



FY 2015 2nd Quarter General Fund Budget Report

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Chief Financial Officer

May 19, 2015

Strategic Goal 6 – Set the Standard for Sound Governance and Fiscal Management

Strategy 6.6 – Ensure continued financial stability and accountability through sound financial management, budgeting, and reporting





Agenda

1) Summary

2) Revenues

3) Expenditures

4) Economic Indicators





Summary





FY 2015 General Fund Projection

	FY 2015 Adjusted Budget	FY 2015 Actual To Date	FY 2015 Actual To Date %	Year-End Projection	Over/ (Under) Budget
REVENUE	360,162,378	239,916,623	<div style="width: 66.6%; background-color: green; border: 1px solid black;"></div> 66.6%	360,445,938	283,560

	FY 2015 Adjusted Budget	FY 2015 Actual To Date	FY 2015 Actual To Date %	Year-End Projection	(Over) /Under Budget
EXPENDITURES	360,162,378	172,783,010	<div style="width: 48.0%; background-color: green; border: 1px solid black;"></div> 48.0%	359,567,364	595,014

Difference Rev/Expend:	878,574
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Revenues



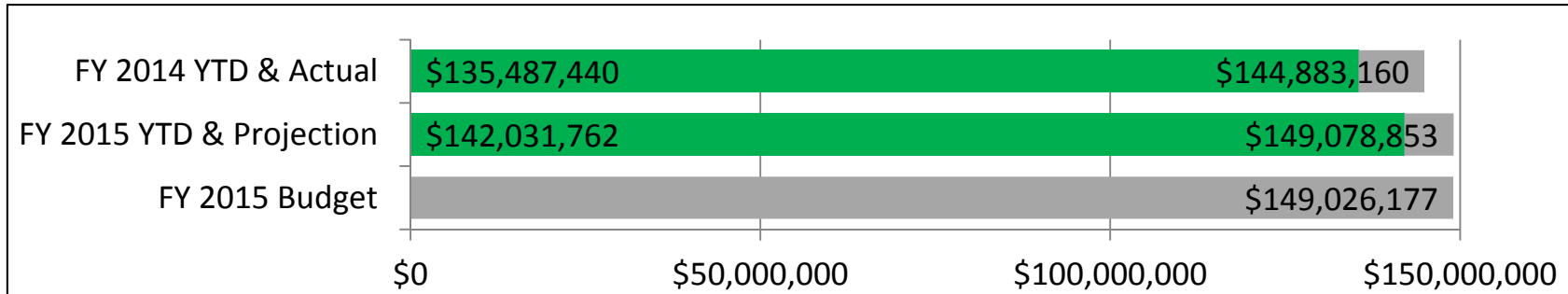


General Fund Revenues

REVENUE	FY 2015 Adjusted Budget	FY 2015 Actual To Date	FY 2015 Actual To Date %	Year-End Projection	Over/(Under) Budget
Property Taxes	149,026,177	142,031,762	 95.3%	149,078,853	52,676
Sales Taxes	82,705,883	41,961,781	 50.7%	82,810,968	105,085
Franchise Fees	50,055,739	21,763,937	 43.5%	49,603,132	(452,607)
Charges for Services	30,209,022	11,415,127	 37.8%	31,115,532	906,510
Fines and Forfeitures	11,049,122	5,704,108	 51.6%	11,068,722	19,600
Licenses and Permits	13,401,926	5,641,008	 42.1%	12,575,351	(826,575)
Intergovernmental Revenues	2,414,708	1,658,411	 68.7%	2,150,494	(264,214)
County Participation	556,126	406,615	 73.1%	556,126	0
Interest	100,000	0	 0.0%	100,000	0
Rents and Other	1,670,694	772,245	 46.2%	1,626,965	(43,729)
Other Sources (Uses)	18,972,981	8,561,629	 45.1%	19,759,794	786,813
	360,162,378	239,916,623	 66.6%	360,445,938	283,560



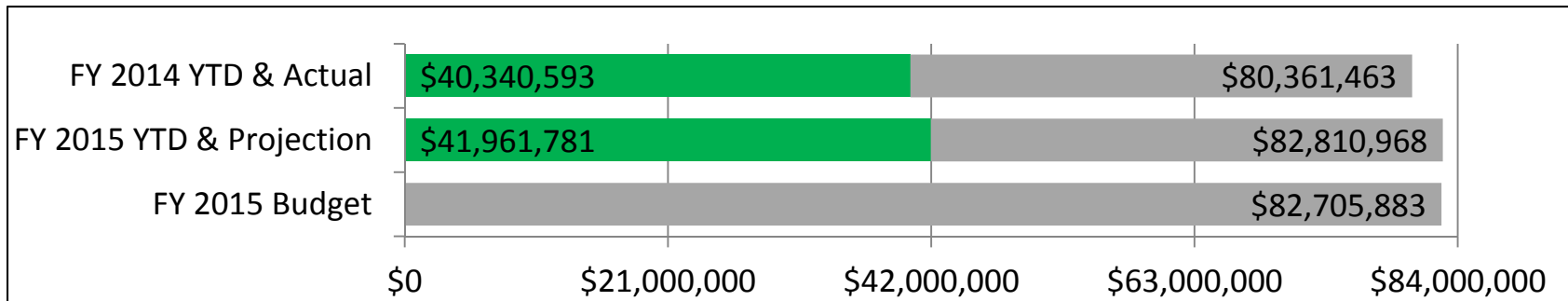
Property Tax and Penalties & Interest



- Projected over budget by \$52,676
- Sep – Feb: percentage of levy collected is 0.2% higher than same period last year (95.1% vs. 94.9%)
- Positive collections trend has continued through March



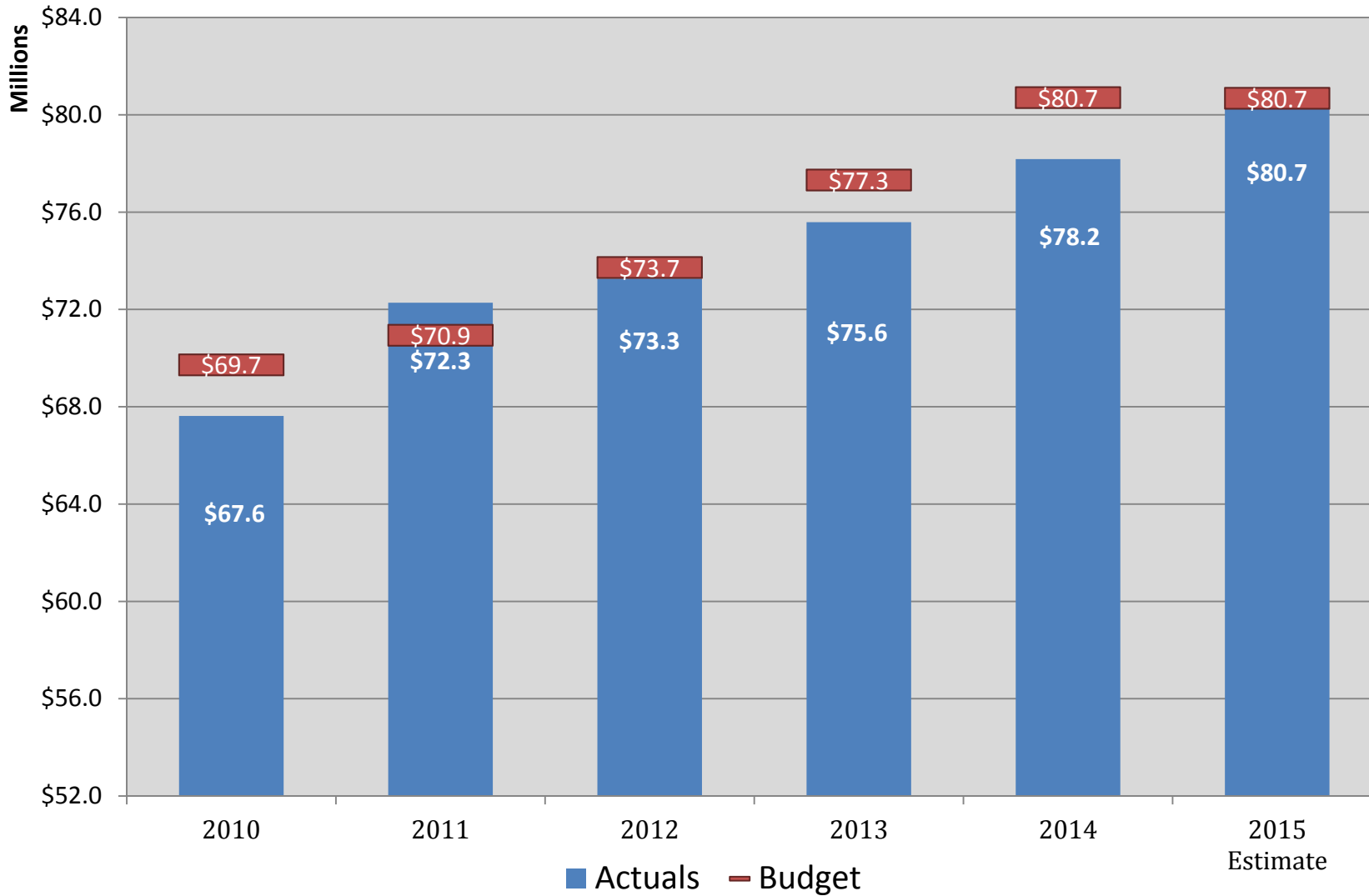
Sales Taxes



- Overall category projected over budget by \$105,085, or 0.1%
- Sales Tax projected at \$44,287 under budget
 - 3.5% year to date increase compared to same period last year
- Mixed Beverage Tax
 - Year to date collection is 11.3% higher than same period last year



Sales Tax



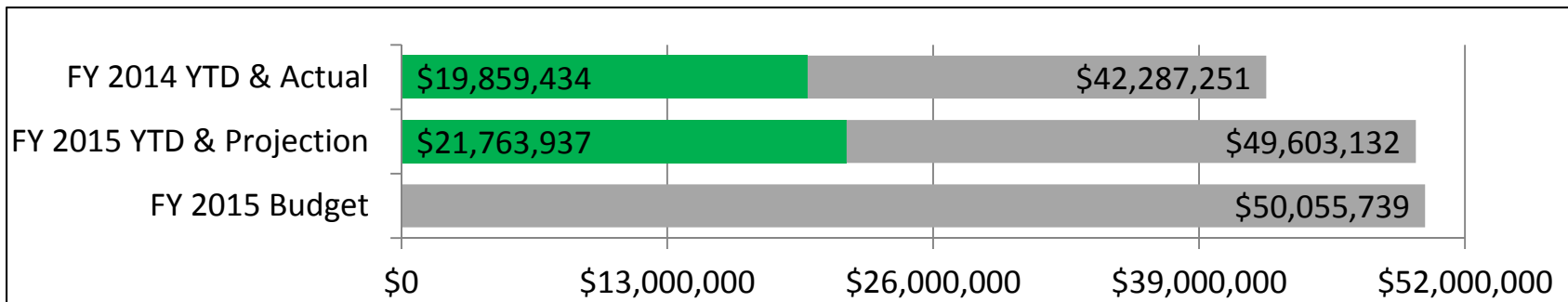


Sales Tax (Accrual Basis)

Period (Month)	FY 2014	FY 2015	% Change FY14/ FY15
Sep	6,674,545	6,795,263	1.81%
Oct	5,897,100	6,213,537	5.37%
Nov	6,361,381	6,511,684	2.36%
Dec	8,674,191	8,912,719	2.75%
Jan	5,410,462	5,713,924	5.61%
Feb	5,906,385	6,139,530	3.95%
Mar	7,278,096		
Apr	6,204,289		
May	6,182,155		
Jun	7,147,100		
Jul	6,283,624		
Aug	6,158,649		
	78,177,978	40,286,658	3.50%



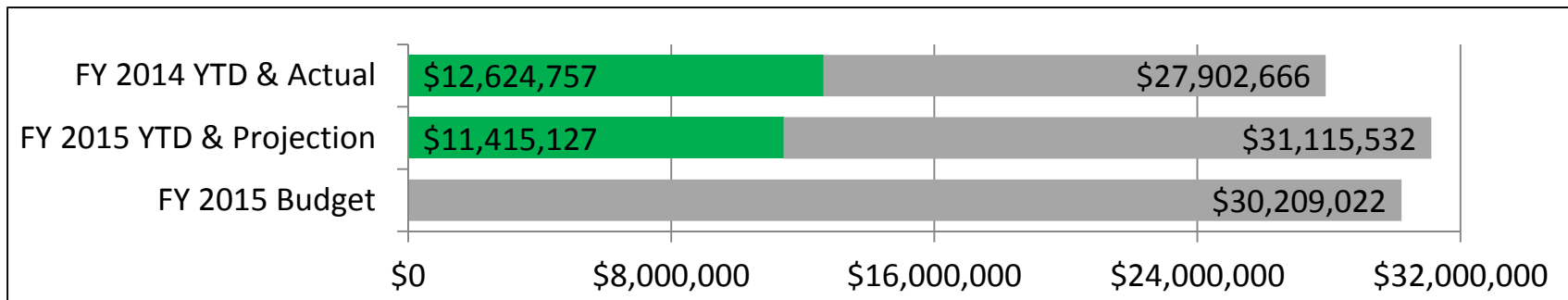
Franchise Fees



- Overall category projected under budget by \$452,607, or -0.9%
- Time Warner Cable
 - Projection is \$279,398 below budget
 - Only 1st quarter payment received to date
- El Paso Water Utilities
 - Projection is \$258,591 below budget
- Electric Company
 - Projection is \$67,363 below budget



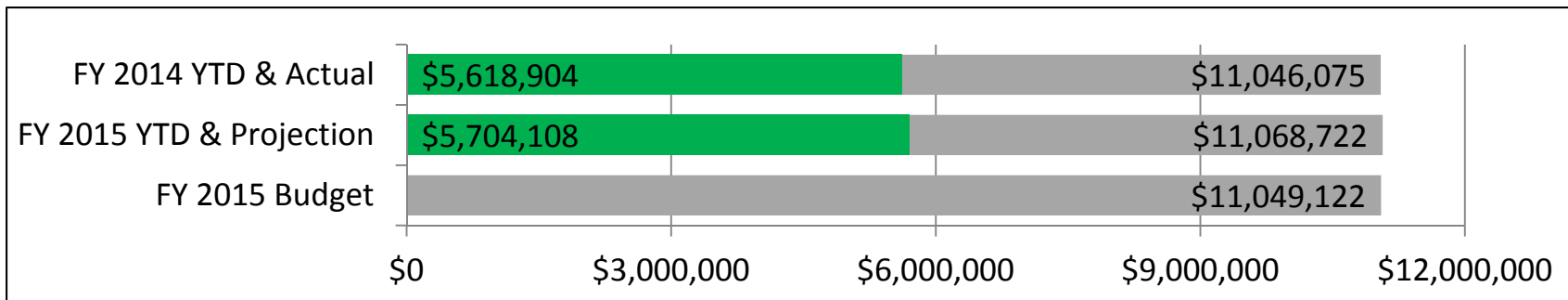
Charges for Services



- Overall category projected over budget by \$906,510, or 3.0%
- Includes ambulance service revenue, reimbursed expenditures, transfer from capital projects, indirect cost recovery, etc.
- Reimbursed Expenditures
 - Projected over budget by \$926,014
 - Due primarily to reimbursements from EPWU for work done by Dept. of Transportation



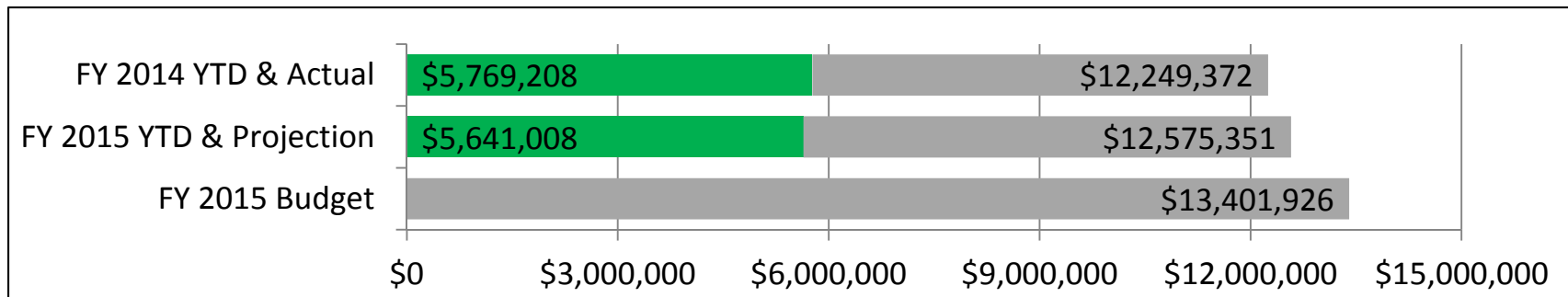
Fines & Forfeitures



- Category projected to be over budget by \$19,600, or 0.2%
- Includes moving violation fines & forfeitures, liability insurance violations, parking fines, etc.



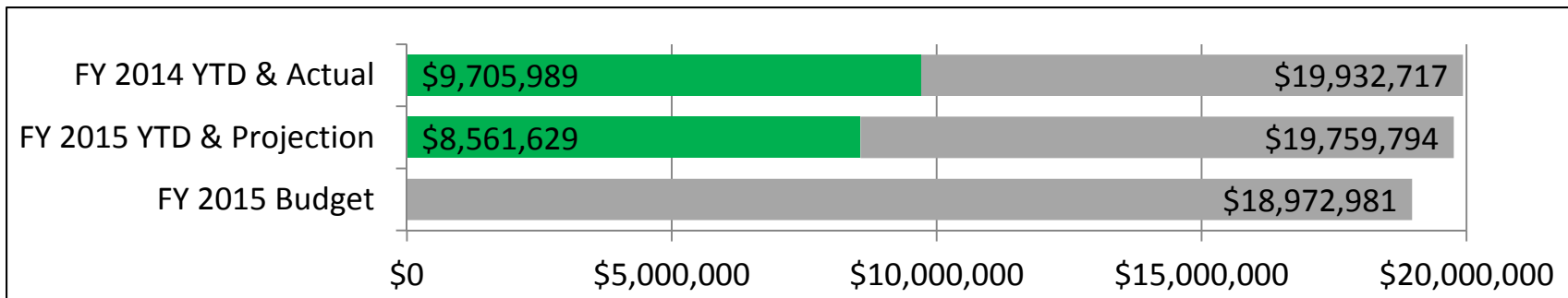
Licenses & Permits



- Overall category projected under budget by \$826,575, or 6.2%
- Includes residential & commercial building, electrical, mechanical, plumbing permits, etc.
- Projection due primarily to underperforming commercial and residential building permit activity (see slide 27 for economic indicator)



Other Sources (Uses)



- Overall category projected over budget by \$786,813, or 4.2%
- Projection is due to increase in bridge crossings, which will result in a higher transfer to the General Fund












Expenditures





General Fund Expenditures - Category

	FY 2015 Adjusted Budget	FY 2015 Actual To Date	FY 2015 Actual To Date %	Year-End Projection	(Over)/Under Budget
EXPENDITURES					
Personal Services	270,623,699	134,657,895	 49.8%	270,452,446	171,253
Contractual Services	34,059,627	16,658,770	 48.9%	33,224,463	835,163
Materials and Supplies	15,776,558	5,741,341	 36.4%	15,320,298	456,260
Operating Expenditures	20,499,131	9,737,377	 47.5%	21,211,385	(712,254)
Non-Operating Expenditures	6,341,166	2,658,189	 41.9%	6,215,185	125,981
Intergovernmental Expenditures	1,511,066	155,256	 10.3%	1,521,357	(10,291)
Other Uses	11,317,032	3,174,181	 28.0%	11,588,130	(271,098)
Capital Outlay	34,100	0	 0.0%	34,100	0
TOTAL EXPENDITURES	360,162,378	172,783,010	 48.0%	359,567,364	595,014



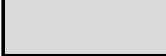








FY 2015 2nd Quarter General Fund Expenditures

- **Personal Services** – Projected under budget by \$171,253, or 0.1%
 - Departments have been carefully reviewing each position for its strategic value before requesting to fill
- **Contractual Services** – Projected under budget by \$835,163, or 1.3%
 - Projecting under budget due primarily to savings identified in the Information Technology citywide contracts
- **Operating Expenditures** – Projected over budget by \$712,254, or 3.0%
 - Projected over budget due to increases in city utilities (electricity and water)



General Fund Expenditures - Goal

EXPENDITURES	FY 2015 Adjusted Budget	FY 2015 Actual To Date	FY 2015 Actual To Date %
Goal 1 - Economic Development	9,850,993	4,302,993	 43.7%
Goal 2 - Public Safety	212,960,402	106,526,536	 50.0%
Goal 3 - Visual Image			 0.0%
Goal 4 - Quality of Life	35,459,260	14,925,715	 42.1%
Goal 5 - Communication	11,800,139	6,558,700	 55.6%
Goal 6 - Sound Governance	46,790,484	20,294,776	 43.4%
Goal 7 - Infrastructure	36,705,041	17,471,604	 47.6%
Goal 8 - Healthy, Sustainable	6,596,059	2,702,685	 41.0%
TOTAL EXPENDITURES	360,162,378	172,783,010	 48.0%



General Fund Expenditures - Department

EXPENDITURES	FY 2015 Adjusted Budget	FY 2015 Actual To Date	FY 2015 Actual To Date %
City Attorney	3,956,898	2,172,779	54.9%
City Development	9,378,447	4,153,967	44.3%
City Manager	2,841,762	1,437,631	50.6%
Community & Human Development	472,546	149,027	31.5%
Department Of Transportation	13,042,020	6,383,782	48.9%
Engineering & Construction	5,177,145	2,203,917	42.6%
Fire	94,289,099	47,427,069	50.3%
General Services	18,485,876	8,883,906	48.1%
Human Resources	1,939,493	972,806	50.2%
Information Technology	11,800,139	6,558,700	55.6%
Library	8,904,570	3,947,102	44.3%
Mayor & Council	1,257,190	629,138	50.0%
Municipal Clerk	5,529,068	2,335,199	42.2%
Museums & Cultural Affairs	2,367,009	1,093,176	46.2%
Non-Departmental	25,917,633	10,429,780	40.2%
Office Of The Comptroller	2,059,069	904,042	43.9%
Parks & Recreation	20,154,695	8,018,654	39.8%
Police	118,671,303	59,099,467	49.8%
Public Health	6,596,059	2,702,685	41.0%
Purchasing & Strategic Sourcing	1,141,359	505,249	44.3%
Tax	2,148,012	908,153	42.3%
Zoo	4,032,986	1,866,783	46.3%
	360,162,378	172,783,010	48.0%



Economic Indicators



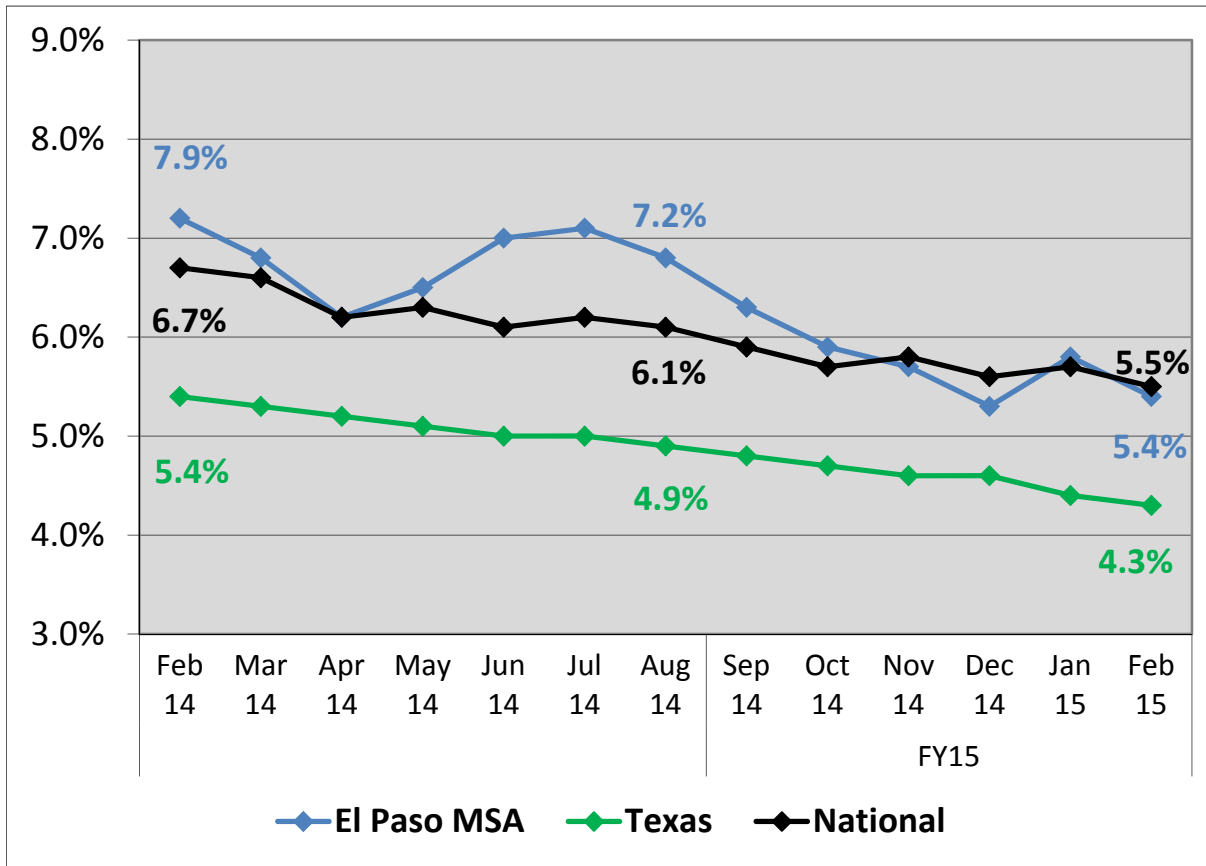


Economic Indicator: Dashboard

Economic Indicator	FY 2014 2nd Quarter	FY 2015 2nd Quarter	Variance	% Change	
El Paso MSA Unemployment Rate	7.2% ¹	5.4% ²	-1.8%	-25.0%	✓
HOT Tax ³	\$2,143,886	\$2,243,188	99,302	4.6%	✓
Sales Tax	\$19,991,038	\$20,766,173	775,135	3.9%	✓
Total Bridge Traffic	2,071,577	2,126,128	54,551	2.6%	✓
Pedestrian Bridge Traffic	1,006,658	1,032,410	25,752	2.6%	✓
Vehicle Bridge Traffic	978,009	1,007,410	29,401	3.0%	✓
Commercial Bridge Traffic	86,910	86,308	-602	-0.7%	▲
Housing Permits	436	456	20	4.6%	✓
Commercial Permits	75	27	-48	-64.0%	●
Residential Home Sales	1,292	1,329	37	2.9%	✓
EPIA Enplanements	311,244	307,796	-3,448	-1.1%	▲



Economic Indicator: Unemployment Rate

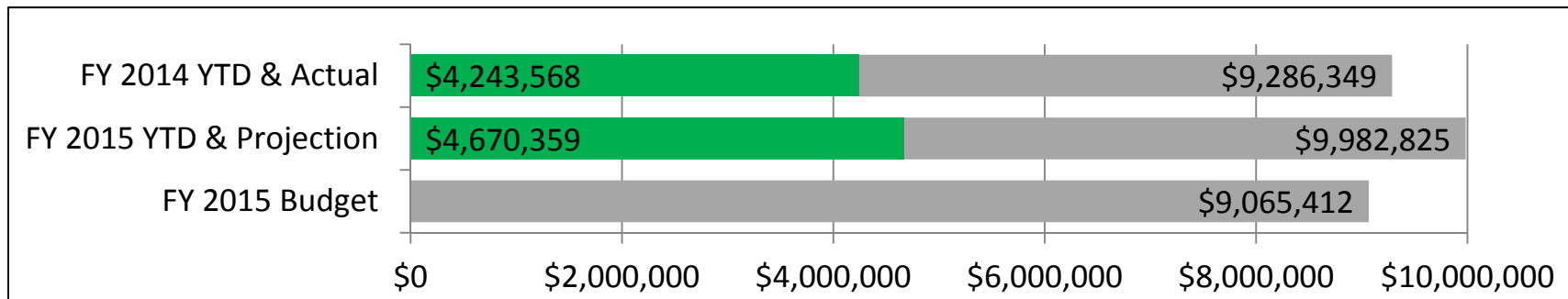


Unemployment rates are not seasonally adjusted

Source: Bureau of Labor Statistics; data are provisional, subject to revision April 21



Economic Indicator: HOT Revenue

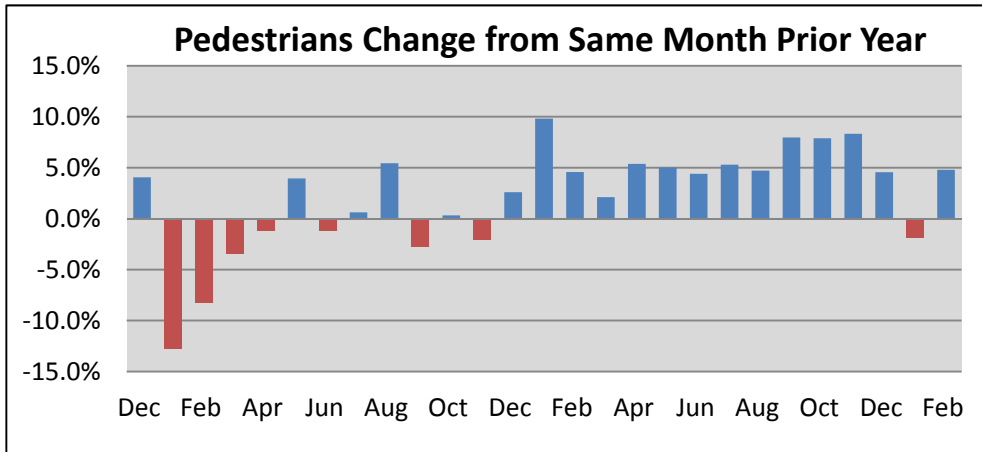


Fiscal Year 2015 year to date Hotel Occupancy Tax revenues are up 10% over the same period last year. An estimated 60,000 visitors are expected to visit El Paso for the ongoing USBC Bowling Tournament between March and July and several additional hotels are also set to open during the year. These factors could lead to a continuation of the upward trend.

Does not include 2% for Venue Project

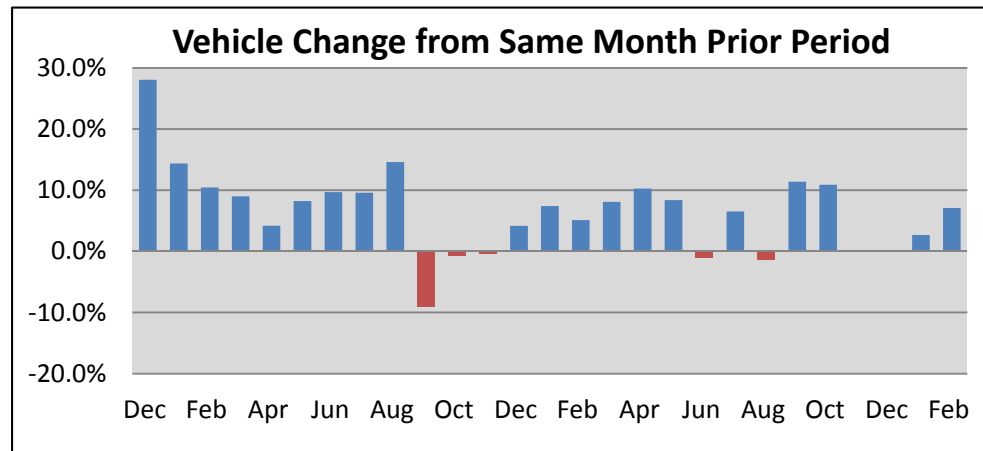


Economic Indicator: Bridge Crossings



Despite a down month in January, pedestrian bridge crossings remain strong with 14 of the last 15 months showing year over year growth. Nearly 26,000 more crossings took place in the second quarter of FY 2015 than FY 2014 and almost 78,000 more than FY 2013.

Vehicle crossings have seen year over year growth in 11 of the last 15 months. Since the beginning of FY 2013, 23 of 30 months have experienced increases when compared with the same month the prior year. Q2 saw almost 20,000 more vehicle crossings than the same period last year.

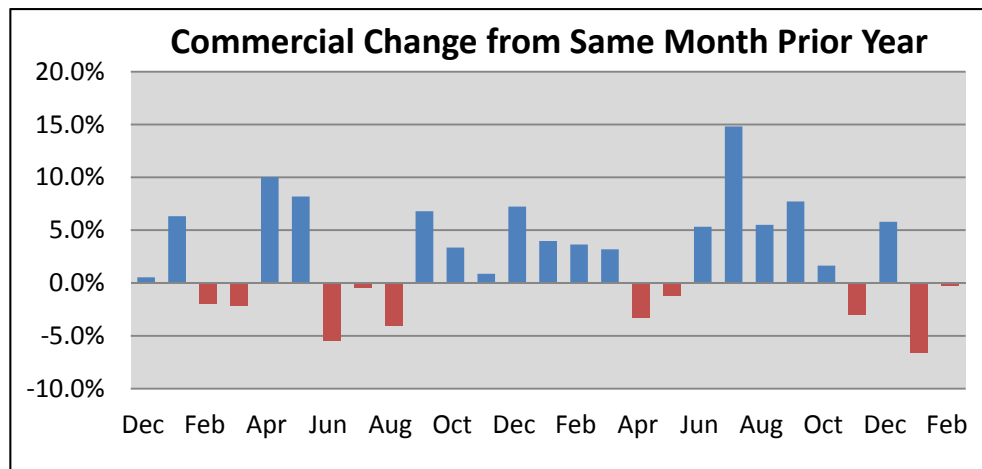


Note: Pedestrian fee is \$0.50, Vehicle fee \$3.00, and Commercial fee is \$4.00 per axle



Economic Indicator: Bridge Crossings & Peso

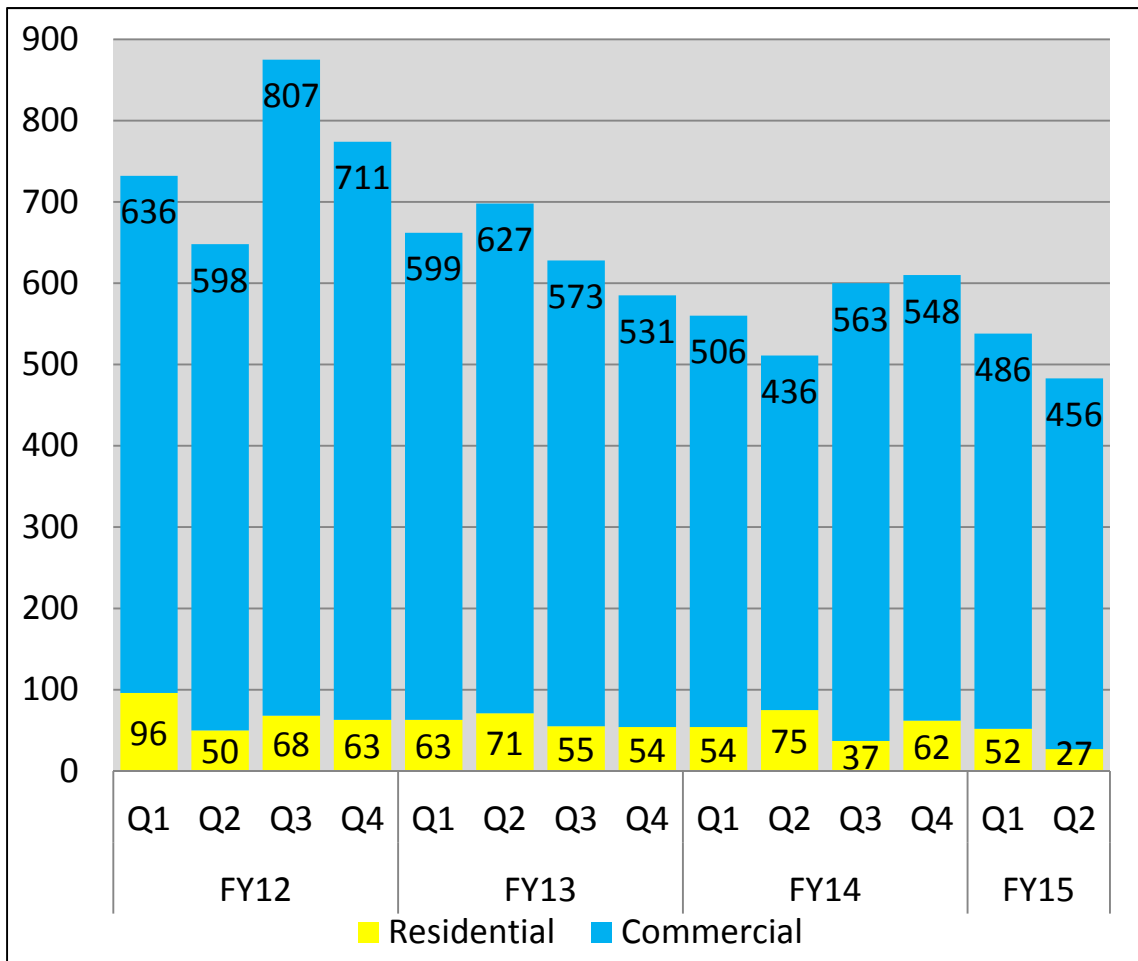
Commercial crossings have stumbled in 3 of the last 4 months. 602 fewer commercial vehicles crossed in 2Q FY 2015 than FY 2014.



Note: P3 agreement with CBP began January 26, 2014



Economic Indicator: Building Permits



Residential Building Permits grew 4.6% in Q2 from 436 in FY 2014 to 456 in FY 2015. In the same period, Commercial Permit activity decreased 64%. However, the total dollar valuation of the commercial projects decreased by only 22% while the average project value increased by 117%.

Source: Planning & Inspections March, 2015



Economic Indicator: El Paso Home Sales

February 2014

Sales: 398

Average Price: \$150,300

Median Price: \$136,300

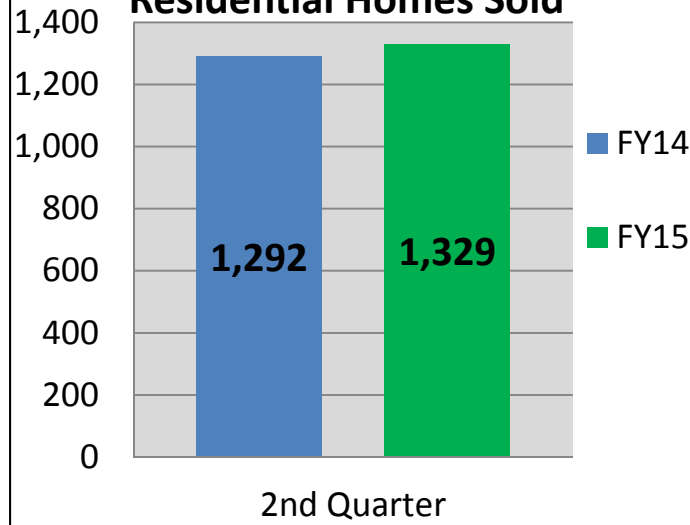
February 2015

Sales: 381

Average Price: \$160,200

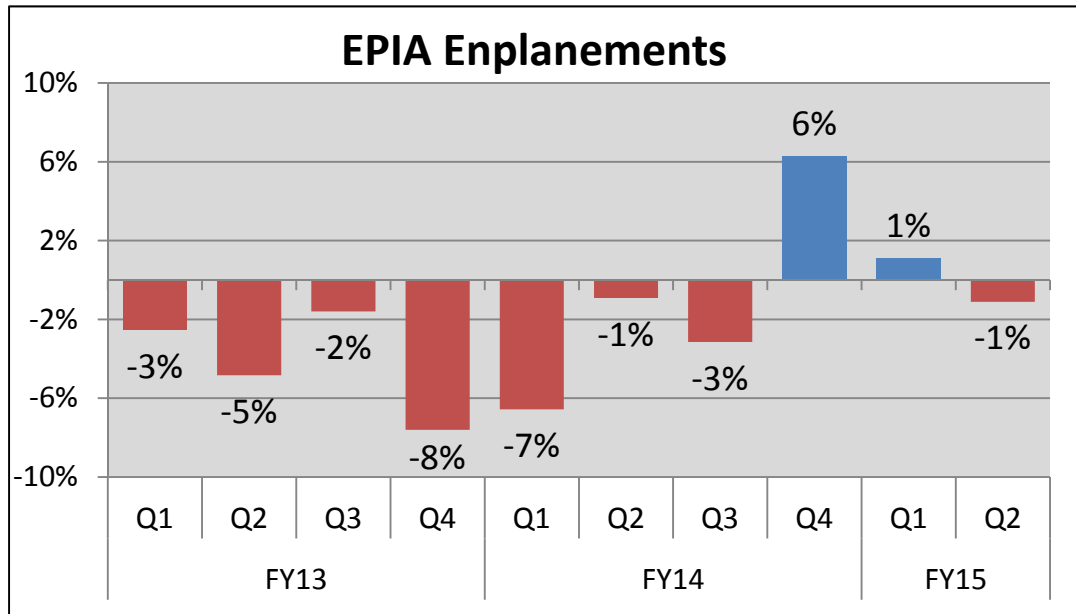
Median Price: \$139,000

**Quarterly Comparison of
Residential Homes Sold**





Economic Indicator: EPIA Traffic



Enplanements at El Paso International Airport declined throughout all of FY 2013 and most of FY 2014. However, during FY 2014 Q4 and Q1 of FY 2015, enplanements experienced a bounce back. 2nd Quarter Enplanements saw a decrease of just over 3,500 from the same period last year.



Questions?



**CAPITAL IMPROVEMENT PROGRAM (CIP)
BUDGET TRANSFER REPORT
SECOND QUARTER FY 2015**

Date	Fund	Amount	Project	Division	BT #	JUSTIFICATION	FUNDING SOURCE
1/8/2015	4700, 4080, 4640, 4690, 4500, 4680	\$688,911	PQLPA172B0, PSTM06FC0010, PSTM06FC001A0, PSTM06PW513, PSTM06PW529, PSTM06PW542, PCP08PA01FFFO, PCP14PRK03, PPA10450	28280, 31640, 38130, 38320, 99999, 28310, 38230	BT2015-0239	ECM proposes to reprogram \$355,678.24 for Park Improvements 2014 to purchase canopies and \$225,000 for Futureland from various completed projects. The funding sources are 2006 Storm CO, 2000A GO, 2000 CO, 2003 CO, 2010 CO and 2006 CO. The budget transfer request is in accordance with paragraph 8 of the budget resolution. District: Citywide	STORM 2006, 417-GO 2000A ISSUE, 464-CO 2000 ISSUE, 469-CO 2006 ISSUE, 451-CO 2010 ISSUE
1/5/2015	4735	\$456,453	PCP13STADIUM1	99998	BT2015-0241	ECM propose to move appropriation between accunts in the El Paso Ballpark Project. The funding sources is the 2013 City Hall Relocation and Baseball Stadium Certificates of Obligation. This budget Transfer is in conformance with budget resolution paragraph 8. District: 8	BASEBALL STADIUM
1/8/2015	4740	\$2,230,400	PCP113ST0003, PCP13ST003Y3G	28900	BT2015-0266	ECM proposes to transfer \$2,230,400.00 for project Alicia RECON from the Reconstruction Master project. The funding source is 2013-2019 Street Infrastructure COs approved by council June 26, 2012. The budget transfer request is in accordance with paragraph 8 of the budget resolution. Districts 3 & 8	2013 STREET INFRASTRUCTURE
1/15/2015	4950	\$322,555	PCP10IB001CO, PBR060010, PEN060010, PBR060020, PPW00071300, PBR080020,	38170	BT2015-0278	ECM proposes to transfer appropriation in order to close the completed TXDOT portion of several projects (Fund 4950). Transfer is in accordance with paragraph 13 of the budget resolution. District: 8	TXDOT
1/26/2015	4800	\$1,200	PCP13PRKG01, PCP14NIPD67C	29010	BT2015-0284	ECM proposes to transfer \$1,200.00 for Eastwood Dam Wrought Iron Gate from Neighborhood Improvements Projects Master project. The funding source is FY2012 QOL approved by voters November 7, 2012. The budget transfer is in accordance with paragraph 8 of the budget resolution. District 7	GOP 2012 QUALITY OF LIFE
1/15/2015	4560	\$597,826	PCP12ST060, PCP15TRAN05, PCP15TRAN06, PCP15TRAN07, PCP15TRAN08, PCP14TRAN01	28340	BT2015-0285	ECM proposes to transfer a total of \$597,825.81 for several hike & bike projects and the Whole Foods traffic study required by TXDOT, from Street Resurfacing 2012_13 which is complete. The funding source is FY12-13 CO approved by council April 19, 2011. The budget transfer is in accordance with paragraph 8 of the budget resolution. Districts 1,3,6,7,8	456-FY12-13CO'S
1/26/2015	4680, 4950	\$535,067	PST050070, PCP10TRAN010	38320, 38170	BT2015-0292	ECM proposes to transfer \$123,976.69 for project Country Club Improvements and \$1,739,909.60 to closeout the TXDOT portion (Fund 4950) of completed project Loop 375-Int Bridge Improvements. The funding source for the \$123,976.69 transfer is 2003 COs, debt issued March of 2003. The budget transfer is in accordance with paragraph 8 and 13 of the budget resolution. Districts 1 & 8	468-CO 2003 ISSUE, TXDOT
2/4/2015	4740	\$10,878,730	PCP13ST0003, PCP13ST003Y3A, PCP13ST003Y3C, PCP13ST003Y3D, PCP13ST003Y3I	28900	BT2015-0299	ECM proposes to transfer a total of \$10,878,730.00 for Edna St., Flower Dr., Shuster Ave., and De Vargas Dr. Street & Drainage Improvements from the Reconstruction Master project. The funding source is 2013 Street Infrastructure approved by council June 26, 2012. The budget transfer is in accordance with paragraph 8 of the budget resolution. Districts 1 & 8	2013 STREET INFRASTRUCTURE
1/29/2015	4970	\$480,430	PCP13ST003Y1N	38230	BT62015-0300	ECM proposes to appropriate \$240,214.85 for project Pendale I Street and Drainage Improvements. The funding source is reimbursed expenditures from PSB for the water and sewer portions of the bid. The budget transfer request is in accordance with paragraph 13 of the budget resolution. District 6 & 7	EPWU
2/4/2015	4690	\$33,110	PCP09ST0030, PCP_09ST03P, PCP08ST04D10, PCP14NIPD3A	99999	BT2015-0302	ECM proposes to reprogram appropriation of \$33,110.15 for project Stiles Park from completed projects Angora Loop & Dyer Traf Signals, School Flasher Bill Sybert ES, and St. Light Installation D1. The funding source is 2006 CO approved by council January 10, 2006. The budget transfer request is in accordance with paragraph 8 of the budget resolution. District 3	469-CO 2006 ISSUE
2/4/2015	4970	\$14,695	PCP12PRK01G0, PCP12PRK01H0	38030	BT2015-0318	ECM proposes to increase appropriation by a total of \$7,347.49 for projects Edgemere and Vocational Park Ponds. The funding source is reimbursed expenditures from PSB for the stormwater portions of the bid. The budget transfer request is in accordance with paragraph 13 of the budget resolution. District 5	EPWU
2/10/2015	4800	\$250,000	PCP13MUS08, PCP13MUS07	29030	BT2015-0329	ECM proposes to transfer \$250,000.00 for project Downtown Pedestrian Pathway from General Upgrades to all 3 Museums to align with the budget presented to council on February 5, 2013. The funding source is 2012 Quality of Life approved by council Nov. 7, 2012. The budget transfer is in accordance with paragraph 8 of the budget resolution. District 8	GOP 2012 QUALITY OF LIFE
2/17/2015	4970	\$59,562	PCP13ST003Y1E	38030	BT2015-0353	ECM proposes to appropriate \$29,781.00 for project Pebble Hills Extension. The funding source is reimbursed expenditures from PSB for the stormwater portion of the bid. The budget transfer request is in accordance with paragraph 13 of the budget resolution. District 5	EPWU
3/4/2015	4970	\$102,057	PSTM06PW26B, PCP12ST030, PCP10ST08A0, P09PA0040, PCP10TRAN040, PCP06ST022B0, P09ST0050	38230, 38030, 38290,	BT2015-0357	ECM proposed to decrease appropriation to closeout the PSB portion (Fund 4970) of several completed projects. The funding source is reimbursed expenditures from PSB for the water and sewer portions of the bid. The budget transfer request is in accordance with paragraph 13 of the budget resolution. District: Citywide	EPWU

**CAPITAL IMPROVEMENT PROGRAM (CIP)
BUDGET TRANSFER REPORT
SECOND QUARTER FY 2015**

Date	Fund	Amount	Project	Division	BT #	JUSTIFICATION	FUNDING SOURCE
2/25/2015	4800	\$5,000	PCP14NIPD2C, PCP14NIPD2D	29010	BT2015-0361	ECM proposes to transfer \$5,000.00 for project Sunrise Park Improvements from Patriot Place Improvements who's bid came in under budget and is part of the same group of projects. The funding source is 2012 Quality of Life approved by council November 7, 2012. The budget transfer request is in accordance with paragraph 8 of the budget resolution. District 2	GOP 2012 QUALITY OF LIFE