used for) investing activities	<u>17,097,844</u>	<u>(8,718,587)</u>	<u>(17,401)</u>	<u>(494,201)</u>	<u>7,867,655</u>	<u>3,431,411</u>
Net increase (decrease) in cash and cash equivalents	(13,446,825)	(4,739,394)	(3,854)	2,325,299	(15,864,774)	14,888,642
Cash and Cash Equivalents - beginning of the year	42,702,866	31,489,698	3,854	1,138,805	75,335,223	-
Cash and Cash Equivalents - end of the year	<u>\$ 29,256,041</u>	<u>\$ 26,750,304</u>	<u>\$ -</u>	<u>\$ 3,464,104</u>	<u>\$ 59,470,449</u>	<u>\$ 14,888,642</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:						
Operating Income (Loss)	\$ (9,872,220)	\$ 4,145,115	\$ (66,284,942)	\$ 14,720,189	\$ (57,291,858)	\$ (4,232,687)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:						
Depreciation Expense	16,842,421	8,055,414	13,944,421	1,076,048	39,918,304	40,841
Compensated Absences	52,569	(350)	18,683	14,210	85,112	(70,891)
Other Post Employment Benefits	477,096	738,446	1,027,861	105,242	2,348,645	198,205
Net Pension Liability	(589,314)	(883,775)	(1,595,964)	-	(3,069,053)	(567,875)
Change in Assets and Liabilities:						
Receivables, Net	365,701	(637,701)	17,727,046	1,799	17,456,845	(511,336)
Inventories	(315,880)	-	(1,194,774)	-	(1,510,654)	36,444
Other Assets	(30,868)	(354,439)	(5,725)	-	(391,032)	16,815,224
Accounts and other payables	6,310,576	807,315	13,173,490	(58,869)	20,232,512	(96,489)
Accrued Expenses	14,049	(115,676)	(82,826)	(6,406)	(190,859)	(28,245)
Net cash provided by (used for) operating activities	<u>\$ 13,254,130</u>	<u>\$ 11,754,349</u>	<u>\$ (23,272,730)</u>	<u>\$ 15,852,213</u>	<u>\$ 17,587,962</u>	<u>\$ 11,583,191</u>

CITY OF EL PASO, TEXAS
Statement of Fiduciary Net Position
August 31, 2015

	Pension Trust Funds	Private-Purpose Trusts	Agency Funds
ASSETS			
Cash and Cash Equivalents	\$ 23,381,712	\$ 3,638,043	\$ 542,294,733
Investments:			
Commingled Funds	151,799,460	2,462,436	76,172,212
High-yield Bond Obligations	47,826,591	-	-
Mutual Funds	21,254,906	-	-
Corporate Stocks	102,495,709	-	-
Bank Collective Investment Funds	186,488,037	-	-
Private Equities	99,923,783	-	-
Investment in Real Estate Funds	128,919,511	-	-
Fixed Income Securities	443,322,546	-	-
Domestic Equities	388,272,540	-	-
International Equities	376,253,674	-	-
Invested securities lending collateral	99,972,828	-	-
Receivables - Net of Allowances			
Commission Credits Receivable	135,603	-	-
Due from Brokers For Securities Sold	279,023	-	-
Employer Contributions	1,596,773	-	-
Employee Contributions	1,169,897	-	-
Interest	1,249,346	900	-
Other	171	-	-
Taxes	-	-	77,519,864
Prepaid Items	22,895	-	-
Due from Other Funds	-	-	4,113,150
Capital Assets:			
Buildings, Improvements & Equipment, Net	1,983,274	-	-
Total Assets	\$ 2,076,348,279	\$ 6,101,379	\$ 700,099,959
LIABILITIES			
Accounts Payable	\$ 104,962,591	\$ 40,854	\$ -
Accrued Payroll	-	1,888	-
Due to Other Funds	-	3,262,096	-
Prepaid Property Taxes	-	-	2,043,974
Deferred Revenue - Commission Credits	135,603	-	-
Due to Other Government Agencies	-	-	616,524,875
Property Taxes Subject to Refund-Other Taxing Entities	-	-	3,953,617
Uncollected Property Taxes-Other Taxing Entities	-	-	77,577,493
Total liabilities	105,098,194	3,304,838	700,099,959
NET POSITION:			
Restricted for Pensions and Other Purposes	\$ 1,971,250,085	\$ 2,796,541	

CITY OF EL PASO, TEXAS
Statement of Changes in Fiduciary Net Position
For the Year Ended August 31, 2015

	<u>Pension Trust Funds</u>	<u>Private-Purpose Trusts</u>
ADDITIONS:		
Contributions:		
Employer	\$ 48,546,813	\$ -
Employee	34,243,426	-
Total contributions	<u>82,790,239</u>	<u>-</u>
Rental vehicle sales tax	-	3,101,554
Miscellaneous	-	199,561
Investment income:		
Net appreciation in fair value of investments	11,236,909	-
Interest	12,170,927	-
Dividends	18,389,488	-
Securities lending income	622,515	-
Securities lending fees	(59,833)	-
Decrease in commission credits receivable	(1,577)	-
Investment advisor fees	<u>(8,080,806)</u>	<u>-</u>
Net investment income	<u>34,277,623</u>	<u>-</u>
Total additions	<u>117,067,862</u>	<u>3,301,115</u>
DEDUCTIONS:		
Benefits paid to participants	113,063,412	-
Refunds	6,179,988	-
Administrative expenses	2,723,779	-
Depreciation and amortization expense	126,368	-
Expended for other purposes	-	3,302,948
Total deductions	<u>122,093,547</u>	<u>3,302,948</u>
Net decrease in net position	(5,025,685)	(1,833)
Net position - beginning of the year	<u>1,976,275,770</u>	<u>2,798,374</u>
Net position - end of the year	<u>\$ 1,971,250,085</u>	<u>\$ 2,796,541</u>

NOTES TO THE FINANCIAL STATEMENTS
Year Ended August 31, 2015
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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.” In accordance with GASB Statement Number 14, as amended by GASB Statement Number 39 and GASB Statement Number 61, 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 City’s Employees’ Pension Fund (CEPF), except for uniformed fire fighters 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, 2015.

Firemen and Policemen’s Pension Fund (FPPF)

Uniformed fire fighters and police officers participate in the Firemen and Policemen’s Pension Fund (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 is as of December 31, 2014.

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, 2015.

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, 2014. There was no conduit debt outstanding as of December 31, 2014.

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 fiscal year 2015.

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. 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 on the sustainability of the City as an entity and the change in aggregate financial net position resulting from the activities of the fiscal period.

Generally, the effect of inter-fund 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 inter-fund 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. Non-major 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 inter-fund 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 related to the 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. This has been designated as a major fund by City management.

The City reports the following non-major 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 recovery of cost 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 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. This has been designated as a major fund by City management.

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

These funds are 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 these funds, 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, current liabilities and deferred inflows/outflows 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 non-spendable 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 non-operating 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 non-operating items.

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

E. Budgetary Basis of Accounting

The City operates within the confines of a balanced budget. Annual budgets are adopted on a basis consistent with generally accepted accounting principles for all funds. If a fund is not overspent, it is in compliance with the budget ordinance. Unexpended budget appropriations lapse at the end of the fiscal year. The City Manager is responsible for presenting an annual budget to the City Council. The Council sets hearings for annual budget review and approves the final budget. The adopted budget becomes a document that details a clear and precise picture of the cost of public services that will be provided.

F. 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 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 31 are reported at cost.

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

Component Unit – EPHFC

Certificates of deposits are considered to be cash equivalents.

G. 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.

H. Capital Assets

GASB Statement 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)**H. Capital Assets (Continued)**

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

Land improvements	15 to 20 years
Buildings and improvements	5 to 50 years
Vehicles and major equipment	3 to 12 years
Data processing	3 to 5 years
Infrastructure	12 to 100 years
Other capital assets	5 to 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 to 33 years
Vehicles and heavy equipment	5 years
Equipment and tools	3 to 33 years
Water plant	10 to 50 years
Wastewater plant	5 to 50 years
Water rights contract	75 years
Drainage system	50 to 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)**I. 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 (State) for claims paid by the State.

J. 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 consists of \$3,682,738 in fees collected from developers for future construction projects assigned to the City. In the Capital Projects Fund, \$16,070 in TX-DOT deposits are reported as unearned revenue. \$10,186,564 in unused Grant Proceeds and unearned reimbursements of \$1,392,114 are reported in Special Revenue Funds collected but unspent as of August 31, 2015. Unearned revenue of \$1,932,077, related to a long-term right of way, is reported in the El Paso International Airport Fund with Environmental Services, Sun Metro, and International Bridges reporting \$5,142, \$493, and \$5,000 respectively, related to fees collected for services to be provided in fiscal year 2016.

K. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of net position or balance sheet 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/reduction of net pension liability) until then. The City has the following items that qualify for reporting in this category.

- Deferred charge on refunding – A deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

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

- Pension contributions after measurement date – These contributions are deferred and reduce net pension liability in the subsequent fiscal year end.
- Difference in expected and actual pension experience – This difference is deferred and amortized over the average remaining service life of all participants in the pension plan and recorded as a component of pension expense beginning with the period in which they incurred.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.

In addition to liabilities, the statement of net position or balance sheet 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. The government has three items that qualify for reporting in this category:

- Deferred gain on refunding - deferred charge on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.
- Difference in projected and actual earnings on pension assets – This difference is deferred and amortized as a component of pension expense on a closed basis over a five-year period beginning with the period in which the difference occurred.
- Unavailable revenue - This item is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues the following sources: property taxes and low income housing loans. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available.

L. Inter-fund Transactions**1. Inter-fund 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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**M. 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, 2015, 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.

N. 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.

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.

P. Pensions

For purposes of measuring the net pension liability, deferred outflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of the El Paso City Employees' Pension Fund (CEPF) and El Paso Firemen and Policemen's Pension Fund (FPPF) and additions to/deductions from CEPF and FPPF Fiduciary Net Position have been determined on the same basis as they are reported by CEPF and FPPF. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. Benefit payments and refunds are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**Q. 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 or balance sheet. 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 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.

R. 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.

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

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.

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

R. Classification of Fund Equity (Continued)

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

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

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 general fund is the only fund that can report a positive unassigned fund balance.

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.

S. 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 some amounts included in pooled cash and investment pools. The City considers all highly liquid investments with an original maturity of approximately ninety days or less to be cash equivalents.

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

U. Solid Waste Landfill Closure and Post-closure Cost

Solid waste landfill closure and post-closure costs are accounted for in accordance with guidelines recommended by GASB Statement 18, *Accounting for Municipal Solid Waste Landfill Closure and Post-closure 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.

V. 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	\$ 1,163,349
Due From Component Unit at August 31, 2015	<u>\$ 1,163,349</u>
Component Unit - EPWU - Due to Primary	
Government - at February 28, 2015	<u>\$ 6,990,624</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 Division</u>
Primary Government		
Employer Contributions to FPPF:		
General Fund	\$ 5,877,820	\$ 7,353,669
Nonmajor Governmental Funds	228,991	201,200
El Paso International Airport	221,251	182,312
Employer Contributions to FPPF - year ended August 31, 2015	<u>\$ 6,328,062</u>	<u>\$ 7,737,181</u>
Fiduciary Fund - FPPF		
Employer Contributions to FPPF - year ended December 31, 2014	<u>\$ 10,853,759</u>	<u>\$ 14,776,141</u>

CITY OF EL PASO, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

W. 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.

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 (1)	Component Unit - EPHFC	Pension Trust Funds
Cash and Cash Equivalents	\$ 109,016,221	\$ 3,638,043	\$ 542,294,733	\$ 654,948,997	\$ 18,997,810	\$ 116,142	\$ 23,381,712
Restricted Cash and Cash Equivalents	20,737,945	-	-	20,737,945	85,084,894	250,000	-
Cash and Cash Equivalents	129,754,166	3,638,043	542,294,733	675,686,942	104,082,704	366,142	23,381,712
Investments	92,173,744	2,462,436	76,172,212	170,808,392	10,535,441	6,187,102	2,046,529,585
Restricted Investments	-	-	-	-	89,100,564	-	-
Investments	92,173,744	2,462,436	76,172,212	170,808,392	99,636,005	6,187,102	2,046,529,585
	<u>\$ 221,927,910</u>	<u>\$ 6,100,479</u>	<u>\$ 618,466,945</u>	<u>\$ 846,495,334</u>	<u>\$ 203,718,709</u>	<u>\$ 6,553,244</u>	<u>\$ 2,069,911,297</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.

	Cash and Cash Equivalents	Investments	City Treasury	Non-Pooled	Pooled
Governmental Funds:					
General	\$ 15,968,617	\$ 8,292,191	\$ 24,260,808	\$ 78,313	\$ 24,182,495
Community Development Block Grants	1,844,277	1,248,313	3,092,590	100	3,092,490
Debt Service	1,959,538	1,326,328	3,285,866	-	3,285,866
Capital Projects	16,458,356	20,349,632	36,807,988	100	36,807,888
Downtown Development Corporation	1,739	1,177	2,916	-	2,916
Nonmajor Governmental Funds	19,162,548	12,970,311	32,132,859	-	32,132,859
Internal Service Funds	14,888,642	10,077,486	24,966,128	-	24,966,128
Enterprise Funds:					
El Paso International Airport	29,256,041	19,802,166	49,058,207	3,721,271	45,336,936
Environmental Services	26,750,304	18,106,140	44,856,444	1,780	44,854,664
International Bridges	3,464,104	-	3,464,104	63,500	3,400,604
Fiduciary Funds:					
Private Purpose Trusts	3,638,043	2,462,436	6,100,479	-	6,100,479
Agency Funds	542,294,733	76,172,212	618,466,945	-	618,466,945
	<u>\$ 675,686,942</u>	<u>\$ 170,808,392</u>	<u>\$ 846,495,334</u>	<u>\$ 3,865,064</u>	<u>\$ 842,630,270</u>

CITY OF EL PASO, TEXAS**NOTES TO FINANCIAL STATEMENTS****Year Ended August 31, 2015****NOTE 2. CASH AND INVESTMENTS (Continued)**

Cash and Cash Equivalents and Investments of the City Treasury at August 31, 2015, were:

	Pooled Cash and Investments	Non-Pooled Cash and Investments	Total	Bank Balance
Cash in bank (1)	\$ 647,085,411	\$ 18,579	\$ 647,103,990	\$ 231,854,378
Repurchase agreement	29,619,866	-	29,619,866	29,619,866
Cash on hand	-	127,308	127,308	-
External investment pools	161,404,435	3,719,177	165,123,612	165,123,612
Governmental bonds and agencies	4,520,558	-	4,520,558	4,520,558
Cash and cash equivalents	<u>\$ 842,630,270</u>	<u>\$ 3,865,064</u>	<u>\$ 846,495,334</u>	<u>\$ 431,118,414</u>

(1) \$416,150,152 relate to Camino Real Regional Mobility Authority's contract with Texas Department of Transportation. Depository contract mandates that the bank must pledge collateral equal to 102% of the market value of the City's deposits, using those types of collateral allowed by law.

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.

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

The City participates in TEXPOOL, LOGIC, TEXDAILY, TexSTAR 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, TEXDAILY 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, TEXDAILY, 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 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, TEXDAILY, TexSTAR, and Wells Fargo Government is the same as the value of TEXPOOL, LOGIC, TEXDAILY, TexSTAR, 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.

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

CITY OF EL PASO, TEXAS**NOTES TO FINANCIAL STATEMENTS****Year Ended August 31, 2015**

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	\$ 52,813,605
TEXSTAR Investment Pool	19,021,307
TEXPOOL Investment Pool	31,644,827
TEXDAILY Investment Pool	63,042,148
Municipal Bonds	4,480,000

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, 2015, 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	\$ 165,123,612	\$ 166,521,887	\$	- AAm / S&P
Governmental bonds and agencies	4,520,558	4,520,557		- AA / S&P
Money Market Account	1,164,222	1,164,222		- N/A
Total Investments	<u>\$ 170,808,392</u>			

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).

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

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 Depositary 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.

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

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.

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.

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.

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

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.

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, 2015, 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, 2015, the CEPF had the following investments subject to interest rate risk:

Investment Type	Fair Value	Weighted Average Maturity (in Years)
Cash equivalents (money market funds)	\$ 3,907,590	0.13
Government fixed income	53,989,173	15.38
Corporate bonds and notes	47,826,591	10.91
Bank collective investment funds	50,819,584	7.90
Commingled funds	47,146,705	2.90
Total fair value	\$ 203,689,643	

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

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.

At August 31, 2015, the CEPF held various bond instruments in the aggregate fair value of \$199,782,053. Fixed income core plus portfolios held bond instruments with ratings of BBB or better by Standard & Poor's. Approximately 15% of portfolio was of non-investment grade bonds as of August 31, 2015.

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, 2015.

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 DV International Specialized Investment Mellon Capital Management Corporation	159,605.153	\$ 59,909,136
EB MCM DV Aggregate Bond Index Fund Mellon Capital Management Corporation	105,926.892	50,819,584
EB MCM DV Mid Cap Specialized Investment Mellon Capital Management Corporation	134,692.784	45,705,726
EB MCM DV Tangent Added Fund Mellon Capital Management Corporation	17,444.711	46,371,979
UBS Trumbull Property Fund UBS Realty Investors	4,444.359	44,488,266
Franklin Templeton Global Multi Sector Plus Franklin Templeton Investments	390,345.318	47,146,705

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

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, 2015, was as follows:

Local Currency Name	Equity	Fixed Income	Real Estate	Total
Australian Dollar	\$ 6,648,407	\$ -	\$ 397,362	\$ 7,045,769
Brazilian Real	1,308,067	1,910,884	-	3,218,951
British Pound	22,670,502	-	648,068	23,318,570
Canadian Dollar	1,659,265	-	-	1,659,265
Danish Krone	1,957,347	-	-	1,957,347
Euro Currency Unit	27,252,481	2,036,950	705,422	29,994,853
Hong Kong Dollar	8,198,055	-	436,170	8,634,225
Hungarian Forint	18,295	1,726,685	-	1,744,980
Indian Rupee	2,236,080	-	-	2,236,080
Indonesian Rupiah	815,987	2,556,398	-	3,372,385
Japanese Yen	23,555,735	-	626,611	24,182,346
Malaysian Ringgit	532,686	5,338,802	-	5,871,488
Mexican Peso	1,320,941	7,898,039	-	9,218,980
Norwegian Kroner	1,399,223	-	-	1,399,223
Phillipine Peso	524,355	1,344,927	-	1,869,282
Polish Zloty	295,888	2,348,172	-	2,644,060
Serbian Dinar	-	2,262,595	-	2,262,595
Singapore Dollar	929,276	1,754,340	112,311	2,795,927
South African Rand	3,302,285	-	-	3,302,285
South Korean Won	3,984,004	6,564,716	-	10,548,720
Swedish Krona	3,196,841	-	121,422	3,318,263
Swiss Franc	8,590,482	-	-	8,590,482
Taiwanese Dollar	3,520,946	-	-	3,520,946
Uruguay an Peso	-	3,131,240	-	3,131,240
Other	2,829,541	387,419	-	3,216,960
Total	\$ 126,746,689	\$ 39,261,167	\$ 3,047,366	\$ 169,055,222

(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.

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

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, 2015, 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, 2015, the fair value of securities loaned was \$27,926,360 and was comprised of corporate stocks.

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	Fair Market Value

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

The fair values of the FPPF's investments as of December 31, 2014, by type, are as follows:

Investment Description	Fair Value at December 31, 2014
Fixed Income Securities	\$ 389,333,373
Domestic Equities	388,272,540
International Equities	376,253,674
Private Equities	35,582,094
Limited Partnerships	62,411,531
Investing before invested securities lending collateral	1,251,853,212
Invested in securities lending collateral	99,972,828
Total	\$ 1,351,826,040

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.

CITY OF EL PASO, TEXAS**NOTES TO FINANCIAL STATEMENTS****Year Ended August 31, 2015****NOTE 2. CASH AND INVESTMENTS (Continued)****Cash, Investments, and Security Lending – FPPF (Continued)**

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.

As of December 31, 2014, the FPPF fixed income portfolio had the following ratings and maturities:

Rating	Amount	Maturity	Amount
US Tsy (incl GNMA MBS)	\$ 75,068,372	< 1 year	\$ 28,787,621
US Agcy (incl FN/FH MBS)	42,728,495	1 - 3 years	78,655,244
AAA	91,284,272	3 - 5 years	94,498,392
AA	62,918,148	5 - 7 years	120,074,272
A	59,477,900	7 - 10 years	22,315,015
BBB	47,619,093	10 - 20 years	15,355,576
BB	3,699,993	20 - 30 years	28,783,546
B	2,386,305	over 30	863,707
Below B	3,037,116		<u>\$ 389,333,373</u>
Committed Cash	1,113,679		
	<u>\$ 389,333,373</u>		

The FPPF's exposure to foreign currency risk at December 31, 2014 was as follows:

Investment	Currency	Fair Value
Cash and equivalents	European Union Euro	\$ 1,490,513
Partnerships	European Union Euro	15,774,032
		<u>\$ 17,264,545</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 included in the attachment of 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 creditworthiness 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.

FPPF owned investments loaned to others as of December 31, 2014 were as follows:

	2014		
Securities Lent	Fair Value of	Cash Collateral Received /	Cash Collateral
Lent for cash collateral	Underlying Securities	Securities Collateral Value	Investment Value
Domestic Equities	\$ 97,239,648	\$ 99,700,692	\$ 99,686,868
Lent for securities collateral			
Domestic Equities	264,686	272,136	-
Total	\$ 97,504,334	\$ 99,972,828	\$ 99,686,868

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

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 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.

NOTE 2. CASH AND INVESTMENTS (Continued)

Cash, Investments, and Security Lending – FPPF (Continued)

Cash and Investments – EPWU (Continued)

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 years 2014 and 2015, EPWU did not enter into any reverse repurchase agreements.

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.

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

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.

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

NOTE 2. CASH AND INVESTMENTS (Continued)

At February 28, 2015, investments of EPWU are as follows:

Investment Type	February 28, 2015			Weighted Avg. Maturity (days)	Credit Rating Standard & Poor's	Percent of Grand Total
	Fair Value	Maturity in Years				
		Less than 1	1 - 5			
Government Investment Pools and Safekeeping Account						
FILA*	\$ 9,219,409	\$ 9,219,409	\$ -	1	Not Rated	6.56%
TexPool	10,792,546	10,792,546	-	1	AAA	7.68%
TexStar	1,484,505	1,484,505	-	1	AAA	1.06%
Total Pools and Safekeeping	21,496,460	21,496,460	-			15.30%
Mutual Funds						
Advantage Money Market Fund #008	36,146,346	36,146,346	-	1	AAA	25.71%
Government Money Market Fund	2,223,950	2,223,950	-	1	AAA	1.58%
Total Mutual Funds	38,370,296	38,370,296	-			27.29%
Securities						
Municipal Bonds Discounts	1,649,405	199,723	1,449,682	47	AA	1.17%
Federal Agency Discounts						
Overseas Private Investments	1,304,060	-	1,304,060	539	AA	0.93%
Federal Agency Coupons						
Federal National Mortgage Assoc.	5,598,838	330,308	5,268,530	422	AA	3.98%
Federal Farm Credit Bank	3,471,066	-	3,471,066	343	AA	2.46%
Federal Home Loan Bank	8,428,922	2,511,567	5,917,355	229	AA	6.00%
Federal Home Loan Mortgage Corp	2,164,807	-	2,164,807	568	AA	1.54%
Federal Agricultural Mortgage Corp	750,194	-	750,194	257	AA	0.53%
Certificates of Deposit**	29,600,944	240,056	29,360,888	331	Not Rated	21.06%
Municipal Bonds	27,751,046	3,769,609	23,981,437	256	AA	19.74%
Total Securities	80,719,282	7,051,263	73,668,019	305		57.41%
Portfolio Total	\$ 140,586,038	\$ 66,918,019	\$ 73,668,019	176		100.00%

* FILA is not rated but is FDIC insured.

** Certificates of Deposit are not rated but are fully collateralized or FDIC insured.

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

NOTE 2. CASH AND INVESTMENTS (Continued)

At February 28, 2015, investments of EPWU Municipal Drainage Facility are as follows:

Investment Type	February 28, 2015			Weighted Avg. Maturity (days)	Credit Rating Standard & Poor's	Percent of Grand Total
	Fair Value	Maturity in Years				
		Less than 1	1 - 5			
Government Investment Pools and Safekeeping Account						
FILA*	\$ 15,696,990	\$ 15,696,990	\$ -	1	Not Rated	32.57%
TexPool	5,532,548	5,532,548	-	1	AAA	11.48%
TexStar	3,098,062	3,098,062	-	1	AAA	6.43%
Total Pools and Safekeeping	24,327,600	24,327,600	-			50.48%
Mutual Funds						
Advantage Money Market Fund #008	4,546,190	4,546,190	-	1	AAA	9.43%
Government Money Market Fund	400,127	400,127	-	1	AAA	0.83%
Total Mutual Funds	4,946,317	4,946,317	-			10.26%
Securities						
Federal Agency Coupons						
Federal National Mortgage Assoc.	866,658	748,697	117,961	322	AA	1.80%
Federal Farm Credit Bank	300,198	-	300,198	412	AA	0.63%
Federal Home Loan Bank	1,597,190	1,507,196	89,994	171	AA	3.31%
Federal Home Loan Mortgage Corp	455,439	-	455,439	240	AA	0.95%
Certificates of Deposit**	7,586,906	2,488,000	5,098,906	192	Not Rated	15.74%
Municipal Bonds	8,110,332	3,489,779	4,620,553	213	AA	16.83%
Total Securities	18,916,723	8,233,672	10,683,051	204		39.26%
Portfolio Total	\$ 48,190,640	\$ 37,507,589	\$ 10,683,051	81		100.00%

* FILA is not rated but is FDIC insured.

** Certificates of Deposit are not rated but are fully collateralized or FDIC insured.

Operating cash not otherwise reported on the schedules above is \$13,010,520 and \$1,931,512 for Water and Wastewater Utility and Municipal Drainage Facility, respectively.

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, 2014, Cash collateral of EPHFC is as follows:

Investment Type	WestStar Bank
Cash account	\$ 16,135
Certificates of deposit	1,405,341
FDIC coverage	(250,000)
Total uninsured Public Funds	1,171,476
Pledged securities	1,405,341
Excess Collateral	\$ 233,865

NOTE 2. CASH AND INVESTMENTS (Continued)

Cash and Investments – Component Unit – EPHFC (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 federal depository insurance (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, 2014, none of the EPHFC bank balances were exposed to custodial risk.

EPHFC had the following investments at December 31, 2014:

<u>Investment Type</u>	<u>Fair Market Value</u>	<u>Maturity</u>
TexSTAR/ Investment pool	<u>\$ 4,781,761</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, 2014, upon which the 2015 levy was based, was \$32,513,071,359.

Taxes are due by January 31 following the October 1 levy date. During the fiscal year, 98.4% of the current tax levy (October 2014) 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, 2015****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, 2015, was \$.461 per \$100 assessed valuation. The City has a tax margin for general governmental purposes of \$1.389 per \$100 assessed valuation and could levy \$812,826,784 in additional taxes from the assessed valuation of \$32,513,071,359 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, 2015, is as follows:

	<u>General Fund</u>	<u>Debt Service Fund</u>
Property Taxes Receivable	\$ 9,219,994	\$ 4,419,800
Less allowance for uncollectibles	3,133,067	1,501,902
Net property taxes receivable	<u>6,086,927</u>	<u>2,917,898</u>
Deferred Ad Valorem Taxes	<u>\$ 5,469,747</u>	<u>\$ 2,608,419</u>

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

NOTE 4. RECEIVABLES

Receivables as of year-end for the City's individual major funds and the nonmajor funds in the aggregate, including the applicable allowances for uncollectable accounts, are as follows:

	Governmental Activities							Total
	General Fund	Community Development Block Grants Fund	Debt Service	Capital Projects	Downtown Development Corporation	Nonmajor Governmental Funds	Internal Service Funds	
Property Taxes	\$ 9,219,994	\$ -	\$ 4,419,800	\$ -	\$ 443,619	\$ -	\$ -	\$ 14,083,413
Sales Taxes	13,463,578	-	-	-	-	-	-	13,463,578
Trade	2,202,498	541,869	5,772	12,338,919	124,042	2,374,742	517,866	18,105,708
Interest	9,780	293,281	8,447	605	-	1,019	7,069	320,201
Due from Other Government Agencies	10,289	1,399,088	-	1,435,943	-	12,819,128	-	15,664,448
Notes receivable - economic development	1,900,000	-	-	-	-	77,969	-	1,977,969
Notes receivable - low income housing loans	-	43,961,495	-	-	-	-	-	43,961,495
Other Receivables	10,148,510	-	-	-	-	2,207,782	-	12,356,292
Allowance for doubtful accounts	(3,133,067)	-	(1,501,902)	-	-	-	-	(4,634,969)
Receivables, net of allowances	<u>\$ 33,821,582</u>	<u>\$ 46,195,733</u>	<u>\$ 2,932,117</u>	<u>\$ 13,775,467</u>	<u>\$ 567,661</u>	<u>\$ 17,480,640</u>	<u>\$ 524,935</u>	<u>\$ 115,298,135</u>

	Business-type Activities				
	El Paso International Airport	Environmental Services	Mass Transit	International Bridges	Total
Sales Taxes	\$ -	\$ -	\$ 6,394,090	\$ -	\$ 6,394,090
Trade	5,660,046	3,904,541	232,371	-	9,796,958
Interest	18,863	-	-	1,185	20,048
Due from Other Government Agencies	1,496,947	645,195	-	-	2,142,142
Allowance for doubtful accounts	(2,619,173)	(324,939)	-	-	(2,944,112)
Receivables, net of allowances	<u>\$ 4,556,683</u>	<u>\$ 4,224,797</u>	<u>\$ 6,626,461</u>	<u>\$ 1,185</u>	<u>\$ 15,409,126</u>

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

NOTE 5. CAPITAL ASSETS

Capital asset activity for the year ended August 31, 2015 for the government-wide financial statements was as follows:

	Balances August 31, 2014	Transfers	Increases	Decreases	Balances August 31, 2015
Governmental Activities: ¹					
Land	\$ 175,582,616	\$ 5,834	\$ 2,755,272	\$ (2,784,847)	\$ 175,558,875
Buildings not in use	1,633,000	-	-	-	1,633,000
Construction in progress	241,993,029	(63,107,207)	22,752,038	(9,386,822)	192,251,038
Total capital assets not being depreciated	<u>419,208,645</u>	<u>(63,101,373)</u>	<u>25,507,310</u>	<u>(12,171,669)</u>	<u>369,442,913</u>
Capital assets being depreciated					
Buildings	394,069,982	21,366,870	158,889	-	415,595,741
Improvements other than buildings	23,114,850	2,216,354	-	-	25,331,204
Vehicles and major equipment	140,713,755	3,917,341	12,663,772	(1,516,209)	155,778,659
Data processing equipment and software	50,431,847	-	-	-	50,431,847
Other capital assets	4,697,855	1,838,393	1,387,362	-	7,923,610
Infrastructure	884,703,207	33,762,415	-	-	918,465,622
Total capital assets, being depreciated	<u>1,497,731,496</u>	<u>63,101,373</u>	<u>14,210,023</u>	<u>(1,516,209)</u>	<u>1,573,526,683</u>
Less accumulated depreciation for:					
Buildings	155,115,691	-	12,823,349	-	167,939,040
Improvements other than buildings	19,509,540	-	311,329	-	19,820,869
Vehicles and major equipment	94,481,939	-	13,135,142	(1,516,209)	106,100,872
Data processing equipment and software	37,609,468	-	4,393,172	-	42,002,640
Other capital assets	3,030,563	-	573,226	-	3,603,789
Infrastructure	541,156,153	-	13,608,897	-	554,765,050
Total accumulated depreciation	<u>850,903,354</u>	<u>-</u>	<u>44,845,115</u>	<u>(1,516,209)</u>	<u>894,232,260</u>
Total capital assets, being depreciated, net	<u>646,828,142</u>	<u>63,101,373</u>	<u>(30,635,092)</u>	<u>-</u>	<u>679,294,423</u>
Governmental activities capital assets, net	<u>\$ 1,066,036,787</u>	<u>\$ -</u>	<u>\$ (5,127,782)</u>	<u>\$ (12,171,669)</u>	<u>\$ 1,048,737,336</u>

Depreciation expense was charged to functions/programs of the governmental activities of the primary government as follows:

Governmental Activities¹	
General government	\$ 8,473,686
Public safety	7,121,858
Public works	18,180,522
Public health	580,807
Parks	3,148,431
Library	1,411,425
Culture and recreation	4,078,722
Community and economic development	1,808,823
Total depreciation expense-governmental activities	<u>44,804,274</u>
Internal service funds	40,841
Depreciation Expense	<u>\$ 44,845,115</u>

¹The capital assets of Internal Service Funds are included in governmental activities. In fiscal year 2015, Internal Service Funds capital net asset additions and deletions were \$126,000 resulting in a total cost of \$1,912,278. Depreciation expense of \$40,841 resulted in an ending accumulated depreciation balance of \$1,735,018 to arrive at a net book value of \$177,260.

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

NOTE 5. CAPITAL ASSETS (Continued)

	Balance August 31, 2014	Transfers	Increases	Decreases	Balance August 31, 2015
Business-type activities:					
El Paso International Airport					
Capital assets not being depreciated:					
Land	\$ 1,381,099	\$ -	\$ -	\$ -	\$ 1,381,099
Artwork	979,637	-	-	-	979,637
Construction in progress	12,904,180	(19,136,985)	57,351,222	(1,012,123)	50,106,294
Total capital assets not being depreciated	<u>15,264,916</u>	<u>(19,136,985)</u>	<u>57,351,222</u>	<u>(1,012,123)</u>	<u>52,467,030</u>
Capital assets being depreciated:					
Buildings	134,496,521	-	187,883	-	134,684,404
Improvements other than buildings	277,770,776	18,550,126	-	-	296,320,902
Vehicles and major equipment	18,203,455	586,859	-	-	18,790,314
Total capital assets being depreciated	<u>430,470,752</u>	<u>19,136,985</u>	<u>187,883</u>	<u>-</u>	<u>449,795,620</u>
Less accumulated depreciation for:					
Buildings	70,890,548	-	4,850,297	-	75,740,845
Improvements other than buildings	147,266,906	-	11,533,465	-	158,800,371
Vehicles and major equipment	14,520,563	-	458,659	-	14,979,222
Total accumulated depreciation	<u>232,678,017</u>	<u>-</u>	<u>16,842,421</u>	<u>-</u>	<u>249,520,438</u>
Total capital assets, being depreciated, net	<u>197,792,735</u>	<u>19,136,985</u>	<u>(16,654,538)</u>	<u>-</u>	<u>200,275,182</u>
El Paso International Airport capital assets, net	<u>\$ 213,057,651</u>	<u>\$ -</u>	<u>\$ 40,696,684</u>	<u>\$ (1,012,123)</u>	<u>\$ 252,742,212</u>
Environmental Services					
Capital assets not being depreciated:					
Land	\$ 6,671,093	\$ -	\$ 216,720	\$ -	\$ 6,887,813
Vehicles not in service	192,190	-	-	-	192,190
Construction in progress	890,752	(1,984,759)	1,617,598	-	523,591
Total capital assets not being depreciated	<u>7,754,035</u>	<u>(1,984,759)</u>	<u>1,834,318</u>	<u>-</u>	<u>7,603,594</u>
Capital assets being depreciated:					
Buildings	6,340,247	-	215,200	-	6,555,447
Improvements other than buildings	28,603,685	1,984,759	1,790	-	30,590,234
Vehicles and major equipment	71,578,368	-	9,085,640	(876,278)	79,787,730
Other assets	-	-	105,128	-	105,128
Total capital assets being depreciated	<u>106,522,300</u>	<u>1,984,759</u>	<u>9,407,758</u>	<u>(876,278)</u>	<u>117,038,539</u>
Less accumulated depreciation for:					
Buildings	829,233	-	127,755	-	956,988
Improvements other than buildings	22,978,853	-	2,140,672	-	25,119,525
Vehicles and major equipment	52,230,581	-	5,786,987	(876,278)	57,141,290
Total accumulated depreciation	<u>76,038,667</u>	<u>-</u>	<u>8,055,414</u>	<u>(876,278)</u>	<u>83,217,803</u>
Total capital assets, being depreciated, net	<u>30,483,633</u>	<u>1,984,759</u>	<u>1,352,344</u>	<u>-</u>	<u>33,820,736</u>
Environmental services capital assets, net	<u>\$ 38,237,668</u>	<u>\$ -</u>	<u>\$ 3,186,662</u>	<u>\$ -</u>	<u>\$ 41,424,330</u>
Mass Transit					
Capital assets not being depreciated:					
Land	\$ 11,610,424	\$ -	\$ 261,478	\$ -	\$ 11,871,902
Construction in progress	31,871,531	(26,841,846)	44,296,775	(1,227,575)	48,098,885
Total capital assets not being depreciated	<u>43,481,955</u>	<u>(26,841,846)</u>	<u>44,558,253</u>	<u>(1,227,575)</u>	<u>59,970,787</u>
Capital assets being depreciated:					
Buildings	52,502,755	9,959,929	-	-	62,462,684
Improvements other than buildings	32,771,787	16,881,917	-	-	49,653,704
Vehicles and major equipment	121,281,626	-	2,937,275	(10,842,028)	113,376,873
Total capital assets being depreciated	<u>206,556,168</u>	<u>26,841,846</u>	<u>2,937,275</u>	<u>(10,842,028)</u>	<u>225,493,261</u>
Less accumulated depreciation for:					
Buildings	18,882,461	-	2,331,898	-	21,214,359
Improvements other than buildings	23,468,805	-	2,680,712	-	26,149,517
Vehicles and major equipment	64,400,865	-	8,931,811	(10,842,028)	62,490,648
Total accumulated depreciation	<u>106,752,131</u>	<u>-</u>	<u>13,944,421</u>	<u>(10,842,028)</u>	<u>109,854,524</u>
Total capital assets, being depreciated, net	<u>99,804,037</u>	<u>26,841,846</u>	<u>(11,007,146)</u>	<u>-</u>	<u>115,638,737</u>
Mass Transit capital assets, net	<u>\$ 143,285,992</u>	<u>\$ -</u>	<u>\$ 33,551,107</u>	<u>\$ (1,227,575)</u>	<u>\$ 175,609,524</u>

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

NOTE 5. CAPITAL ASSETS (Continued)

	Balance August 31, 2014	Transfers	Increases	Decreases	Balance August 31, 2015
International Bridges					
Capital assets not being depreciated:					
Land	\$ 2,469,531	\$ -	\$ -	\$ -	\$ 2,469,531
Construction in progress	652,898	(694,454)	138,024	(4,248)	92,220
Total capital assets not being depreciated	<u>3,122,429</u>	<u>(694,454)</u>	<u>138,024</u>	<u>(4,248)</u>	<u>2,561,751</u>
Capital assets being depreciated:					
Improvements other than buildings	24,586,964	-	-	-	24,586,964
Vehicles and major equipment	5,831,535	694,454	-	-	6,525,989
Total capital assets being depreciated	<u>30,418,499</u>	<u>694,454</u>	<u>-</u>	<u>-</u>	<u>31,112,953</u>
Less accumulated depreciation for:					
Improvements other than buildings	9,454,045	-	469,952	-	9,923,997
Vehicles and major equipment	3,818,167	-	606,096	-	4,424,263
Total accumulated depreciation	<u>13,272,212</u>	<u>-</u>	<u>1,076,048</u>	<u>-</u>	<u>14,348,260</u>
Total capital assets, being depreciated, net	<u>17,146,287</u>	<u>694,454</u>	<u>(1,076,048)</u>	<u>-</u>	<u>16,764,693</u>
International Bridges capital assets, net	<u>\$ 20,268,716</u>	<u>\$ -</u>	<u>\$ (938,024)</u>	<u>\$ (4,248)</u>	<u>\$ 19,326,444</u>
All business-type activities:					
Capital assets not being depreciated:					
Land	\$ 22,132,147	\$ -	\$ 478,198	\$ -	\$ 22,610,345
Artwork	979,637	-	-	-	979,637
Vehicles not in service	192,190	-	-	-	192,190
Construction in progress	46,319,362	(48,658,044)	103,403,619	(2,243,946)	98,820,991
Total capital assets not being depreciated	<u>69,623,336</u>	<u>(48,658,044)</u>	<u>103,881,817</u>	<u>(2,243,946)</u>	<u>122,603,163</u>
Capital assets being depreciated:					
Buildings	193,339,524	9,959,929	403,083	-	203,702,536
Improvements other than buildings	363,733,210	37,416,802	1,790	-	401,151,802
Vehicles and major equipment	216,894,985	1,281,313	12,022,915	(11,718,306)	218,480,907
Other assets	-	-	105,128	-	105,128
Total capital assets being depreciated	<u>773,967,719</u>	<u>48,658,044</u>	<u>12,532,916</u>	<u>(11,718,306)</u>	<u>823,440,373</u>
Less accumulated depreciation for:					
Buildings	90,602,242	-	7,309,950	-	97,912,192
Improvements other than buildings	203,168,610	-	16,824,801	-	219,993,411
Vehicles and major equipment	134,970,177	-	15,783,553	(11,718,306)	139,035,424
Total accumulated depreciation	<u>428,741,029</u>	<u>-</u>	<u>39,918,304</u>	<u>(11,718,306)</u>	<u>456,941,027</u>
Total capital assets, being depreciated, net	<u>345,226,690</u>	<u>48,658,044</u>	<u>(27,385,388)</u>	<u>-</u>	<u>366,499,346</u>
All business-type activities capital assets, net	<u>\$ 414,850,026</u>	<u>\$ -</u>	<u>\$ 76,496,429</u>	<u>\$ (2,243,946)</u>	<u>\$ 489,102,509</u>

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

International airport operations	\$ 16,842,421
Solid waste operations	8,055,414
Mass transit operations	13,944,421
International bridges operations	1,076,048
	<u>\$ 39,918,304</u>

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

NOTE 5. CAPITAL ASSETS (Continued)

Construction Commitments

As of August 31, 2015:

	Fund Equity and Other Sources Available	Remaining Commitment
Governmental funds	\$ 31,444,315	\$ 102,173,842
Proprietary funds	(42,144,862)	21,057,548
Total	\$ (10,700,547)	\$ 123,231,390

During FY16, the City plans to issue debt to cover the funding needs of construction commitments.

Component Unit – EPWU

Capital asset activity for EPWU was as follows:

	Balance February 28, 2014	Additions	Transfers	Deletions	Balance February 28, 2015
Capital assets, not being depreciated:					
Land and right-of-way	\$ 13,563,306	\$ 82,319	\$ 3,362,881	\$ -	\$ 17,008,506
Land not in service	64,067,002	-	1,402,205	109,645	65,359,562
Construction work in progress	129,331,134	113,215,465	(52,697,461)	-	189,849,138
Total utility plant, not being depreciated:	206,961,442	113,297,784	(47,932,375)	109,645	272,217,206
Utility plant and irrigation water rights being depreciated:					
Irrigation water rights contracts	9,385,840	456,771	-	-	9,842,611
Drainage implementation cost	544,106	-	-	-	544,106
Buildings and shops	14,836,485	-	954,811	-	15,791,296
Vehicles	20,257,283	38,900	2,544,672	758,193	22,082,662
Equipment and tools	37,833,888	18,255	3,839,798	259,665	41,432,276
Drainage system	52,948,690	239,802	4,625,379	-	57,813,871
Water system	993,043,101	10,640,585	29,575,890	5,304,892	1,027,954,684
Wastewater system	732,073,486	4,640,229	6,391,825	411,411	742,694,129
Total utility plant, being depreciated	1,860,922,879	16,034,542	47,932,375	6,734,161	1,918,155,635
Less accumulated depreciation for: being depreciated:					
Drainage implementation cost	(544,106)	-	-	-	(544,106)
Irrigation water rights contracts	(1,004,151)	(128,190)	-	-	(1,132,341)
Buildings and shops	(8,810,140)	(648,417)	-	-	(9,458,557)
Vehicles	(17,528,485)	(1,172,462)	-	(758,193)	(17,942,754)
Equipment and tools	(32,196,414)	(1,664,917)	-	(259,665)	(33,601,666)
Drainage system	(3,834,777)	(1,124,031)	-	-	(4,958,808)
Water system	(403,700,735)	(28,727,074)	-	(5,304,892)	(427,122,917)
Wastewater system	(350,893,959)	(19,941,250)	-	(411,411)	(370,423,798)
Total accumulated depreciation	(818,512,767)	(53,406,341)	-	(6,734,161)	(865,184,947)
Total utility plant and irrigation water rights being depreciated, net	1,042,410,112	(37,371,799)	47,932,375	-	1,052,970,688
Utility Plant	\$ 1,249,371,554	\$ 75,925,985	\$ -	\$ 109,645	\$ 1,325,187,894

Total depreciation charged to operations was \$53,406,341. Interest incurred on revenue bonds was \$26,342,104 of which \$1,165,242 was capitalized on construction projects.

CITY OF EL PASO, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

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 101,758.42 acres of land which includes 26,211.29 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 \$119,435,745.

Component Unit – EPHFC

Capital asset activity for EPHFC was as follows:

	Balance December 31, 2013		Additions	Reductions	Balance December 31, 2014	
Capital assets, not being depreciated	\$	363,007	\$ -	\$ (11,325)	\$	351,682
Capital assets, being depreciated						
Furniture and equipment		10,171	-	-		10,171
Less accumulated depreciation for:						
Furniture and equipment		(9,052)	-	-		(9,052)
Capital assets, net	\$	364,126	\$ -	\$ (11,325)	\$	352,801

NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS

A. Inter-fund Receivables and Payables

Inter-fund receivable and payable balances at August 31, 2015, were as follows:

Receivable Fund	Payable Fund	Amount
Capital Projects	El Paso International Airport	\$ 1,347,752 (1)
	Environmental Services	2,153,106 (1)
	Mass Transit	33,771,205 (2)
	International Bridges	422,253 (1)
General Fund	Other Federal Grants	3,912,181 (3)
	ARRA Grants	109,654 (3)
	State Grants	572,227 (3)
Mass Transit	Capital Projects	2,552,572 (4)
Total		\$ 44,840,950

- (1) IT projects allocation - VOIP - hardware
- (2) IT projects allocation -VOIP - hardware \$1,745,798; additional capital projects of \$15,379,370 and negative cash reclassification of \$16,646,037
- (3) Negative cash reclassification
- (4) Unspent proceeds from issuance of debt

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

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. Inter-fund transfers made during the year were as follows:

Transfer From:	Transfer To:										Total
	Governmental Activities					Business-type Activities					
	General Fund	Debt Service	Capital Projects	Downtown Development Corporation	Nonmajor Governmental Funds	El Paso International Airport	Environmental Services	Mass Transit	International Bridges	Internal Service Funds	
Governmental Activities:											
General Fund	\$ -	\$ -	\$ 524,987 (5)	\$ 1,061,044 (6)	\$ 5,704,453 (3)	\$ -	\$ 3,026,731 (7)	\$ -	\$ -	\$ -	\$ 10,317,215
Debt Service	125,930 (8)	-	-	-	-	-	-	-	-	-	125,930
Capital Projects	235,624 (8)	2,320,380 (4)	-	-	-	-	-	-	-	-	2,556,004
CDBG	957 (8)	1,640 (4)	398 (5)	-	-	240	658	170	27	40	4,130
Nonmajor Governmental Funds	-	-	800,000 (5)	-	-	-	5,609,286 (7)	-	-	-	6,409,286
Downtown Development Corporation	-	-	1,387,430 (5)	-	-	-	-	-	-	-	1,387,430
Total Governmental Activities	<u>362,511</u>	<u>2,322,020</u>	<u>2,712,815</u>	<u>1,061,044</u>	<u>5,704,453</u>	<u>240</u>	<u>8,636,675</u>	<u>170</u>	<u>27</u>	<u>40</u>	<u>20,799,995</u>
Business-type Activities:											
Environmental Services	2,413,448 (2)	-	-	-	181,000 (3)	-	-	-	-	-	2,594,448
International Bridges	11,873,692 (1)	-	-	-	-	-	-	-	-	-	11,873,692
Total Business-type Activities	<u>14,287,140</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>181,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>14,468,140</u>
Total	<u>\$ 14,649,651</u>	<u>\$ 2,322,020</u>	<u>\$ 2,712,815</u>	<u>\$ 1,061,044</u>	<u>\$ 5,885,453</u>	<u>\$ 240</u>	<u>\$ 8,636,675</u>	<u>\$ 170</u>	<u>\$ 27</u>	<u>\$ 40</u>	<u>\$ 35,268,135</u>
(1) Transfer of unrestricted net assets to General Fund		\$ 11,873,692									
(2) Cost recovery for street usage		\$ 2,413,448									
(3) Council Special Projects:											
Transfer from Council discretionary funds		69,940									
To fund Projects for the Council Districts		195,395									
380 Agreements Transfers		3,151,878									
TRZ subsidy transfer		2,287,240									
Environmental fee		181,000									
		<u>\$ 5,885,453</u>									
(4) CVB share of debt											
Investment income		1,640									
Transfer unexpended funds from Capital Projects		2,320,380									
		<u>\$ 2,322,020</u>									
(5) Capital Projects											
To fund BallPark Stadium		1,387,430									
Vehicle replacement funding		500,000									
Interest earnings		24,987									
Vehicle storage facility		800,000									
Investment income		398									
		<u>\$ 2,712,815</u>									
(6) 2% Hot Tax Revenue collection		\$ 1,061,044									
(7) Investment income		\$ 658									
Environmental Fee		8,636,017									
		<u>\$ 8,636,675</u>									
(8) Other transfers:											
P25- 1/10 transfer done annually		125,930									
Energy efficient program Reimbursement		235,624									
Interest earnings		957									
		<u>\$ 362,511</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, 2015 is \$1,649,872 for business-type activity and \$5,070,687 for general government, for a total of \$6,270,559.

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, 2015, was \$16,405,094 including percentage contingent rents of \$2,494,845.

The following is a schedule of airport revenue from future minimum rentals on non-cancelable operating leases as of August 31, 2015:

<u>Year Ending</u>	
2016	\$ 14,385,574
2017	11,065,760
2018	9,286,717
2019	9,088,990
2020	8,718,169
2021 - 2025	31,247,322
2026 - 2030	20,362,667
2031 - 2035	14,811,649
2036 - 2040	9,458,092
2041 - 2045	7,737,191
2046 - 2050	6,640,338
2051 - 2055	5,070,045
2056 - 2060	4,053,910
2061 - 2064	3,326,575
2065 - 2068	622,907
Total	<u><u>\$ 155,875,906</u></u>

Historical costs of these leased assets and related accumulated depreciation were \$188,809,629 and \$94,260,340, respectively, as of August 31, 2015.

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 non-cancelable leases as of February 28, 2015, for each of the next five years and for each of the five-year periods thereafter:

Year Ended the Last Day of February	Amount
2016	\$ 1,834,042
2017	1,798,520
2018	1,768,168
2019	1,578,261
2020	1,177,006
2021 - 2025	4,826,838
2026 - 2030	2,517,268
2031 - 2035	1,501,804
2036 - 2040	28,194
Total Minimum Future Rentals	<u>\$ 17,030,101</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, 2015, was \$1,286,210. Minimum future payments as of February 28, 2015 for each of the next five years and for each of the five-year periods thereafter are:

Year Ended the Last Day of February	Amount
2016	\$ 781,038
2017	683,676
2018	635,241
2019	464,090
2020 - 2024	2,234,996
2025 - 2029	2,197,148
2030 - 2034	2,212,565
2035 - 2039	2,229,943
2040 - 2044	2,249,560
2045 - 2049	2,121,414
2050 - 2054	2,047,500
2055 - 2059	2,047,500
2060	102,375
Total Minimum Future Rentals	<u>\$ 20,007,046</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 \$.21388 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 fiscal year 2015 total assessed valuation base equals approximately \$3,251,307,136. The City's legal debt margin was \$2,173,444,842. 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. Long-term Debt

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

	Interest Rates		Amount
	at Issue Date	August 31, 2015	
Governmental activities	3.00 - 7.25%	3.00 - 7.25%	\$ 1,069,852,934
Business-type activities	3.00 - 5.30%	3.625 - 5.00%	136,006,278
			<u>\$ 1,205,859,212</u>

NOTE 8. LONG-TERM OBLIGATIONS (Continued)**3. Indebtedness Incurred during Fiscal Year Ended August 31, 2015**

On August 17, 2015, the city closed on the issuance of \$116,415,000 of General Obligation Refunding and Improvement Bonds, Series 2015. The bonds were issued at a premium of \$15,602,214 and issuance costs of \$728,840. The interest rates are between 3.91% and 5% with a maturity of August 15, 2041. These bonds obtained an economic gain of \$6,309,224. The accounting loss of \$5,756,358 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 17, 2015, the city closed on the issuance of \$57,710,000 of Combination Tax and Revenue Certificates of Obligation, Series 2015. These bonds were issued at a premium of \$4,979,324 with issuance costs of \$525,016 and interest rates between 3.91% and 5%. The maturity of the bonds is August 15, 2041.

4. Bonds Authorized and Unissued

There were no authorized, unissued bonds at August 31, 2015.

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
2016	\$ 39,954,278	\$ 44,613,416	\$ 3,815,722	\$ 5,087,015	\$ 43,770,000	\$ 49,700,431
2017	40,116,071	43,189,504	4,913,929	4,952,766	45,030,000	48,142,270
2018	41,777,505	42,093,852	5,047,495	4,775,162	46,825,000	46,869,014
2019	42,019,142	39,876,695	5,310,858	4,583,107	47,330,000	44,459,802
2020	44,130,356	36,909,433	4,989,644	5,195,265	49,120,000	42,104,698
2021 - 2024	191,926,247	131,348,534	20,178,753	15,448,409	212,105,000	146,796,943
2025 - 2029	239,222,485	113,491,807	24,662,515	14,547,848	263,885,000	128,039,655
2030 - 2034	240,307,749	53,411,384	24,752,251	9,054,927	265,060,000	62,466,311
2035 - 2039	79,739,891	11,964,941	23,090,109	3,133,604	102,830,000	15,098,545
2040 - 2044	13,940,000	780,200	1,610,000	73,800	15,550,000	854,000
Total	\$ 973,133,724	\$ 517,679,766	\$ 118,371,276	\$ 66,851,903	\$ 1,091,505,000	\$ 584,531,669

5. Debt Service Requirements: Revenue Bond Requirements

Year Ending August 31,	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2016	\$ -	\$ 4,311,575	\$ 1,305,000	\$ 823,781	\$ 1,305,000	\$ 5,135,356
2017	-	4,311,575	680,000	763,425	680,000	5,075,000
2018	-	4,311,575	710,000	736,225	710,000	5,047,800
2019	55,000	4,311,575	735,000	713,150	790,000	5,024,725
2020	55,000	4,307,588	760,000	687,425	815,000	4,995,013
2021 - 2024	19,345,000	15,991,876	3,355,000	2,431,363	22,700,000	18,423,239
2025 - 2029	8,085,000	13,892,064	5,125,000	2,107,138	13,210,000	15,999,202
2030 - 2034	12,315,000	10,411,366	4,965,000	655,725	17,280,000	11,067,091
2035 - 2039	15,240,000	5,129,740	-	-	15,240,000	5,129,740
2040 - 2043	5,690,000	1,067,564	-	-	5,690,000	1,067,564
Total	\$ 60,785,000	\$ 68,046,498	\$ 17,635,000	\$ 8,918,232	\$ 78,420,000	\$ 76,964,730

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

A. Primary Government (Continued)

6. Debt Service Requirements (Continued)

Capital Leases

	Year Ending	Governmental-type Activities	
	August 31,		
2016		\$	5,794,010
2017			5,861,964
2018			5,920,831
2019			5,163,572
2020			3,490,692
2021 - 2023			7,875,581
Total minimum lease payments			34,106,650
Less: amounts representing interest			(2,597,809)
Present value of minimum lease payments		\$	31,508,841

Notes Payable

	Year Ending	Governmental Activities	
		August 31,	Interest
		Principal	
2016		\$ 847,681	\$ 104,375
2017		870,593	81,463
2018		891,144	57,912
2019		918,351	33,705
2020		298,288	16,032
2021 - 2022		599,315	13,912
		\$ 4,425,372	\$ 307,399

The City of El Paso issued \$82,790,000 of its General Obligation Refunding and Improvement Bonds, Series 2015 to partially defease \$88,790,000 of its Combination Tax and Revenue Certificates of Obligation Series 2007; General Obligation Refunding Bonds, Series 2007; General Obligation Bonds, Series 2007A; and General Obligation Bonds, Series 2008. The defeasance resulted in an economic gain of \$6,309,224 and a book loss of \$5,756,358 that will be amortized as an adjustment of interest expense over the remaining average life of the new debt.

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

A. Primary Government (Continued)

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

Governmental Activities:

	Balance			Balance	Due Within
	September 1, 2014	Additions	Reductions	August 31, 2015	One Year
	(As Restated)				
Bonds Payable:					
General Obligation Bonds	\$ 534,853,411	\$ 116,415,000	\$ 105,894,687	\$ 545,373,724	\$ 25,954,568
Certificates of Obligation	392,890,000	54,185,000	19,315,000	427,760,000	13,999,710
Special Revenue Bonds	60,785,000	-	-	60,785,000	-
Add: Unamortized Premium	44,836,512	19,707,406	7,116,212	57,427,706	6,441,980
Total Bonds	<u>1,033,364,923</u>	<u>190,307,406</u>	<u>132,325,899</u>	<u>1,091,346,430</u>	<u>46,396,258</u>
Energy Conservation Notes	5,250,763	-	825,391.00	4,425,372.00	847,681.00
Capital Lease Obligation	36,433,491	-	4,924,650.00	31,508,841.00	5,104,060.00
Compensated Absences	56,200,923	54,754,299.14	64,956,354.00	45,998,868.14	13,799,660.00
Accrued Health Claims	15,220,661	49,123,472.00	48,207,187.00	16,136,946.00	4,841,084.00
Net Pension Liability	338,331,295	48,375,972.00	28,869,051.00	357,838,216.00	-
Other Postemployment Benefits	60,850,590	7,153,620.00	-	68,004,210.00	-
Claims and Judgments	3,751,103	-	3,251,103.00	500,000.00	-
Governmental Activities long-term liabilities	<u>\$ 1,549,403,749</u>	<u>\$ 349,714,769</u>	<u>\$ 283,359,635</u>	<u>\$ 1,615,758,883</u>	<u>\$ 70,988,743</u>

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

A. Primary Government (Continued)

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

Business-type Activities:

	Balance September 1, 2014 (As Restated)	Additions	Reductions	Balance August 31, 2015	Due Within One Year
El Paso International Airport:					
Revenue Bonds	\$ 18,880,000	\$ -	\$ 1,245,000	\$ 17,635,000	\$ 1,305,000
Certificates of Obligation Tax and Revenue	40,000,000	-	-	40,000,000	-
Add: Unamortized Premium	31,254	-	1,645	29,609	1,645
Less: Unamortized Discount	(277,360)	-	(104,220)	(173,140)	(104,220)
Total Bonds Payable	58,633,894	-	1,142,425	57,491,469	1,202,425
Compensated Absences	2,290,727	2,353,566	2,300,997	2,343,296	702,989
Net Pension Liability - CEPF	9,243,597	-	2,782,081	6,461,516	-
Other Postemployment Benefits	4,070,095	477,096	-	4,547,191	-
Total El Paso International Airport	74,238,313	2,830,662	6,225,503	70,843,472	1,905,414
Environmental Services:					
Certificates of Obligation	4,785,000	-	-	4,785,000	-
General Obligation	17,126,589	-	975,313	16,151,276	1,155,432
Add: Unamortized Premium	1,937,174	-	232,123	1,705,051	211,625
Total Bonds Payable	23,848,763	-	1,207,436	22,641,327	1,367,057
Landfill Closure and Post-Closure	20,695,602	1,000,361	2,478,332	19,217,631	800,000
Delta Transfer Station Post-Closure	120,241	1,804	-	122,045	-
Compensated Absences	1,268,260	1,275,262	1,275,612	1,267,910	380,373
Net Pension Liability - CEPF	13,862,145	-	4,172,142	9,690,003	-
Other Postemployment Benefits	5,473,257	738,447	-	6,211,704	-
Total Environmental Services	65,268,268	3,015,874	9,133,522	59,150,620	2,547,430
Mass Transit:					
Certificates of Obligation	47,980,000	3,525,000	915,000	50,590,000	1,565,290
Add: Unamortized Premium	2,216,816	238,593	138,657	2,316,752	141,102
Total Bonds/Notes Payable	50,196,816	3,763,593	1,053,657	52,906,752	1,706,392
Compensated Absences	1,896,074	1,914,757	1,896,074	1,914,757	574,427
Claims and Judgments	229,243	99,562	-	328,805	328,805
Net Pension Liability - CEPF	25,032,929	-	7,534,256	17,498,673	-
Other Postemployment Benefits	8,676,591	1,027,862	-	9,704,453	-
Total Mass Transit	86,031,653	6,805,774	10,483,987	82,353,440	2,609,624
International Bridges:					
General Obligation	8,805,000	-	1,960,000	6,845,000	1,095,000
Add: Unamortized Premium	742,499	-	174,192	568,307	150,079
Total Bonds Payable	9,547,499	-	2,134,192	7,413,307	1,245,079
Compensated Absences	187,245	201,455	187,245	201,455	60,437
Net Pension Liability - CEPF	1,717,475	-	516,915	1,200,560	-
Other Postemployment Benefits	836,364	105,242	-	941,606	-
Total International Bridges	12,288,583	306,697	2,838,352	9,756,928	1,305,516
Business-type activities long-term liabilities	\$ 237,826,817	\$ 12,959,007	\$ 28,681,364	\$ 222,104,460	\$ 8,367,984

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

A. Primary Government (Continued)

9. Long-Term-Debt Outstanding

	Issue Date	Maturity Date	Amount (000's Omitted)	Interest Rates Range	August 31, 2014	Current Issuance	Reductions	August 31, 2015
Certificates of Obligation								
SERIES 2005 - Plaza Theatre	08/15/05	08/15/26	\$ 17,315	2.950 to 4.970%	\$ 780,000	\$ -	\$ 780,000	\$ -
SERIES 2007	05/01/07	08/15/32	35,000	4.000 to 5.000%	31,270,000	-	10,875,000	20,395,000
SERIES 2009	01/15/09	08/15/34	57,615	3.000 to 5.500%	51,355,000	-	2,245,000	49,110,000
SERIES 2009A	09/15/09	08/15/19	27,210	4.000 to 5.000%	15,425,000	-	4,320,000	11,105,000
SERIES 2009B Taxable BAB	09/15/09	08/31/34	45,740	4.781 to 6.163%	45,740,000	-	-	45,740,000
SERIES 2009C Taxable BAB	09/15/09	08/31/34	3,230	6.163 to 6.163%	3,230,000	-	-	3,230,000
SERIES 2010A	11/01/10	08/15/15	2,010	3.000 to 3.000%	2,010,000	-	2,010,000	-
SERIES 2010B Taxable BAB	11/01/10	08/31/36	74,340	3.220 to 6.700%	74,340,000	-	-	74,340,000
SERIES 2011	09/01/11	08/15/32	32,775	3.500 to 5.000%	32,775,000	-	-	32,775,000
SERIES 2012	11/20/12	08/15/38	58,730	3.000 to 4.000%	58,730,000	-	-	58,730,000
SERIES 2013	10/17/13	08/15/39	65,395	1.000 to 5.000%	65,395,000	-	-	65,395,000
SERIES 2014 - (AIRPORT)	04/30/14	08/15/38	40,000	1.375 to 5.000%	40,000,000	-	-	40,000,000
SERIES 2014A	08/26/14	08/15/40	64,605	4.000 to 5.000%	64,605,000	-	-	64,605,000
SERIES 2015 - COMBINATION TAX & REVENUE	08/17/15	08/31/41	57,710	4.000 to 5.000%	-	57,710,000	-	57,710,000
					485,655,000	57,710,000	20,230,000	523,135,000
General Obligations								
SERIES 2006	04/15/06	08/15/31	56,350	3.625 to 5.000%	1,765,000	-	1,765,000	-
SERIES 2007 REFUNDING BONDS	02/15/07	08/15/32	95,190	4.000 to 5.000%	89,135,000	-	41,950,000	47,185,000
SERIES 2007A	05/01/07	08/15/32	40,000	4.000 to 5.000%	34,275,000	-	12,285,000	22,010,000
SERIES 2007 REFUNDING BONDS	06/15/07	08/15/35	101,240	5.512 to 6.018%	91,465,000	-	2,300,000	89,165,000
SERIES 2008	02/15/08	08/15/33	56,455	3.500 to 5.000%	49,440,000	-	31,015,000	18,425,000
SERIES 2011 REFUNDING BONDS	09/01/11	08/15/21	5,860	2.000 to 3.000%	5,165,000	-	705,000	4,460,000
SERIES 2012 REFUNDING BONDS	11/20/12	08/15/28	20,710	2.000 to 4.000%	19,540,000	-	-	19,540,000
SERIES 2013 REFUNDING BONDS	09/30/13	08/15/13	24,285	1.250 to 5.000%	21,515,000	-	-	21,515,000
SERIES 2014 PENSION BONDS	01/16/14	08/15/34	110,610	0.622 to 5.177%	110,610,000	-	2,675,000	107,935,000
SERIES 2014 REFUNDING BONDS	05/20/14	08/15/39	88,515	3.375 to 5.000%	88,515,000	-	4,080,000	84,435,000
SERIES 2014A REFUNDING BONDS	08/26/14	08/15/31	49,360	2.000 to 5.000%	49,360,000	-	12,075,000	37,285,000
SERIES 2015 - REF & IMPROVEMENT	08/17/15	05/31/41	116,415	3.905 to 5.000%	-	116,415,000	-	116,415,000
Total General Obligation Bonds					560,785,000	116,415,000	108,830,000	568,370,000
TOTAL TAX SUPPORTED DEBT					\$ 1,046,440,000	\$ 174,125,000	\$ 129,060,000	\$ 1,091,505,000
ENERGY CONSERVATION NOTES								
State Energy Conservation Office-09-00219-4-039-0	08/31/10	08/31/19	5,000	3.00%	\$ 2,950,808	\$ -	\$ 555,421	\$ 2,395,387
State Energy Conservation Office-CL50008	11/30/12	08/31/22	2,824	2.00%	2,299,954	-	269,969	2,029,985
TOTAL ENERGY CONSERVATION NOTES					\$ 5,250,762	\$ -	\$ 825,390	\$ 4,425,372
Capital Lease Obligations								
Banc of America Public-Capital Corp.	10/31/11	06/01/22	13,587	2.56%	\$ 10,228,791	\$ -	\$ 1,519,292	\$ 8,709,499
Compass Mortgage Corp.-Fire Dept Loan 1	12/01/12	09/01/18	5,025	2.46%	3,700,367	-	836,301	2,864,066
Compass Mortgage Corp.-Fire Dept Loan 2	09/01/13	03/01/20	5,020	2.05%	4,319,033	-	724,330	3,594,703
Motorola (IT)	11/01/12	09/01/22	20,063	2.26%	18,185,300	-	1,844,727	16,340,573
TOTAL CAPITAL LEASE OBLIGATIONS					\$ 36,433,491	\$ -	\$ 4,924,650	\$ 31,508,841
REVENUE BONDS								
RB 2003 - El Paso International Airport	09/15/03	08/15/16	18,000	3.000 to 4.625%	\$ 2,550,000	\$ -	\$ 1,245,000	\$ 1,305,000
RB 2011 - El Paso International Airport	06/01/11	08/15/33	16,330	3.250 to 5.000%	16,330,000	-	-	16,330,000
TOTAL REVENUE BONDS					\$ 18,880,000	\$ -	\$ 1,245,000	\$ 17,635,000
Payable from Special Assessment								
PID REVENUE BOND								
Thunder Canyon	04/15/07	08/15/20	400	4.79%	\$ 215,000	\$ -	\$ 30,000	\$ 185,000
Special Revenue Bonds (Downtown Ballpark Venue Project)								
Special Revenue Bonds, Series 2013A	08/29/13	08/15/38	45,125	6.780 to 7.250%	\$ 45,125,000	\$ -	-	\$ 45,125,000
Special Revenue Bonds, Taxable Series 2013B	08/29/13	08/15/43	15,660	7.250%	15,660,000	-	-	15,660,000
TOTAL SPECIAL REVENUE BONDS					\$ 60,785,000	\$ -	\$ -	\$ 60,785,000

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

G. Component Unit – EPWU

1. Revenue Bonds

Water and Sewer Revenues Bonds and Drainage Revenue Bonds, in the amount of \$482,305,000 and \$60,860,000, respectively, are equally and ratably secured by and payable from an irrevocable first lien on and pledge of the net revenue of the Funds. The pledge of net revenue is in effect until the bonds are extinguished.

2. Changes in Long-term-Debt

Revenue Bonds payable, as well as long-term activity for the year ended February 28, 2015 was as follows:

	Original Amount	Interest Rate Range	February 28, 2014	Issued	Reduction	February 28, 2015
Revenue Bonds:						
Water and Sewer Revenue Bonds						
1990-B	\$ 8,000,000	no interest	\$ 6,400,000	\$ -	\$ 1,600,000	\$ 4,800,000
2003-A	1,000,000	no interest	550,000	-	50,000	500,000
2003-B	10,000,000	0.00 - 4.49%	5,000	-	5,000	-
2004 Refunding	36,070,000	2.50 - 5.00%	1,940,000	-	1,940,000	-
2004-A Refunding	14,360,000	2.50 - 5.25%	630,000	-	630,000	-
2005-A	45,660,000	3.00 - 5.00%	2,095,000	-	1,020,000	1,075,000
2005-B	36,515,000	4.00 - 5.25%	33,590,000	-	28,225,000	5,365,000
2005-C	10,000,000	1.95 - 3.80%	7,160,000	-	6,695,000	465,000
2006	37,745,000	3.75 - 5.00%	19,270,000	-	11,335,000	7,935,000
2006-A	45,200,000	4.00 - 5.00%	27,535,000	-	24,185,000	3,350,000
2007	35,500,000	4.00 - 5.00%	32,415,000	-	26,965,000	5,450,000
2008	30,520,000	3.50 - 5.00%	13,005,000	-	430,000	12,575,000
2008-A	14,000,000	1.50 - 3.95%	13,980,000	-	5,000	13,975,000
2008-B	22,000,000	1.50 - 3.95%	21,980,000	-	5,000	21,975,000
2008-C	35,000,000	2.38 - 5.50%	35,000,000	-	28,355,000	6,645,000
2010 Refunding	22,115,000	2.00 - 4.50%	17,495,000	-	1,455,000	16,040,000
2010	15,000,000	4.75%	14,460,000	-	565,000	13,895,000
2010-A	42,580,000	3.00 - 5.00%	38,820,000	-	4,100,000	34,720,000
2011	14,680,000	2.00 - 5.00%	14,580,000	-	540,000	14,040,000
2012	52,780,000	2.00 - 5.00%	52,780,000	-	2,310,000	50,470,000
2012-A	75,715,000	2.00 - 5.00%	73,660,000	-	1,180,000	72,480,000
2014	64,900,000	2.00 - 5.00%	64,900,000	-	-	64,900,000
2015	131,650,000	3.00 - 5.00%	-	131,650,000	-	131,650,000
Total Water and Sewer Revenue Bonds			492,250,000	131,650,000	141,595,000	482,305,000
Drainage Revenue Bonds						
2009 - Drainage	53,000,000	5.38%	47,780,000	-	1,935,000	45,845,000
2009A - Drainage	2,163,000	n/a	1,944,000	-	109,000	1,835,000
2012 - Drainage	14,075,000	3.00 - 5.00%	13,660,000	-	480,000	13,180,000
Total Drainage Revenue Bonds			63,384,000	-	2,524,000	60,860,000
Total Revenue Bonds			555,634,000	131,650,000	144,119,000	543,165,000
Unamortized Premiums, net of discounts			35,833,829	17,562,668	5,089,084	48,307,413
Land Notes Payable			4,159,087	-	752,693	3,406,394
Commercial Paper Payable			5,000,000	30,000,000	25,000,000	10,000,000
Other governments payable			2,760,792	-	128,932	2,631,860
Other Post Employment Benefits			6,917,579	1,040,962	-	7,958,541
Self Insurance Claims			1,384,915	3,988,848	4,330,496	1,043,267
Accrued Vacation			2,990,137	1,972,295	1,943,932	3,018,500
Total Component Unit - EPWU			\$ 614,680,339	\$ 186,214,773	\$ 181,364,137	\$ 619,530,975

NOTE 8. LONG-TERM OBLIGATIONS (Continued)**B. Component Unit – EPWU (Continued)****3. REVENUE BONDS (Continued)**

Interest costs incurred on water and sewer revenue bonds totaled \$23,348,380 in 2015 of which \$973,887 was capitalized.

Water and Wastewater Utility Fund – Water and Sewer Revenue Bonds - Annual Revenue Bond Debt Service Requirements

Year Ending February	Principal	Interest	Total
2016	27,345,000	17,774,315	45,119,315
2017	28,025,000	18,784,067	46,809,067
2018	30,040,000	17,841,439	47,881,439
2019	31,335,000	16,740,983	48,075,983
2020	32,415,000	15,489,678	47,904,678
2021 – 2025	161,485,000	56,558,249	218,043,249
2026 – 2030	129,055,000	22,238,711	151,293,711
2033 – 2035	40,950,000	3,732,094	44,682,094
2036	1,655,000	28,963	1,683,963
	<u>\$ 482,305,000</u>	<u>\$ 169,188,499</u>	<u>\$ 651,493,499</u>

On December 26, 2012, the Public Service Board - El Paso Water Utilities issued \$75,715,000 in Water and Sewer Revenue Refunding 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 0.24%, \$25,000,000 to fund Emergency backup power generation, and advance refund the following outstanding bonds:

Series	Amount	Average Coupon
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, 2015 and February 28, 2014, \$0 and \$43,375,000 of bonds remained outstanding with estimated related escrow balances of \$0 and \$44,376,525, respectively. 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.

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

B. Component Unit – EPWU (Continued)

3. REVENUE BONDS (Continued)

On February 5, 2014, the Public Service Board - El Paso Water Utilities issued \$64,900,000 in Water and Sewer Revenue Refunding Bonds, Series 2014 with an average interest rate of 4.83% to refund \$30,000,000 of Water and Sewer Commercial Paper Notes with an average interest rate of 0.12%, to advance refund \$40,335,000 of 2005A Water and Sewer Revenue Refunding bonds with an average interest rate of 5.11%. The liabilities associated with these bonds were removed from the related payables. As of February 28, 2015 and February 28, 2014, \$40,335,000 and \$40,335,000 of bonds remained outstanding with an estimated related escrow balance of \$41,312,631 and \$43,285,533 respectively. The refunding of the 2005A reduced debt service by \$4,379,527 and resulted in an economic gain (difference between the present values of the old and new service payments) of \$3,060,590.

On January 8, 2015, the Public Service Board - El Paso Water Utilities issued \$131,650,000 in Water and Sewer Revenue Refunding Bonds, Series 2015 with an average interest rate of 4.45% to refund \$25,000,000 of Water and Sewer Commercial Paper notes with an average interest rate of 0.10% and to advance refund the following outstanding bonds:

Series	Amount	Average Coupon
2005B	\$ 26,430,000	5.25%
2005C	6,245,000	3.62%
2006	10,555,000	4.72%
2006A	21,010,000	4.26%
2007	25,320,000	4.85%
2008C	26,885,000	5.30%

The liabilities associated with these bonds were removed from the related payables. As of February 28, 2015 \$116,445,000, of bonds remained outstanding with an estimated escrow balances of \$125,345,648. The refunding of the 2005B, 2005C, 2006, 2006A, 2007 and 2008C reduced debt service by \$11,082,719 and resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$10,276,163.

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

B. Component Unit – EPWU (Continued)

3. REVENUE BONDS (Continued)

Interest costs incurred on revenue bonds totaled \$2,993,724 in 2015 of which \$191,355 was capitalized, and \$3,107,427 in 2014 of which \$285,533 was capitalized.

Municipal Drainage Utility Fund – Drainage Revenue Bonds - Annual Revenue Bond Debt Service Requirements

Year Ending February	Principal	Interest	Total
2016	2,644,000	2,087,368	4,731,368
2017	2,774,000	1,996,393	4,770,393
2018	2,919,000	1,898,035	4,817,035
2019	3,069,000	1,791,593	4,860,593
2020	3,224,000	1,676,767	4,900,767
2021 – 2025	18,871,000	6,435,693	25,306,693
2026 – 2030	24,260,000	2,646,567	26,906,567
2031 – 2033	3,099,000	153,740	3,252,740
	<u>\$ 60,860,000</u>	<u>\$ 18,686,156</u>	<u>\$ 79,546,156</u>

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax- exempt bonds after August 31, 1986. Arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Generally, all interest paid to bondholders can be retroactively rendered taxable if applicable rebates are not reported and paid to the Internal Revenue Service (IRS) at least every five years. Arbitrage is evaluated and estimated on an annual basis by a third party arbitrage rebate service company. The company has estimated no liability for EPWU as of February 28, 2015.

EPWU is required to comply with various requirements in the ordinances authorizing the bond issuances. Management of EPWU has indicated they are in compliance with all significant requirements.

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

B. Component Unit – EPWU (Continued)

4. LAND NOTES PAYABLE

During the fiscal year ending February 29, 2004, EPWU purchased two parcels of land totaling 8,865.15 acres that were financed through note instruments. The first note was for a total of \$401,692 with an interest rate of 3.95% for a period of ten years and payments of \$49,402 due in March of each year. This note was paid off in March 2013. The second note was for a total of \$9,971,186 with an interest rate of 5% for the first year and adjusted by the change in rate of a 10 year U.S. Treasury Note on September 1st of each year thereafter. This note is for a period of 15 years with payments due in September that fluctuate in amount based upon the interest rate. The \$9,971,186 purchase also included a lease back of the property for a period of 15 years and an annual lease payment of \$400,000. The following is a list of the principal and interest payments due for the note payable:

Year Ending February	Principal	Interest	Total
2016	790,328	101,170	891,498
2017	829,844	78,482	908,326
2018	871,337	53,587	924,924
2019	914,885	27,447	942,332
	<u>\$ 3,406,394</u>	<u>\$ 260,686</u>	<u>\$ 3,667,080</u>

5. Commercial Paper

EPWU through the City of El Paso and JP Morgan Chase Bank (the “Bank”) entered into a 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. 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. On July 3, 2013, the parties amended (the “Credit Agreement”) to extend the Final Date to August 3, 2015. 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)**

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.

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 28, 2014, there was \$5,000,000 outstanding and as of February 28, 2015, the following amount was outstanding:

	2015	Maturity Date	Coupon Rate
\$	8,000,000	April 6, 2015	0.05%
\$	2,000,000	April 1, 2015	0.05%

6. Other Government Payables

During the fiscal year ending February 28, 2010, EPWU entered into a wholesale contract with Fort Bliss to provide water services for a 20-year period effective June 1, 2009. The El Paso Water Utility is to credit Fort Bliss \$3,300,000 with an interest rate of 4.5% totaling \$5,010,583 over 20 years (\$20,877 monthly) for the engineering/environmental analysis in connection with the Desalination Plant. The following is a list of the principal and interest payments due to Fort Bliss as of February 28, 2015:

Year Ending February	Principal	Interest	Total
2016	134,854	115,675	250,529
2017	141,049	109,480	250,529
2018	147,529	103,000	250,529
2019	154,307	96,222	250,529
2020	161,396	89,133	250,529
2021 – 2025	925,246	327,400	1,252,646
2026 – 2030	967,479	97,270	1,064,749
	<u>\$ 2,631,860</u>	<u>\$ 938,180</u>	<u>\$ 3,570,040</u>

NOTE 8. LONG-TERM OBLIGATIONS (Continued)**C. Solid Waste Landfill Closure and Post-closure 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 post-closure 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.

During fiscal year 2015, 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 is \$21.6 million at August 31, 2015. The recognized portion of the total liability, \$16.8 million, is computed based on the percentage of landfill capacity used, approximately 52.11%, as of August 31, 2015. The estimated total current cost of closure and postclosure care remaining to be recognized is \$4.8 million.

Clint Landfill (TCEQ Permit 1482) – The City closed this facility in fiscal year 2010. Closure and postclosure costs are estimated at \$11.8 million. Approximately \$8.6 million has been expended, resulting in the recorded liability of \$3.2 million.

Clint Landfill (TCEQ Permit 2284) – This landfill is currently accepting solid waste and capacity used is 28.51% at August 31, 2015. Closure and postclosure costs are estimated at \$29.2 million. The estimated closure and postclosure cost liability of \$8.3 million is included in the recorded liability.

McCombs Landfill (TCEQ Permit 729A) – This landfill is currently accepting solid waste and capacity used is 23.60% at August 31, 2015. Closure and postclosure costs are estimated at \$69 million. The estimated closure and postclosure cost liability of \$10.1 million is included in the recorded liability.

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, 2015, 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 2015 audited financial statements.

CITY OF EL PASO, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

NOTE 8. LONG-TERM OBLIGATIONS (Continued)

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, 2015, the estimated total cost of closure of the Delta Transfer Station is \$122,045 and is recognized as a liability in these financial statements.

E. Arbitrage Rebate Payable

At August 31, 2015, 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:

	General Fund	Community Development Block Grants	Debt Service	Capital Projects	Downtown Development Corporation	Nonmajor Governmental Funds
Fund balances:						
Nonspendable:						
Inventory and Prepaids	\$ 4,027,347	\$ -	\$ -	\$ -	\$ -	\$ 40,574
Restricted for:						
Cash reserve	17,506,277	-	-	-	-	-
Debt Service	-	-	3,600,113	-	-	-
Municipal Court	-	-	-	-	-	3,894,673
Capital Projects	-	-	-	80,024,958	570,577	-
PEG	-	-	-	-	-	4,512,776
Civic Center	-	-	-	-	-	1,887,925
Library	-	-	-	-	-	513,491
Art Museum	-	-	-	-	-	443,531
Police	-	-	-	-	-	3,229,562
Economic Development	-	-	-	-	-	80,153
Restricted Other Grants	-	-	-	-	-	123,095
Committed to:						
Parks	-	-	-	-	-	4,353,619
Economic Development	-	-	-	-	-	5,203,250
Mayor and City Council	-	-	-	-	-	254,813
Fire	-	-	-	-	-	42,466
Police	-	-	-	-	-	626,622
Unassigned	21,410,712	-	-	-	-	(447,167)
Total fund balances	<u>\$ 42,944,336</u>	<u>\$ -</u>	<u>\$ 3,600,113</u>	<u>\$ 80,024,958</u>	<u>\$ 570,577</u>	<u>\$ 24,759,383</u>

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 for customer facility charge:		
El Paso International Airport	\$	11,713,851
Restricted for passenger facilities:		
El Paso International Airport		7,708,067
Restricted for debt service:		
El Paso International Airport		3,645,555
Total restricted net position	\$	<u>23,067,473</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, 2015, is \$16,136,946 of which \$12,637,547 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, is based on the requirements of GASB Statement 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 2015, 2014 and 2013 were:

	Workers' Compensation	Group Health	Unemployment Compensation	Total
Claims liability at August 31, 2013	\$ 12,840,693	\$ 2,974,407	\$ -	\$ 15,815,100
Incurred claims	5,645,882	39,733,941	347,372	45,727,195
Payment on claims	(6,740,313)	(39,233,949)	(347,372)	(46,321,634)
Claims liability at August 31, 2014	11,746,262	3,474,399	-	15,220,661
Incurred claims	6,814,227	42,007,494	301,751	49,123,472
Payment on claims	(5,922,942)	(41,982,494)	(301,751)	(48,207,187)
Claims liability at August 31, 2015	\$ 12,637,547	\$ 3,499,399	\$ -	\$ 16,136,946

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.

NOTE 10. RISK MANAGEMENT (Continued)

D. Workers' Compensation Insurance

The City self-insures against workers' compensation claims.

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 worker's 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, 2015 is \$1,043,267 of which \$871,868 and \$171,399 represents workers' compensation claims and health benefits claims, respectively.

Changes in accrued liabilities for these claims follow:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Health Insurance	\$ 171,399	\$ 513,047	\$ 206,704
Workers' Compensation	871,868	871,868	1,062,414
Total Payable	1,043,267	1,384,915	1,269,118
Less current portion	299,060	836,027	356,765
Estimated Long-term portion	<u>\$ 744,207</u>	<u>\$ 548,888</u>	<u>\$ 912,353</u>

Changes in accrued liabilities for self insurance programs were as follows:

	<u>2015</u>	<u>2014</u>	<u>2013</u>
Total Payable, beginning of year	\$ 1,384,915	\$ 1,269,118	\$ 1,267,609
Additional claims incurred	3,988,848	3,763,153	4,823,825
Claims paid during the year	(4,330,496)	(3,647,356)	(4,822,316)
Total payable, end of year	<u>\$ 1,043,267</u>	<u>\$ 1,384,915</u>	<u>\$ 1,269,118</u>

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

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's legal counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City. The City has accrued \$500,000 as of August 31, 2015 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

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, 2015, the outstanding liability of these bonds is \$185,000.

D. 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, 2015, 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. POSTEMPLOYMENT HEALTH CARE BENEFITS

Plan Description: The City sponsors and administers an informal single-employer defined benefit healthcare 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 healthcare plan but all required information is presented in this report.

NOTE 12. POSTEMPLOYMENT HEALTH CARE BENEFITS (Continued)

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 2,823 retirees eligible, there were 2,745 retirees covered under this plan at August 31, 2015. Dependent coverage was provided for 390 of the retirees. Total benefits paid by the City for retirees during the fiscal year were \$22,916,913. Retirees contributed \$14,595,935 or 39% 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 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 thirty 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	\$ 15,034,006
Interest on net OPEB obligation	3,600,498
Adjustment to annual required contribution	<u>(4,911,668)</u>
Annual OPEB cost	13,722,836
Total annual employer contribution (pay-as-you-go)	<u>(4,324,748)</u>
Increase in net OPEB obligation	9,398,088
Net OPEB Obligation - August 31, 2014	<u>80,011,076</u>
Net OPEB Obligation - August 31, 2015	<u><u>\$ 89,409,164</u></u>

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

Normal cost	\$ 5,621,504
Amortization cost	<u>9,412,502</u>
Annual required contribution (ARC)	<u><u>\$ 15,034,006</u></u>

NOTE 12. POSTEMPLOYMENT HEALTH CARE BENEFITS (Continued)

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
2015	\$ 13,722,836	15.3%	\$ 89,409,164
2014	13,872,597	17.3%	80,011,076
2013	17,533,387	24.7%	70,854,150

Funded Status and Funding Progress: As of September 1, 2013, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$153,319,191, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$153,319,191. The covered payroll (annual payroll of active employees covered by the plan) was \$226,485,424 and the ratio of the UAAL to the covered payroll was 67.7%.

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 healthcare 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, 2013, 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 healthcare cost trend rate of 4.8% for 2013 and then reduced by decrements of one-half percent annually to an ultimate rate of 4.2% after five years. Both rates included a 4.8% 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, 2013, was thirty years.

CITY OF EL PASO, TEXAS

NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

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
City Employees' Pension Fund	400 W. San Antonio Ave. Suite B El Paso, TX 79901

The total for all plans of the reporting entity's (City and EPWU) pension liabilities, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense is as follows:

	CEPF	FPPF		Total
		Firemen	Policemen	
Net pension liability	\$ 127,216,618	\$ 105,773,728	\$ 185,014,726	\$ 418,005,072
Deferred outflows of resources				
Contributions	22,915,915	6,655,100	9,340,544	38,911,559
Experience	3,723,987	-	-	3,723,987
Investment Earnings	-	14,621,462	21,238,622	35,860,084
Deferred inflows of resources				
Investment Earnings	47,981,672	-	-	47,981,672
Pension Expense	11,313,140	14,961,562	24,850,711	51,125,413

A. Membership

Membership of each plan as of the measurement date consisted of the following:

	August 31, 2014		December 31, 2014	
	CEPF	FPPF-Firemen Division	FPPF-Policemen Division	
Retirees and beneficiaries receiving benefits	2,627	644	853	
Terminated plan members entitled to but not yet receiving benefits	150	8	18	
Active plan members	4,149	871	1,052	
Total	<u>6,926</u>	<u>1,523</u>	<u>1,923</u>	

NOTE 13. PENSION PLANS (Continued)

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. Non-employer 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.

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 non-classified 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.

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.

NOTE 13. PENSION PLANS (Continued)

B. City Employees' Pension Fund (Continued)

1. Plan Description (Continued)

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.

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.

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

4. 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 22.10% of annual covered payroll.

Employer contributions for the year ended August 31, 2015, were \$22,915,913.

NOTE 13. PENSION PLANS (Continued)

B. City Employees' Pension Fund (Continued)

5. 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.

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 August 31, 2014, 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 3.50%, which includes an inflation rate of 3.50% and no costs of living increases. The remaining amortization period at August 31, 2014, was 20 years using a level percent, open basis, amortization period. The mortality assumption was based on the RP-2000 combined mortality table set forward two years projected to 2017 with Scale AA forecasts of mortality improvement. There were no factors that significantly affected the identification of trends such as changes in benefits, actuarial methods or assumptions.

The long-term expected rate of return on pension plan investments was based primarily on historical returns on plan assets, adjusted for changes in target portfolio allocations and recent changes in long-term interest rates based on publically available information. The target allocations and best estimates of rates of return for each major asset class are summarized below.

Asset Class	Target Allocation	Long-term Expected Real Rate of Return
Domestic Equity	30%	5.4%
International Equity	20%	5.6%
Fixed Income	28%	0.8%
Real Estate	10%	3.9%
Master Limited Partnerships	5%	6.3%
Private Equity	7%	6.3%
Cash	0%	-0.3%
	100%	

NOTE 13. PENSION PLANS (Continued)

B. City Employees' Pension Fund (Continued)

5. Actuarial Methods and Assumptions (Continued):

Discount Rate: The discount rate used to measure the total pension liability was 7.50 percent. Based on plan funding expectations, no actuarial projection of cash flows was made as the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability.

The City's net pension liability as of August 31, 2015 was measured as of August 31, 2014, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Changes in the total pension liability, plan fiduciary net position and the net pension liability through the respective fiscal years ended, are as follows for the City Employees' Pension Plan in total and as apportioned to the City and EPWU, as determined by the City at August 31, 2015:

Changes in Net Pension Liability - City Employees' Pension Plan			
	Increase (Decrease)		
	Total Pension Liability (a)	Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of 9/1/14	\$ 825,027,005	\$ 643,035,798	\$ 181,991,207
Changes for the year:			
Service cost	20,691,396	-	20,691,396
Interest on total pension liability	61,812,817	-	61,812,817
Effect of economic/demographic gains or losses	4,691,256	-	4,691,256
Benefit payments	(52,477,539)	(52,477,539)	-
Administrative expenses	-	(1,295,311)	1,295,311
Member contributions	-	13,985,989	(13,985,989)
Net investment income	-	107,540,221	(107,540,221)
Employer contributions	-	21,739,159	(21,739,159)
Balances as of 8/31/15	\$ 859,744,935	\$ 732,528,317	\$ 127,216,618

NOTE 13. PENSION PLANS (Continued)

B. City Employees' Pension Fund (Continued)

5. Actuarial Methods and Assumptions (Continued):

Changes in Net Pension Liability - City			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of 9/1/14	\$ 660,846,631	\$ 515,071,674	\$ 145,774,957
Changes for the year:			
Service cost	16,573,808	-	16,573,808
Interest on total pension liability	49,512,066	-	49,512,066
Effect of economic/demographic gains or losses	3,757,696	-	3,757,696
Benefit payments	(42,034,509)	(42,034,509)	-
Administrative expense	-	(1,037,547)	1,037,547
Member contributions	-	11,202,777	(11,202,777)
Net investment income	-	86,139,717	(86,139,717)
Employer contributions	-	17,413,066	(17,413,066)
Balances as of 8/31/15	\$ 688,655,692	\$ 586,755,178	\$ 101,900,514

Changes in Net Pension Liability - EPWU			
	Increase (Decrease)		
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of 3/1/14	\$ 164,180,374	\$ 127,964,124	\$ 36,216,250
Changes for the year:			
Service cost	4,117,588	-	4,117,588
Interest on total pension liability	12,300,751	-	12,300,751
Effect of economic/demographic gains or losses	933,560	-	933,560
Benefit payments	(10,443,030)	(10,443,030)	-
Administrative expense	-	(257,764)	257,764
Member contributions	-	2,783,212	(2,783,212)
Net investment income	-	21,400,504	(21,400,504)
Employer contributions	-	4,326,093	(4,326,093)
Balances as of 2/28/15	\$ 171,089,243	\$ 145,773,139	\$ 25,316,104

Sensitivity to Interest Rate Changes: The following presents the resulting net pension liability calculated using the discount rate of 7.50 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

	1% Decrease (6.5%)	Discount Rate (7.5%)	1% Increase (8.5%)
City's net pension liability	\$ 224,136,180	\$ 127,216,618	\$ 45,220,842

NOTE 13. PENSION PLANS (Continued)

B. City Employees' Pension Fund (Continued)

5. Actuarial Methods and Assumptions (Continued)

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

For the year ended August 31, 2015, the City recognized pension expense, as measured in accordance with GASB Statement No. 68, of \$9,601,825, and reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources for the City Employees' Pension Plan in total and as apportioned to the City and EPWU, as determined by the City at August 31, 2015:

<u>City Employees' Pension Plan</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in expected and actual experience	\$ 3,723,987	\$ -
Difference between expected and actual investment earnings on plan investments	-	47,981,672
Contributions subsequent to the measurement date	22,915,915	-
Total City Employees' Pension Plan	<u>\$ 26,639,902</u>	<u>\$ 47,981,672</u>
<u>City</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in expected and actual experience	\$ 2,982,914	\$ -
Difference between expected and actual investment earnings on plan investments	-	38,433,319
Contributions subsequent to the measurement date	18,355,648	-
Total City	<u>\$ 21,338,562</u>	<u>\$ 38,433,319</u>
<u>EPWU</u>	<u>Deferred Outflows of Resources</u>	<u>Deferred Inflows of Resources</u>
Difference in expected and actual experience	\$ 741,073	\$ -
Difference between expected and actual investment earnings on plan investments	-	9,548,353
Contributions subsequent to the measurement date	4,560,267	-
Total EPWU	<u>\$ 5,301,340</u>	<u>\$ 9,548,353</u>

\$18,355,648 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending August 31, 2016.

Other amounts reported as deferred outflows and inflows of resources related to the plan will be recognized in pension expense as follows:

<u>Ending August 31</u>	
2016	\$ (11,028,149)
2017	(11,028,149)
2018	(11,028,149)
2019	(11,173,238)
Total	<u>\$ (44,257,685)</u>

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. Non-employer 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 18.50% 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 – Policemen 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 twenty years of service. All benefits under the FPPF are terminated if contributions are refunded.

Upon completion of ten 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 fifty or immediately upon date of termination of service if at least fifty 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 twenty-eight years. Normal retirement occurs when employees reach age forty-five and have twenty 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 twenty years of service and before age forty-five. The pension benefit is equal to 2.75% times final compensation times the number of years of service, not to exceed twenty-eight, 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 twenty-eight 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 fifty years old and have twenty and one-half years of service may elect the Back Deferred Retirement Option Program (Back DROP). The Back DROP benefit is a lump sum payment and a reduced monthly benefit. The Back DROP period must be at least six months and not more than thirty-six 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)

A. 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 the 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.

In the event, based upon the results of the actuarial valuations, a qualified actuary determines that the total contribution rate is insufficient to amortize an unfunded actuarial accrued liability, the City's governing body may increase its contribution rate.

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.

Employer contributions for the year ended August 31, 2015 were \$10,355,443 and \$14,280,604 for the Firemen and Policemen Divisions, respectively.

5. 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.

NOTE 13. PENSION PLANS (Continued)**C. Firemen and Policemen's Pension Fund (Continued)****5. Actuarial Methods and Assumptions (Continued)**

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, 2014 actuarial valuation rolled forward to and used in the determination of the total pension liability at December 31, 2014, the measurement date, 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.

The long-term expected rate of return on pension plan investments was based primarily on historical returns on plan assets, adjusted for changes in target portfolio allocations and recent changes in long-term interest rates based on publically available information. The target allocations and best estimates of rates of return for each major asset class are summarized below:

Asset Class	Target Allocation	Long-term Expected Real Rate of Return (Arithmetic)
Domestic Equity	27.50%	6.21%
International Equity	22.50%	7.30%
Fixed Income	25.00%	3.14%
Emerging Markets Equit	5.00%	8.50%
Real Estate	10.00%	7.00%
Private Equity	10.00%	9.80%
	<u>100%</u>	

Discount Rate: The discount rate used to measure the total pension liability was 7.75 percent. Based on plan funding expectations, no actuarial projection of cash flows was made as the plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability.

CITY OF EL PASO, TEXAS
NOTES TO FINANCIAL STATEMENTS

Year Ended August 31, 2015

NOTE 13. PENSION PLANS (Continued)

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

5. Actuarial Methods and Assumptions (Continued)

Changes in the total pension liability, plan fiduciary net position and the net pension liability for the year ended August 31, 2015 were as follows:

Firemen Division			
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of 9/1/14	\$ 593,936,328	\$ 506,891,865	\$ 87,044,463
Changes for the year:			
Service Cost	13,064,315	-	13,064,315
Interest on total pension liability	45,884,434	-	45,884,434
Difference between expected and actual return	-	-	-
Benefit Payments, including refunds of employee contributions	(29,886,861)	(29,886,861)	-
Administrative expense	-	-	-
Contributions - member	-	8,749,488	(8,749,488)
Contributions - employer	-	10,853,759	(10,853,759)
Net investment income	-	20,616,237	(20,616,237)
Other	-	-	-
Net Changes	<u>29,061,888</u>	<u>10,332,623</u>	<u>18,729,265</u>
Balances as of 8/31/15	<u>\$ 622,998,216</u>	<u>\$ 517,224,488</u>	<u>\$ 105,773,728</u>

Policemen Division			
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)
Balances as of 9/1/14	\$ 890,192,914	\$ 736,491,380	\$ 153,701,534
Changes for the year:			
Service Cost	18,126,576	-	18,126,576
Interest on total pension liability	68,900,266	-	68,900,266
Difference between expected and actual return	-	-	-
Benefit Payments, including refunds of employee contributions	(38,567,602)	(38,567,602)	-
Administrative expense	-	-	-
Contributions - member	-	10,898,003	(10,898,003)
Contributions - employer	-	14,776,141	(14,776,141)
Net investment income	-	30,039,506	(30,039,506)
Other	-	-	-
Net Changes	<u>48,459,240</u>	<u>17,146,048</u>	<u>31,313,192</u>
Balances as of 8/31/15	<u>\$ 938,652,154</u>	<u>\$ 753,637,428</u>	<u>\$ 185,014,726</u>

NOTE 13. PENSION PLANS (Continued)

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

5. Actuarial Methods and Assumptions (Continued)

Sensitivity to Interest Rate Changes: The following presents the resulting net pension liability calculated using the discount rate of 7.75 percent, as well as what the net pension liability would be if it were calculated using a discount rate that is 1 percentage point lower or 1 percentage point higher than the current rate:

Firemen Division		
1% Decrease 6.75%	Current Single Rate Assumption 7.75%	1% Increase 8.75%
\$ 191,982,180	\$ 105,773,728	\$ 35,441,143

Policemen Division		
1% Decrease 6.75%	Current Single Rate Assumption 7.75%	1% Increase 8.75%
\$ 318,831,849	\$ 185,014,726	\$ 76,561,849

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to the Plan: For the year ended August 31, 2015, the City recognized pension expense, as measured in accordance with GASB Statement No. 68, of \$39,812,273 and reported deferred outflows of resources and deferred inflows of resources related to the plan from the following sources:

Firemen Division	
	Deferred Outflows of Resources
Difference between projected and actual investment earnings on pension plan investments	\$ 14,621,462
Employer contributions subsequent to the measurement date	6,655,100
	<u>\$ 21,276,562</u>

Policemen Division	
	Deferred Outflows of Resources
Difference between projected and actual investment earnings on pension plan investments	\$ 21,238,622
Employer contributions subsequent to the measurement date	9,340,544
	<u>\$ 30,579,166</u>

NOTE 13. PENSION PLANS (Continued)

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

5. Actuarial Methods and Assumptions (Continued)

\$15,995,644 reported as deferred outflows of resources related to pensions resulting from City contributions subsequent to the measurement date will be recognized as a reduction in the net pension liability for the year ending August 31, 2016.

Other amounts reported as deferred outflows of resources related to the plan will be recognized in pension expense as follows:

Year Ending August 31	Firemen Division	Policemen Division
2016	\$ 3,655,366	\$ 5,309,655
2017	3,655,366	5,309,655
2018	3,655,366	5,309,655
2019	3,655,364	5,309,657
Total	<u>\$ 14,621,462</u>	<u>\$ 21,238,622</u>

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:

City Manager	\$ 233,591
Internal Audit	16,577
Public Information	71,873
Police Department	186,174
Facilities Maintenance	1,152,907
Community & Human Development	27,992
Cultural Affairs	46,729

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

NOTE 15. NEW FINANCIAL REPORTING REQUIREMENTS

The GASB has issued the following statement, which became effective for fiscal year 2015. Statement No. 68, *Accounting and Financial Reporting for Pensions – an amendment of GASB Statement No. 27*. This statement changes the focus of pension accounting for employers from whether they are responsibly funding their plan over time to a point-in-time liability that is reflected in the employer’s financial statements for any actuarially unfunded portion of pension benefits earned to date.

CITY OF EL PASO, TEXAS**NOTES TO FINANCIAL STATEMENTS****Year Ended August 31, 2015****NOTE 15. NEW FINANCIAL REPORTING REQUIREMENTS (continued)**

Adoption of GASB 68 resulted in the following adjustments to beginning net position at September 1, 2014:

	Government-wide Statement of Activities	
	Governmental Activities	Business-type Activities
Net position at August 31, 2014, as previously reported	\$ 48,193,824	\$ 368,263,163
Reversal of net pension obligation as of August 31, 2014	1,974,752	2,753,851
Reversal of net pension asset as of August 31, 2014	(50,163,274)	-
Recording of net pension liability as of August 31, 2014	(336,664,810)	(49,856,146)
Deferral for pension contributions made after the measurement date	27,300,387	5,980,299
Net position at August 31, 2014, as restated	<u>\$ (309,359,121)</u>	<u>\$ 327,141,167</u>

The adoption of GASB Statement No. 68 had the same impact on the proprietary fund financial statements as the business-type activities at the government-wide level. The El Paso Water Utilities Public Service Board, a Component Unit of the City, did not implement this Standard for their fiscal year ended February 28, 2015, as GASB 68 is effective for fiscal years beginning after June 15, 2014.

NOTE 16. IMPLEMENTATION OF FUTURE GASB STANDARDS

The Governmental Accounting Standards Board (“GASB”) has issued the following new statements to be implemented in future years.

Statement No. 72: *Fair Value Measurement and Application*

GASB Statement No. 72: *Fair Value Measurement and Application*, was issued in February 2015. This Statement addresses accounting and financial reporting issues related to fair value measurements. The definition of *fair value* is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement provides guidance for determining a fair value measurement for financial reporting purposes. This Statement also provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements. This standard becomes effective for the City in fiscal year 2016.

NOTE 16. IMPLEMENTATION OF FUTURE GASB STANDARDS (continued)

Statement No. 73: *Accounting and Financial Reporting for Pensions and Related Assets that are not within the Scope of GASB Statement 68, and Amendments to Certain Provisions of GASB Statement 67 and 68*

GASB Statement No. 73: *Accounting for Financial Reporting for Pension and Related Assets that are not within the Scope of GASB 68, and Amendments to Certain Provisions of GASB 67 and 68*, was issued in June 2015. The objective of this Statement is to improve the usefulness of information about pensions included in the general-purpose external financial reports of state and local governments for making decisions and assessing accountability. This Statement results from a comprehensive review of the effectiveness of existing standards of accounting and financial reporting for all postemployment benefits with regard to providing decision-useful information, supporting assessments of accountability and interperiod equity, and creating additional transparency. This Statement is effective for the City's fiscal year 2017.

Statement No.74: *Financial Reporting for Postemployment Benefit Plans other than Pension Plans*

GASB Statement No. 74: *Financial Reporting for Postemployment Benefit Plans other than Pension Plans*, was issued June 2015. This Statement addresses the reporting requirements for Other Postemployment Benefit (OPEB) plans that administer benefits on behalf of governments. GASB 74 replaces GASB Statement No. 43, *Financial Reporting for Postemployments Benefit Plans Other Than Pension Plans* and addresses the financial reporting of OPEB plans that are administered through trusts that meet certain criteria. GASB 74 requires the inclusion of a statement of fiduciary net position and a statement of changes in fiduciary net position in the financial reporting for the plan. GASB 74 also requires more extensive note disclosures and required supplementary information (RSI) related to the measurement of the OPEB liabilities and sets forth note disclosure requirements for defined contribution OPEB plans. This standard becomes effective for the City in fiscal year 2017.

Statement No.75: *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*

GASB Statement No. 75: *Accounting and Financial Reporting for Postemployment Benefits Other than Pensions*, was issued June 2015. This Statement replaces the requirements of GASB Statement No. 45, *Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions*. GASB 75 requires governments to report a liability on the face of the financial statements, in accordance with the following:

- Employers that are responsible only for OPEB liabilities for their own employees and that provide OPEB through a defined benefit OPEB plan administers through a trust that meets specified criteria will report a net OPEB liability (the difference between the total OPEB liability and the assets accumulated in trust to make the benefit payments)
- Employers that participate in a cost-sharing OPEB plan that is administered through a trust that meets specified criteria will report a liability equal to the employer's proportionate share for the collective OPEB liability for all employers participating in the plan
- Employers that do not provide OPEB through a trust that meets specified criteria will report the total OPEB liability for their own employees

GASB 75 requires more extensive note disclosures and required supplementary information (RSI) about the OPEB liabilities. This standard becomes effective for the City in fiscal year 2018.

Statement No.76: *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*

GASB Statement No. 76: *The Hierarchy of Generally Accepted Accounting Principles for State and Local Governments*, was issued in June 2015. The objective of this Statement is to identify – in the context of the current governmental financial reporting environment – the hierarchy of generally accepted accounting principles (GAAP). The “GAAP hierarchy” consists of the sources of accounting principles used to prepare financial statements of state and local governmental entities in conformity with GAAP and the framework for selecting those principles. This Statement reduces the GAAP hierarchy to two categories of authoritative GAAP and addresses the use of authoritative and nonauthoritative literature in the event that the accounting treatment for a transaction or other event is not specified within a source of authoritative GAAP. This standard becomes effective for the City in fiscal year 2016.

Statement No.77: *Tax Abatement Disclosures*

GASB Statement No. 77: *Tax Abatement Disclosures*, was issued in August 2015. This Statement improves financial reporting by giving users of financial statement essential information that is not consistently or comprehensively reported to the public at present. Disclosure of information about the nature and magnitude of tax abatements will make these transactions more transparent to financial statement users. As a result, users will be better equipped to understand (1) how tax abatements affect a government’s future ability to raise resources and meet its financial obligations and (2) the impact those abatements have on a government’s financial position and economic condition. This standard becomes effective for the City in fiscal year 2017.

Statement No. 79, *Certain External Investment Pools and Pool Participants*

GASB Statement No. 79: *Certain External Investment Pools and Pool Participants*, was issued in December 2015. GASB 79 replaces the term 2a7-like to describe certain external investment pools because of certain recent amendments the Securities and Exchange Commission made to Rule 2a7. Instead, a pool must meet the criteria set forth in GASB 79 in order to qualify for amortized cost reporting of its investments. Likewise, a pool must qualify under GASB 79 for its participants to measure their position in the pool at net asset value per share based on amortized cost. If a pool qualifies, a participant must disclose any restrictions on redemption. This standard becomes effective for the City in fiscal year 2016.

Statement No. 80, *Blending Requirements for Certain Component Units*

GASB Statement No. 80: *Blending Requirements for Certain Component Units*, was issued in January 2016. This Statement amends Statement No. 14, *The Financial Reporting Entity*, to add an additional criterion for reporting a component unit through the blending method. If a component unit is a not-for-profit corporation and the primary government is the sole corporate member, the component unit should be blended. This standard becomes effective for the City in fiscal year 2017.

NOTE 17. SUBSEQUENT EVENTS

Subsequent events have been evaluated through March 30, 2016, which is the date the financial statements were available to be issued. There were no subsequent events identified by management, which would require disclosure in the financial statements.

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



City of El Paso, Texas
Required Supplementary Information
Schedule of Revenues, Expenditures and Changes
in Fund Balance – Budget and Actual
General Fund
For the Year Ended August 31, 2015

	Budgeted Amounts			Variance with Final Budget Positive (Negative)	% of Budget
	Original	Final	Actual Amounts		
Resources (inflows):					
Property taxes	\$ 147,853,481	\$ 147,853,481	\$ 147,583,822	\$ (269,659)	99.82%
Penalties and Interest-Delinquent taxes	254,598	254,598	1,225,829	971,231	481.48%
Sales taxes	82,705,883	82,705,883	83,902,829	1,196,946	101.45%
Franchise fees	47,854,734	50,055,739	49,843,740	(211,999)	99.58%
Licenses and permits	13,401,926	13,401,926	12,973,474	(428,452)	96.80%
Fines and forfeitures	11,049,122	11,049,122	11,009,509	(39,613)	99.64%
Charges for services	35,405,843	35,551,575	36,395,393	843,818	102.37%
Intergovernmental revenues	1,914,708	2,414,708	2,186,539	(228,169)	90.55%
County Participation	556,126	556,126	630,388	74,262	113.35%
Rents and other	1,670,694	1,670,694	1,621,162	(49,532)	97.04%
Interest	100,000	100,000	26,428	(73,572)	26.43%
Transfers In	16,749,531	14,548,526	14,649,651	101,125	100.70%
Amounts available for appropriation from current year resources	<u>359,516,646</u>	<u>360,162,378</u>	<u>362,048,764</u>	<u>1,886,386</u>	<u>100.52%</u>
Charges to appropriations (outflows):					
General Government:					
Mayor and Council	1,257,190	1,257,190	1,230,863	26,327	97.91%
City Manager	975,090	1,051,440	1,285,031	(233,591)	122.22%
Office of Management and Budget	1,161,595	1,085,245	684,913	400,332	63.11%
Internal Audit	460,828	460,828	477,405	(16,577)	103.60%
Public Information	244,249	244,249	316,122	(71,873)	129.43%
Municipal Clerk	2,305,964	2,326,184	2,132,689	193,495	91.68%
Financial Services	3,200,428	3,200,427	2,817,637	382,790	88.04%
Information Technology	7,313,546	7,313,546	7,083,873	229,673	96.86%
City Records	241,121	241,121	230,752	10,369	95.70%
City Attorney	3,956,898	3,956,898	3,848,200	108,698	97.25%
Human Resources	971,339	966,839	942,184	24,655	97.45%
Tax Office	594,084	590,734	301,947	288,787	51.11%
Public Safety and Community Services:					
Police Department	118,671,303	118,671,303	118,857,477	(186,174)	100.16%
Fire Department	94,289,099	94,289,099	94,077,476	211,623	99.78%
Municipal Court	3,223,104	3,202,884	3,023,477	179,407	94.40%
Public Health	6,096,059	6,596,059	5,824,819	771,240	88.31%
Library	8,904,570	8,904,570	8,587,032	317,538	96.43%
Parks Department	12,318,613	20,154,695	19,155,186	999,509	95.04%
Transportation and Public Works:					
Facilities Maintenance	26,080,837	18,244,755	19,397,662	(1,152,907)	106.32%
Engineering	5,177,145	5,177,144	4,431,136	746,008	85.59%
Street Department	12,896,288	13,042,020	12,543,359	498,661	96.18%
Development and Tourism:					
City Development:					
Business Center	5,648,793	5,714,643	5,324,488	390,155	93.17%
Building Permits Inspection-Commercial	1,210,547	1,210,547	981,410	229,137	81.07%
Economic Development Administration	1,672,509	1,595,409	1,332,220	263,189	83.50%
Community and human development	472,546	472,546	500,538	(27,992)	105.92%
Culture and recreation:					
Art Museum	1,371,955	1,367,820	1,270,011	97,809	92.85%
History Museum	612,214	612,214	588,198	24,016	96.08%
Archeology Museum	185,117	185,117	162,984	22,133	88.04%
Cultural Affairs	197,723	201,858	248,587	(46,729)	123.15%
Zoo	4,032,986	4,032,986	3,887,710	145,276	96.40%
Nondepartmental:					
Non Departmental	33,772,906	33,792,008	30,948,439	2,843,569	91.59%
Total charges to appropriations	<u>359,516,646</u>	<u>360,162,378</u>	<u>352,493,825</u>	<u>7,668,553</u>	<u>97.87%</u>
Increase (Decrease) in fund balance:	-	-	9,554,939	9,554,939	
Fund balance, September 1	33,389,397	33,389,397	33,389,397	-	
Fund balance, August 31	<u>\$ 33,389,397</u>	<u>\$ 33,389,397</u>	<u>\$ 42,944,336</u>	<u>\$ 9,554,939</u>	

City of El Paso, Texas
Schedule of Changes in Net Pension Liability and Related Ratios
El Paso City Employees' Pension Fund
August 31, 2015

	<u>Measurement Year</u> <u>2014</u>
Total pension liability:	
Service cost	\$ 20,691,396
Interest (on the Total Pension Liability)	61,812,817
Changes of benefit terms	-
Difference between expected and actual experience	4,691,256
Change in assumptions	-
Benefit payments, including refunds of employee contributions	<u>(52,477,539)</u>
Net change in total pension liability	34,717,930
Total pension liability - beginning	<u>825,027,005</u>
Total pension liability - ending (a)	<u><u>\$ 859,744,935</u></u>
Plan fiduciary net position:	
Contributions - employer	\$ 21,739,159
Contributions - employee	13,985,989
Net investment income	107,540,221
Benefit payments, including refunds of employee contributions	(52,477,539)
Administrative expense	(1,295,311)
Other	<u>-</u>
Net change in plan fiduciary net position	89,492,519
Plan fiduciary net position - beginning	<u>643,035,798</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 732,528,317</u></u>
Net pension liability - ending (a) - (b)	<u><u>\$ 127,216,618</u></u>
Plan fiduciary net position as a percentage of total pension liability	85.20%
Covered employee payroll	\$ 153,613,608
Net pension liability as a percentage of covered employee payroll	82.82%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available. Information has been determined as of the City's measurement date.

City of El Paso, Texas
Schedule of Contributions
El Paso City Employees' Pension Fund
August 31, 2015

	Fiscal Year
	2015
Statutorily determined contribution	\$ 22,915,913
Contribution in relation of the statutorily determined contribution	22,915,913
Contribution deficiency (excess)	\$ -
Covered employee payroll	\$ 138,735,093
Contributions as a percentage of covered employee payroll	16.52%

Notes to Schedule of Contributions

Valuation Date:

Notes

The amounts listed above are the actual employer contributions. The actuarially determined contribution required to be disclosed under GASB 68 was not determined since City and Member contribution rates are established by ordinance.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Open
Remaining Amortization Period	11 years
Asset Valuation Method	5-Year Smoothed Market
Inflation	3.50%
Salary Increases	4.00% to 5.70%, including inflation
Investment Rate of Return	7.50%
Retirement Age	Experience-based table of rates that are specific to the CEPF plan of benefits. Last updated for the 2011 valuation.
Mortality	RP2000 Combined Mortality Table set forward two years projected to 2017 with Scale AA forecasts of mortality improvement, with separate rates for males and females.

Other Information:

Notes

There were no benefit changes during the year

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available. Information has been determined as of the City's most recent fiscal year-end (August 31).

City of El Paso, Texas
Schedule of Changes in Net Pension Liability and Related Ratios
El Paso Firemen's Pension Fund
August 31, 2015

	<u>Measurement Year</u> <u>2014</u>
Total pension liability:	
Service cost	\$ 13,064,315
Interest (on the Total Pension Liability)	45,884,434
Changes of benefit terms	-
Difference between expected and actual experience	-
Change in assumptions	-
Benefit payments, including refunds of employee contributions	<u>(29,886,861)</u>
Net change in total pension liability	29,061,888
Total pension liability - beginning	<u>593,936,328</u>
Total pension liability - ending (a)	<u><u>\$ 622,998,216</u></u>
Plan fiduciary net position:	
Contributions - employer	\$ 10,853,759
Contributions - employee	8,749,488
Net investment income	20,616,237
Benefit payments, including refunds of employee contributions	(29,886,861)
Administrative expense	-
Other	<u>-</u>
Net change in plan fiduciary net position	10,332,623
Plan fiduciary net position - beginning	<u>506,891,865</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 517,224,488</u></u>
Net pension liability - ending (a) - (b)	<u><u>\$ 105,773,728</u></u>
Plan fiduciary net position as a percentage of total pension liability	83.02%
Covered employee payroll	\$ 53,872,177
Net pension liability as a percentage of covered employee payroll	196.34%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available. Information has been determined as of the City's measurement date.

City of El Paso, Texas
Schedule of Contributions
El Paso Firemen's Pension Fund
August 31, 2015

	Fiscal Year
	2015
Statutorily determined contribution	\$ 10,355,443
Contribution in relation of the statutorily determined contribution	10,355,443
Contribution deficiency (excess)	\$ -
Covered employee payroll	\$ 58,305,369
Contributions as a percentage of covered employee payroll	17.76%

Notes to Schedule of Contributions

Valuation Date:

Notes

The amounts listed above are the actual employer contributions. The actuarially determined contribution required to be disclosed under GASB 68 was not determined since City and Member contribution rates are established by ordinance.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Open
Remaining Amortization Period	30 years
Asset Valuation Method	5-Year Smoothed Market
Inflation	3.50%
Salary Increases	4.50% to 10.75%, including inflation
Investment Rate of Return	7.75%
Retirement Age	Experience-based table of rates that are specific to the FPPF plan of benefits.
Mortality	RP2000 mortality tables with separate healthy annuitant and employee tables with Scale AA forecasts of mortality improvement projected to seven years after valuation date for annuitants and 15 years after valuation date for non-annuitants

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available. Information has been determined as of the City's most recent fiscal year-end (August 31).

City of El Paso, Texas
Schedule of Changes in Net Pension Liability and Related Ratios
El Paso Policemen's Pension Fund
August 31, 2015

	<u>Measurement Year</u> <u>2014</u>
Total pension liability:	
Service cost	\$ 18,126,576
Interest (on the Total Pension Liability)	68,900,266
Changes of benefit terms	-
Difference between expected and actual experience	-
Change in assumptions	-
Benefit payments, including refunds of employee contributions	<u>(38,567,602)</u>
Net change in total pension liability	48,459,240
Total pension liability - beginning	<u>890,192,914</u>
Total pension liability - ending (a)	<u><u>\$ 938,652,154</u></u>
Plan fiduciary net position:	
Contributions - employer	\$ 14,776,141
Contributions - employee	10,898,003
Net investment income	30,039,506
Benefit payments, including refunds of employee contributions	(38,567,602)
Administrative expense	-
Other	<u>-</u>
Net change in plan fiduciary net position	17,146,048
Plan fiduciary net position - beginning	<u>736,491,380</u>
Plan fiduciary net position - ending (b)	<u><u>\$ 753,637,428</u></u>
Net pension liability - ending (a) - (b)	<u><u>\$ 185,014,726</u></u>
Plan fiduciary net position as a percentage of total pension liability	80.29%
Covered employee payroll	\$ 70,817,206
Net pension liability as a percentage of covered employee payroll	261.26%

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available. Information has been determined as of the City's measurement date.

City of El Paso, Texas
Schedule of Contributions
El Paso Policemen's Pension Fund
August 31, 2015

	Fiscal Year
	2015
Statutorily determined contribution	\$ 14,280,604
Contribution in relation of the statutorily determined contribution	14,280,604
Contribution deficiency (excess)	\$ -
Covered employee payroll	\$ 78,710,533
Contributions as a percentage of covered employee payroll	18.14%

Notes to Schedule of Contributions

Valuation Date:

Notes

The amounts listed above are the actual employer contributions. The actuarially determined contribution required to be disclosed under GASB 68 was not determined since City and Member contribution rates are established by ordinance.

Methods and Assumptions Used to Determine Contribution Rates:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Open
Remaining Amortization Period	30 years
Asset Valuation Method	5-Year Smoothed Market
Inflation	3.50%
Salary Increases	4.50% to 10.75%, including inflation
Investment Rate of Return	7.75%
Retirement Age	Experience-based table of rates that are specific to the FPPF plan of benefits.
Mortality	RP2000 mortality tables with separate healthy annuitant and employee tables with Scale AA forecasts of mortality improvement projected to seven years after valuation date for annuitants and 15 years after valuation date for non-annuitants

This schedule is presented to illustrate the requirement to show information for 10 years. However, until a full 10-year trend is compiled, the City will present information for only those years for which information is available. Information has been determined as of the City's most recent fiscal year-end (August 31).

**COMBINING AND INDIVIDUAL
FUND STATEMENTS AND
SCHEDULES**



**GENERAL
FUND**



City of El Paso, Texas
Schedule of Expenditures – Budget and Actual
Legal Level of Budgetary Control
General Fund
For the Year Ended August 31, 2015

Function/Activity	Adopted Budget	Adjusted Budget	Actuals	Variance with Final Budget Positive (Negative)	% Budget Utilized
COUNCIL DISTRICT 01-OTHER OPERATING EXPENDITURES	\$ 6,025	\$ 6,025	\$ 14,765	\$ (8,740)	245.06%
COUNCIL DISTRICT 01-WAGES	109,933	109,933	103,440	6,493	94.09%
COUNCIL DISTRICT 02-OTHER OPERATING EXPENDITURES	6,025	6,025	7,167	(1,142)	118.95%
COUNCIL DISTRICT 02-WAGES	109,933	109,933	109,933	-	100.00%
COUNCIL DISTRICT 03-OTHER OPERATING EXPENDITURES	6,025	6,025	6,025	-	100.00%
COUNCIL DISTRICT 03-WAGES	109,933	109,933	109,933	-	100.00%
COUNCIL DISTRICT 04-OTHER OPERATING EXPENDITURES	6,025	6,025	8,238	(2,213)	136.73%
COUNCIL DISTRICT 04-WAGES	109,933	109,933	93,021	16,912	84.62%
COUNCIL DISTRICT 05-OTHER OPERATING EXPENDITURES	6,025	6,025	6,025	-	100.00%
COUNCIL DISTRICT 05-WAGES	109,933	109,933	109,933	-	100.00%
COUNCIL DISTRICT 06-OTHER OPERATING EXPENDITURES	6,025	6,025	6,362	(337)	105.59%
COUNCIL DISTRICT 06-WAGES	109,933	109,933	100,878	9,055	91.76%
COUNCIL DISTRICT 07-OTHER OPERATING EXPENDITURES	6,267	6,267	6,267	-	100.00%
COUNCIL DISTRICT 07-WAGES	109,691	109,691	109,691	-	100.00%
COUNCIL DISTRICT 08-OTHER OPERATING EXPENDITURES	6,025	6,025	6,025	-	100.00%
COUNCIL DISTRICT 08-WAGES	109,933	109,933	109,933	-	100.00%
OFFICE OF THE MAYOR-OTHER OPERATING EXPENDITURES	55,105	55,105	47,556	7,549	86.30%
OFFICE OF THE MAYOR-WAGES	274,421	274,421	275,671	(1,250)	100.46%
ATTRNYS AND PARALEGALS-OTHER OPERATING EXPENDITURES	7,731	7,731	19,158	(11,427)	247.81%
ATTRNYS AND PARALEGALS-WAGES	2,191,757	2,191,757	2,139,025	52,732	97.59%
LEGAL SECRETARIAL STAFF-OTHER OPERATING EXPENDITURES	-	-	6,420	(6,420)	-
LEGAL SECRETARIAL STAFF-WAGES	457,909	457,909	402,052	55,857	87.80%
LEGAL SUPPORT STAFF-OTHER OPERATING EXPENDITURES	35,081	35,081	28,381	6,700	80.90%
LEGAL SUPPORT STAFF-WAGES	66,245	66,245	52,740	13,505	79.61%
LEGAL OPERATING EXP-OTHER OPERATING EXPENDITURES	147,798	147,798	130,016	17,782	87.97%
TRIAL OPER EXP DAMAGES SETT-OTHER OPERATING EXPENDITURES	400,000	400,000	428,718	(28,718)	107.18%
TRIAL OPER EXP DAMAGES SETT-WAGES	113,419	113,419	22,599	90,820	19.93%
OUTSIDE COUNSEL SERVS-OTHER OPERATING EXPENDITURES	153,458	153,458	120,654	32,804	78.62%
OUTSIDE COUNSEL SERVS-WAGES	383,500	383,500	498,437	(114,937)	129.97%
CITY CLRK ELECTNS-OTHER OPERATING EXPENDITURES	623,960	644,180	623,275	20,905	96.75%
MUNICPL CLRK-CITY CLRK-OTHER OPERATING EXPENDITURES	818,448	818,448	678,592	139,856	82.91%
MUNICPL CLRK-CITY CLRK-WAGES	-	-	(389)	389	-
MUNICPL CLRK ADMIN-OTHER OPERATING EXPENDITURES	2,439,287	2,419,067	2,231,384	187,683	92.24%
MUNICPL CLRK ADMIN-WAGES	-	-	1,044	(1,044)	-
MUNICPL COURT JUDICIARY-OTHER OPERATING EXPENDITURES	863,556	863,556	831,211	32,345	96.25%
MUNICPL CLRK JUDICIARY-OTHER OPERATING EXPENDITURES	783,817	783,817	792,398	(8,581)	101.09%
MUNICPL CLRK JUDICIARY-WAGES	-	-	(1,349)	1,349	-
OFFICE OF MANAGEMENT AND BUDGET-OTHER OPERATING EXPENDITURES	1,161,595	1,085,245	870,708	214,537	80.23%
OFFICE OF MANAGEMENT AND BUDGET-WAGES	-	-	(185,795)	185,795	-
CITY MANAGER-OTHER OPERATING EXPENDITURES	64,950	141,300	143,020	(1,720)	101.22%
CITY MANAGER-WAGES	910,140	910,140	1,126,385	(216,245)	123.76%
PUBLIC INFOR OFFICE-OTHER OPERATING EXPENDITURES	36,327	36,327	44,238	(7,911)	121.78%
PUBLIC INFOR OFFICE-WAGES	207,922	207,922	271,884	(63,962)	130.76%
INTERNAL AUDIT-OTHER OPERATING EXPENDITURES	29,997	29,997	31,667	(1,670)	105.57%
INTERNAL AUDIT-WAGES	430,831	430,831	445,738	(14,907)	103.46%
PERFORMANCE OFFICE-OTHER OPERATING EXPENDITURES	-	-	15,626	(15,626)	-
COMPTROLLER ACCTG-OTHER OPERATING EXPENDITURES	-	-	(644)	644	-
CITY AUCTIONS-OTHER OPERATING EXPENDITURES	284,098	285,271	232,049	53,222	81.34%
CITY AUCTIONS-WAGES	1,152	1,152	911	241	79.08%
FINANCIAL ACCT REPORTING-OTHER OPERATING EXPENDITURES	946,826	943,145	820,881	122,264	87.04%
FINANCIAL ACCT REPORTING-WAGES	2,225	2,225	2,225	-	100.00%
TREASURY SERVS-OTHER OPERATING EXPENDITURES	223,830	223,534	227,823	(4,289)	101.92%
TREASURY SERVS-WAGES	667	667	667	-	100.00%
FISCAL OPER-OTHER OPERATING EXPENDITURES	598,333	601,136	570,282	30,854	94.87%
FISCAL OPER-WAGES	1,938	1,938	1,938	-	100.00%
PURCHASING ADMIN-OTHER OPERATING EXPENDITURES	-	-	(2,777)	2,777	-
PURCHASING ADMIN-WAGES	-	-	63	(63)	-
HUMAN RESOURCES ADMIN-OTHER OPERATING EXPENDITURES	480,082	481,082	479,409	1,673	99.65%
HUMAN RESOURCES ADMIN-WAGES	1,542	1,542	1,393	149	90.34%
Administration-OTHER OPERATING EXPENDITURES	10,467	28,268	27,257	1,011	96.42%
LABOR RELATIONS-OTHER OPERATING EXPENDITURES	530,434	511,495	451,400	60,095	88.25%
LABOR RELATIONS-WAGES	1,483	1,422	1,422	-	100.00%
ORGANIZATIONAL DEVELOPMENT-OTHER OPERATING EXPENDITURES	489,137	483,637	460,804	22,833	95.28%
ORGANIZATIONAL DEVELOPMENT-WAGES	578	578	578	-	100.00%
PAYROLL AND BENEFITS-OTHER OPERATING EXPENDITURES	424,553	430,252	429,806	446	99.90%
PAYROLL AND BENEFITS-WAGES	1,217	1,217	1,400	(183)	115.04%
COMMUNICATIONS ADMIN-OTHER OPERATING EXPENDITURES	-	-	5,890	(5,890)	-
INFOR SERVS PROJ-OTHER OPERATING EXPENDITURES	6,009,855	6,009,855	5,813,532	196,323	96.73%
INFOR SERVS PROJ-WAGES	3,002	3,002	1,960	1,042	65.29%
INFOR TECH-OTHER OPERATING EXPENDITURES	1,263,367	1,263,367	1,225,748	37,619	97.02%

City of El Paso, Texas
Schedule of Expenditures – Budget and Actual
Legal Level of Budgetary Control (Continued)
General Fund
For the Year Ended August 31, 2015

Function/Activity	Adopted Budget	Adjusted Budget	Actuals	Variance with Final Budget Positive (Negative)	% Budget Utilized
INFOR TECH-WAGES	37,322	37,322	36,743	579	98.45%
Application Management-OTHER OPERATING EXPENDITURES	1,867,943	1,867,943	1,692,556	175,387	90.61%
Application Management-WAGES	13,810	13,810	14,823	(1,013)	107.34%
Infrastructure Management-OTHER OPERATING EXPENDITURES	1,967,916	1,967,916	1,537,243	430,673	78.12%
Infrastructure Management-WAGES	10,351	10,351	9,564	787	92.40%
Information Security Assurance-OTHER OPERATING EXPENDITURES	88,335	88,335	378	87,957	0.43%
Strategic Innovation & Enterpr-OTHER OPERATING EXPENDITURES	536,534	536,534	517,760	18,774	96.50%
Strategic Innovation & Enterpr-WAGES	1,704	1,704	1,704	-	100.00%
CITYWIDE IT CONTRACTS-OTHER OPERATING EXPENDITURES	7,871,791	7,871,791	6,776,950	1,094,841	86.09%
ADMINISTRATION-OTHER OPERATING EXPENDITURES	406,164	406,164	395,827	10,337	97.45%
SUPPLY CHAIN MANAGEMENT-OTHER OPERATING EXPENDITURES	735,195	735,195	568,392	166,803	77.31%
TAX OFFICE COLLECTNS-WAGES	-	-	1,187	(1,187)	-
Tax Administration-OTHER OPERATING EXPENDITURES	594,084	590,734	300,760	289,974	50.91%
Tax Collection & Disbursement-CAPITAL EXPENDITURES	-	33,562	-	33,562	-
Tax Collection & Disbursement-OTHER OPERATING EXPENDITURES	1,553,928	1,523,716	1,308,481	215,235	85.87%
CHIEFS OFFICE-OTHER OPERATING EXPENDITURES	1,239,443	1,245,443	1,615,620	(370,177)	129.72%
CHIEFS OFFICE-WAGES	2,079,185	1,929,086	814,249	1,114,837	42.21%
INTERNAL AFFAIRS-OTHER OPERATING EXPENDITURES	780,367	780,367	794,146	(13,779)	101.77%
INTERNAL AFFAIRS-WAGES	1,149,609	1,149,609	1,090,291	59,318	94.84%
TRAINING-OTHER OPERATING EXPENDITURES	1,380,761	1,529,793	1,944,579	(414,786)	127.11%
TRAINING-WAGES	2,053,062	2,053,062	1,920,104	132,958	93.52%
PD PERSONNEL-OTHER OPERATING EXPENDITURES	836,556	845,623	905,368	(59,745)	107.07%
PD PERSONNEL-WAGES	721,527	721,527	834,672	(113,145)	115.68%
PLNG AND RESEARCH-OTHER OPERATING EXPENDITURES	222,984	222,984	210,549	12,435	94.42%
PLNG AND RESEARCH-WAGES	230,547	230,547	213,643	16,904	92.67%
VEHICLE OPER-OTHER OPERATING EXPENDITURES	4,264,857	4,211,807	4,258,032	(46,225)	101.10%
VEHICLE OPER-WAGES	2,566	2,566	-	-	100.00%
GRANT OPER PDHQ-OTHER OPERATING EXPENDITURES	901,503	881,503	758,429	123,074	86.04%
GRANT OPER PDHQ-WAGES	893	893	893	-	100.00%
RECORDS-OTHER OPERATING EXPENDITURES	2,377,614	2,377,614	1,810,260	567,354	76.14%
RECORDS-WAGES	150,779	150,779	144,914	5,865	96.11%
POLICE SUPPLY-OTHER OPERATING EXPENDITURES	542,204	595,254	1,001,479	(406,225)	168.24%
POLICE SUPPLY-WAGES	7,106	7,106	-	-	100.00%
FINANCIAL SERVS-OTHER OPERATING EXPENDITURES	2,845,240	2,851,240	2,750,132	101,108	96.45%
FINANCIAL SERVS-WAGES	2,364	2,364	2,364	-	100.00%
SPECIAL SERVS-OTHER OPERATING EXPENDITURES	2,051,942	2,051,942	1,925,586	126,356	93.84%
SPECIAL SERVS-WAGES	1,113,093	1,113,093	519,416	593,677	46.66%
CENTRAL REGNL COMMAND-OTHER OPERATING EXPENDITURES	5,546,531	5,546,531	5,558,864	(12,333)	100.22%
CENTRAL REGNL COMMAND-WAGES	11,724,287	11,724,287	12,122,900	(398,613)	103.40%
MISSN VALLY REGIONL COMMAN-OTHER OPERATING EXPENDITURES	4,000,650	4,003,450	3,943,777	59,673	98.51%
MISSN VALLY REGIONL COMMAN-WAGES	9,077,093	9,077,093	9,360,838	(283,745)	103.13%
NORTHEAST REGNL COMMAND-OTHER OPERATING EXPENDITURES	3,539,596	3,539,596	3,604,487	(64,891)	101.83%
NORTHEAST REGNL COMMAND-WAGES	8,387,648	8,387,648	8,776,484	(388,836)	104.64%
PEBBLE HILLS REGNL COMMAND-OTHER OPERATING EXPENDITURES	17,031,546	17,031,546	17,129,633	(98,087)	100.58%
PEBBLE HILLS REGNL COMMAND-WAGES	1,144,545	1,144,545	1,664,068	(519,523)	145.39%
WESTSIDE REGNL COMMAND-OTHER OPERATING EXPENDITURES	10,101,417	10,102,317	10,353,023	(250,706)	102.48%
WESTSIDE REGNL COMMAND-WAGES	920,796	920,796	1,170,668	(249,872)	127.14%
OPERATIONAL SUPPORT-OTHER OPERATING EXPENDITURES	3,097,438	3,093,738	3,043,176	50,562	98.37%
OPERATIONAL SUPPORT-WAGES	611,992	611,992	430,898	181,094	70.41%
DIRECTED INVESTIGATIONS-OTHER OPERATING EXPENDITURES	8,750,338	8,750,338	8,183,617	566,721	93.52%
DIRECTED INVESTIGATIONS-WAGES	611,314	611,314	846,312	(234,998)	138.44%
CRIMINAL INVESTIGATIONS-OTHER OPERATING EXPENDITURES	8,552,914	8,552,914	8,371,562	181,352	97.88%
CRIMINAL INVESTIGATIONS-WAGES	618,996	618,996	772,772	(153,776)	124.84%
FIRE DEPT ADMIN-OTHER OPERATING EXPENDITURES	3,892,225	3,868,593	3,955,126	(86,533)	102.24%
FIRE DEPT ADMIN-WAGES	8,723	8,723	10,563	(1,840)	121.09%
FIRE FIGHTING TRAINING-OTHER OPERATING EXPENDITURES	1,522,011	1,464,360	2,046,562	(582,202)	139.76%
FIRE FIGHTING TRAINING-WAGES	483,008	483,008	14,463	468,545	2.99%
FIRE STRATEGIC PLNG-OTHER OPERATING EXPENDITURES	431,813	431,813	447,097	(15,284)	103.54%
FIRE STRATEGIC PLNG-WAGES	3,388	3,388	5,737	(2,349)	169.33%
FD EMERGENCY OPER-OTHER OPERATING EXPENDITURES	62,592,985	62,592,985	61,813,797	779,188	98.76%
FD EMERGENCY OPER-WAGES	3,952,175	3,952,175	4,376,171	(423,996)	110.73%
SPECIAL OPER-OTHER OPERATING EXPENDITURES	239,568	240,302	492,617	(252,315)	205.00%
SPECIAL OPER-WAGES	1,520	1,520	1,957	(437)	128.75%
FIRE PREVENTION-OTHER OPERATING EXPENDITURES	1,826,157	1,826,157	2,071,924	(245,767)	113.46%
FIRE PREVENTION-WAGES	1,598,415	1,598,415	1,330,780	267,635	83.26%
FIRE RESCUE-OTHER OPERATING EXPENDITURES	1,494,324	1,497,324	1,537,677	(40,353)	102.70%
FIRE RESCUE-WAGES	361,225	361,225	297,081	64,144	82.24%
FIRE COMMUNICATIONS-OTHER OPERATING EXPENDITURES	8,082,180	7,972,782	8,438,427	(465,645)	105.84%
FIRE COMMUNICATIONS-WAGES	97,011	97,011	96,317	694	99.28%
FIRE HUMAN RESOURCES-CAPITAL EXPENDITURES	-	206,602	206,602	-	100.00%
FIRE HUMAN RESOURCES-OTHER OPERATING EXPENDITURES	5,998,347	5,930,775	5,299,725	631,050	89.36%

City of El Paso, Texas
Schedule of Expenditures – Budget and Actual
Legal Level of Budgetary Control (Continued)
General Fund
For the Year Ended August 31, 2015

Function/Activity	Adopted Budget	Adjusted Budget	Actuals	Variance with Final Budget Positive (Negative)	% Budget Utilized
FIRE HUMAN RESOURCES-WAGES	644,850	644,850	540,834	104,016	83.87%
PLNG AND INFRASTRUCTURE-OTHER OPERATING EXPENDITURES	510,789	550,706	534,714	15,992	97.10%
PLNG AND INFRASTRUCTURE-WAGES	1,924	1,924	1,924	-	100.00%
FIRE SUPPRT PERSONNEL-OTHER OPERATING EXPENDITURES	546,461	554,461	557,381	(2,920)	100.53%
Administration-OTHER OPERATING EXPENDITURES	761,869	771,619	757,322	14,297	98.15%
Administration-WAGES	3,410	3,410	3,434	(24)	100.70%
PLNG HISTORIC PRESERVATION-OTHER OPERATING EXPENDITURES	4,180,249	4,246,099	3,971,652	274,447	93.54%
PLNG HISTORIC PRESERVATION-WAGES	126,767	126,767	105,168	21,599	82.96%
Marketing & Outreach Division-OTHER OPERATING EXPENDITURES	81,164	82,664	1,601	81,063	1.94%
Marketing & Outreach Division-WAGES	155	155	155	-	100.00%
PLNG SUBDIVISIONS-OTHER OPERATING EXPENDITURES	1,206,743	1,206,743	977,606	229,137	81.01%
PLNG SUBDIVISIONS-WAGES	3,804	3,804	3,804	-	100.00%
BLDG PLNG SRVCS DEPT-OTHER OPERATING EXPENDITURES	1,668,040	1,590,940	1,326,765	264,175	83.40%
BLDG PLNG SRVCS DEPT-WAGES	4,469	4,469	5,455	(986)	122.06%
BLDG PLAN SVC CAP PRJ QL ZOO-OTHER OPERATING EXPENDITURES	1,307,910	1,307,910	1,242,815	65,095	95.02%
BLDG PLAN SVC CAP PRJ QL ZOO-WAGES	33,867	33,867	4,853	29,014	14.33%
FACILITY MAINTNC-OTHER OPERATING EXPENDITURES	3,292,105	3,110,338	2,804,566	305,772	90.17%
FACILITY MAINTNC-WAGES	3,196,905	3,196,905	3,272,783	(75,878)	102.37%
FACILITY PERSONNEL-OTHER OPERATING EXPENDITURES	29,250	29,250	19,684	9,566	67.30%
FACILITY PERSONNEL-WAGES	213,049	213,049	150,229	62,820	70.51%
FACILITY SUPPORT-WAGES	27,956	27,956	27,263	693	97.52%
CITY RECORDS-OTHER OPERATING EXPENDITURES	101,070	101,070	91,470	9,600	90.50%
CITY RECORDS-WAGES	140,051	140,051	139,282	769	99.45%
PARK LAND MGMT-OTHER OPERATING EXPENDITURES	4,280,835	-	(62)	62	-
PARK LAND MGMT-WAGES	3,555,247	-	-	-	-
PW-PARKS BLDG MAINTNC-OTHER OPERATING EXPENDITURES	11,485,490	11,667,257	13,123,199	(1,455,942)	112.48%
ENGR TRAFFIC-ST-OTHER OPERATING EXPENDITURES	4,042,846	4,001,846	3,883,950	117,896	97.05%
ENGR TRAFFIC-ST-WAGES	-	-	(15,369)	15,369	-
ST EQUIPMENT SUPPORT-WAGES	-	-	2,196	(2,196)	-
PAVEMENT MGMT-OTHER OPERATING EXPENDITURES	1,994,284	2,125,016	1,898,137	226,879	89.32%
PAVEMENT MGMT-WAGES	-	-	(875)	875	-
ADMIN SUPPORT AND DATA MGMT-OTHER OPERATING EXPENDITURES	782,450	782,450	751,813	30,637	96.08%
ADMIN SUPPORT AND DATA MGMT-WAGES	-	-	3,427	(3,427)	-
STREET MAINTNC-OTHER OPERATING EXPENDITURES	6,076,708	6,132,708	5,978,026	154,682	97.48%
STREET MAINTNC-WAGES	-	-	20,254	(20,254)	-
SIGNS AND MARKINGS-WAGES	-	-	9,743	(9,743)	-
TRAFFIC SIGNALS-WAGES	-	-	12,057	(12,057)	-
ENGR ADMIN-OTHER OPERATING EXPENDITURES	1,208,491	1,210,289	1,110,423	99,866	91.75%
DESIGN DIVISION-OTHER OPERATING EXPENDITURES	561,691	560,544	660,733	(100,189)	117.87%
ENGINEERING-AIRPORT-OTHER OPERATING EXPENDITURES	2,914,918	2,915,516	2,317,610	597,906	79.49%
ENGR CIP-OTHER OPERATING EXPENDITURES	492,045	490,795	342,370	148,425	69.76%
ENVIRONMENT_FOOD-OTHER OPERATING EXPENDITURES	415,328	408,828	381,483	27,345	93.31%
ENVIRONMENT_FOOD-WAGES	1,747	1,747	1,747	-	100.00%
ENVIRONMENT-OSSF-OTHER OPERATING EXPENDITURES	846,721	838,921	801,713	37,208	95.56%
ENVIRONMENT-OSSF-WAGES	42,781	42,781	42,781	-	100.00%
TB_TB OUTEACH-OTHER OPERATING EXPENDITURES	-	500,000	277,145	222,855	55.43%
STD CLINICS-OTHER OPERATING EXPENDITURES	206,347	206,347	201,973	4,374	97.88%
STD CLINICS-WAGES	1,834	1,834	1,834	-	100.00%
DENTAL-OTHER OPERATING EXPENDITURES	371,561	371,561	515,503	(143,942)	138.74%
DENTAL-WAGES	373,322	373,322	3,872	369,450	1.04%
ADULT IMMUNIZATN SERVS-OTHER OPERATING EXPENDITURES	142,217	142,217	103,003	39,214	72.43%
ADULT IMMUNIZATN SERVS-WAGES	1,435	1,435	1,435	-	100.00%
LABORATORY-OTHER OPERATING EXPENDITURES	772,686	772,686	728,051	44,635	94.22%
LABORATORY-WAGES	5,033	5,033	5,033	-	100.00%
EPIDEMIOLOGY-OTHER OPERATING EXPENDITURES	229,063	229,063	229,697	(634)	100.28%
EPIDEMIOLOGY-WAGES	1,696	1,696	1,696	-	100.00%
HEALTH ADMIN-OTHER OPERATING EXPENDITURES	1,031,119	1,031,119	1,092,990	(61,871)	106.00%
HEALTH ADMIN-WAGES	85,715	85,715	4,576	81,139	5.34%
HEALTH SUPPORT SERVS-OTHER OPERATING EXPENDITURES	1,387,891	1,402,191	1,261,273	140,918	89.95%
HEALTH SUPPORT SERVS-WAGES	1,968	1,968	1,968	-	100.00%
HEALTH EDUCATION PROGRAM-OTHER OPERATING EXPENDITURES	177,091	177,091	166,542	10,549	94.04%
HEALTH EDUCATION PROGRAM-WAGES	504	504	504	-	100.00%
PARKS RECREATN ADMIN-OTHER OPERATING EXPENDITURES	1,202,072	1,192,072	1,125,183	66,889	94.39%
PARKS RECREATN ADMIN-WAGES	3,291	3,291	3,291	-	100.00%
RECREATION CENTERS-OTHER OPERATING EXPENDITURES	3,254,678	3,237,648	3,065,150	172,498	94.67%
RECREATION CENTERS-WAGES	198,190	198,190	135,638	62,552	68.44%
AQUATICS-OTHER OPERATING EXPENDITURES	1,076,440	1,076,440	2,245,772	(1,169,332)	208.63%
AQUATICS-WAGES	1,159,271	1,159,271	112,164	1,047,107	9.68%
PARK MAINTNC-OTHER OPERATING EXPENDITURES	1,777,252	1,804,282	2,004,844	(200,562)	111.12%
PARK MAINTNC-WAGES	501,846	501,846	103,186	398,660	20.56%

City of El Paso, Texas
Schedule of Expenditures – Budget and Actual
Legal Level of Budgetary Control (Continued)
General Fund
For the Year Ended August 31, 2015

Function/Activity	Adopted Budget	Adjusted Budget	Actuals	Variance with Final Budget Positive (Negative)	% Budget Utilized
ATHLETICS SPORTS CTR-OTHER OPERATING EXPENDITURES	2,287,901	2,287,901	2,090,199	197,702	91.36%
ATHLETICS SPORTS CTR-WAGES	156,444	156,444	70,084	86,360	44.80%
PARK PLNG DEVELOPMENT-OTHER OPERATING EXPENDITURES	669,040	669,040	542,656	126,384	81.11%
PARK PLNG DEVELOPMENT-WAGES	32,188	32,188	7,945	24,243	24.68%
PARKS-CAPITAL EXPENDITURES	-	82,000	81,966	34	99.96%
PARKS-OTHER OPERATING EXPENDITURES	-	7,754,082	7,567,108	186,974	97.59%
ZOO GATE REVS ADMIN-OTHER OPERATING EXPENDITURES	513,166	513,166	518,473	(5,307)	101.03%
ZOO GATE REVS ADMIN-WAGES	1,804	1,804	2,790	(986)	154.66%
ZOO FACILITIES-OTHER OPERATING EXPENDITURES	984,134	984,134	994,096	(9,962)	101.01%
ZOO FACILITIES-WAGES	40,505	40,505	40,505	-	100.00%
ZOO ANIMAL COLLECTNS-OTHER OPERATING EXPENDITURES	2,210,190	2,210,190	2,046,793	163,397	92.61%
ZOO ANIMAL COLLECTNS-WAGES	152,504	152,504	153,490	(986)	100.65%
ZOO COMMUNITY PROGRAMS-OTHER OPERATING EXPENDITURES	130,357	130,357	131,237	(880)	100.68%
ZOO COMMUNITY PROGRAMS-WAGES	326	326	326	-	100.00%
LIBRY ADMIN-CAPITAL EXPENDITURES	-	6,111	6,111	-	100.00%
LIBRY ADMIN-OTHER OPERATING EXPENDITURES	147,555	224,100	212,989	11,111	95.04%
LIBRY ADMIN-WAGES	848,718	815,568	777,954	37,614	92.39%
CATALOGING ORDERING PROCESS-OTHER OPERATING EXPENDITURES	1,448,188	1,416,506	1,413,077	3,429	99.76%
CATALOGING ORDERING PROCESS-WAGES	391,697	351,697	311,367	40,330	88.53%
MEMORIAL BRANCH OPER-OTHER OPERATING EXPENDITURES	8,404	7,997	7,517	480	94.00%
MEMORIAL BRANCH OPER-WAGES	317,057	316,310	315,696	614	99.81%
ARMJO BRANCH OPER-OTHER OPERATING EXPENDITURES	6,896	6,896	6,484	412	94.03%
ARMJO BRANCH OPER-WAGES	313,994	314,183	297,387	16,796	94.65%
RICHARD BURGES BRANCH OPER-OTHER OPERATING EXPENDITURES	11,221	11,221	10,756	465	95.86%
RICHARD BURGES BRANCH OPER-WAGES	552,683	552,794	531,503	21,291	96.15%
CIELO VISTA BRANCH OPER-OTHER OPERATING EXPENDITURES	5,967	5,591	4,653	938	83.22%
CIELO VISTA BRANCH OPER-WAGES	320,943	320,632	307,612	13,020	95.94%
CLARDY FOX BRANCH OPER-OTHER OPERATING EXPENDITURES	34,092	33,672	32,617	1,055	96.87%
CLARDY FOX BRANCH OPER-WAGES	250,486	254,620	251,552	3,068	98.80%
IRVING SCHWARTZ BRANCH OPER-OTHER OPERATING EXPENDITURES	28,235	72,639	65,588	7,051	90.29%
IRVING SCHWARTZ BRANCH OPER-WAGES	349,919	314,484	260,050	54,434	82.69%
JUDGE MARQUEZ MISSION VALLEY B-OTHER OPERATING EXPENDITURES	8,269	8,419	8,274	145	98.28%
JUDGE MARQUEZ MISSION VALLEY B-WAGES	397,075	396,944	392,645	4,299	98.92%
WESTSIDE BRANCH OPER-OTHER OPERATING EXPENDITURES	5,517	5,019	4,532	487	90.30%
WESTSIDE BRANCH OPER-WAGES	330,231	330,176	326,502	3,674	98.89%
YSLETA BRANCH OPER-OTHER OPERATING EXPENDITURES	8,594	33,594	11,658	21,936	34.70%
YSLETA BRANCH OPER-WAGES	344,940	345,205	290,964	54,241	84.29%
ESPERANZA ACOSTA MORENO -EAST-OTHER OPERATING EXPENDITURES	10,944	10,303	10,260	43	99.58%
ESPERANZA ACOSTA MORENO -EAST-WAGES	440,051	440,325	436,314	4,011	99.09%
MAIN LIBRY-OTHER OPERATING EXPENDITURES	101,999	99,152	98,451	701	99.29%
MAIN LIBRY-WAGES	1,604,194	1,607,956	1,570,185	37,771	97.65%
DORRIS VAN DOREN-WEST REGNL-OTHER OPERATING EXPENDITURES	34,649	34,649	31,899	2,750	92.06%
DORRIS VAN DOREN-WEST REGNL-WAGES	499,595	500,042	493,694	6,348	98.73%
Library Book Mobile-OTHER OPERATING EXPENDITURES	41,957	27,265	33,569	(6,304)	123.12%
Library Book Mobile-WAGES	40,500	40,500	65,172	(24,672)	160.92%
ART MUSEUM ADMIN-OTHER OPERATING EXPENDITURES	103,487	151,755	147,477	4,278	97.18%
ART MUSEUM ADMIN-WAGES	729,487	677,084	600,104	76,980	88.63%
ART MUSEUM EDUCATION-OTHER OPERATING EXPENDITURES	9,104	9,104	13,141	(4,037)	144.34%
ART MUSEUM EDUCATION-WAGES	159,233	159,233	145,840	13,393	91.59%
ARCHAEOLOGY MUSEUM-OTHER OPERATING EXPENDITURES	27,838	28,263	25,396	2,867	89.86%
ARCHAEOLOGY MUSEUM-WAGES	157,279	156,854	137,588	19,266	87.72%
HISTORY MUSEUM OPER-OTHER OPERATING EXPENDITURES	32,593	32,593	31,391	1,202	96.31%
HISTORY MUSEUM OPER-WAGES	579,621	579,621	556,807	22,814	96.06%
ART MUSEUM CURATORIAL-OTHER OPERATING EXPENDITURES	5,450	5,450	5,437	13	99.76%
ART MUSEUM CURATORIAL-WAGES	304,721	304,721	304,404	317	99.90%
MUSEUM LOCAL PRIVATE GRNT-OTHER OPERATING EXPENDITURES	60,473	60,473	53,608	6,865	88.65%
ACR ADMIN-OTHER OPERATING EXPENDITURES	70,295	82,830	84,202	(1,372)	101.66%
ACR ADMIN-WAGES	119,206	110,806	164,310	(53,504)	148.29%
ACR PROGRAM AND PROGRAMMNG-OTHER OPERATING EXPENDITURES	8,222	8,222	75	8,147	0.91%
RELOCATN SERVS_GEN FUND-OTHER OPERATING EXPENDITURES	2,000	2,000	531	1,469	26.55%
RELOCATN SERVS_GEN FUND-WAGES	55,180	55,180	43,745	11,435	79.28%
NEIGH SEVC CONSERVATION PROG-OTHER OPERATING EXPENDITURES	172,405	167,115	228,563	(61,448)	136.77%
NEIGH SEVC CONSERVATION PROG-WAGES	242,961	248,251	227,699	20,552	91.72%
PEG-OTHER OPERATING EXPENDITURES	127,249	127,249	121,986	5,263	95.86%
PEG-WAGES	1,549	1,549	1,464	85	94.51%
NONDEPARTMENTAL-OTHER OPERATING EXPENDITURES	14,660,520	14,660,520	13,770,094	890,426	93.93%
NONDEPARTMENTAL-WAGES	3,256,524	3,256,524	3,534,752	(278,228)	108.54%
TOTAL EXPENDITURES AND TRANSFERS OUT	\$ 359,516,646	\$ 360,162,376	\$ 352,506,938	\$ 7,655,438	97.87%

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.

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 Protection 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 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 are El Paso Community Foundation, Paso Del Norte Foundation and local school districts.

PUBLIC HEALTH – This fund accounts for activities of the grants received by the City for public health services. Funding sources include grants from the Texas Department of Health and Human Services, participation by 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 donation), City Council action or other legislation. Funds received include donations, Hotel/Motel occupancy tax and proceeds generated from police enforcement activities.

City of El Paso, Texas
Combining Balance Sheet
Nonmajor Governmental Funds
August 31, 2015

	Special Revenue Funds						Total
	Federal Grants			Other Grants	Public Health	Nongrants	
	Other Federal Grants	American Recovery and Reinvestment Act Grants	State Grants				
ASSETS							
Cash and Cash Equivalents	\$ 438	\$ -	\$ -	\$ 29,515	\$ 6,081,685	\$ 13,050,910	\$ 19,162,548
Investments	-	-	-	-	-	12,970,311	12,970,311
Receivables - Net of Allowances							
Interest	20	-	-	-	919	80	1,019
Trade	94,250	-	76,361	-	41,244	2,162,887	2,374,742
Notes	77,969	-	-	-	-	-	77,969
Due From Other Government Agencies	5,210,241	229,818	807,247	3,569,668	3,002,154	-	12,819,128
Other	-	-	-	-	-	2,207,782	2,207,782
Inventory	-	-	-	-	-	40,574	40,574
Total Assets	5,382,918	229,818	883,608	3,599,183	9,126,002	30,432,544	49,654,073
LIABILITIES							
Accounts Payable	48,361	120,164	178,336	3,505,733	246,724	4,182,903	8,282,221
Accrued Payroll	63,274	-	23,787	-	120,636	89,826	297,523
Due to Other Funds	3,912,181	109,654	572,227	-	-	-	4,594,062
Taxes Payable	-	-	-	-	-	83,619	83,619
Unearned Revenue	1,359,102	-	55,694	13,126	8,758,642	1,392,114	11,578,678
Due To Other Government Agencies	-	-	53,564	5,023	-	-	58,587
Total Liabilities	5,382,918	229,818	883,608	3,523,882	9,126,002	5,748,462	24,894,690
FUND BALANCES:							
Nonspendable	-	-	-	-	-	40,574	40,574
Restricted	-	-	-	163,669	-	14,521,537	14,685,206
Committed	-	-	-	-	-	10,480,770	10,480,770
Unassigned	-	-	-	(88,368)	-	(358,799)	(447,167)
TOTAL FUND BALANCES	-	-	-	75,301	-	24,684,082	24,759,383
TOTAL LIABILITIES, AND FUND BALANCES	\$ 5,382,918	\$ 229,818	\$ 883,608	\$ 3,599,183	\$ 9,126,002	\$ 30,432,544	\$ 49,654,073

City of El Paso, Texas
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended August 31, 2015

	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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 563,924	\$ 563,924
Sales Taxes	-	-	-	-	-	6,608,393	6,608,393
Franchise Fees	-	-	-	-	-	4,558,716	4,558,716
Charges for Services	59,378	-	36,308	3,750	7,288,787	25,706,085	33,094,308
Fines and Forfeitures	-	-	-	-	-	1,740,264	1,740,264
Licenses and Permits	31,785	-	-	-	-	26,322	58,107
Intergovernmental Revenues	5,358,008	219,318	2,753,461	-	6,151,488	6,881	14,489,156
Interest	105	-	-	-	5,758	(127)	5,736
Rents and Other	11,870	-	(45,436)	181,585	-	1,269,673	1,417,692
Total revenues	5,461,146	219,318	2,744,333	185,335	13,446,033	40,480,131	62,536,296
Expenditures							
Current:							
General Government	-	-	47,265	-	-	1,009,958	1,057,223
Public Safety	5,430,334	50,026	1,895,672	-	227,815	5,626,458	13,230,305
Public Works	-	-	-	-	-	5,139,435	5,139,435
Facilities Maintenance	-	-	-	-	-	632	632
Public Health	-	-	-	-	12,974,602	-	12,974,602
Parks Department	-	-	4,800	-	-	1,578,309	1,583,109
Library	8,825	-	8,349	-	-	51,406	68,580
Non Departmental	-	-	-	-	-	1,557,823	1,557,823
Culture and Recreation	12,012	-	272,324	164,424	-	9,501,688	9,950,448
Economic Development	-	-	-	-	-	8,976,865	8,976,865
Environmental Code Compliance	-	-	-	-	-	429,833	429,833
Community and Human Development	-	-	540,614	-	-	72,060	612,674
Debt Service:							
Capital Outlay	9,975	169,292	(24,691)	-	243,616	1,884,709	2,282,901
Total expenditures	5,461,146	219,318	2,744,333	164,424	13,446,033	35,829,176	57,864,430
Excess (Deficiency) of revenues over (under) expenditures	-	-	-	20,911	-	4,650,955	4,671,866
OTHER FINANCING SOURCES(USES):							
Transfers In	-	-	-	-	-	5,885,453	5,885,453
Transfers Out	-	-	-	-	-	(6,409,286)	(6,409,286)
Total other financing sources (uses):	-	-	-	-	-	(523,833)	(523,833)
Net change in fund balances	-	-	-	20,911	-	4,127,122	4,148,033
Fund balances - beginning of year	-	-	-	54,390	-	20,556,960	20,611,350
Fund balances - end of year	\$ -	\$ -	\$ -	\$ 75,301	\$ -	\$ 24,684,082	\$ 24,759,383

City of El Paso, Texas

Schedule of Expenditures – Special Revenue Funds

For the Year Ended August 31, 2015

Nonmajor Governmental Funds

Grant	Description	Community Development Block		American Recovery and Reinvestment Act				Total Nonmajor Governmental Funds	
		Grants	Other Federal Grants	Grants	State Grants	Other Grants	Public Health	Nongrants	Governmental Funds
12DJBX0311	#N/A	\$ -	\$ -	\$ 50,685	\$ -	\$ -	\$ -	\$ -	\$ 50,685
2013TSK0	Paso Del Norte Sexual Health	-	-	-	-	-	17,895	-	17,895
G_7138CD21	#N/A	900	-	-	-	-	-	-	-
G_713CD012	Thom Park Improvements	23,584	-	-	-	-	-	-	-
G_713CD013	Pollard Park Improvements	101,125	-	-	-	-	-	-	-
G_713CD014	RECON Barker Road Ph 2	49,193	-	-	-	-	-	-	-
G_713CD018	RECON Carpenter Dr	12,632	-	-	-	-	-	-	-
G12SW07A55	95 001 HIDTA STING FY2012	-	(94,125)	-	-	-	-	-	(94,125)
G12SW07A57	95 001HIDTA Stash House FY2012	-	(54,024)	-	-	-	-	-	(54,024)
G12SW07A58	95 001 HIDTA Multi FY2012	-	(17)	-	-	-	-	-	(17)
G12SW07A63	95 001HIDTA StashHouseDHE FY12	-	(14,223)	-	-	-	-	-	(14,223)
G2012_0176	TJJD JPD Juvenile Diversion Pr	-	-	-	458	-	-	-	458
G201211120	NACCHO Grant 2012 11203	-	-	-	-	-	6,104	-	6,104
G2112140	PACT360 Community Education Pr	-	678	-	-	-	-	-	678
G4110030	Mexican Consulate	-	-	-	-	-	21,842	-	21,842
G4111340	ADRC	-	-	-	-	-	908	-	908
G4112030	Mexican Consulate	-	-	-	-	-	4,012	-	4,012
G4113130	#N/A	-	-	-	-	-	2,371	-	2,371
G4113330	FY2013 PASO DEL NORTE FOUNDATI	-	-	-	-	-	3,736	-	3,736
G4113AD0	WIC ADMIN-DSHS	-	-	-	-	-	1,443	-	1,443
G5309050	Minor Library Grants	-	8,825	-	-	-	-	-	8,825
G5312010	e-Rate	-	-	-	8,349	-	-	-	8,349
G7109HM0	G7109HM HOME	29,690	-	-	-	-	-	-	-
G710RLF01	HOUSING PROGRAMS ACTIVITIES RL	280,991	-	-	-	-	-	-	-
G710RLF02	HOME PROG INCOME	1,446,280	-	-	-	-	-	-	-
G7110HM0	FY10 HOME Entitlement	1,373,390	-	-	-	-	-	-	-
G7111HM0	Home FY11	1,950,760	-	-	-	-	-	-	-
G7112FGTY	FGCITY FOSTER GRANDP PROG F	113	-	-	-	-	-	-	-
G7112HM0	Home FY12	811,745	-	-	-	-	-	-	-
G7137ESMN	#N/A	568	-	-	-	-	-	-	-
G7138CD03	#N/A	745	-	-	-	-	-	-	-
G7138CD04	RECON Barker Road Ph 1	115,403	-	-	-	-	-	-	-
G7138ESMN	14.231 City ESG Administration	(568)	-	-	-	-	-	-	-
G71EZB0F	EZ BORDER OPP LOAN FUND	466,989	-	-	-	-	-	-	-
G71NSP0	NSP -FEDERALLY FUNDED	7	-	-	-	-	-	-	-
G71NSP10	COEP Acquisition	25,835	-	-	-	-	-	-	-
G71NSTDHCA	#N/A	55,199	-	-	(55,199)	-	-	-	(55,199)
GHUDSU0	HUD payroll suspense account	57,156	-	-	-	-	-	-	-
MA04110136	EPMA IMLS LAMP Project	-	-	-	-	9,733	-	-	9,733
PWD1067P4000	#N/A	-	-	-	17,037	-	-	-	17,037
SAT0115013	ST-ABTPA-13	-	-	-	(12)	-	-	-	(12)
EMW2011FH5	97 044 SAFER FY 2011 Staffin	-	836,742	-	-	-	-	-	836,742
G7138PS40	BARKER RD ST & DRAINAGE IMP	18,868	-	-	-	-	-	-	-
G13SW07A59	95 001 HIDTA Enterprise FY13	-	(9,809)	-	-	-	-	-	(9,809)
G13SW07A61	95 001 HIDTA FUGITIVE FY13	-	(11,135)	-	-	-	-	-	(11,135)
G13SW07A55	95 001 HIDTA SOURCE CITY FY13	-	(529,474)	-	-	-	-	-	(529,474)
G13SW07A58	95 001 HIDTA Multi FY13	-	(184,549)	-	-	-	-	-	(184,549)
11SR2402PD	EP SHSHP UA RIO GRAND FUSION	-	(209)	-	-	-	-	-	(209)
G13SW07A56	95 001 HIDTA INTELLIGENCE FY13	-	(49,726)	-	-	-	-	-	(49,726)
12SR2401PD	SHSP LEPTA FY12	-	(129)	-	-	-	-	-	(129)
G7139CD18	Carpenter S&D Improvements	483,412	-	-	-	-	-	-	-
G411426	211 Area Info Center	-	-	-	-	-	2,709	-	2,709
G411418	HIV SCREENING	-	-	-	-	-	3,244	-	3,244
G411407	TB - PC - State	-	-	-	-	-	29,945	-	29,945
G411435	LOCAL UTHSC-HOUSTON	-	-	-	-	-	69,842	-	69,842
G2214010	EMPG FY14	-	6,643	-	-	-	-	-	6,643
P71RSFND	RSVP Advisory Council Foundati	8,008	-	-	-	-	-	-	-
G7139ESMN	#N/A	1,016	-	-	-	-	-	-	-
G7114HM	HOME PROGRAM	2,222	-	-	-	-	-	-	-
G411436	Prev Abstinence	-	-	-	-	-	10,304	-	10,304
G4114AD	WIC ADMIN-DSHS	-	-	-	-	-	557,055	-	557,055
G4114BF	WIC Breastfeeding-DSHS	-	-	-	-	-	87,246	-	87,246
G4114NE	WIC Nutrition Education-DSHS	-	-	-	-	-	155,860	-	155,860
G411422	Bio Terrorism Lab-DSHS	-	-	-	-	-	(8,134)	-	(8,134)
G411437	Disaster Hlth Outreach	-	-	-	-	-	864	-	864
G411413	CHS - Fee for Service	-	-	-	-	-	4,045	-	4,045
G411420	STD HIV - Fed	-	-	-	-	-	(42)	-	(42)
G411423	HIV SURV - Fed	-	-	-	-	-	836	-	836
G411402	TB PC Outreach-DSHS	-	-	-	-	-	188	-	188
G411406	Immunization Brach - Locals	-	-	-	-	-	12,796	-	12,796
G411411	RLSS-LPHS-DSHS	-	-	-	-	-	904	-	904
G411425	Preparedness Hazards	-	-	-	-	-	3,100	-	3,100
G411414	Laboratory Response Network-HP	-	-	-	-	-	235	-	235
G4113BIOWA	BIOWATCH	-	-	-	-	-	18,865	-	18,865
G7139CD02	CD ADMIN	18,533	-	-	-	-	-	-	-
G7139HOA	IAE CITY ADMIN	3	-	-	-	-	-	-	-
G7139CD20	ARMUO PARK IMPROV 7TH ST	196,101	-	-	-	-	-	-	-
G7139CD27	POLLARD PARK IMPROV	226,749	-	-	-	-	-	-	-
G7139CD38	El Barrio Park Improvements	172,594	-	-	-	-	-	-	-
G7139HOA2	IAE HOPWA SUPPORTIVE SVS	1,636	-	-	-	-	-	-	-
G7139CD41	Chamizal Community Garden	28,932	-	-	-	-	-	-	-
G7139CD40	Alley Improvements Chamizal	6,984	-	-	-	-	-	-	-
G7139CD52	P&R DISABILITY EXERCISE FY14	15	-	-	-	-	-	-	-
G7139CD03	P & R NYOP FY 14	(372)	-	-	-	-	-	-	-
G7114FGDR	FGP FEDERAL	84,680	-	-	-	-	-	-	-
G7114FGTY	FGP CITY FUNDS	14,947	-	-	-	-	-	-	-
G710RLF14	CDBG RLF ADMIN	8,095	-	-	-	-	-	-	-
G7114RSAT	RSVP STATE GRANT	679	-	-	-	-	-	-	-
G7111RSAT	STATE FUNDED FY11	15,283	-	-	-	-	-	-	-
CID2592802	GENERAL VICTIM SERVICES FY14	-	-	-	-	1,119	-	-	1,119
SAT0115014	ABTPA FY 14	-	-	-	-	37,821	-	-	37,821
G210PSG12	OPERATION STONEGARDEN FY12	-	(23)	-	-	-	-	-	(23)
G13SW07A60	95 001HIDTATRANSPORTATION FY13	-	(5,775)	-	-	-	-	-	(5,775)
G2106210	G210621 OTHER HIDTA-OCDETF-06	-	27,279	-	-	-	-	-	27,279
G7139ES14	ESG EP COUNTY FY14	346	-	-	-	-	-	-	-
G411433	2013 HEAL-PASO DEL NORTE	-	-	-	-	-	159,377	-	159,377

City of El Paso, Texas

Schedule of Expenditures – Special Revenue Funds (Continued)

For the Year Ended August 31, 2015

Nonmajor Governmental Funds

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	
G411438	Caring for Children Foundation	-	-	-	-	-	1,224	1,224
PCP14HLTHVAN	MOBILE DENTAL CLINIC	-	-	-	-	-	241,980	241,980
G7139CD22	ACCESSIBLE PED SIG V CHAMIZAL	78,620	-	-	-	-	-	-
G7110RSTY	RSVP CITY FUNDED	(12,647)	-	-	-	-	-	-
PCP14HLTHBORDER	PH BORDER INTEREST GROUP	-	-	-	-	-	749,513	749,513
G7139CD42	Johnson Basin Park Pond Improv	25,397	-	-	-	-	-	-
G7139CD07	NATIONAL REBUILD DAY CHAMIZAL	5,161	-	-	-	-	-	-
13SR2404PD	SHSP FY13 FUSION CENTER LE	-	52,805	-	-	-	-	52,805
G71HHSRGR4	#N/A	-	-	-	119,825	-	-	119,825
G7139CD09	St. Anne's Center	363,773	-	-	-	-	-	-
G7139PS18	CARPENTER ST & DRAINAGE IMPR	3,233	-	-	-	-	-	-
G_713PS014	Barker Rd II Street & Drainage	4,705	-	-	-	-	-	-
G7114RSDR	RSVP FEDERAL FUNDS	57,851	-	-	-	-	-	-
G7114RSTY	RSVP CITY FUNDS	41,170	-	-	-	-	-	-
13SR2401PD	SHSP FY13 IED Terrorist Attack	-	2,653	-	-	-	-	2,653
G411527	Get Real About Tobacco Paso de	-	-	-	-	85,079	-	85,079
G411431	IDCU/Foodborne Assoc Infection	-	-	-	-	17	-	17
G7139CD44	Grandview HVAC Upgrade	372,999	-	-	-	-	-	-
C10T00018	2014 CLICK IT OR TICKET	-	-	-	(2,244)	-	-	(2,244)
G4114BW	Bio Watch Laboratory Support	-	-	-	-	9,155	-	9,155
PCP14HLTHHIE	REGIONAL VALIDATION OF HIE	-	-	-	-	25,177	-	25,177
2013SHSPUA	2013SHSPUA	-	7,328	-	-	-	-	7,328
G210PSG13	OPERATION STONEGARDEN 2013	-	808,523	-	-	-	-	808,523
G14SW07A55	95.001 HIDTA SOURCE CITY FY14	-	1,731,173	-	-	-	-	1,731,173
G7115HM	Home Entitlement Grant FY2015	413,134	-	-	-	-	-	-
G4115AD	WIC ADMIN DSHS	-	-	-	-	4,018,260	-	4,018,260
G411522	Bio Terrorism Lab DSHS	-	-	-	-	185,494	-	185,494
G411526	211 Area Info Center	-	-	-	-	244,029	-	244,029
G411536	Prev Abstinence	-	-	-	-	136,708	-	136,708
G411513	CHS Fee for Service	-	-	-	-	209,561	-	209,561
G411518	HIV SCREENING	-	-	-	-	487,682	-	487,682
G411506	Immunization Brach Locals	-	-	-	-	1,197,025	-	1,197,025
G411511	RLSS LPHS DSHS	-	-	-	-	153,339	-	153,339
G411525	Preparedness Hazards	-	-	-	-	468,935	-	468,935
G4113030	Mexican Consulate	-	-	-	-	248	-	248
PCP14HLTHFIRE	Medicaid Waiver-Fire Dept	-	-	-	-	400,317	-	400,317
PCP14HLTHATLAS	PH EL PASO COMMUNITY ATLAS	-	-	-	-	85,739	-	85,739
G7140CD02	CDBG ADMINISTRATION FY2015	1,133,858	-	-	-	-	-	-
G7139CD43	BARKER RD ST/DRAINAGE IMP III	323,204	-	-	-	-	-	-
G7115FGDR	FGP FEDERAL FY2015	351,648	-	-	-	-	-	-
G7115RSAT	RSVP STATE GRANT FY15	32,300	-	-	-	-	-	-
G7115RSTY	RSVP CITY MATCH FY15	22,346	-	-	-	-	-	-
G710RFL15	CDBG REVOLVING LOAN FUND	102,971	-	-	-	-	-	-
SAT0115015	ABTPA 2015	-	-	-	1,196,385	-	-	1,196,385
LBSPI40018	LOCAL BORDER SECURITY FY14-OT	-	-	-	134,818	-	-	134,818
OAG1450394	ICAC TRAINING & TRAVEL FY14	-	-	-	(11)	-	-	(11)
G14SW07A56	95.001 HIDTA INTEL FY14	-	187,375	-	-	-	-	187,375
G14SW07A58	95.001 HIDTA MULTI FY14	-	197,876	-	-	-	-	197,876
G14SW07A60	95.001HIDTA TRANSPORTATIONFY14	-	21,582	-	-	-	-	21,582
G14SW07A61	95.001 HIDTA FUGITIVE FY14	-	18,713	-	-	-	-	18,713
G14SW07A59	HIDTA G14SW07A59 95.001	-	17,346	-	-	-	-	17,346
G2215010	FY15 EMPG	-	289,004	-	-	-	-	289,004
G7140CD32	P & R - Disability Exercise	29,812	-	-	-	-	-	-
G411520	STD HIV Fed	-	-	-	-	193,589	-	193,589
G411539	Radiation Control CRCPD	-	-	-	-	24,926	-	24,926
G7139CD08	NATIONAL REBUILD DAY LOWER DYE	(5,161)	-	-	-	-	-	-
2011BX3043	BJA 2011 Byrne JAG County Lead	-	-	50,026	-	-	-	50,026
G15C454106	CAD Yr2Arts Create-Subgranting	-	-	-	28,000	-	-	28,000
G5415C06CM	CAD Yr2Arts Create-Subgranting	-	-	-	28,000	-	-	28,000
G14A454106	Animating the Kress Collection	-	-	-	19,564	-	-	19,564
G14A454111	EPMA - Art Comes to Life	-	-	-	1,500	-	-	1,500
G15A454116	EPMA Yr2ArtsCreate-Exhibit Ops	-	-	-	14,000	-	-	14,000
G5414A11CM	EPMA CM - Art Comes to Life	-	-	-	2,490	-	-	2,490
G5415A16CM	EPMA CM ArtsCreate-Exhibit Ops	-	-	-	14,000	-	-	14,000
G5415A19CM	EPMA Visual Literacy Prog Yr 1	-	-	-	6,620	-	-	6,620
G5415A17CM	EPMA Arts Respond-Education	-	-	-	3,499	-	-	3,499
CJD2592803	GENERAL VICTIM SERVICES 2015	-	-	-	111,543	-	-	111,543
G15MUNTJPD	Juvenile Offender - case manag	-	-	-	46,807	-	-	46,807
GF142403PD	Fight Terrorism	-	347,283	-	-	-	-	347,283
GF150CDETF	Organized Crime Enforcement	-	31,175	-	-	-	-	31,175
SHSP13LEPD	SHSP LE FY13 CCTV SECURITY	-	50,606	-	-	-	-	50,606
2014SHSP	2014 SHSP	-	36,360	-	-	-	-	36,360
G20134438	Missions of Spain FY13	-	8,000	-	-	-	-	8,000
G411531	IDCU Foodborne Assoc Infection	-	-	-	-	67,205	-	67,205
G411500	Paso Del Norte Sexual Health	-	-	-	-	111,439	-	111,439
G411538	Caring for Children Foundation	-	-	-	-	20,323	-	20,323
G4115BF	WIC Breastfeeding DSHS	-	-	-	-	558,913	-	558,913
G4115NE	WIC Nutrition Education DSHS	-	-	-	-	1,399,620	-	1,399,620
G411523	HIV SURV Fed	-	-	-	-	58,264	-	58,264
G411502	TB PC Outreach DSHS	-	-	-	-	374,050	-	374,050
G411507	TB PC State	-	-	-	-	495,892	-	495,892
G4115BW	BIOWATCH	-	-	-	-	7,531	-	7,531
G411541	Discretionary BioPHEP-DSHS	-	-	-	-	46,245	-	46,245
G411516	IDCU Flu	-	-	-	-	4,736	-	4,736
G7140ES14	COUNTY OF EL PASO ESG FY15	62,819	-	-	-	-	-	-
G411533	2014 HEAL PASO DEL NORTE	-	-	-	-	(45)	-	(45)
GS1557024	To combat Internet Crimes	-	-	-	11,853	-	-	11,853
G71HHSRGR5	HHSP GRANT 5TH ROUND	-	-	-	439,060	-	-	439,060
G15A454117	EPMA Arts Respond-Education	-	-	-	3,500	-	-	3,500
GFJLEOFY14	Lone Star Fugitive Task Force	-	-	-	23,222	-	-	23,222

City of El Paso, Texas

Schedule of Expenditures – Special Revenue Funds (Continued)

For the Year Ended August 31, 2015

		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			
GSLSBP1522	Combat organized crime/terrori	-	-	-	252,421	-	-	252,421	
GF15W07A55	95.001 SourceCityFY15 Grant	-	971,626	-	-	-	-	971,626	
GF15W07A58	HIDTAMultiFY15	-	101,689	-	-	-	-	101,689	
I3DJBX1029	DVRS FOR PATROL UNITS	-	-	118,607	-	-	-	118,607	
2014SHSPUA	2014 SHSP UA	-	10,956	-	-	-	-	10,956	
G15A454118	EPMA Arts Respond-PTSD Project	-	-	-	3,373	-	-	3,373	
G15C454101	CAD Local Artists Workshops	-	-	-	30,000	-	-	30,000	
G15C454102	CAD Arts Create-Operations	-	-	-	14,000	-	-	14,000	
G15C454103	CAD Downtown Arts District	-	-	-	1,000	-	-	1,000	
G15C454104	CAD Farmers Mkt Cooking Demos	-	-	-	750	-	-	750	
G15C454105	CAD Chalk The Block 2014	-	-	-	9,000	-	-	9,000	
G22TAA15007	BECC International Grant	-	541	-	-	-	-	541	
G4109130	G410913 TDH BUR OF WOMEN & CHL	-	-	-	-	20,131	-	20,131	
G411606	Immunization Brach Locals	-	-	-	-	216	-	216	
G5415A18CM	EPMA Arts Respond-PTSD Project	-	-	-	1,535	-	-	1,535	
G5415A19	EPMA Visual Literacy Prog Yr 1	-	-	-	47,260	-	-	47,260	
G5415A20	EPMA - Guggenheim Series	-	-	-	20,000	-	-	20,000	
G5415C01CM	CAD Local Artists Workshops	-	-	-	7,940	-	-	7,940	
G5415C07	CAD TCA Arts Respond MUTS 15	-	-	-	1,250	-	-	1,250	
G5415H10CM	EMPH CM Exhibit Development	-	4,012	-	-	-	-	4,012	
G710HPRLF	CDBG RLF ACTIVITIES	647,513	-	-	-	-	-	-	
G710HPRLEA	CDBG RLF ADMINISTRATION	92,157	-	-	-	-	-	-	
G710RFL16	CDBG REVOLVING LOAN AD FY16	116	-	-	-	-	-	-	
G7110FGTY	FGP CITY FUNDED	(3,250)	-	-	-	-	-	-	
G7115FGAT	FGP STATE FY2015	4,774	-	-	-	-	-	-	
G7115FGBG	Foster Grand Parents CDBG FY15	30,722	-	-	-	-	-	-	
G7115FGFE	FGP EXCESS FUNDS FY2015	2,653	-	-	-	-	-	-	
G7115FGTY	FGP CITY GRANT MATCH FY2015	32,751	-	-	-	-	-	-	
G7115RSDR	RSVP FEDERAL FUNDS FY15	35,506	-	-	-	-	-	-	
G7115RSEF	RSVP EXCESS FUNDS FY2015	1,280	-	-	-	-	-	-	
G7116FGCM	Foster Grandparent City FY16	3,482	-	-	-	-	-	-	
G7116FGDR	Foster Grandparent Prog FY16	42,673	-	-	-	-	-	-	
G7116FGFE	FGP EXCESS FUNDS FY2016	471	-	-	-	-	-	-	
G7116HM	HOME ENTITLEMENT GRANT FY2016	732	-	-	-	-	-	-	
G7137ESMN	#N/A	568	-	-	-	-	-	-	
G7139CD10	Manning Way	138,225	-	-	-	-	-	-	
G7139CD16	Sara McKnight TLC Re-Roof	7,443	-	-	-	-	-	-	
G7140CD03	P & R NYOP FY 15	30,000	-	-	-	-	-	-	
G7140CD05	P & R Sun Country Recreation	143,826	-	-	-	-	-	-	
G7140CD07	NATIONAL REBUILD DAY	110,000	-	-	-	-	-	-	
G7140CD10	Angel's Triangle Streetlights	23,864	-	-	-	-	-	-	
G7140CD11	PVDC/MICROENTERPRISE FY15	90,000	-	-	-	-	-	-	
G7140CD12	Atlas-Titanic-Vulcan St Lights	25,435	-	-	-	-	-	-	
G7140CD13	Curb Cut Demand Prog Dist 2	55,822	-	-	-	-	-	-	
G7140CD14	McCall Neighborhood Center Ren	21,859	-	-	-	-	-	-	
G7140CD15	Nashville Ave Sidewalks	11,216	-	-	-	-	-	-	
G7140CD17	Sidewalk Gap & Curb Cut Dist 2	42,010	-	-	-	-	-	-	
G7140CD19	Wellington Chew Sr. Ctr Improv	67,417	-	-	-	-	-	-	
G7140CD20	Curb Cut Demand Prog Dist 4	22,163	-	-	-	-	-	-	
G7140CD22	Sidewalk Gap & Curb Cut Dist 4	16,642	-	-	-	-	-	-	
G7140CD23	Tuscany St Improv Deer-Tivoli	39,100	-	-	-	-	-	-	
G7140CD24	EP Villa Maria Roof Project	17,760	-	-	-	-	-	-	
G7140CD25	Atlas-Titanic-Vulcan Sidewalk	30,198	-	-	-	-	-	-	
G7140CD26	Logan Park Improvements	96,514	-	-	-	-	-	-	
G7140CD27	Sue Young Park Amenities	8,580	-	-	-	-	-	-	
G7140CD36	FAIR HOUSING OUTREACH/EDUC	23,699	-	-	-	-	-	-	
G7140CD39	EP COALITION HOMELESS FY15	68,500	-	-	-	-	-	-	
G7140ES01	CAFV ESG FY15	35,612	-	-	-	-	-	-	
G7140ES02	CHILD CRISIS ESG FY15	34,042	-	-	-	-	-	-	
G7140ES03	EP CENTER FOR CHILDREN ESG 15	35,612	-	-	-	-	-	-	
G7140ES04	EL PASO VILLA MARIA ESG FY15	35,612	-	-	-	-	-	-	
G7140ES05	INTERNATIONAL AIDS ESG FY15	58,097	-	-	-	-	-	-	
G7140ES06	LA POSADA HOME ESG FY15	42,219	-	-	-	-	-	-	
G7140ES08	PROJECT VIDA ESG FY15	35,294	-	-	-	-	-	-	
G7140ES09	RESCUE MISSION ESG FY15	39,724	-	-	-	-	-	-	
G7140ES10	SALVATION ARMY ESG FY15	46,718	-	-	-	-	-	-	
G7140ES11	YWCA APOYO ESG FY15	35,314	-	-	-	-	-	-	
G7140ES14	COUNTY OF EL PASO ESG FY15	62,819	-	-	-	-	-	-	
G7140ES15	HMIS FY15	30,000	-	-	-	-	-	-	
G7140HOA	IAE CITY ADMIN FY15	10,931	-	-	-	-	-	-	
G7140HOA1	INT AIDS/TBRA FY15	302,035	-	-	-	-	-	-	
G7140HOA2	EP COUNTY SUPPORT SVCS	19,413	-	-	-	-	-	-	
G7140HOA3	HOPWA SPONSOR ADMIN FEE	24,509	-	-	-	-	-	-	
G7140SS01	Assist League CDBG FY15	33,862	-	-	-	-	-	-	
G7140SS04	Opportunity Center - CDBG FY15	30,648	-	-	-	-	-	-	
G7140SS05	PV Youth Recreation CDBG FY15	27,735	-	-	-	-	-	-	
G7140SS06	Salvation Army-After School	24,245	-	-	-	-	-	-	
G7140SS08	PDN-El Papalote Inclusive CDC	33,676	-	-	-	-	-	-	
G7140SS10	PV-Early Childhood Development	32,433	-	-	-	-	-	-	
G7140SS13	CAFV- Emergency Shelter	36,175	-	-	-	-	-	-	
G7140SS14	Centro San Vicente Medical Hme	30,000	-	-	-	-	-	-	
G7140SS15	CCCEP-Respite/Urgent Res Care	32,308	-	-	-	-	-	-	
G7140SS16	EP Ctr for Children-Runaway	31,975	-	-	-	-	-	-	
G7140SS17	El Paso Villa Maria	29,809	-	-	-	-	-	-	
G7140SS19	YWCA-La Posada - APOYO-S	50,873	-	-	-	-	-	-	
G7140SS24	CAFV-Mental Health Services	30,000	-	-	-	-	-	-	
G7140SS25	Centro San Vicente-Sr Smiles	30,000	-	-	-	-	-	-	
G7140SS26	EL PASO GUIDANCE CENTER	30,000	-	-	-	-	-	-	
G7140SS28	FSEP-Integrated Behavioral Hlt	30,710	-	-	-	-	-	-	
G7140SS29	Jewish Family & Children's Svc	30,710	-	-	-	-	-	-	

City of El Paso, Texas

Schedule of Expenditures – Special Revenue Funds (Continued)

For the Year Ended August 31, 2015

Nonmajor Governmental Funds

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	
G7140SS30	La Familia de El Paso	30,000	-	-	-	-	-	-	-
G7140SS31	PV-Integrated Family Health	30,710	-	-	-	-	-	-	-
G7140SS35	EP County-City/Co. Nutrition	54,440	-	-	-	-	-	-	-
G7140SS36	International AIDS Empowerment	30,397	-	-	-	-	-	-	-
G7140SS37	Project Amistad - Money Mgt	30,000	-	-	-	-	-	-	-
G7140SS39	PDN-Leadership Academy for Fam	30,392	-	-	-	-	-	-	-
G7140SS41	YWCA FTHB COUNSELING FY15	30,000	-	-	-	-	-	-	-
G7140SS42	EHN-Adult MH Case Management	31,422	-	-	-	-	-	-	-
G7140SS73	Candlelighters-Fam. Enrichment	28,970	-	-	-	-	-	-	-
G7140SS74	CASA of El Paso	32,619	-	-	-	-	-	-	-
G7140SS76	Int'l AIDS - HIV Case Mgt	31,423	-	-	-	-	-	-	-
G7141CD02	CDBG ADMINISTRATION	4,583	-	-	-	-	-	-	-
G7141ESMN	ESG ADMIN FY16	125	-	-	-	-	-	-	-
G7141HOA	HOPWA CITY ADMIN FY16	151	-	-	-	-	-	-	-
GF15W07A56	95.001 HIDTA IntelligenceFY15	-	43,448	-	-	-	-	-	43,448
GF15W07A59	95.001 EnterpriseFY15 Grant	-	9,089	-	-	-	-	-	9,089
GF15W07A61	95.001 HIDTA FugitiveFY15Grant	-	11,827	-	-	-	-	-	11,827
GP14TARGET	Crime Prevention	-	1,950	-	-	-	-	-	1,950
GP411533	2014 HEAL PASO DEL NORTE	-	-	-	-	-	11,351	-	11,351
GP411627	Get Real About Tobacco Paso de	-	-	-	-	-	36,385	-	36,385
GP5415A01	EPMA Impressions Program	-	-	-	5,310	-	-	-	5,310
GS142402PD	Prevent Terrorist attacks	-	28,745	-	-	-	-	-	28,745
GS15STEP07	2015 STEP - TX Traffice Safet	-	-	-	114,863	-	-	-	114,863
GS411607	TB PC State	-	-	-	-	-	487	-	487
GS411622	CPS LRN PHEP for Bio Lab	-	-	-	-	-	33,239	-	33,239
GS411625	Preparedness Hazards	-	-	-	-	-	91,742	-	91,742
GS411626	211 Area Info Center	-	-	-	-	-	392	-	392
GS7116RSAT	RSVP STATE FY2016	322	-	-	-	-	-	-	-
GSCIO515	Click IT or Ticket	-	-	-	2,795	-	-	-	2,795
GSCID64901	Assist with rescue operations	-	-	-	11,099	-	-	-	11,099
GSOPSG14	STONEGARDEN FY14	-	507,060	-	-	-	-	-	507,060
GSVET15	Veterans Court Program	-	35,452	-	-	-	-	-	35,452
PCP14HLTH3YR	PH 3 YEAR PROJECT	-	-	-	-	-	22,370	-	22,370
	LPA-G540109 OUTREACH	-	-	-	-	164,425	-	-	164,425
	SMG Contract	5,130	-	-	-	-	-	-	-
	Landscape Ordinance	-	-	-	-	-	-	1,828,705	1,828,705
	TIRZ #5	-	-	-	-	-	-	2,889,123	2,889,123
	Economic Development	-	-	-	-	-	-	5,035,851	5,035,851
	Parks	-	-	-	-	-	-	209,349	209,349
	CVB	-	-	-	-	-	-	5,448,834	5,448,834
	Police-Donations	-	-	-	-	-	-	2,261	2,261
	Police-Continuing Education	-	-	-	-	-	-	86,091	86,091
	Breath Alcohol Testing	-	-	-	-	-	-	26,624	26,624
	Garage Keepers Liens	-	-	-	-	-	-	49,147	49,147
	Red Light Camera	-	-	-	-	-	-	2,028,277	2,028,277
	Vehicle Storage Facility	-	-	-	-	-	-	2,020,676	2,020,676
	Police-Federal Confiscated	-	-	-	-	-	-	222,539	222,539
	Police-State Confiscated	-	-	-	-	-	-	1,497,158	1,497,158
	Zoo	-	-	-	-	-	-	1,872,177	1,872,177
	Art Museum	-	-	-	-	-	-	252,111	252,111
	Library	-	-	-	-	-	-	41,815	41,815
	History Museum	-	-	-	-	-	-	125,307	125,307
	Council Special Projects	-	-	-	-	-	-	142,200	142,200
	Municipal Court	-	-	-	-	-	-	524,517	524,517
	PEG	-	-	-	-	-	-	232,356	232,356
	Palo Verde	-	-	-	-	-	-	662,942	662,942
	Mayor	-	-	-	-	-	-	39,058	39,058
	Fire Department	-	-	-	-	-	-	24,686	24,686
	Lobbyist	-	-	-	-	-	-	119,281	119,281
	Environmental Fee	-	-	-	-	-	-	10,468,092	10,468,092
		\$ 15,243,876	\$ 5,461,146	\$ 219,318	\$ 2,744,333	\$ 164,425	\$ 13,446,033	\$ 35,829,177	\$ 57,864,432

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, Texas
Schedule of Revenues, Expenditures and Changes
in Fund Balances – Budget and Actual
Debt Service Fund
For the Year Ended August 31, 2015

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive (Negative)
	Adopted	Final		
Resources (inflows):				
Property taxes	\$ 76,721,534	\$ 76,721,534	\$ 76,324,343	\$ (397,191)
Penalties and Interest-Delinquent taxes	-	-	1,175,873	1,175,873
Parking meter revenue	1,345,555	1,345,555	1,283,773	(61,782)
Federal tax credit - Build America Bonds	2,117,054	2,117,054	-	(2,117,054)
Face amount of refunding bonds issued	-	-	82,790,000	82,790,000
Premium on bonds issued	-	-	13,941,718	13,941,718
Transfers from other funds	11,463,060	11,463,060	2,322,020	(9,141,040)
Interest	-	-	36,206	36,206
Rents and other	-	-	1,057,387	1,057,387
Amounts available for appropriation	<u>91,647,203</u>	<u>91,647,203</u>	<u>178,931,320</u>	<u>87,284,117</u>
Charges to appropriations (outflows):				
Debt service:				
Principal	40,280,000	40,280,000	36,429,689	3,850,311
Interest	51,169,273	51,169,273	51,462,211	(292,938)
Fiscal fees	57,500	57,500	705,988	(648,488)
Transfers Out	128,930	128,930	125,930	3,000
Payment to refunding bond escrow agent:				-
Refunding bond proceeds	-	-	88,780,000	(88,780,000)
Arbitrage rebate	11,500	11,500	-	11,500
Total charges to appropriations	<u>91,647,203</u>	<u>91,647,203</u>	<u>177,503,818</u>	<u>(85,856,615)</u>
Increase (Decrease) in fund balance	-	-	1,427,502	1,427,502
Fund balance, September 1	<u>2,172,611</u>	<u>2,172,611</u>	<u>2,172,611</u>	<u>-</u>
Fund balance, End of period	<u>\$ 2,172,611</u>	<u>\$ 2,172,611</u>	<u>\$ 3,600,113</u>	<u>\$ 1,427,502</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 Projects 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, Texas
Schedule of Expenditures – Capital Projects
For the Year Ended August 31, 2015

Project	Name/Description	Expenditures and Transfers Out
PCP12PRK01B0	Park Pond Group A Shawver	11,428
5821111176	ELP0064 Rider 8	271,659
ART0905	Environmental Preservation	5,589
ART0908	Public Art Lighting	23,182
ART1001A	CULTURAL WORKS	74,090
ART1101	FY11 for 2percent for the Arts	126,000
BONDISSUE	BOND ISSUE	(2,059)
G7812020	Texas FHWA-FTA Grant	9,323
G7813010	NM FY 2013 FHWA FTA	1,035
G7813020	TXDOT FHWA FTA FY 2013	3,419
P09ST0020	#N/A	(70,588)
P09ST0060	Pasodale S&D Imprvements	3,746
P09TX0010	#N/A	(200,000)
P09TX0020	#N/A	(273,167)
P5015660	CIVIC CENTER CAPITAL IMPRVMTS	2,688,847
P5400010	CITY AUCTIONS	90,681
P540010CTYO	#N/A	836,259
PAPACQTNYSY030	ACQUISITIONS	7,774
PAPADMINY030	2% for the Arts Admin 2003 COs	2,390
PAPADMINY090	Administration	60
PAPADMINY100	PUBLIC ART ADMINISTRATION	2,504
PAPADMINY110	FY2011 Pub Art admin costs	2,634
PAPCULTOURY060	CULTURAL TOURISM GATEWAYS PROJ	45,494
PBE04ST1180	Montoya Hts Drainage Improve	164,964
PBE04ST1270	ROSEWAY ST & DNG PHASE I	3,243
PBE04ST127A0	RECON Roseway	80,864
PBR060010	STANTON BRIDGE CANOPY	(6,220)
PCP_12MT01	El Paso Streetcar	(4,813,889)
PCP06ST0090	RECON Centr Business Dist Ph 4	651,214
PCP06ST022A0	#N/A	(44,010)
PCP06ST022B0	#N/A	2,408
PCP06ST022E0	Isela Rubalcaba Extension	32,146
PCP09CMP0020	MESA RTS	(662,978)
PCP09IT0010	FIBER INTERCONNECT	240,729
PCP09IT0020	IT Telephone Upgrade	240,262
PCP09MT0070	Northgate Transit Terminal	(4,498,264)
PCP09MT0080	Sun Metro Headquarters	(30,124,063)
PCP09MT0090	ADA Curb Cuts & Shelters	(1,997,192)
PCP09MT0110	Montana Rapid Transit System	(548,148)
PCP09MT0120	Dyer Rapid Transit System	(508,131)
PCP09ST0020	Alameda Rapid Transit System	248,707
PCP10FI020	Fire Station 37	7,075
PCP10IT02A0	DATA CENTER-(EPCC ADMIN BLDG)	66,953
PCP10MF010	FACILITY REHABILITATION	373,526
PCP10ST050	Neigh Traffic Program Ph 2	9,282
PCP10ST060	#N/A	(15,136)
PCP10ST090	Downtown Train Bridge Rehab	1,563,391
PCP10ST140	RECON Montwood	2,922,092
PCP10TRAN010	RECON Country Club	7,054,523
PCP10TRAN020	RECON Carolina Bridge	806,916

City of El Paso, Texas
Schedule of Expenditures – Capital Projects (Continued)
For the Year Ended August 31, 2015

PCP10TRAN040	TXDOT MATCHES CP10	721,685
PCP10TRAN10A0	SAN JACINTO PLAZA RECONSTR	1,332,223
PCP10TRAN80	Mesa RTS Pedestrian Enhance	562,379
PCP11BND0010	2011 BOND COSTS-TRANSPORTATION	31,315
PCP11MT030	MESA RAPID TRANSIT SYSTEM	(2,094,178)
PCP11MT040	DYER RTS MATCH	(1,189,359)
PCP12BND0010	BOND COSTS 2012_13	162,457
PCP12FI010	FS #37 CONSTRUCTION 2012_13	72,723
PCP12FI030	Fire Station 5	434,849
PCP12IT020	CABLE INFRASTRUCTURE 2012_13	45,560
PCP12IT030	VOIP 2012_13	10,634
PCP12IT040	FIBER-CONNECTIVITY 2012_13	252,930
PCP12IT050	IT SOFTWARE 2012_13	241,583
PCP12IT060	PEOPLESOFT RE-IMPLEME 2012_13	136,331
PCP12MF010	FACILITY REHAB CW 2012_13	203,777
PCP12MFG410	ESPARZA MORENOLIBRARY ROOF	112,655
PCP12MFG640	#N/A	15,999
PCP12PRK01C0	Park Pond Group B Skyline	316,398
PCP12PRK01D0	#N/A	48,012
PCP12PRK01H0	Park Pond Group B Vocational	224,584
PCP12PRK01I0	Park Pond Group A Jamestown	(41,920)
PCP12PRK020	PARK GENERAL IMPROVEMENTS	16,746
PCP12PRK02I0	Fiesta Balboa Coronado Park De	22
PCP12PRK02L0	Radford Park De	405
PCP12PRK02M0	SPORT LIGHT AUTOMATIC CONTROLS	5,600
PCP12SRTS020	YISD - S REG CSJ 0924_06_405	25,648
PCP12SRTS040	YISD - NE REG CSJ 0924_06_403	194,391
PCP12SRTS050	EPISD - W REG CSJ 0924_06_402	245,386
PCP12SRTS060	EPISD - N REG CSJ 0924_06_401	101,194
PCP12SRTS080	EPISD - CENTR CSJ 0924_06_399	126,316
PCP12ST010	NTMP PHASE 3 2012_13	(3,641)
PCP12ST020	PASODALE PH. 4 CONST 2012_13	681,042
PCP12ST040	SIGNAGE 2012_13	157,440
PCP12ST060	STREET RESURFACING 2012_13	(88,888)
PCP12ST070	UNPAVED ROW 2012_13	2,565
PCP12ST08D0	COLDWELL ELEMENTARY FLASHERS	8,661
PCP12ST08K0	P Hills Roundabouts & Traffic	31,947
PCP13CTYHALL1	CTY HALL RELOCATE-ACQUISITIONS	114,639
PCP13CTYHALL2	CTY HALL RELOCATION-BLDG IMPR	1,438,898
PCP13LUTHER	LUTHER BUILDING REHAB	217,638
PCP13MUS02	Digital Wall at History Museum	1,118,533
PCP13MUS08	Upgrades to Museums	726,063
PCP13PD001	E.P. STATIST. AREA COMM. SYST.	17,248
PCP13PRKA02	Barron Park	532,320
PCP13PRKA04	Cheryll Ladd Park	1,162,634
PCP13PRKA09	Fiesta Balboa Coronado Park	24,785
PCP13PRKA11	Las Palmas (Argal) Park	78,785
PCP13PRKA23	NE Skate Park & Amenities	78,080
PCP13SRTS01	Safe Routes to School	131,700
PCP13ST0005	MEDIAN&PARKWAY LANDSCAPING MAS	7,352
PCP13ST001SNYR1	Synchro of Signals Y1	453,663
PCP13ST003Y1A	RECON Ramos Ct & L Flower	1,421,490
PCP13ST003Y1B	RECON Kernel	1,052,168
PCP13ST003Y1C	RECON Monroe	967,810
PCP13ST003Y1D	RECON Van Buren	153,220

City of El Paso, Texas
Schedule of Expenditures – Capital Projects (Continued)
For the Year Ended August 31, 2015

PCP13ST003Y1E	Pebble Hills Extension	587,136
PCP13ST003Y1F	#N/A	12,006
PCP13ST003Y1G	RECON Elena Feliz	41,908
PCP13ST004Y1	UNPAVED ROW 2013 - YEAR 1	32,931
PCP13ST006Y1	NTMP YR 1 -2013 STREET INFRAST	302,670
PCP13STADIUM1	BASEBALL STADIUM CONSTRUCTION	(8,847)
PFLESVC010	EQUIPMENT REPLACEMENT	72,212
PMF070020	CIP Administrative Costs	29,917
PPA10070	JORGE MONTALVO PARK IMPV	4,855
PPW00071600	#N/A	11,000
PPW00460040	NORTHEAST REGIONAL PARK	7,701
PSTM06PW506	Gov't Hills Outfall-Durazno Ne	(641)
PSTM06PW556	Saipan	270
PUBARTBB1FY13	2% ART BASEBALL FY13	157,269
PUNALLOCATED0	UNALLOCATED DEBT ISSUANCE PROC	10,322,202
PUBARTCH1FY13	2% ART CITY HALL FY13	47,106
PCP10TRAN120	Fiber Cable Install Zaragoza	460,878
PCP13PRKA10	Johnson Basin Park	14,742
PCP13PRKA26	Radford Park	322,094
PCP13PRKA32	Yucca Park Basketball Courts	336,792
PCP13PRKC07	New Westside Pool	562,234
PCP09MT0140	SM Transfer Centers Rehab	(85,197)
PCP13MUS07	Downtown Pedestrian Pathways	4,298,497
PCP13ZOOD08	Canal Landscape Improve	5,818
PCP13PRKD05	Chamizal Lib & Rec Center	702
PCP12PRK01F0	Park Pond Group A Capistrano	91,784
PCP12PRK01G0	Park Pond Group B Edgemere	3,563
PCP13ST003Y1I	Quite Zone Univ Medical Ctr	20,918
PCP13ST003Y1L	Quiet Zone Univ Five Points	368,264
PCP13ST003Y1M	RECON Manor Plc & Barker Rd	831,353
PCP13ST003Y1N	RECON Pendale Ph 1	1,290,715
PCP13ST003Y1J	RECON Toni May Jeanne Yvonne	29,331
PCP13ST003Y1K	RECON Ranger St	50,639
PCP13PRKA28	San Jacinto Plaza Reconstruct	2,362,313
PCP13PRKD03	Lomaland Park & Rec Center	142
PCP13ZOOD11	Support Elements Zoo Wide	482,711
PCP13PRKD08	Pavo Real Rec Ctr Improve	280
PCP13LIBA07	I Schwartz Library Improvement	1,170,743
PCP13LIBA12	R Burges Library Expansion	32,850
COMPLOAN13	Fire Compass Loan 2	1,500
P25RADIOSYSTEM	P25RADIOSYSTEM	6,602,392
PAPCOMPROJY030	CITYWIDE COMMUNITY PROJECTS	2,576
PCP13ZOOA09	Sea Lion Exhibit Upgrade	26,126
PCP13PRKA12	Magoffin Park	16,277
PCP13PRKD04	Alameda Lib & Rec Center	142
PCP13PRKC05	Pavo Real Pool	46,220
PBE04ST1210	MONTWOOD MEDIAN	28,854
PBE04ST124B0	Van Buren Dam Open Space Impv.	1,760
PCP13WELLSRD	Wells Rd Street Improvements	171,050
PCP13PRKC01	Chelsea Pool	283,089
PCP13LIBA15	Ysleta Library Parking Lot	412
PCP13PRKA24	Existing Sports Field Lighting	379,795

City of El Paso, Texas
Schedule of Expenditures – Capital Projects (Continued)
For the Year Ended August 31, 2015

PCP13PRKA31	Westside Park Sports Fields	180
PCP13PRKC06	Multipurpose Ctr Instruct Pool	6,814
PCP13PRKE01	Paved Trails	1,606
PCP13PRKE02	Trail Head Parking Areas	2,393
PIF14GS010	Vehicle Replacements	1,551,605
BBADMINFY13	Ballpark Admin FY13	13,944
CHADMINFY13	City Hall Admin cost	3,201
PQLZO1040	ZOO AFRICA EXPANSION	9,679
PCP10BND0020	2010 BOND COSTS-TRANSPORTATION	32,820
ART1002B	CULTURAL WORKS	45,500
PCP10TRAN110	Zaragoza Poe Winn S&D Improve	19,553
PAPADMINY120	FY2012 Pub Art Admin Costs	96,044
PCP12IT070	MUNI-COURT SOFTWARE 2012_13	781,262
P09PA0030	Sandstone S&D Improve	12,561
PCP08PA01CCC0	TRES SUENOS #5	32,397
PCP09MT0040	MISSION VALLEY TRANSIT TERM	1,651,974
PCP09MT0100	Bus Purchases	(5,962,770)
PCP13ST001SNYR2	Synchro of Signals Yr 2	467,008
PCP13ST002RSY2	RESURFACING 2014 - YEAR 2	5,190,624
PCP13ST007Y2	PED ELE;SIDEWALK 2013 - YR2	(19,743)
PCP13ZOO-OWNREP	OWNERs REPRESENTATIVE ADMIN	92,061
PCP13PRKA06	East Park Master Plan Design	965,908
PCP13PRKA07	East Park Flat Fields	38,429
PCP13PRKA18	Eastside Sports Complex	183,184
PCP13PRKF01	Open Space Land Acquisition	416,839
PCP13ZOOA08	Reptile Building Completion	187,615
PCP13LIBA04	E Moreno Library Improvements	4,790
PCP13LIBA14	Ysleta Library Improvements	1,400
PCP13PRKA08	B Chesher Additional Lighting	147,789
PCP13CULT01	Hispanic Cultural Center	3,147
G531020140	ENHANCED MOBILITY FOR SENIORS	37,378
G781401010	NEW MEXICO FHWA FTA FY2014	1,950
G781402020	TX FHWA FTA FY14	117,152
PCP12SRTS090	EPISD - CBD CSJ 0924_06_398	70,102
PCP11MT050	MONTANA RTS MATCH	(14,492)
PCP14PRK01	P Viejo Park Basketball Improv	29,342
PCP14PRK02	CIELO VISTA PARK TENNIS COURTS	33,934
PCP13ST003Y2A	RECON Arizona Ave	4,890
PCP12SRTS010	SISD - CSJ 0934_06_397	35,605
PCP12SRTS030	YISD - N REG CSJ 0924_06_404	150,896
PCP12SRTS070	EPISD - N CEN CSJ 0924_06_400	211,185
PBARTQLMCD15	PUBART_QoL_MCAD_ADMIN	91,773
PCP13ST004Y2A	STREET RESURFACING-2014 PART 2	57,369
PCP13A&E01	Cultural & Performing Arts	222,860
PCP14MF020	FACILITY REHAB CW 2014 PART 2	126,044
PBARTQLMCD85	PUBART_QoL_MCAD_CONSTRUCTION	197,855
PBARTQLPRK85	PUBART_QoL_PARK_CONSTRUCTION	101,412
PFI060010	CENTRAL FIRE STATION HVAC	545
PCP14FI001	FIRE STATION #25 REMODEL	77,657

City of El Paso, Texas
Schedule of Expenditures – Capital Projects (Continued)
For the Year Ended August 31, 2015

PIT090010	FY2009 IT Action Plan	22,650
PSTM06PW840	James Watt @ Lee Trevino	(322)
PCP13ST003Y2C	RECON Robinson Street	249,769
PCP13PRKA25	Paseo Del Sol Park Improve	4,200
PCP13PRKA27	S Rivas Park Improvements	39
PCP13PRKA29	Shawver Park Sport Field Rehab	453
PCP13PRKA30	Wainwright Park	38
PCP13PRKC02	East Park Competitive Pool	28,165
PCP13PRKC03	East Park Recreational Pool	9,355
PCP13PRKC04	L Forti Pool Rehab & Encl	5,456
PCP13PRKD01	Eastside Senior Rec Ctr Rehab	349
PCP13PRKD02	Grandview Sr Center Improve	10,240
PCP13PRKD06	N Richardson Rec Cntr Improve	154
PCP13PRKD09	P Harris Rec Center Improve	280
PCP13PRKD11	East Park & Recreation Center	10,722
PCP13ZOOA02	African Wild Dog Exhibit	58,591
PCP13ZOOB01	Event Tent & Restrooms	170,002
PCP13ZOOB03	Wildlife Theatre Stadium	65,570
PCP13ZOOD03	Admin Bldg Expand Improv	(6,075)
PCP13ZOOD09	Ed Animal Holding	39,212
PCP13MUS01	Children's Museum	40,015
P_501591	CVB/CPAC CIP FY12-13	236,840
PBARTQLLIB15	PUBART_QoL_LIB_ADMIN	171
PBARTQLPRK15	PUBART_QoL_PARK_ADMIN	22,488
PBARTQLZOO15	PUBART_QoL_ZOO_ADMIN	1,722
PPW00071300	#N/A	(17,109)
PCP13ST0003	RECONSTRUCTION - MASTER	208,575
PCP13ST0004	UNPAVED ROWS & ALLEYS MASTER	770
PCP13ST006Y2	NTMP YR 2 -2013 STREET INFRAST	10,410
PBARTSTRET85	PUBART_ST_INF_ST_CONSTRUCTION	326,263
PCP14TRAN02	SANTA FE PEDESTRIAN ENHANCEMEN	324,230
PCP14IB001	PASO DEL NORTE POE ROUNDABOUT	86,221
PBE04ST1190	MONTWOOD DISTRICT 5 & 7	123,351
PCP14LIB001	ACQUISITION OF LIBRARY MATERIA	24,144
PCP14PRK03	Park Improvements 2014	261,789
PCP13ZOO-PMFIRM	PROJECT MANAGEMENT FIRM	254,160
PENCON0070	SECO (STREETLIGHTS)	2,193,512
G582144047	RIDER 8 FY14-15	154,049
PCP10ST040	NGHBRHOOD TRAFFIC-PROGRAM PH 1	4,083
PCP14TRAN07	Intersection Improve 8 Loc	1,151,750
PCP14TRAN09	School Zone Safety Ped Improve	7,412
PCP14NIP001	NEIGHB IMP PROG YR1 ENG COSTS	164,929
PCP14TRAN10	Bataan Overpass Ped Improve	2,336,310
PCP10ST08A0	#N/A	88,966
PBARTQLZOO85	PUBART_QoL_ZOO_CONSTRUCTION	82,500

City of El Paso, Texas
Schedule of Expenditures – Capital Projects (Continued)
For the Year Ended August 31, 2015

PBE04ST109A0	Montwood Median Impv Dist 6	6,399
PCP08MF01R0	#N/A	(540)
PCP14TRAN06	Great Str & Corridor Plan	96,340
ART1201	FY12 Public Art Cultural Wor	210,000
PBR060050	INTERNATIONAL BRIDGE COUNTERS	15,095
PAPNEIGHPY030	NEIGHBORHOODS PROJECT	3,406
PST050070	LOOP 375- INT BRIDGE IMPROVEME	116,023
PCP14PRK05	EL BARRIO PARK IMPROVE PH2	40,758
PCP14IT002	Dept Hardware 2014	10,590
G6005400	JARC FY' 2005 GRANT	(1)
PCP13ST001SNYR3	Synchro of Signals Yr 3	873,625
PCP13ST002RSY3	Resurfacing 2015 - Year 3	1,435,007
PCP13ST007Y3	Ped Element Sidewalk 2015	407,425
PCP13ST003Y3B	RECON Dolan	78,019
PCP13ST003Y3E	RECON Encino	83,887
PCP13ST003Y3H	RECON Glenwood	18,805
PCP14NIPD2C	PATRIOT PL IMP (SEAT AREA-PSB)	36,693
PCP14NIPD4A	CHUCK HEINRIC PK IMP (BENCHES)	11,747
PCP14NIPD7A	LOMALAND PK IMP (PIC T&B)	24,201
G781501010	NM FY15 PLANNING GRANT	94,939
G781502020	TX FY15 PLANNING GRANT	972,186
G092406452	Multi Modal Plan	231,828
PBR060020	PASO DEL NORTE BRIDGE CANOPIES	(6,642)
PBR080020	#N/A	(101,292)
PEN060010	#N/A	(27,964)
PCP10IB001C0	#N/A	4,712
PCP10IB001D0	#N/A	(4,712)
PBE04ST1360	UNPAVED RIGHT OF WAY CITY WIDE	2,610
PCP14CHSITE	CITY HALL SITE IMPROVEMENTS	50,434
PCP14TRAN05	Bike Lane Plan & Program	6,049
PCP15TRAN06	Resler Buffered Bike Trail	62,035
PCP15TRAN08	Riverbend Hike & Bike Trail	158,709
PCP14ST003	STREET LIGHTS	99,959
PCP14ST001	EDGEMERE ROUNDABOUT AT RC POE	26,145
PCP08PA01GGG0	Travis Park Parking Lot Improv	32,325
PCP13ST003Y3A	RECON Edna	10,863
PCP13ST003Y3C	RECON Flower	72,886
PCP13ST003Y3F	RECON Cortez	58,581
PCP13ST003Y3G	RECON Alicia	72,590
PCP13ST003Y3I	RECON De Vargas	25,505
G620AIP33	Runway 8L26R & Taxiway	679,651
PCP14TRAN08	Railroad Crossing Improve QZ	16,112
PCP15TRAN05	Independence Hike & Bike Trail	99,392
PCP14NIPD2B	NEWMAN PARK IMP (PLANT BED)	9,590
PCP14NIPD7B	GALLAGHER SIDEWALKS IMP	12,647
PCP14NIPD7C	EASTWOOD DAM WRT IRON GATE IMP	16,343
	TOTAL EXPENDITURES AND TRANSFERS OUT	45,820,525

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 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 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, Texas
Combining Statement of Net Position
Internal Service Funds
August 31, 2015

	SUPPLY AND SUPPORT	SELF INSURANCE	TOTAL
ASSETS:			
Cash and Cash Equivalents	\$ 18,935	\$ 14,869,707	\$ 14,888,642
Investments	-	10,077,486	10,077,486
Receivables - Net of Allowances	-		
Interest	-	7,069	7,069
Trade	10,678	507,188	517,866
Inventory	870,066	-	870,066
Prepaid Items	-	473,785	473,785
Capital Assets:			
Buildings, Improvements & Equipment, Net	177,260	-	177,260
TOTAL ASSETS	1,076,939	25,935,235	27,012,174
DEFERRED OUTFLOWS OF RESOURCES			
Deferred pension contributions	391,144	113,728	504,872
Difference in expected and actual pension experience	63,563	18,482	82,045
Total Deferred Outflows of Resources	454,707	132,210	586,917
Total Assets & Deferred Outflows of Resources	\$ 1,531,646	\$ 26,067,445	\$ 27,599,091
LIABILITIES:			
Accounts Payable	\$ 610,115	\$ 1,930,174	\$ 2,540,289
Accrued Payroll	48,764	13,661	62,425
Compensated Absences	347,227	84,905	432,132
Other Postemployment Benefits	1,381,030	238,964	1,619,994
Net Pension Liability	2,171,418	631,356	2,802,774
Claims and Judgments	-	16,136,946	16,136,946
TOTAL LIABILITIES	4,558,554	19,036,006	23,594,560
DEFERRED INFLOWS OF RESOURCES			
Difference in projected and actual earnings on pension assets	818,983	238,125	1,057,108
Total Deferred Inflows of Resources	818,983	238,125	1,057,108
NET POSITION (DEFICIT):			
Net investment in capital assets	177,260	-	177,260
Unrestricted	(4,023,151)	6,793,314	2,770,163
TOTAL NET POSITION (DEFICIT)	(3,845,891)	6,793,314	2,947,423
TOTAL LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND NET POSITION (DEFICIT)	\$ 1,531,646	\$ 26,067,445	\$ 27,599,091

City of El Paso, Texas
Combining Statement of Revenues, Expenses
and Changes in Fund Net Position
Internal Service Funds
For the Year Ended August 31, 2015

	<u>SUPPLY AND SUPPORT</u>	<u>SELF INSURANCE</u>	<u>TOTAL</u>
OPERATING REVENUES:			
Sales to Departments	\$ 17,423,738	\$ -	\$ 17,423,738
Premium Contributions	-	50,017,483	50,017,483
General Revenues	<u>32,935</u>	<u>1,043,741</u>	<u>1,076,676</u>
TOTAL OPERATING REVENUES	<u>17,456,673</u>	<u>51,061,224</u>	<u>68,517,897</u>
OPERATING EXPENSES:			
Personnel Services	4,465,903	1,109,215	5,575,118
Outside Contracts	390,162	3,101,520	3,491,682
Professional Services	-	1,322,151	1,322,151
Fuel and Lubricants	5,974,979	-	5,974,979
Materials and Supplies	4,160,879	23,345	4,184,224
Communications	1,703	42	1,745
Utilities	24,931	-	24,931
Operating Leases	46,977	6,435	53,412
Travel and Entertainment	128	3,567	3,695
Benefits Provided	831	50,489,254	50,490,085
Maintenance and Repairs	1,557,479	-	1,557,479
Other Operating Expenses	25,126	5,116	30,242
Depreciation	<u>40,841</u>	<u>-</u>	<u>40,841</u>
TOTAL OPERATING EXPENSES	<u>16,689,939</u>	<u>56,060,645</u>	<u>72,750,584</u>
OPERATING INCOME(LOSS)	<u>766,734</u>	<u>(4,999,421)</u>	<u>(4,232,687)</u>
NON-OPERATING REVENUES (EXPENSES):			
Interest Revenue	-	29,650	29,650
TOTAL NON-OPERATING REVENUES	<u>-</u>	<u>29,650</u>	<u>29,650</u>
INCOME (LOSS) BEFORE CAPITAL CONTRIBUTIONS			
INCOME(LOSS)	766,734	(4,969,771)	(4,203,037)
Transfers Out	<u>-</u>	<u>40</u>	<u>40</u>
Change in net position	<u>766,734</u>	<u>(4,969,731)</u>	<u>(4,202,997)</u>
Net Position (Deficit), Beginning of Year, as Previously Reported	(1,939,086)	12,540,396	10,601,310
Change in Accounting Principle	<u>(2,673,539)</u>	<u>(777,351)</u>	<u>(3,450,890)</u>
Net Position (Deficit), Beginning of Year, As Restated	<u>(4,612,625)</u>	<u>11,763,045</u>	<u>7,150,420</u>
Net Position (Deficit), End of Year	<u>\$ (3,845,891)</u>	<u>\$ 6,793,314</u>	<u>\$ 2,947,423</u>

City of El Paso, Texas
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended August 31, 2015

	SUPPLY AND SUPPORT	SELF INSURANCE	TOTAL
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 17,449,346	\$ 67,313,807	\$ 84,763,153
Payments to suppliers	(12,328,094)	(54,606,592)	(66,934,686)
Payments to employees	(4,774,965)	(1,268,959)	(6,043,924)
Proceeds (to) from other funds	(201,352)	-	(201,352)
Net cash provided by operating activities	<u>144,935</u>	<u>11,438,256</u>	<u>11,583,191</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Transfers from Other Funds	-	40	40
Net cash provided by noncapital financing activities	<u>-</u>	<u>40</u>	<u>40</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Purchases of capital assets	(126,000)	-	(126,000)
Net cash used for capital and related financing activities	<u>(126,000)</u>	<u>-</u>	<u>(126,000)</u>
CASH FLOWS FROM INVESTING ACTIVITIES			
Proceeds from sales and maturities of investments	-	3,394,214	3,394,214
Interest	-	37,197	37,197
Net cash provided by investing activities	<u>-</u>	<u>3,431,411</u>	<u>3,431,411</u>
Net increase in cash and cash equivalents	18,935	14,869,707	14,888,642
Balances - beginning of the year	-	-	-
Balances - end of the year	<u>\$ 18,935</u>	<u>\$ 14,869,707</u>	<u>\$ 14,888,642</u>
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income (loss)	\$ 766,734	\$ (4,999,421)	\$ (4,232,687)
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	40,841	-	40,841
Compensated Absences	(24,258)	(46,633)	(70,891)
Other Post Employment Benefits	171,895	26,310	198,205
Net Pension Obligation	(435,665)	(132,210)	(567,875)
Change in assets and liabilities:			
Receivables, net	(7,327)	(504,009)	(511,336)
Inventories	36,444	-	36,444
Other assets	100,000	16,715,224	16,815,224
Accounts and other payables	(482,695)	386,206	(96,489)
Accrued expenses	(21,034)	(7,211)	(28,245)
Net cash provided by operating activities	<u>\$ 144,935</u>	<u>\$ 11,438,256</u>	<u>\$ 11,583,191</u>

**PENSION TRUST
FUNDS**



City of El Paso, Texas
Combining Statement of Net Position
Pension Trust Funds
August 31, 2015

	El Paso Firemen and Policemen's Pension Fund (as of December 31, 2014)			
	El Paso City Employees' Pension Fund	Firemen Division	Policemen Division	Total
ASSETS				
Cash and Cash Equivalents	\$ 6,411,365	\$ 6,906,713	\$ 10,063,634	\$ 23,381,712
Investments:				
Mutual funds	21,254,906	-	-	21,254,906
Commingled funds	151,799,460	-	-	151,799,460
High-yield bond obligations	47,826,591	-	-	47,826,591
Corporate stocks	102,495,709	-	-	102,495,709
Bank Collective Investment Funds	186,488,037	-	-	186,488,037
Private equities	64,341,689	14,481,456	21,100,638	99,923,783
Real estate investment funds	66,507,980	25,400,692	37,010,839	128,919,511
Fixed Income Securities	53,989,173	158,453,686	230,879,687	443,322,546
Domestic Equities	-	158,021,940	230,250,600	388,272,540
International Equities	-	153,130,416	223,123,258	376,253,674
Invested securities lending collateral	-	40,687,658	59,285,170	99,972,828
Receivables - Net of Allowances				
Commission Credits Receivable	135,603	-	-	135,603
Due from Brokers For Securities Sold	279,023	-	-	279,023
Employer Contributions	658,355	381,924	556,494	1,596,773
Employee Contributions	417,549	306,196	446,152	1,169,897
Accrued Interest and Dividends	843,024	165,368	240,954	1,249,346
Other	-	70	101	171
Prepaid Items	22,895	-	-	22,895
Capital Assets:				
Buildings, Improvements & Equipment, Net	750,345	501,785	731,144	1,983,274
TOTAL ASSETS	<u>704,221,704</u>	<u>558,437,904</u>	<u>813,688,671</u>	<u>2,076,348,279</u>
LIABILITIES				
Accounts Payable	3,697,932	41,213,416	60,051,243	104,962,591
Unearned Revenue - Commission Credits	135,603	-	-	135,603
TOTAL LIABILITIES	<u>3,833,535</u>	<u>41,213,416</u>	<u>60,051,243</u>	<u>105,098,194</u>
NET POSITION:				
Restricted for Pensions and Other Purposes	<u>\$ 700,388,169</u>	<u>\$ 517,224,488</u>	<u>\$ 753,637,428</u>	<u>\$ 1,971,250,085</u>

City of El Paso, Texas
Combining Statement of Changes in Net Position
Pension Trust Funds
For the Year Ended August 31, 2015

	El Paso Firemen and Policemen's Pension Fund (as of December 31, 2014)			
	El Paso City Employees' Pension Fund	Firemen Division	Policemen Division	Total
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
ADDITIONS:				
Contributions:				
Employer	\$ 22,916,913	\$ 10,853,759	\$ 14,776,141	\$ 48,546,813
Employee	14,595,935	8,749,488	10,898,003	34,243,426
Total contributions	<u>37,512,848</u>	<u>19,603,247</u>	<u>25,674,144</u>	<u>82,790,239</u>
Investment earnings:				
Net increase(decrease) in fair value				
Increase in fair value of investments	(21,734,515)	13,418,946	19,552,478	11,236,909
Interest	4,888,211	2,963,972	4,318,744	12,170,927
Dividends	2,359,009	6,524,199	9,506,280	18,389,488
Securities lending income	186,359	177,510	258,646	622,515
Securities lending fees	(59,833)	-	-	(59,833)
Investment advisor fees	(3,510,570)	(1,860,027)	(2,710,209)	(8,080,806)
Increase in commission credits receivable	(1,577)	-	-	(1,577)
Net investment income	<u>(17,872,916)</u>	<u>21,224,600</u>	<u>30,925,939</u>	<u>34,277,623</u>
Total additions	<u>19,639,932</u>	<u>40,827,847</u>	<u>56,600,083</u>	<u>117,067,862</u>
DEDUCTIONS				
Benefits paid to participants	48,419,841	27,839,232	36,804,339	113,063,412
Refunds of contributions	2,369,096	2,047,629	1,763,263	6,179,988
Administrative expenses	1,355,351	556,932	811,496	2,723,779
Depreciation and amortization expense	-	51,431	74,937	126,368
Total deductions	<u>52,144,288</u>	<u>30,495,224</u>	<u>39,454,035</u>	<u>122,093,547</u>
Change in net position	<u>(32,504,356)</u>	<u>10,332,623</u>	<u>17,146,048</u>	<u>(5,025,685)</u>
Net position - beginning of the year	732,892,525	506,891,865	736,491,380	1,976,275,770
Net position - end of the year	<u>\$ 700,388,169</u>	<u>\$ 517,224,488</u>	<u>\$ 753,637,428</u>	<u>\$ 1,971,250,085</u>

FIDUCIARY FUNDS



Fiduciary Funds are used to account for assets held by a government unit in a trustee capacity or as an agent for individual, 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, Texas
Schedule of Changes in Assets and Liabilities
Agency Funds
For the Year Ended August 31, 2015

	September 1, 2014	Debits	Credits	August 31, 2015
ASSETS:				
Cash and Cash Equivalents	\$ 582,702,566	\$ 143,468,526	\$ 183,876,359	\$ 542,294,733
Investments	23,712,952	52,459,260	-	76,172,212
Uncollected Property Taxes	77,552,506	817,814,846	817,847,488	77,519,864
Special Assessment - PID #1	252,601	-	252,601	-
Due from Other Funds	3,286,711	927,278	100,839	4,113,150
TOTAL ASSETS	\$ 687,507,336	\$ 1,014,669,910	\$ 1,002,077,287	\$ 700,099,959
LIABILITIES:				
Prepaid Property Taxes	\$ 1,611,314	\$ 1,611,314	\$ 2,043,974	\$ 2,043,974
Payable to Bondholders - PID #1	252,601	252,601	-	-
Amount Available for Bond Payments	23,152	23,152	-	-
Payable to Other Entities	602,348,021	-	14,176,854	616,524,875
Property Taxes Subject to Refund	5,719,742	1,766,125	-	3,953,617
Uncollected Taxes	77,552,506	817,789,859	817,814,846	77,577,493
TOTAL LIABILITIES	\$ 687,507,336	\$ 821,443,051	\$ 834,035,674	\$ 700,099,959

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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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. 141

Demographic and Economic Information

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Operating Information

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Sources: Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports through fiscal year 2015.

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015 (a)
Governmental activities										
Net investment in capital assets	\$ 140,935,012	\$ 139,848,416	\$ 139,689,930	\$ 132,325,231	\$ 140,704,047	\$ 124,744,895	\$ 161,946,395	\$ 256,626,166	\$ 313,232,741	\$ 126,063,774
Restricted	68,733,626	76,565,782	78,827,437	84,571,971	83,730,583	117,560,807	107,951,138	132,098,108	82,008,353	93,862,608
Unrestricted	(67,192,341)	(102,599,515)	(144,660,748)	(156,747,519)	(180,064,182)	(193,238,211)	(202,129,390)	(351,017,445)	(347,047,270)	(509,631,709)
Total governmental activities net position	<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>	<u>\$ 48,193,824</u>	<u>\$ (289,705,327)</u>
Business-type activities										
Net investment in capital assets	\$ 217,502,256	\$ 249,477,785	\$ 264,968,805	\$ 286,906,206	\$ 291,226,434	\$ 287,678,085	\$ 289,979,525	\$ 300,679,446	\$ 297,504,141	\$ 345,990,881
Restricted	26,038,264	25,722,710	20,104,437	24,591,100	28,676,014	33,666,670	19,986,644	27,759,687	23,752,147	23,067,473
Unrestricted	17,226,535	5,678,448	11,078,287	10,275,656	10,856,022	26,158,692	40,065,572	21,102,379	47,006,875	(44,450,522)
Total business-type activities net position	<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>	<u>\$ 368,263,163</u>	<u>\$ 324,607,832</u>
Primary government										
Net investment in capital assets	\$ 358,437,268	\$ 389,326,201	\$ 404,658,735	\$ 419,231,437	\$ 431,930,481	\$ 412,422,980	\$ 451,925,920	\$ 557,305,612	\$ 610,736,882	\$ 472,054,655
Restricted	94,771,890	102,288,492	98,931,874	109,163,071	112,406,597	151,227,477	127,937,782	159,857,795	105,760,500	116,930,081
Unrestricted	(49,965,806)	(96,921,067)	(133,582,461)	(146,471,863)	(169,208,160)	(167,079,519)	(162,063,818)	(329,915,066)	(300,040,395)	(554,082,231)
Total governmental activities net position	<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>	<u>\$ 416,456,987</u>	<u>\$ 34,902,505</u>

Note: (a) Beginning amounts for 2015 were restated as per GASB 68

City of El Paso, Texas

Changes in Net Position

Last Ten Fiscal Years

(accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Expenses										
Governmental activities:										
General government	\$ 32,236,865	\$ 35,819,019	\$ 43,886,275	\$ 41,473,314	\$ 43,627,560	\$ 40,876,977	\$ 40,717,526	\$ 52,386,415	\$ 62,586,251	\$ 39,517,748
Public safety	202,415,512	207,468,617	227,056,341	217,780,949	224,675,396	225,797,408	227,950,308	230,540,514	240,271,043	244,856,205
Public works	64,770,369	65,296,644	68,682,326	65,613,445	67,167,981	66,517,227	59,307,180	60,476,968	66,741,177	76,506,248
Public health	26,016,660	26,908,285	25,260,921	20,208,520	23,264,777	22,132,789	19,127,638	19,863,591	20,161,640	20,341,813
Parks	18,962,330	20,272,370	21,845,479	23,005,417	23,981,208	14,893,992	16,251,520	16,999,787	15,109,574	25,309,878
Library	7,156,480	9,223,454	10,345,730	9,860,118	9,588,320	12,407,171	12,348,089	16,317,216	10,381,664	10,870,393
Culture & recreation	13,083,810	15,856,297	16,395,281	19,155,478	23,421,037	24,845,626	24,926,399	25,930,803	23,862,903	23,330,274
Community & economic development	31,901,231	20,209,095	15,634,017	17,795,711	26,577,089	34,084,029	33,619,407	30,273,623	31,759,109	32,531,231
Interest on long-term debt	19,256,304	24,319,731	28,832,902	29,403,379	37,327,656	41,210,972	41,685,223	41,666,450	39,051,177	51,314,447
Total governmental activities expenses	<u>415,799,561</u>	<u>425,373,512</u>	<u>457,939,272</u>	<u>444,296,331</u>	<u>479,631,024</u>	<u>482,766,191</u>	<u>475,932,930</u>	<u>494,455,367</u>	<u>509,924,538</u>	<u>524,578,237</u>
Business-type activities:										
International airport operations	31,495,679	32,461,434	38,326,755	36,407,172	34,238,930	36,311,679	36,821,483	38,154,216	41,909,639	43,740,554
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	5,817,711	5,817,711
International bridges operations	3,920,870	3,531,138	3,928,808	30,284,090	4,169,933	4,559,555	4,518,896	5,297,146	5,789,058	45,596,671
Solid waste disposal operations	32,011,444	29,062,025	34,250,866	53,319,405	31,820,528	37,255,384	45,178,718	47,272,262	51,592,641	81,173,227
Mass transit operations	47,270,617	49,391,220	50,063,983	5,384,440	61,976,839	63,542,737	63,648,603	66,577,511	72,710,783	6,988,024
Total business-type activities expenses	<u>117,024,426</u>	<u>118,201,815</u>	<u>131,215,147</u>	<u>130,327,332</u>	<u>139,169,279</u>	<u>147,596,800</u>	<u>156,788,990</u>	<u>163,211,189</u>	<u>177,819,832</u>	<u>183,316,187</u>
Total primary government expenses	<u>\$ 532,823,987</u>	<u>\$ 543,575,327</u>	<u>\$ 589,154,419</u>	<u>\$ 574,623,663</u>	<u>\$ 618,800,303</u>	<u>\$ 630,362,991</u>	<u>\$ 632,721,920</u>	<u>\$ 657,666,556</u>	<u>\$ 687,744,370</u>	<u>\$ 707,894,424</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	\$ 4,305,508	\$ 5,968,933	\$ 4,998,092	\$ 5,058,943	\$ 18,742,796	\$ 4,656,824	\$ 2,781,189	\$ 5,195,513	\$ 7,655,501	\$ 11,023,551
Public safety	18,447,269	3,507,046	9,849,732	28,596,961	23,181,322	27,117,960	29,076,320	31,812,571	35,921,557	32,250,982
Public works	15,896,953	22,729,186	20,296,636	11,833,895	20,742,690	15,095,949	14,448,143	14,531,381	27,158,182	31,475,932
Public health	4,523,753	4,287,063	4,509,889	4,873,005	1,816,579	5,201,141	4,407,176	4,540,292	7,600,458	10,847,368
Parks	4,804,378	3,979,702	4,794,272	3,559,049	2,204,995	4,079,600	3,824,281	4,114,816	3,898,080	5,720,725
Library	258,451	267,553	401,564	316,818	218,735	432,440	477,592	324,113	646,544	300,159
Culture and recreation	1,044,959	1,135,146	1,189,897	1,258,747	-	6,711,987	6,979,407	7,541,864	7,207,628	8,515,991
Community and economic development	5,976,060	4,258,063	8,988,255	5,310,286	3,633,827	2,850,308	2,700,812	12,529,231	13,214,619	31,385,413
Operating grants and contributions	53,903,277	32,231,046	35,994,679	45,550,140	56,433,774	66,901,773	69,209,583	35,534,615	38,742,739	24,911,878
Capital grants and contributions	14,749,088	10,553,676	1,795,839	1,167,076	6,317,325	7,368,422	4,946,190	3,494,059	9,154,786	2,186,539
Total governmental activities program revenues	<u>\$ 123,909,696</u>	<u>\$ 88,917,414</u>	<u>\$ 92,818,855</u>	<u>\$ 107,524,920</u>	<u>\$ 133,292,043</u>	<u>\$ 140,416,404</u>	<u>\$ 138,850,693</u>	<u>\$ 109,618,455</u>	<u>\$ 151,200,094</u>	<u>\$ 158,618,538</u>
Business-type activities:										
Charges for services:										
International airport operations	\$ 24,408,554	\$ 26,770,747	\$ 28,547,013	\$ 25,639,495	\$ 26,783,137	\$ 26,190,812	\$ 27,941,875	\$ 27,746,314	\$ 24,768,076	\$ 28,228,439
Industrial park and other operations	6,471,173	7,000,610	6,724,676	8,211,856	8,124,439	8,518,450	8,093,614	8,538,610	8,804,354	8,804,354
International bridges operations	14,613,388	14,415,189	16,677,381	41,310,894	16,124,924	16,475,270	16,151,847	17,586,579	19,943,142	48,964,695
Solid waste disposal operations	34,867,563	37,445,758	41,703,614	8,671,828	44,790,906	50,528,757	53,660,619	53,281,620	41,031,352	12,795,418
Mass transit operations	7,551,341	7,781,901	8,366,568	14,926,788	8,478,720	9,298,950	9,700,359	13,221,294	11,671,466	21,584,262
Operating grants and contributions	15,956,421	8,483,199	12,680,418	11,381,386	11,174,750	11,021,695	18,322,774	11,299,304	11,630,000	8,489,794
Capital grants and contributions	10,994,492	21,955,766	17,793,068	31,705,810	19,772,814	20,671,357	6,806,671	13,098,327	50,084,474	16,872,413
Total business-type activities program revenues	<u>114,862,932</u>	<u>123,853,170</u>	<u>132,492,738</u>	<u>141,848,057</u>	<u>135,249,690</u>	<u>146,705,291</u>	<u>140,677,759</u>	<u>144,772,048</u>	<u>167,932,864</u>	<u>145,739,375</u>
Total primary government activities program revenues	<u>\$ 238,772,628</u>	<u>\$ 212,770,584</u>	<u>\$ 225,311,593</u>	<u>\$ 249,372,977</u>	<u>\$ 268,541,733</u>	<u>\$ 287,121,695</u>	<u>\$ 279,528,452</u>	<u>\$ 254,390,503</u>	<u>\$ 319,132,958</u>	<u>\$ 304,357,913</u>

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

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Net (Expense)/ Revenue										
Governmental activities	\$ (291,889,865)	\$ (336,456,098)	\$ (365,120,417)	\$ (336,771,411)	\$ (346,338,981)	\$ (342,349,787)	\$ (337,082,237)	\$ (384,836,912)	\$ (358,724,444)	\$ (365,959,699)
Business-type activities	(2,161,494)	5,651,355	1,277,591	11,520,725	(3,919,589)	(891,509)	(16,111,231)	(18,439,141)	(9,886,968)	(37,576,812)
Total primary government net expense	<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>	<u>\$ (368,611,412)</u>	<u>\$ (403,536,511)</u>
General Revenues and Other Changes in Net Position										
Governmental activities:										
Taxes										
Ad valorem taxes	\$ 149,201,403	\$ 159,778,240	\$ 177,326,938	\$ 183,557,317	\$ 188,616,415	\$ 197,181,922	\$ 206,164,170	\$ 209,615,842	\$ 218,557,549	\$ 225,042,726
Sales taxes	68,074,321	73,318,224	77,682,351	74,537,354	77,797,143	82,895,661	83,803,598	87,643,312	92,434,728	97,088,308
Franchise taxes	37,626,413	41,999,260	42,324,317	43,282,691	41,643,400	47,708,179	47,603,858	46,453,413	46,322,667	54,402,456
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	1,027,322	1,753,589
Transfers	20,958,294	20,735,493	22,215,213	19,406,603	20,758,814	18,534,404	17,873,183	18,946,862	10,924,171	5,831,028
Investment earnings (loss)	4,330,894	6,805,242	3,627,149	1,684,376	695,637	252,460	272,491	(509,496)	(54,998)	1,495,386
Total Government activities	<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>	<u>369,211,439</u>	<u>385,613,493</u>
Business-type activities:										
Taxes										
Sales taxes	29,710,436	31,608,166	33,524,434	32,541,098	33,388,336	35,812,504	36,294,778	37,476,151	38,836,869	40,533,736
Investment earnings (loss)	3,325,583	3,901,695	2,513,155	953,273	261,553	236,058	278,386	(203,818)	314,154	96,962
Gain on disposal of capital assets	289,927	8,149	172,619	12,940	14,022	122,328	(60,456)	162,858	151,070	3,256
BABS Tax Credit	-	-	-	-	-	-	-	-	230,697	240,551
Transfers	(20,958,294)	(20,735,493)	(22,215,213)	(19,406,603)	(20,758,814)	(18,534,404)	(17,873,183)	(18,946,862)	(10,924,171)	(5,831,028)
Total business-type activities	<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>	<u>28,608,619</u>	<u>35,043,477</u>
Total primary government	<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>	<u>\$ 397,820,058</u>	<u>\$ 420,656,970</u>
Change in Net Position										
Governmental activities										
Governmental activities	\$ (10,223,752)	\$ (31,975,398)	\$ (39,958,064)	\$ (13,706,936)	\$ (15,779,235)	\$ 4,697,043	\$ 18,700,652	\$ (22,465,048)	\$ 10,486,995	\$ 19,653,794
Business-type activities										
Business-type activities	10,206,158	20,433,872	15,272,586	25,621,433	8,985,508	16,744,977	2,528,294	49,188	18,721,651	(2,533,335)
	<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>	<u>\$ 29,208,646</u>	<u>\$ 17,120,459</u>

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

	2006	2007	2008	2009	2010	2011*	2012	2013	2014	2015
General Fund										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,878,463	\$ 3,355,895	\$ 3,533,759	\$ 6,820,046	\$ 4,027,347
Restricted	-	-	-	-	-	16,000,000	16,000,000	16,000,000	17,417,752	17,506,277
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	9,151,599	21,410,712
Reserved	19,087,141	18,749,504	19,015,895	18,454,550	18,336,184	-	-	-	-	-
Unreserved	15,790,210	22,602,463	19,098,542	19,765,158	22,303,546	-	-	-	-	-
Total General fund	\$ 34,877,351	\$ 41,351,967	\$ 38,114,437	\$ 38,219,708	\$ 40,639,730	\$ 42,333,144	\$ 42,259,671	\$ 37,255,483	\$ 33,389,397	\$ 42,944,336
All Other Governmental Funds										
Nonspendable	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 72,445	\$ 106,226	\$ 40,574
Restricted	-	-	-	-	-	41,991,410	29,970,681	70,264,588	26,729,601	98,880,854
Committed	-	-	-	-	-	9,624,521	7,099,623	5,688,662	6,613,756	10,480,770
Assigned	-	-	-	-	-	-	-	-	139,529	-
Unassigned	-	-	-	-	-	(78,314)	(658,491)	(12,417,997)	(953,786)	(447,167)
Reserved	1,526,873	3,128,261	2,951,617	5,500,901	5,108,698	-	-	-	-	-
Unreserved, reported in:										
Special Revenue funds	17,968,077	18,681,662	18,244,091	18,278,330	20,568,032	-	-	-	-	-
Debt service funds	842,041	1,388,518	2,528,122	210,206	220,285	-	-	-	-	-
Capital projects funds (Deficit)	19,383,110	19,687,079	8,910,475	(1,923,167)	14,202,947	-	-	-	-	-
Total all other governmental funds	\$ 39,720,101	\$ 42,885,520	\$ 32,634,305	\$ 22,066,270	\$ 40,099,962	\$ 51,537,617	\$ 36,411,813	\$ 63,607,698	\$ 32,635,326	\$ 108,955,031

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

City of El Paso, Texas
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Revenues:										
Property Taxes	\$ 149,919,202	\$ 160,955,530	\$ 179,171,076	\$ 181,827,479	\$ 189,413,013	\$ 195,692,297	\$ 204,475,315	\$ 209,276,561	\$ 218,889,826	\$ 226,873,791
Sales Taxes	68,074,321	73,318,224	77,682,351	74,537,354	77,797,143	82,895,661	83,803,598	87,643,312	92,434,728	97,088,308
Franchise Fees	34,683,663	44,753,181	40,726,042	43,847,569	41,045,692	48,792,624	47,488,491	46,560,200	46,877,907	54,402,456
Charges for Services	28,701,760	35,626,913	35,024,809	27,350,326	35,598,930	32,707,594	35,460,588	44,209,204	70,677,344	87,553,188
Fines and Forfeits	13,823,031	15,022,482	14,913,358	15,495,022	13,331,211	14,488,102	13,693,850	14,502,151	12,922,883	12,749,773
Licenses and Permits	10,622,692	12,247,930	12,397,740	11,142,329	14,070,414	13,385,089	12,480,350	11,885,386	12,284,615	13,031,581
Intergovernmental Revenues	57,411,949	40,979,531	35,616,877	44,789,387	62,282,226	71,946,473	71,351,964	36,160,807	45,885,381	28,555,955
County Participation	2,083,180	1,832,806	2,173,641	1,927,829	468,873	438,658	522,500	448,013	2,012,144	630,388
Interest	3,860,994	7,601,551	3,556,642	1,524,590	695,637	252,460	279,383	(509,496)	(54,998)	76,262
Rents and Other	9,628,008	5,792,472	4,185,507	3,637,303	4,172,020	4,962,315	2,365,059	12,828,158	2,910,185	5,123,475
Ticket sales	-	-	-	-	-	-	-	-	246,048	262,528
Federal Tax Credit - Build America Bonds	-	-	-	-	785,097	1,885,064	2,281,309	-	-	-
Net Increase(Decrease) in the Fair Value of Investments	(276,034)	(12,500)	70,507	159,786	-	-	(6,892)	-	-	-
Total Revenues	378,532,766	398,118,120	405,518,550	406,238,974	438,875,159	467,446,337	474,195,515	463,004,296	505,086,063	526,347,705
Expenditures:										
General Government	26,752,926	28,372,232	33,348,474	33,948,460	32,187,985	29,761,804	30,217,350	34,490,531	29,542,770	25,813,682
Public Safety	176,661,936	283,911,882	195,823,226	304,389,128	202,352,627	205,894,506	214,353,521	217,174,437	221,397,370	224,923,432
Public Works	37,739,911	24,727,919	23,146,710	23,026,748	22,546,990	20,109,111	16,550,945	16,858,097	23,918,973	29,683,273
Public Health	24,906,214	26,202,064	24,231,993	18,943,820	21,896,971	20,822,385	17,945,544	18,585,301	18,450,668	18,834,233
Facilities Maintenance	-	14,862,618	15,305,363	15,889,876	13,199,006	22,578,339	24,668,278	24,503,102	25,098,917	16,917,017
Parks	16,519,085	17,669,603	18,182,874	18,751,833	20,213,999	10,960,660	11,502,661	12,070,411	11,849,135	20,847,746
Library	6,384,195	7,820,910	8,574,514	8,446,529	8,285,587	8,513,778	8,725,468	9,662,510	8,681,779	8,600,866
Non Departmental	1,485,256	5,168,597	5,540,947	4,030,705	5,132,818	5,441,674	5,967,334	9,330,072	18,280,392	14,930,859
Culture and Recreation	9,413,589	11,854,062	12,125,397	13,304,250	18,132,534	17,976,423	19,157,061	21,338,566	20,042,332	17,539,116
Economic Development	2,545,525	2,646,778	2,139,743	2,352,538	2,070,444	7,820,674	13,036,303	16,057,472	19,508,037	17,433,872
Mass Transportation	33,675	-	-	-	-	-	-	-	-	-
Solid Waste	195,848	-	-	88,357	374,229	-	-	-	-	-
Environmental Code Compliance	-	-	-	-	-	1,403,482	2,403,145	2,209,715	607,901	429,833
Community and Human Development	16,554,438	12,286,722	9,589,694	12,843,354	16,947,930	26,009,482	19,732,283	11,584,213	10,586,068	12,734,484
Capital Outlay	106,981,475	101,415,992	89,386,189	95,448,695	80,064,511	91,207,390	92,305,613	125,158,664	188,817,335	39,127,619
Debt Service:										
Principal	25,390,920	27,149,797	29,647,506	31,052,868	29,236,352	30,565,843	34,604,324	36,473,194	39,738,116	42,179,730
Interest	19,277,245	20,633,814	32,109,109	34,187,775	40,508,881	42,971,955	43,498,282	44,572,414	51,444,638	56,338,365
Payment to Refunding to Bond Escrow Agent	-	1,360,000	-	448,428	-	-	762,138	-	-	-
Fiscal Fees	678,607	4,022,146	1,960,367	2,334,575	645,710	705,811	603,413	2,318,229	3,090,511	1,497,328
Total Expenditures	471,520,845	590,105,136	501,112,106	619,487,939	513,796,574	542,743,317	556,033,663	602,386,928	691,054,942	547,831,455
Excess (Deficiency) of revenues over expenditures	(92,988,079)	(191,987,016)	(95,593,556)	(213,248,965)	(74,921,415)	(75,296,980)	(81,838,148)	(139,382,632)	(185,968,879)	(21,483,750)

City of El Paso, Texas
Changes in Fund Balances of Governmental Funds (Continued)
Last Ten Fiscal Years
(modified accrual basis of accounting)

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Other Financing Sources(Uses):										
Transfers from Other funds	34,116,535	33,517,166	34,849,405	24,987,947	24,884,388	25,898,830	20,405,547	36,792,607	79,316,259	26,630,983
Transfers Out	(13,158,241)	(12,781,673)	(12,634,192)	(5,581,344)	(4,125,574)	(7,364,426)	(2,532,364)	(17,845,745)	(68,392,088)	(20,799,997)
Federal Tax Credit - Build America Bonds	-	-	-	-	-	-	-	2,419,854	-	-
Face Amount of Bonds Issued	56,350,000	176,240,000	56,455,000	169,160,000	65,895,000	69,280,000	32,775,000	106,975,000	117,970,000	87,810,000
Face Amount of Commercial Paper Issued	20,000,000	-	-	-	-	-	-	-	-	-
Face Amount of Refunding Bonds Issued	-	95,190,000	-	16,020,000	-	-	5,860,000	20,710,000	231,127,041	82,790,000
Premium on Issuance of Bonds	2,190,648	5,707,251	1,448,213	3,793,396	2,903,204	57,868	3,162,848	10,182,058	26,920,358	19,707,408
Payment to Refunding to Bond Escrow Agent	-	(98,303,289)	-	(17,292,108)	-	-	(6,090,257)	(22,914,230)	(244,430,565)	(88,780,000)
Proceeds from Sale of Capital Assets	1,716,985	2,057,596	1,986,385	597,434	1,048,337	555,777	209,102	171,423	152,999	-
Capital Contributions	-	-	-	-	-	-	-	-	8,466,417	-
Loan Proceeds	-	-	-	11,100,876	3,984,677	-	12,849,000	25,083,362	-	-
Total other financing sources (uses)	101,215,927	201,627,051	82,104,811	202,786,201	94,590,032	88,428,049	66,638,876	161,574,329	151,130,421	107,358,394
Net change in fund balance	\$ 8,227,848	\$ 9,640,035	\$ (13,488,745)	\$ (10,462,764)	\$ 20,453,714	\$ 13,131,069	\$ (15,199,272)	\$ 22,191,697	\$ (34,838,458)	\$ 85,874,644
Debt service as a percentage of noncapital expenditures	11.40%	9.24%	13.92%	11.87%	15.04%	15.70%	16.79%	16.78%	17.00%	18.99%

City of El Paso, Texas
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
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
2014	22,618,202,693	10,299,934,566	2,407,023,727	35,325,160,986	3,181,579,492	32,143,581,494	1.450255
2015	23,115,936,281	10,357,828,194	2,432,018,421	35,905,782,896	3,392,711,537	32,513,071,359	1.501282

Source: El Paso Central Appraisal District

City of El Paso, Texas
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	University Medical Center*	El Paso Community College	Total Direct	Canutillo	El Paso	Socorro	Ysleta
	Basic Rate	Debt Service Rate					Independent School District	Independent School District	Independent School District	Independent School District
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
2014	0.445699	0.232679	0.433125	0.214393	0.124359	1.450255	1.490000	1.235000	1.274794	1.360000
2015	0.460937	0.238847	0.452694	0.220682	0.128122	1.501282	1.530000	1.235000	1.274794	1.360000

* Formerly Thomason Hospital

Source: City of El Paso Consolidated Tax Office

**City of El Paso, Texas
Principal Property Taxpayers
Current Year and Nine Years Ago**

	2015			2006		
	<u>Rank</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Total City Taxable Assessed Value **</u>	<u>Rank</u>	<u>Taxable Assessed Value</u>	<u>Percentage of Total City Taxable Assessed Value **</u>
<u>Taxpayer</u>						
Western Refining Company LP	1	\$ 488,902,139	1.50%	1	\$ 152,765,190	0.73%
El Paso Electric Co	2	246,189,427	0.76%	4	91,353,332	0.43%
Wal-Mart Stores Texas LLC	3	231,367,138	0.71%			
Sierra Providence Phy. Rehab.	4	223,488,767	0.69%			
Simon Property Group	5	177,170,273	0.54%	3	126,006,455	0.60%
River Oaks Properties, LTD	6	159,409,787	0.49%	5	80,236,379	0.38%
Hawkins & i-10 Acquisition Co. LP	7	101,325,248	0.31%			
Texas Gas Service	8	84,200,393	0.26%	10	40,003,890	0.19%
Union Pacific Railroad Co	9	72,384,983	0.22%			
Southwestern Bell Telephone	10	68,584,430	0.21%	2	145,917,309	0.69%
El Paso Outlet Center LLC						
Las Palmas Dunhill LLC						
Tenet Hospitals L.P.				6	64,999,721	0.31%
Cardinal Health 5 LLC						
Freeport-Mcmoran						
Phelps Dodge Refining Group				7	64,227,070	0.31%
E I Du Pont Nemours & Co.						
SFPP LP						
Time Warner Entertainment						
Hoover Co				8	63,913,571	0.30%
Texas Cable PTNRS LP				9	49,397,000	0.23%
TOTAL :		<u>\$ 1,853,022,585</u>	<u>5.70%</u>		<u>\$ 878,819,917</u>	<u>4.17%</u>

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

City of El Paso, Texas
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
2006	\$ 146,635,617	\$ 143,887,888	98.13%	\$ 2,321,769	\$ 146,209,657	99.71%
2007	158,386,697	154,736,687	97.70%	3,242,295	157,978,982	99.74%
2008	175,451,542	171,835,488	97.94%	3,089,819	174,925,307	99.70%
2009	192,047,333	187,626,344	97.70%	3,773,675	191,400,019	99.66%
2010	197,879,934	193,767,422	97.92%	3,200,553	196,967,975	99.54%
2011	205,378,587	201,023,534	97.88%	3,254,297	204,277,831	99.46%
2012	214,165,086	209,993,596	98.05%	3,046,304	213,039,900	99.47%
2013	222,662,695	218,635,406	98.19%	2,643,220	221,278,626	99.38%
2014	218,303,771	214,404,425	98.21%	1,946,945	216,351,370	99.11%
2015	227,767,780	224,134,548	98.40%	(0)	224,134,548	98.40%

Source: City of El Paso Consolidated Tax Office

City of El Paso, Texas
Personal Income by Industry
Last Eight Calendar Years*
(in thousands)

Line Title	2007	2008	2009	2010	2011	2012	2013	2014
Personal income (In Thousands) 1/	\$ 15,739,449	\$ 16,276,238	\$ 16,936,771	\$ 18,412,317	\$ 19,488,662	\$ 20,347,085	\$ 21,012,635	\$ 21,604,209
Population (persons) 2/	605,410	602,422	620,440	649,121	664,643	674,124	674,433	679,036
Per capita personal income (dollars)	25,998	27,018	27,298	28,365	29,322	30,183	31,156	31,816
Derivation of personal income								
Earnings by place of work	14,867,980	15,380,155	15,692,364	16,486,161	17,159,845	17,969,905	18,390,363	18,815,611
less: Contributions for government social insurance 3/	1,436,223	1,489,784	1,566,513	1,674,570	1,575,189	1,646,660	1,838,438	1,897,551
Employee and self-employed contributions for government social insurance	745,240	769,397	812,323	838,051	692,545	712,163	904,431	946,477
Employer contributions for government social insurance	690,983	720,387	754,190	836,519	882,644	934,497	934,497	951,074
plus: Adjustment for residence 4/	(631,344)	(651,156)	(675,551)	(719,443)	(755,589)	(765,008)	(790,552)	(381,775)
equals: Net earnings by place of residence	12,800,413	13,239,215	13,450,300	14,092,148	14,829,067	15,558,237	15,761,373	16,536,285
plus: Dividends, interest, and rent 5/	2,972,570	3,234,882	3,174,392	3,322,025	3,594,236	3,854,785	4,295,306	4,009,382
plus: Personal current transfer receipts	3,870,497	4,327,909	4,852,409	5,377,467	5,561,160	5,560,538	5,731,472	5,972,788
Earnings by place of work								
Components of earnings								
Wages and salaries	9,751,103	10,243,297	10,443,259	10,964,888	11,512,920	12,068,112	12,177,578	12,596,372
Supplements to wages and salaries	2,399,183	2,485,034	2,674,587	2,966,526	3,116,953	3,280,881	3,532,948	3,579,953
Employer contributions for employee pension and insurance funds 6/	1,708,200	1,764,647	1,920,397	2,130,007	2,234,309	2,346,384	2,598,941	2,628,879
Employer contributions for government social insurance	690,983	720,387	754,190	836,519	882,644	934,497	934,497	951,074
Proprietors' income 7/	2,717,694	2,651,824	2,574,518	2,554,747	2,529,972	2,620,912	2,679,837	2,639,286
Farm proprietors' income	4,758	3,156	3,998	12,580	16,265	24,310	(5,702)	(4,028)
Nonfarm proprietors' income	2,712,936	2,648,668	2,570,520	2,542,167	2,513,707	2,596,602	2,685,539	2,643,314
Earnings by industry								
Farm earnings	13,641	13,013	13,246	21,493	26,617	33,837	4,708	7,790
Nonfarm earnings	14,854,339	15,367,142	15,679,118	16,464,668	17,133,228	17,936,068	18,385,655	18,807,821
Private nonfarm earnings	10,312,283	10,374,796	10,254,409	10,506,747	10,742,237	11,148,616	11,600,200	12,028,245
Forestry, fishing, and related activities	18,047	15,715	13,665	19,064	25,454	27,382	40,192	40,311
Mining	17,698	19,228	8,329	10,489	16,324	17,524	20,078	21,484
Utilities	108,077	107,399	110,127	114,440	119,470	126,184	121,718	136,101
Construction	969,281	1,124,029	1,243,615	1,288,901	1,175,760	1,228,098	1,273,767	1,284,628
Manufacturing	1,208,820	1,136,899	994,316	985,364	1,054,815	1,062,981	1,115,085	1,143,960
Durable goods manufacturing	630,679	610,996	549,194	560,022	618,324	597,379	620,372	656,659
Nondurable goods manufacturing	578,141	525,903	445,122	425,342	436,491	465,602	494,713	487,301
Wholesale trade	786,176	747,903	651,594	657,210	687,315	742,613	785,931	834,429
Retail trade	1,155,043	1,084,051	1,095,122	1,184,296	1,243,345	1,305,499	1,359,642	1,417,567
Transportation and warehousing	871,132	840,089	805,381	858,744	937,967	934,975	999,303	1,076,414
Information	275,980	287,682	273,669	272,043	262,620	279,449	320,789	336,371
Finance and insurance	422,060	433,647	435,305	427,208	417,280	445,783	466,969	421,023
Real estate and rental and leasing	758,490	758,465	659,290	541,712	504,106	490,730	463,584	413,867
Professional, scientific, and technical services	530,685	569,123	543,789	572,138	595,794	612,465	621,128	631,859
Management of companies and enterprises	50,157	32,837	37,781	7,699	24,130	30,342	40,301	60,105
Administrative and waste management services	604,060	671,705	699,992	697,167	683,250	696,011	720,694	789,334
Educational services	86,781	90,955	97,005	109,824	120,999	129,450	140,754	148,801
Health care and social assistance	1,428,809	1,441,210	1,543,329	1,653,833	1,731,950	1,816,890	1,855,211	1,916,281
Arts, entertainment, and recreation	51,722	42,142	43,006	47,548	45,738	45,199	47,663	52,473
Accommodation and food services	435,487	447,616	461,216	498,616	524,181	559,436	571,985	619,869
Other services, except public administration	533,778	524,101	537,878	560,451	571,739	597,605	636,660	653,368
Government and government enterprises	4,542,056	4,992,346	5,424,709	5,957,921	6,390,991	6,787,452	6,785,455	6,779,576
Federal, civilian	842,170	937,814	1,015,199	1,127,794	1,218,505	1,261,632	1,251,989	1,275,213
Military	1,243,172	1,482,520	1,700,844	1,978,441	2,308,644	2,634,334	2,519,972	2,450,373
State and local	2,456,714	2,572,012	2,708,666	2,851,686	2,863,842	2,891,486	3,013,494	3,053,990
State government	390,634	419,383	462,762	508,867	516,259	531,827	551,073	567,934
Local government	2,066,080	2,152,629	2,245,904	2,342,819	2,347,583	2,359,659	2,462,421	2,486,056

City of El Paso, Texas
Personal Income by Industry (Continued)
Last Eight Calendar Years*
(in thousands)

1/ The 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.

2/ Census Bureau midyear population estimates. Estimates for 2010-2014 reflect county population estimates available as of March 2015.

3/ Employer contributions for government social insurance are included in earnings by industry and earnings by place of work, but they are excluded from net earnings by place of

residence and personal income. Employee and self-employed contributions are subtractions in the calculation of net earnings by place of residence and all of the income measures.

4/ The 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.

5/ Rental income of persons includes the capital consumption adjustment.

6/ Includes 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.

7/ Proprietors' income includes the inventory valuation adjustment and capital consumption adjustment.

8/ Under the 2007 NAICS, internet publishing and broadcasting was reclassified to other information services.

Last updated: November 19, 2015 -- new estimates for 2014; revised estimates for 2001-2013.

Source: Regional Economic Information System, Bureau of Economic Analysis, US Department of Commerce

CA05N Footnotes; regional Economic Information System; Bureau of Economic Analysis November 2015

City of El Paso, Texas
Taxable Sales by Category
Last Ten Calendar Years*
(in thousands)
(modified accrual basis of accounting)

	Calendar Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015*
Agriculture, Forestry, Fishing	\$ 473	\$ 205	\$ 113	\$ 93	\$ 253	\$ 1,290	\$ 1,184	\$ 763	\$ 412	\$ 70
Mining	-	15	13	39	403	142	123	150	-	-
Construction	132,651	136,255	146,606	142,794	131,688	125,556	144,839	147,646	159,350	39,544
Manufacturing	168,140	187,616	184,715	156,361	123,465	128,046	140,299	140,465	142,894	36,073
Transportation, Communications & Utilities **	229,346	232,043	241,012	224,418	236,777	235,577	225,399	221,273	246,871	51,006
Wholesale Trade	253,011	283,054	287,643	301,133	302,515	301,374	301,465	306,286	329,214	78,322
Retail Trade	3,188,524	3,358,384	3,407,941	3,246,489	3,458,050	3,569,452	3,690,848	3,810,751	3,884,461	916,981
Finance, Insurance & Real Estate Services **	112,040	102,498	95,936	84,763	82,522	81,316	80,757	82,824	75,574	18,725
Public Administration	2,621	3,711	4,058	3,914	4,609	5,058	4,471	3,401	3,685	829
Other **	36	-	-	47	20	17	39	29	74	-
Total	<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>\$ 6,306,502</u>	<u>\$ 5,265,510</u>	<u>\$ 1,590,574</u>

* Based on one calendar quarter of 2015

** Industries varied in category beginning FY07

Source: Texas Comptroller of Public Accounts

City of El Paso, Texas
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	Net Unamortized Premium on Bonds (*)	Note Payable	Capital Lease Obligation	Commercial Paper	Total Governmental Activities	Percentage of Actual Property Value	Per Capita
2006	\$ 303,150	\$ -	\$ 61,046	\$ -	\$ -	\$ -	\$ 99,500	\$ 463,696	2.203%	778
2007	520,415	-	88,000	-	-	-	-	608,415	2.582%	1,005
2008	554,630	-	80,631	-	-	-	-	635,261	2.433%	1,055
2009	637,485	-	135,648	-	11,101	-	-	784,234	2.731%	1,264
2010	612,835	-	197,966	-	14,076	-	-	824,877	2.793%	1,271
2011	586,965	-	263,632	-	12,994	-	-	863,591	2.907%	1,299
2012	564,070	-	285,189	-	24,516	-	-	873,775	2.853%	1,296
2013	554,386	60,785	304,684	-	27,238	20,063	-	967,156	3.039%	1,434
2014	523,427	60,785	404,316	-	23,499	18,185	-	1,030,212	3.205%	1,517
2015	533,887	60,785	439,246	47,428	19,594	16,341	-	1,117,281	3.436%	1,645

Business-type Activities										
Fiscal Year	General Obligation Bonds	Revenue Bonds	Certificates of Obligations	Net Unamortized Premium on Bonds (*)	Note Payable	Capital Lease Obligation	Total Primary Government	Percentage of Actual Property Value	Per Capita	
2006	\$ -	\$ 32,010	\$ 15,159	\$ -	\$ 8,094	\$ -	\$ 518,959	2.465%	870	
2007	4,698	30,030	7,812	-	7,383	15,000	673,338	2.857%	1,112	
2008	4,450	27,565	7,989	-	12,753	13,650	701,668	2.687%	1,165	
2009	4,203	25,025	5,774	-	11,686	12,629	843,551	2.937%	1,360	
2010	3,956	23,100	14,987	-	10,577	9,848	887,345	3.005%	1,367	
2011	3,709	37,800	20,939	-	15,105	6,955	948,099	3.192%	1,426	
2012	3,461	36,100	18,970	-	13,264	3,944	949,514	3.100%	1,409	
2013	3,214	34,325	30,376	-	11,366	1,609	1,048,046	3.293%	1,554	
2014	23,988	18,880	94,709	-	-	-	1,167,789	3.633%	1,720	
2015	22,490	17,635	95,882	4,417	-	-	1,257,705	3.868%	1,852	

(*) Net premium/discount on bonds payable is presented starting with fiscal year 2015

City of El Paso, Texas
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
2006	596,189	\$ 21,049,730	\$ 478,855	\$ 2,317	\$ 476,538	2.264%	634
2007	605,410	23,564,621	620,925	4,470	616,455	2.616%	1,018
2008	602,422	26,112,240	647,700	5,480	642,220	2.459%	1,066
2009	620,440	28,720,179	783,110	5,711	777,399	2.707%	1,253
2010	649,121	29,532,322	829,745	5,329	824,416	2.792%	1,270
2011	664,643	29,705,294	875,245	6,200	869,045	2.926%	1,308
2012	674,124	30,629,306	871,690	5,601	866,089	2.828%	1,285
2013	674,433	31,822,617	892,660	712	891,948	2.803%	1,323
2014	679,036	32,143,581	1,046,440	2,173	1,044,267	3.249%	1,538
2015	679,036 (1)	32,513,071	1,143,350	3,598	1,139,752	3.506%	1,678

(1) 2014 Population used since 2015 population was not available at time of preparation.
Population information obtained from the Texas Association of Counties

City of El Paso, Texas
Direct and Overlapping Governmental Activities Debt
As of August 31, 2015
(in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>(1) Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<u>Overlapping Debt</u>			
Canutillo Independent School District	\$ 108,148	76.19%	\$ 82,398
El Paso County	206,810	88.03%	182,055
El Paso County Hospital District*	363,490	88.01%	319,908
El Paso Community College District	47,095	99.50%	46,860
El Paso Independent School District	373,621	76.09%	284,288
Socorro Independent School District	522,575	88.03%	460,023
Ysleta Independent School District	214,240	99.97%	214,176
Total overlapping debt	1,835,979		1,589,707
<u>City Direct Debt</u>	1,117,281	100.00%	1,117,281
Total direct and overlapping debt			\$ 2,706,988

City of El Paso, Texas Legal Debt Margin Information Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2015

Assessed value	\$ 32,513,071,359	
Debt limit (10 percent of assessed value)		3,251,307,136
Debt applicable to limit:		
General obligation bonds & other property tax supported debt	1,152,290,000	
Less: Special Revenue Bonds	(60,785,000)	
Amount set aside for repayment of general obligation debt	(3,600,113)	
Total net debt applicable to limit		1,087,904,887
 Legal Debt Margin		 \$ 2,163,402,249

	Fiscal Year									
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
Debt Limit	\$ 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	\$ 3,214,358,149	\$ 3,251,307,136
Total net debt applicable to limit	436,433,935	616,471,827	630,971,213	777,398,893	824,416,017	869,036,686	866,089,244	911,995,626	1,087,904,887	1,087,904,887
Legal debt margin	\$ 1,668,539,024	\$ 1,739,990,276	\$ 1,980,252,837	\$ 2,094,619,037	\$ 2,128,816,221	\$ 2,101,592,722	\$ 2,196,841,306	\$ 2,270,266,050	\$ 2,126,453,262	\$ 2,163,402,249
Total net debt applicable to the limit as a percentage of debt limit	20.7%	26.2%	24.2%	27.1%	27.9%	29.3%	28.3%	28.7%	33.8%	33.5%

Source: City of El Paso Financial Statements 2005-2014

City of El Paso, Texas

Pledged Revenue 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	
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
2014	33,572,430	29,992,419	3,580,011	1,195,000	932,088	1.68
2015	37,032,793	30,062,592	6,970,201	1,245,000	879,806	3.28

Department of Environmental Services

Fiscal Year	Gross Revenue	Less: Operating Expenses ¹	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
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
2014	41,031,352	42,010,866	(979,514)	-	-	-
2015	48,964,695	36,764,166	12,200,529	-	-	-

Other Enterprise Funds

Fiscal Year	Gross Revenue	Less: Operating Expenses ¹	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
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	-	-	-
2012	25,852,206	57,243,970	(31,391,764)	-	-	-
2013	30,807,873	60,714,324	(29,906,451)	-	-	-
2014	31,614,608	65,652,454	(34,037,846)	-	-	-
2015	34,379,680	70,923,964	(36,544,284)	-	-	-

Source: City of El Paso Financial Statements 2005-2014

¹ Does not include depreciation.

City of El Paso, Texas Principal Employers Current Year and Nine Years Ago

<u>Employer</u>	<u>2015(b)</u>				<u>2006 (a)</u>		
	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>		<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Fort Bliss	41,250	1	12.86%	Fort Bliss (civilian employees)	6,803	2	2.57%
El Paso Independent School District	8,579	2	2.67%	El Paso Independent School District	8,663	1	3.27%
City of El Paso (e)	6,570	3	2.05%	Socorro Independent School District	3,995	6	1.51%
Ysleta Independent School District	6,241	4	1.95%	Ysleta Independent School District	6,500	3	2.45%
T&T Staffing	5,900	5	1.84%				
Tenet Hospitals LTD (fka Sierra Providence Hlth Network)	5,267	6	1.64%	Sierra Providence Health Network	3,761	7	1.42%
Socorro Independent School District	4,568	7	1.42%	City of El Paso	6,264	4	2.37%
University of Texas at El Paso	3,700	8	1.15%	University of Texas at El Paso	4,871	5	1.84%
El Paso Healthcare System, LTD	3,000	9	0.94%				
County of El Paso	2,768	10	0.86%		2,700	10	1.02%
El Paso Community College					3,728	8	1.41%
Wal-Mart					3,706	9	1.40%
T O T A L :	<u>87,843</u>		<u>27.38%</u>		<u>50,991</u>		<u>19.26%</u>
Total employed (b)		<u>320,800</u>	(b)			<u>264,800</u>	

(a) Source: U.S. Dept of Labor

(b) Source: List generated by Hoovers and verified by City of El Paso, Economic Development, Staff (December 2015)

City of El Paso, Texas
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.	
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%	8.1%
2014	318,857,056	0.8630%	26,956,958	1.9236%	44,543	43,552	97.78%	7.0%
2015	321,418,820	0.8034%	27,469,114	1.8999%	46,049	45,669	99.17%	4.6%

Data Sources:

- (1) U.S. Department of Commerce, United States Census Bureau
- (2) Bureau of Labor Statistics, U.S. Department of Labor, Bureau of Business and Economic Research
- (3) US Bureau of Labor and Statistics
- * www.ephomesearch.com projections

City of El Paso, Texas

Employees by Funding Source and Function

Last Ten Fiscal Years

Funding Source	2015			2014			2013			2012			2011			2010			2009			2008			2007			2006		
	Non uniformed	Police	Fire																											
General Fund	1,701	971	817	1,693	983	813	1,801	988	834	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
Community Development																														
Block Grants	31	-	-	24	-	-	14	-	-	56	-	-	38	-	-	46	-	-	51	-	-	47	-	-	45	-	-	41	-	-
Capital Projects Fund	24	-	-	7	-	-	4	-	-	15	-	-	5	-	-	5	-	-	4	-	-	2	-	-	4	-	-	3	-	-
Federal Grants	16	15	3	33	15	3	52	24	35	11	15	22	38	15	4	27	15	4	24	14	3	23	15	4	25	17	2	28	32	2
Federal Grants-ARRA	-	-	-	-	-	-	31	-	-	41	-	-	12	-	-	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State Grants	7	12	-	4	11	-	2	-	-	9	11	-	9	11	-	7	12	-	11	9	1	16	9	-	20	10	-	17	9	-
Other Grants	1	-	-	-	-	-	1	-	-	1	-	-	2	-	-	2	-	-	1	-	-	1	-	-	1	-	-	1	-	-
Health	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	153	-	-	157	-	-
Health District-Grants	192	-	-	189	-	-	194	-	-	152	-	-	192	-	-	201	-	-	200	-	-	183	-	-	210	-	-	222	-	-
Nongrants	31	1	-	36	1	-	38	-	-	46	-	-	30	1	-	33	1	-	19	1	-	88	1	-	102	-	-	90	-	-
Supply and Support Funds	98	-	-	91	-	-	81	-	-	67	-	-	83	-	-	82	-	-	79	-	-	68	-	-	69	-	-	71	-	-
SIF-Health Benefits	15	-	-	20	-	-	13	-	-	15	-	-	14	-	-	13	-	-	10	-	-	10	-	-	12	-	-	8	-	-
Airport	224	21	27	220	21	26	225	20	29	219	22	30	221	22	28	223	22	30	227	21	28	223	22	29	230	23	28	223	19	29
International Bridges	60	-	-	57	-	-	59	-	-	52	-	-	54	-	-	54	-	-	54	-	-	52	-	-	46	-	-	46	-	-
Solid Waste	473	-	20	452	-	19	398	-	-	404	-	-	341	-	-	343	-	-	295	-	-	289	-	-	255	-	-	250	-	-
Sun Metro	586	-	-	578	-	-	542	-	-	620	-	-	622	-	-	627	-	-	608	-	-	569	-	-	564	-	-	556	-	-
Private Purpose Trusts	5	-	-	4	-	-	4	-	-	-	-	-	1	-	-	1	-	-	3	-	-	2	-	-	3	-	-	4	-	-
CRRMA Agency Fund	1	-	-	1	-	-	1	-	-	1	-	-	1	-	-	1	-	-	1	-	-	1	-	-	1	-	-	1	-	-
CEPF	6	-	-	7	-	-	7	1	-	4	-	-	4	-	-	4	-	-	4	-	-	4	-	-	4	-	-	4	-	-
	<u>3,471</u>	<u>1,020</u>	<u>867</u>	<u>3,416</u>	<u>1,031</u>	<u>861</u>	<u>3,467</u>	<u>1,033</u>	<u>898</u>	<u>3,889</u>	<u>1,030</u>	<u>853</u>	<u>3,494</u>	<u>1,063</u>	<u>828</u>	<u>3,476</u>	<u>1,075</u>	<u>827</u>	<u>3,495</u>	<u>1,103</u>	<u>836</u>	<u>3,410</u>	<u>1,123</u>	<u>807</u>	<u>3,471</u>	<u>1,088</u>	<u>791</u>	<u>3,332</u>	<u>1,055</u>	<u>805</u>
# change from prior year	55	(11)	6	(51)	(2)	(37)	(422)	3	45	395	(33)	25	18	(12)	1	(19)	(28)	(9)	85	(20)	29	(61)	35	16	139	33	(14)	3,332	1,055	805
% change from prior year	1.61%	-1.06%	0.67%	-1.47%	-0.19%	-4.34%	-10.85%	0.29%	5.28%	11.31%	-3.10%	3.02%	0.52%	-1.12%	0.12%	-0.54%	-2.54%	-1.08%	2.49%	-1.78%	3.59%	-1.76%	3.22%	2.02%	4.17%	3.13%	-1.74%	#DIV/0!	#DIV/0!	#DIV/0!

City of El Paso, Texas
Operating Indicators by Function/Program
Last Ten Fiscal Years
(modified accrual basis of accounting)

	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
<u>Function/Program</u>										
Public Safety										
Police										
Number of dispatch calls	468,818	482,388	536,979	523,725	517,528	477,546	466,771	306,739	487,492	396,874
Number of citations issued	313,241	347,491	350,543	349,249	345,477	336,458	306,783	435,819	309,852	289,900
Fire										
Number of service calls-Fire	NA	23,023	21,933	21,861	21,765	24,032	22,745	24,254	24,784	25,978
Number of service calls-EMS	NA	48,373	48,549	50,296	49,494	47,422	49,331	49,849	50,905	52,267
Public Works										
Department of Transportation										
Number of miles of street resurfacing	15.4	36.6	20.0	15.3	12.3	11.9	20.9	7.5	12.6	15.6
Public Health										
Number of clients served	NA	NA	NA	267,536	285,480	310,008	247,481	215,557	207,016	660,359
Parks										
Number of athletic field permits issued	NA	12,000	14,689	20,368	13,783	9,682	5,618	7,110	2,475	2,437
Number of users	NA	30,000	30,000	34,000	36,362	38,960	43,000	45,400	51,000	51,000
Library										
Average monthly circulation	116,009	128,391	141,521	134,184	123,380	122,569	141,052	146,842	143,735	133,677
Culture and Recreation										
Number of museums	3	3	3	3	3	3	3	3	3	3
Number of users	158,000	141,090	143,848	137,802	167,328	133,753	136,500	704,752	157,000	173,320
Community and Economic Development										
Development Services										
Number of permits issued	33,607	34,651	35,300	37,869	44,071	28,722	29,045	31,061	30,983	35,115
International Airport Operations										
Number of Takeoff and Landings	103,084	99,903	100,571	96,437	102,731	94,983	95,514	91,775	93,396	83,990
Solid waste disposal operations										
Refuse collection (tons)	412,642	558,363	36,250	419,952	457,284	456,502	428,824	401,583	408,101	401,058
Recyclables collected (tons)	-	-	33,868	33,609	36,628	35,263	34,928	33,071	32,983	33,290
Mass transit operations										
Number of passengers	12,779,948	12,216,938	12,912,642	12,867,324	14,174,578	15,799,858	16,402,270	16,459,406	16,592,000	15,954,000
International bridges operations										
Number of pedestrian crossings	5,216,116	5,666,248	5,355,550	5,138,953	5,150,718	4,455,679	4,030,990	3,938,677	4,063,492	4,281,618
Number of vehicle crossings	5,107,828	4,801,968	4,454,192	3,882,659	3,630,336	3,808,965	3,724,722	4,174,351	4,331,800	4,462,625
Zoo										
Annual Attendance	285,971	293,713	278,827	281,753	331,646	321,195	354,130	332,615	378,009	358,166
Component Unit										
El Paso Water Utility										
Customers (retail)	171,607	174,922	178,031	182,315	185,062	188,927	191,625	194,274	196,600	198,767
Water pumped (million gallons)	35,173	35,457	35,636	35,476	37,067	37,348	38,833	38,820	37,345	37,324

NA - Information Not Available

City of El Paso, Texas
Capital Asset Statistics by Function
Last Ten Fiscal Years
(modified accrual basis of accounting)

Function/Program	Fiscal Year										
	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	
Public Safety											
Police											
Number of police vehicles	680	701	732	719	729	758	762	813	840	814	
Number of stations	5 Regions and HQ										
Fire											
Number of fire engines	62	65	65	66	66	66	68	68	67	67	
Number of fire stations	33	34	34	34	34	34	35	36	36	35	
Public Works											
Department of Transportation											
Paved streets (lane miles)	1,756	1,830	1,909	2,014	2,098	2,126	2,176	2,200	2,224	2,280	
Traffic signals	578	587	598	612	629	636	642	643	652	655	
Public Health											
not applicable											
Parks											
Number of parks	176	175	176	200	214	212	239	236	244	258	
Number of swimming pools	14	14	14	14	14	14	15	14	14	14	
Number of recreation centers	17	17	19	15	15	15	16	16	16	16	
Library											
Number of branch libraries	13	13	14	13	13	13	13	13	13	13	
Book stock	846,620	1,018,721	932,654	902,521	900,191	579,503	627,484	611,082	642,831	709,982	
Culture and Recreation											
Number of exhibits	12	25	26	30	26	36	34	95	34	35	
Community and Economic Development											
not applicable											
International Airport Operations											
Number of hangars	NA	223	222	244	231	221	233	242	203	203	
Solid waste disposal operations											
Number of collection trucks	70	102	104	110	108	96	110	103	115	115	
Mass transit operations											
Number of buses	178	149	153	159	159	166	166	166	169	169	
International bridges operations											
not applicable											
Component Unit											
El Paso Water Utility											
Capitalize miles of water mains	2,383	2,402	2,432	2,468	2,489	2,506	2,530	2,561	2,593	2,615	
NA - Information Not Available											