



FY 2016 1st Quarter General Fund Budget Report

Dr. Mark Sutter
Chief Financial Officer

March 7, 2016

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

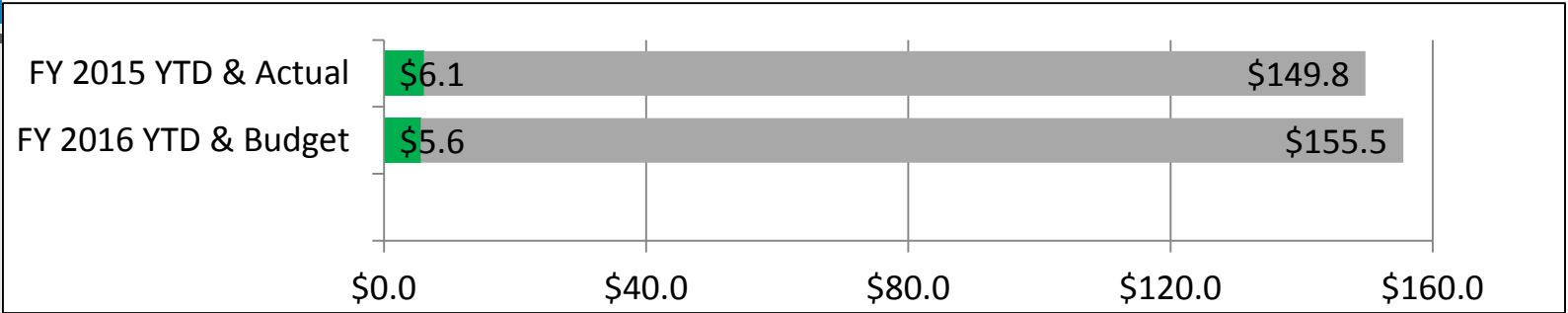


General Fund Revenues

| REVENUE | FY 2016 Adjusted Budget | FY 2016 Actual To Date | FY 2016 Actual To Date % | FY 2015 Actual To Date % |
|-----------------------|-------------------------------|------------------------------|--------------------------------|--------------------------------|
| Property Taxes | 155,512,547 | 5,610,827 | 3.6% | 4.1% |
| Sales Taxes | 85,173,174 | 20,368,685 | 23.9% | 23.9% |
| Franchise Fees | 50,707,193 | 12,731,774 | 25.1% | 23.3% |
| Charges for Services | 28,969,998 | 5,051,645 | 17.4% | 16.7% |
| Fines and Forfeitures | 12,084,048 | 1,673,724 | 13.9% | 22.7% |
| Licenses and Permits | 12,574,325 | 3,437,653 | 27.3% | 21.7% |
| Intergovernmental | 469,169 | 59,460 | 12.7% | 9.9% |
| County Participation | 400,871 | 0 | 0.0% | 0.0% |
| Interest | 100,000 | 8,744 | 8.7% | 0.0% |
| Rents and Other | 1,672,791 | 305,185 | 18.2% | 22.5% |
| Other Sources (Uses) | 21,028,974 | 5,043,925 | 24.0% | 19.3% |
| | \$368,693,090 | \$54,291,622 | 14.7% | 14.5% |



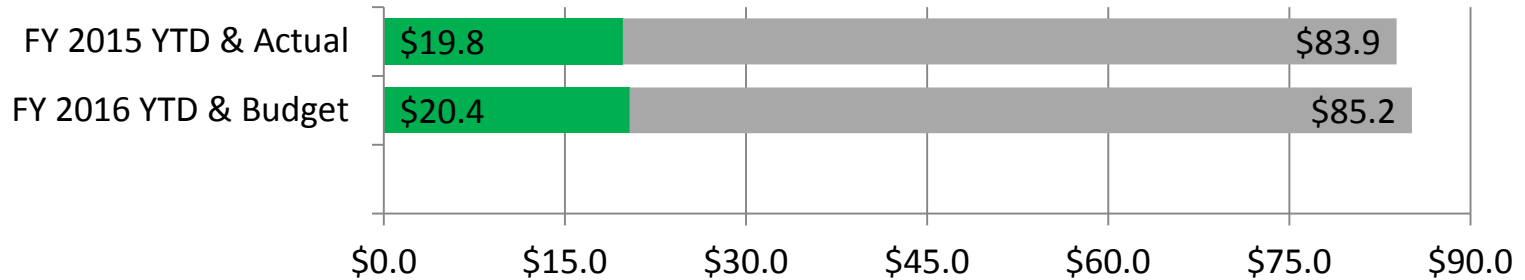
Property Taxes



- FY 2016 collections are lower than same period last year due to tax bills being sent later (Senate Bill 1)*



Sales Taxes

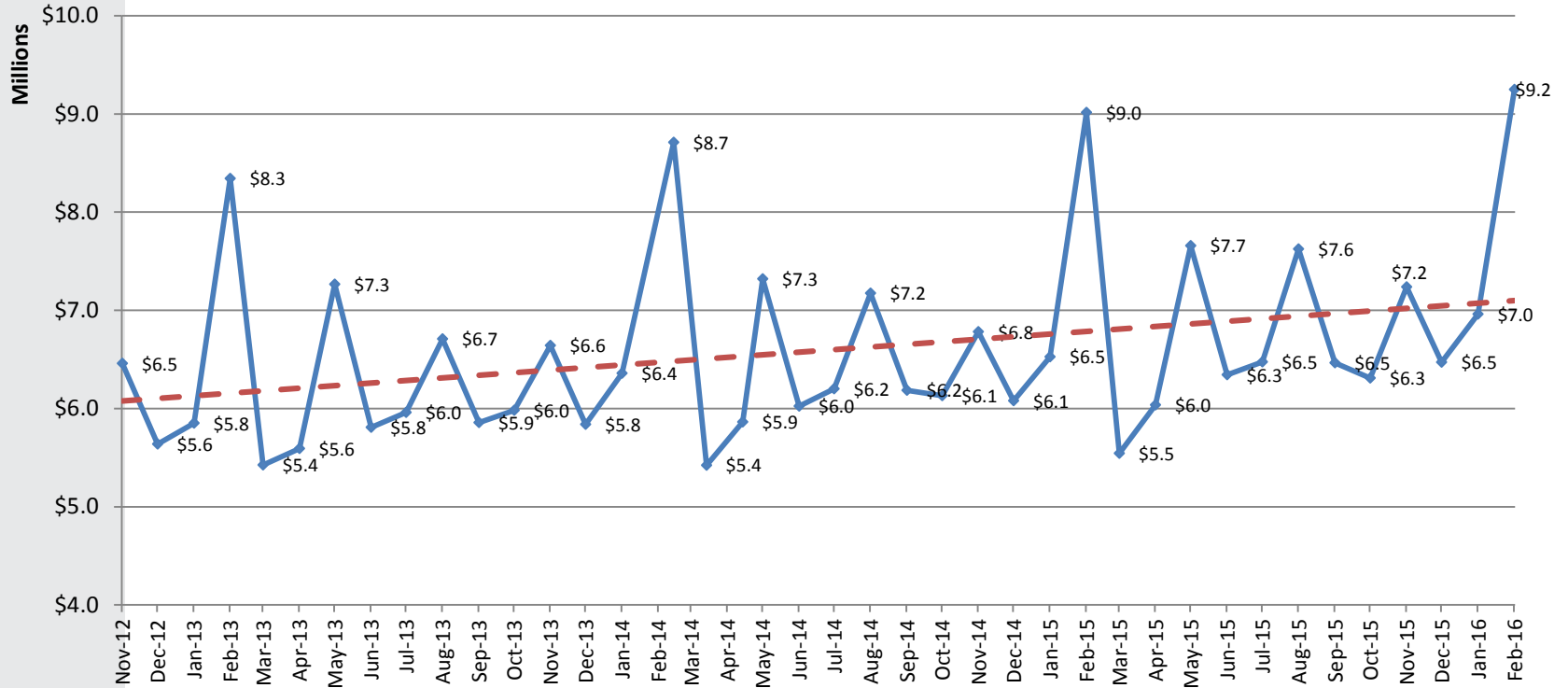


- *Sales tax – current period collections up 6.3% compared to same period last year, however negative State audit collections are impacting net payment*
- *Mixed beverage tax – collections up 4.0% compared to same period last year*



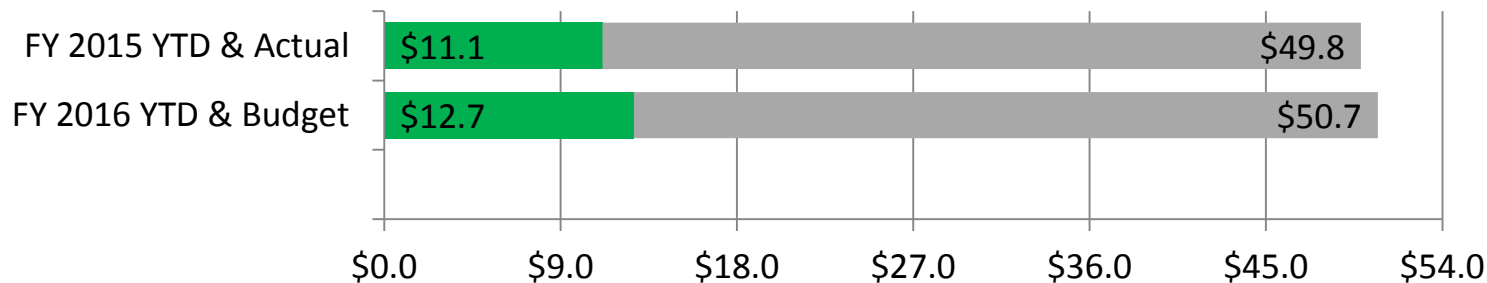
Sales Tax

Current Period Collections Only





Franchise Fees



- *El Paso Water Utility – metered water sales up 15.2% compared to same period last year*
- *Telecom – collections up 13.0% compared to same period last year*
- *El Paso Electric – total sales inside City limits is down 0.3% compared to same period last year*



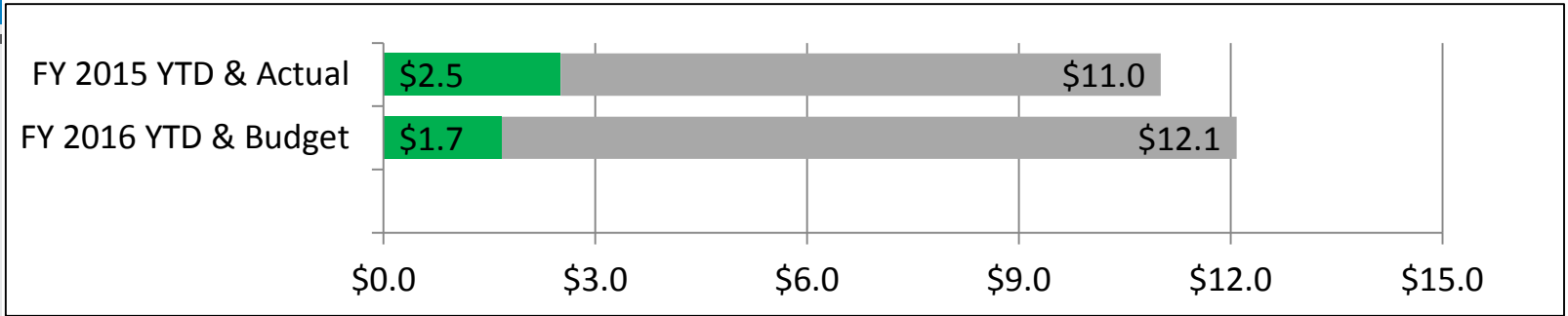
Charges for Services



- *Examples of accounts include: ambulance service, indirect costs, reimbursed expenditures, and transfer from capital projects*
- *FY 2016 year-to-date is trending similar to same period last year*



Fines & Forfeitures



- *Timing issue with postings (Nov. revenue posted in Dec.)*
- *Ticket issuance is down by 18.1%*



General Fund Expenditures

| EXPENDITURES | FY 2016 Adjusted Budget | FY 2016 Actual To Date | FY 2016 Actual To Date % | FY 2015 Actual To Date % |
|-------------------------------|--|---------------------------------------|---|---|
| Goal 1 - Economic Development | 1,777,782 | 302,706 | 17.0% | 0.0% |
| Goal 2 - Public Safety | 215,251,653 | 44,582,506 | 20.7% | 24.5% |
| Goal 3 - Visual Image | 7,479,727 | 1,415,768 | 18.9% | 22.0% |
| Goal 4 - Quality of Life | 35,654,347 | 6,801,965 | 19.1% | 21.4% |
| Goal 5 - Communication | 11,489,192 | 3,692,598 | 32.1% | 35.8% |
| Goal 6 - Sound Governance | 51,437,612 | 10,230,547 | 19.9% | 18.3% |
| Goal 7 - Infrastructure | 38,960,629 | 7,839,614 | 20.1% | 23.5% |
| Goal 8 - Sustainability | 6,642,148 | 1,269,565 | 19.1% | 20.9% |
| TOTAL EXPENDITURES | \$368,693,090 | \$76,135,270 | 20.7% | 23.5% |



General Fund Expenditures

| EXPENDITURES | FY 2016 Adjusted Budget | FY 2016 Actual To Date | FY 2016 Actual To Date % | FY 2015 Actual To Date % |
|---------------------------|--|---------------------------------------|---|---|
| Personal Services | 274,088,361 | 57,415,705 | 20.9% | 24.6% |
| Contractual Services | 33,871,538 | 8,860,919 | 26.2% | 21.6% |
| Materials and Supplies | 15,509,105 | 2,811,887 | 18.1% | 17.4% |
| Operating | 24,544,138 | 4,704,767 | 19.2% | 26.1% |
| Non-Operating | 6,281,069 | 970,330 | 15.4% | 20.1% |
| Intergovernmental | 1,526,184 | 76,458 | 5.0% | 3.3% |
| Other Uses | 12,397,695 | 1,295,204 | 10.4% | 13.0% |
| Capital Outlay | 475,000 | 0 | 0.0% | 0.0% |
| TOTAL EXPENDITURES | \$368,693,090 | \$76,135,270 | 20.7% | 23.5% |

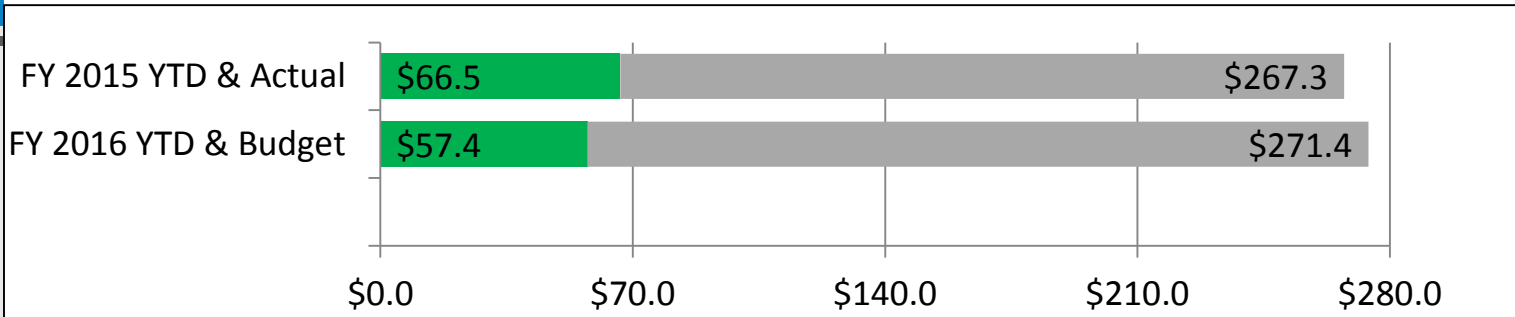


General Fund Expenditures

| EXPENDITURES | FY 2016 | FY 2016 | FY 2016 | FY 2015 |
|-----------------------------------|----------------------|---------------------|---------------------|--------------|
| | Adjusted Budget | Actual To Date | Actual To Date % | % of Budget |
| Capital Improvement | 6,467,590 | 1,027,042 | 15.9% | 21.8% |
| City Attorney | 3,960,788 | 672,879 | 17.0% | 24.5% |
| City Manager | 2,893,192 | 555,465 | 19.2% | 24.6% |
| Community and Human Development | 472,545 | 68,834 | 14.6% | 16.6% |
| Economic Development | 1,777,782 | 302,706 | 17.0% | 22.0% |
| Fire | 97,267,111 | 20,319,273 | 20.9% | 24.1% |
| Human Resources | 2,068,125 | 412,199 | 19.9% | 24.8% |
| Information Technology | 11,489,192 | 3,692,598 | 32.1% | 35.8% |
| Library | 8,964,491 | 1,648,519 | 18.4% | 21.3% |
| Mayor and Council | 1,275,010 | 260,905 | 20.5% | 24.7% |
| MCAD | 2,432,127 | 452,378 | 18.6% | 22.0% |
| Municipal Clerk | 5,473,930 | 1,102,838 | 20.1% | 21.1% |
| Non-Departmental | 32,406,122 | 6,676,745 | 20.6% | 14.5% |
| Office of the Comptroller | 2,025,168 | 333,085 | 16.4% | 18.5% |
| Parks | 20,084,162 | 3,913,899 | 19.5% | 20.7% |
| Planning and Inspections | 7,479,727 | 1,415,768 | 18.9% | 22.0% |
| Police | 117,984,542 | 24,263,233 | 20.6% | 24.7% |
| Public Health | 6,169,603 | 1,200,731 | 19.5% | 21.3% |
| Purchasing and Strategic Sourcing | 1,335,277 | 216,432 | 16.2% | 22.3% |
| Streets and Maintenance | 32,493,039 | 6,812,572 | 21.0% | 25.6% |
| Zoo | 4,173,567 | 787,170 | 18.9% | 23.1% |
| | \$368,693,090 | \$76,135,270 | 20.7% | 23.5% |



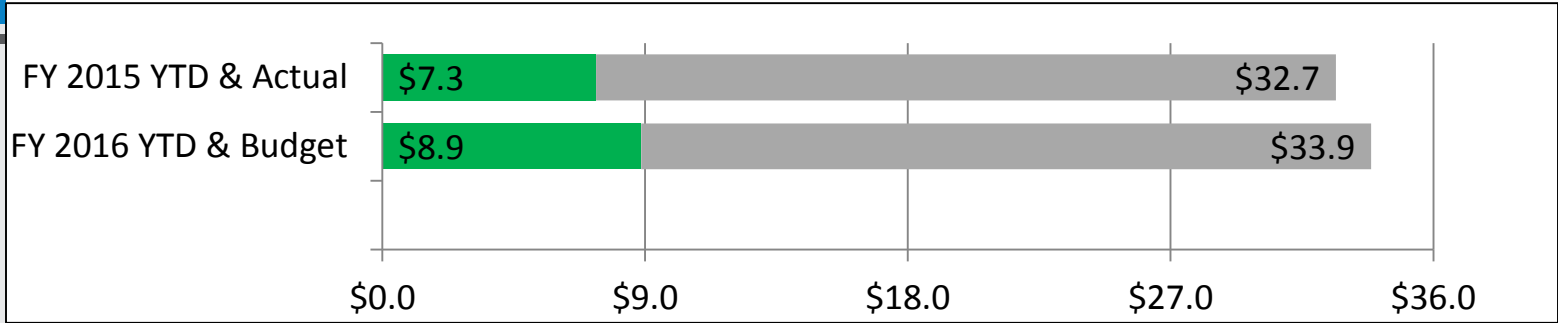
Personal Services



- *FY 2016 year-to-date is less compared to last year due to a timing difference*
 - *FY 2015 1st Quarter included 6.5 pay periods*
 - *FY 2016 1st Quarter includes 5.5 pay periods*
- *FY 2016 actuals compared to budget are on the same pace as last year*



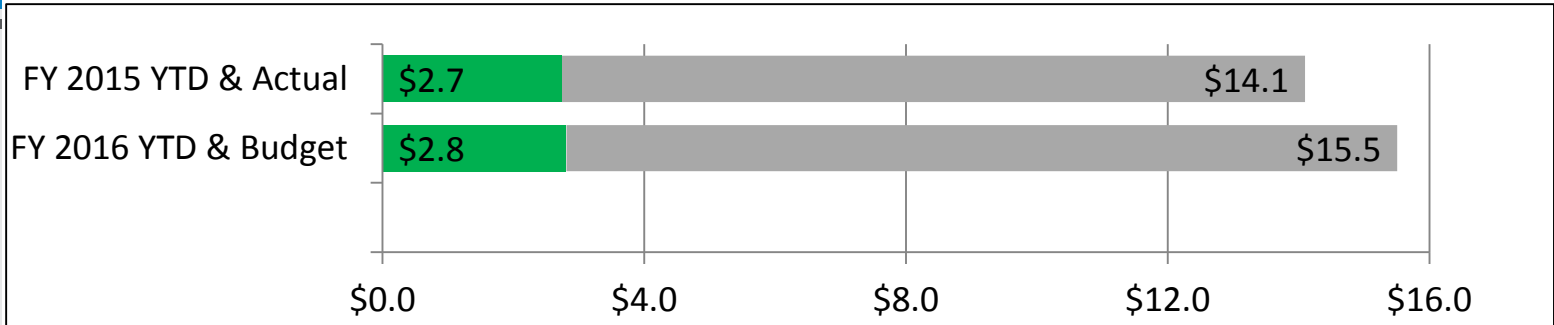
Contractual Services



- *Year to date increase compared to last year is due primarily to the timing of payments related to Information Technology contracts*



Materials & Supplies



- *FY 2016 year-to-date expenditures are on pace with same period last year*
- *Lower than expected fuel prices through the 1st Quarter will continued to be monitored closely*



Operating Expenditures



- *FY 2016 budget increase over prior year actuals is due to increase in utilities and one-time lump sum payment for employees*
- *FY 2016 year to date expenditures are lower than same period last year due to cost reductions related to phone lines*



FY 2016 General Fund

| | FY 2016 Adjusted Budget | FY 2016 Actual To Date | FY 2016 Actual To Date % | Year-End Projection | Over/((Under) Budget \$ | % |
|--------------|-------------------------------|------------------------------|--------------------------------|----------------------------|----------------------------|-------|
| REVENUE | \$368,693,090 | \$54,291,622 | 14.7% | \$367,452,790 | (\$1,240,300) | -0.3% |
| EXPENDITURES | \$368,693,090 | \$76,135,270 | 20.7% | \$366,940,367 | \$1,752,723 | 0.5% |
| | | | | Surplus / (Deficit) | \$ 512,423 | |



Economic Indicators



Economic Indicators Dashboard (1st Quarter Only)

| Economic Indicator | FY 2015 | FY 2016 | Variance | % | |
|-------------------------------|-------------------|-------------------|----------|---------|---|
| | 1st Quarter | 1st Quarter | | Change | |
| El Paso MSA Unemployment Rate | 6.4% ¹ | 5.2% ² | -1.2% | -18.75% | ✔ |
| HOT Tax ³ | \$2,427,171 | \$2,551,140 | 123,969 | 5.11% | ✔ |
| Sales Tax | \$19,520,485 | \$19,390,719 | -129,766 | -0.66% | ⚠ |
| Total Bridge Traffic | 2,211,461 | 2,315,532 | 104,071 | 4.71% | ✔ |
| Pedestrian Bridge Traffic | 1,084,923 | 1,156,616 | 71,693 | 6.61% | ✔ |
| Vehicle Bridge Traffic | 1,031,740 | 1,067,003 | 35,263 | 3.42% | ✔ |
| Commercial Bridge Traffic | 94,798 | 91,913 | -2,885 | -3.04% | ❌ |
| Housing Permits | 486 | 493 | 7 | 1.44% | ✔ |
| Commercial Permits | 52 | 68 | 16 | 30.77% | ✔ |
| EPIA Enplanements | 333,710 | 347,453 | 13,743 | 4.12% | ✔ |

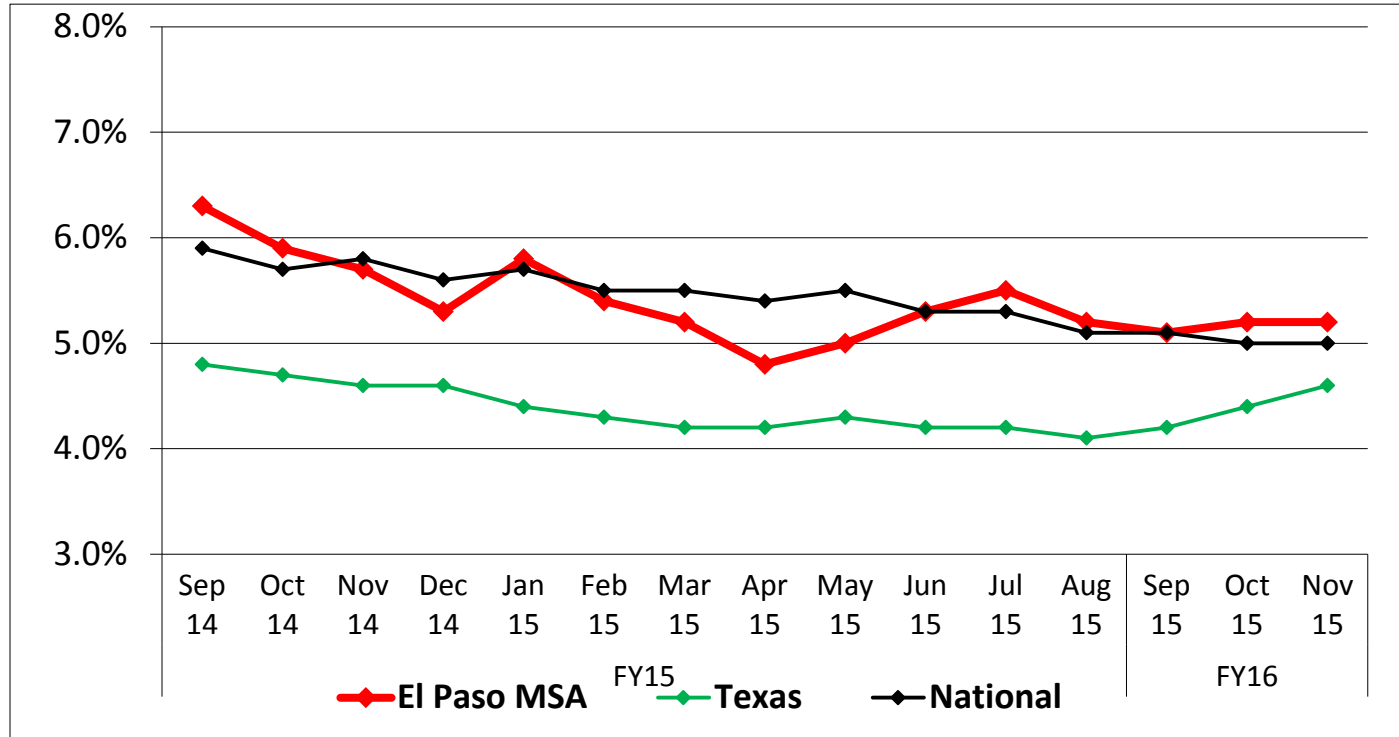
¹ November, 2014

² November, 2015

³ Does not include 2% Venue Project



Economic Indicator:



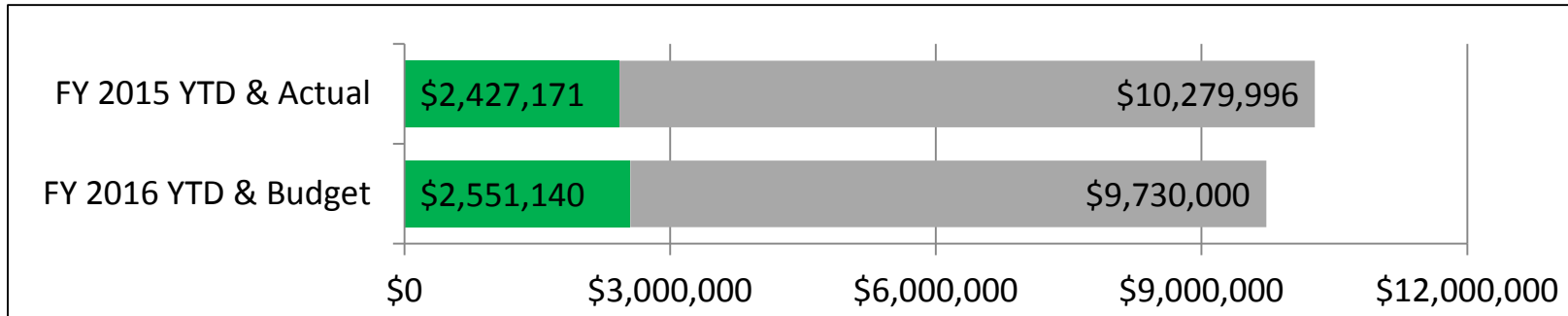
Unemployment rates are not seasonally adjusted

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

"Delivering Outstanding Services"



Economic Indicator: HOT Revenue



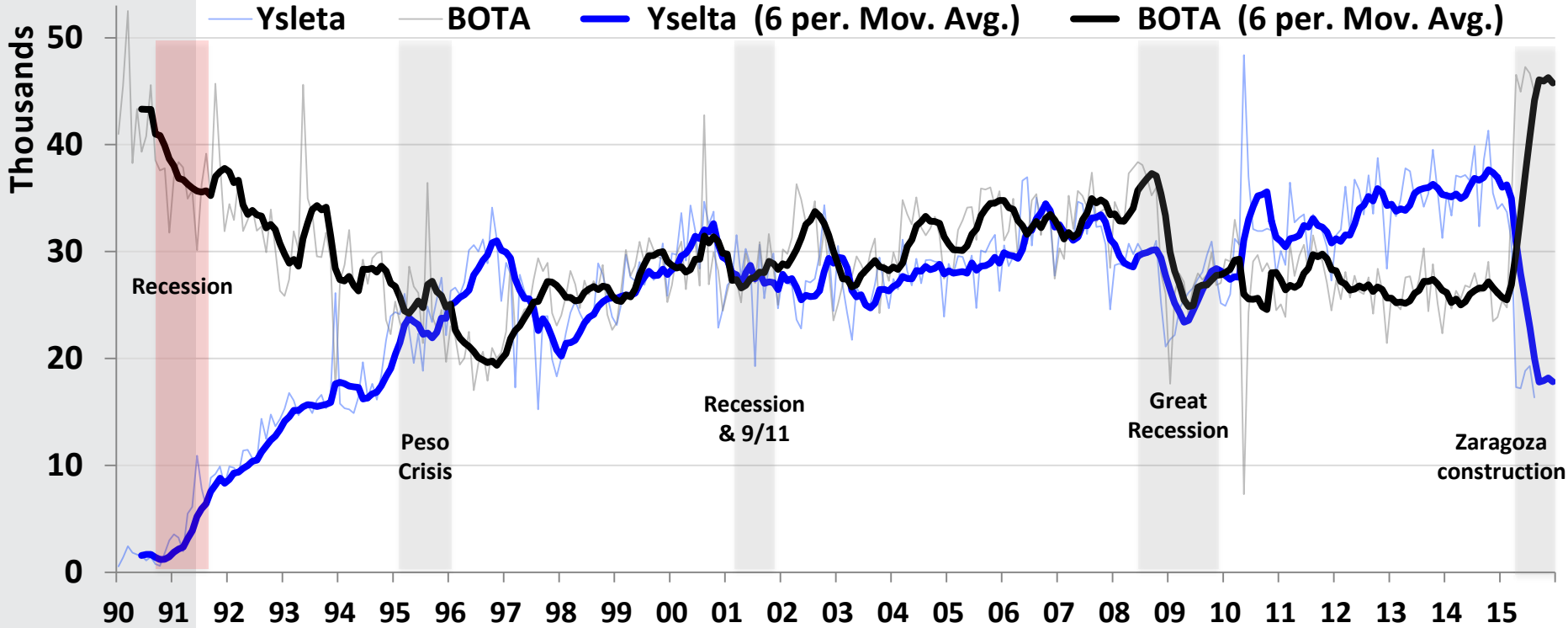
FY 2015 HOT revenue finished 10.7% higher than FY 2014 or an almost \$1 million increase.

Does not include 2% for Venue Project

"Delivering Outstanding Services"

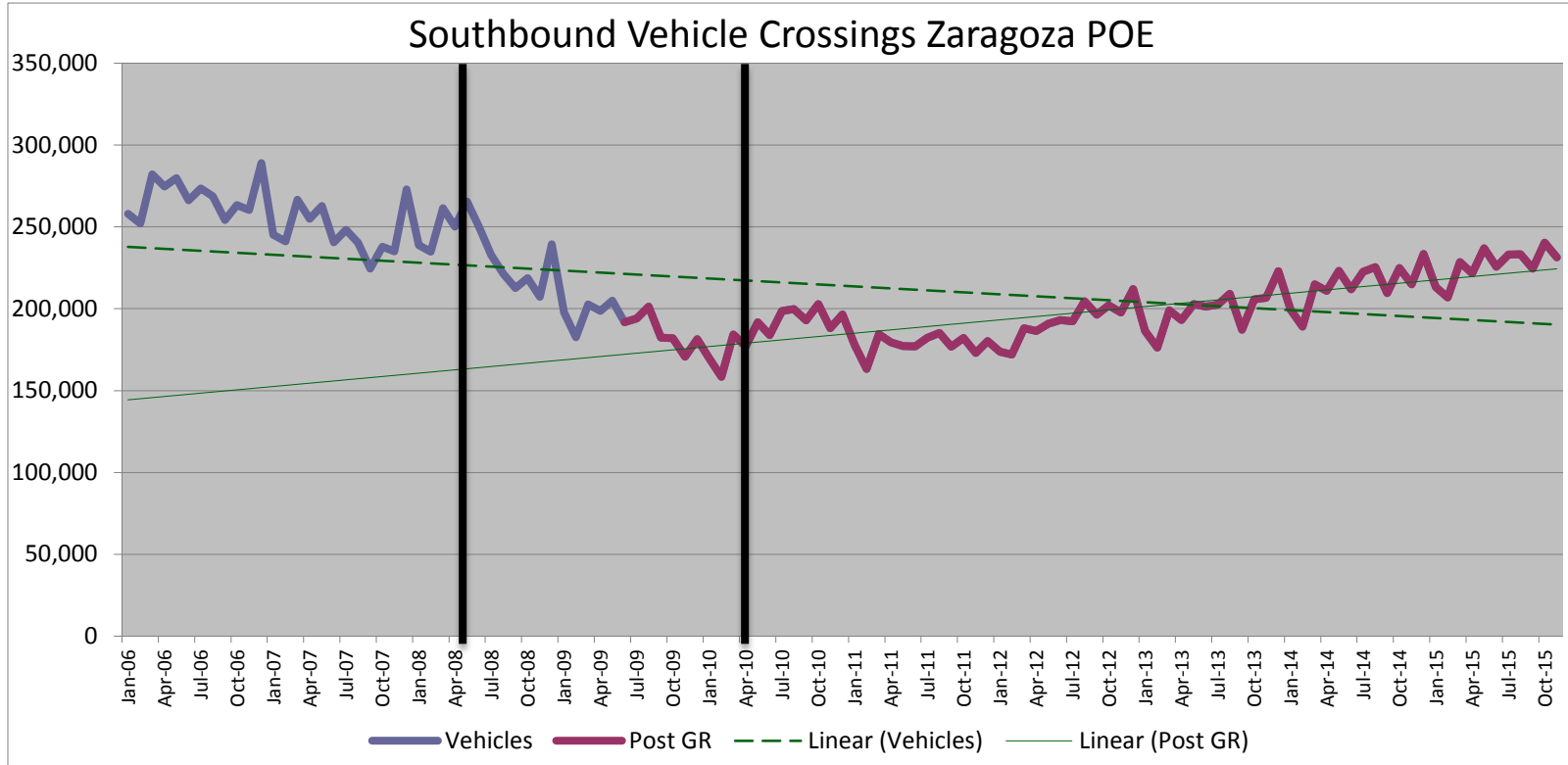


Economic Indicator: Bridge Crossings



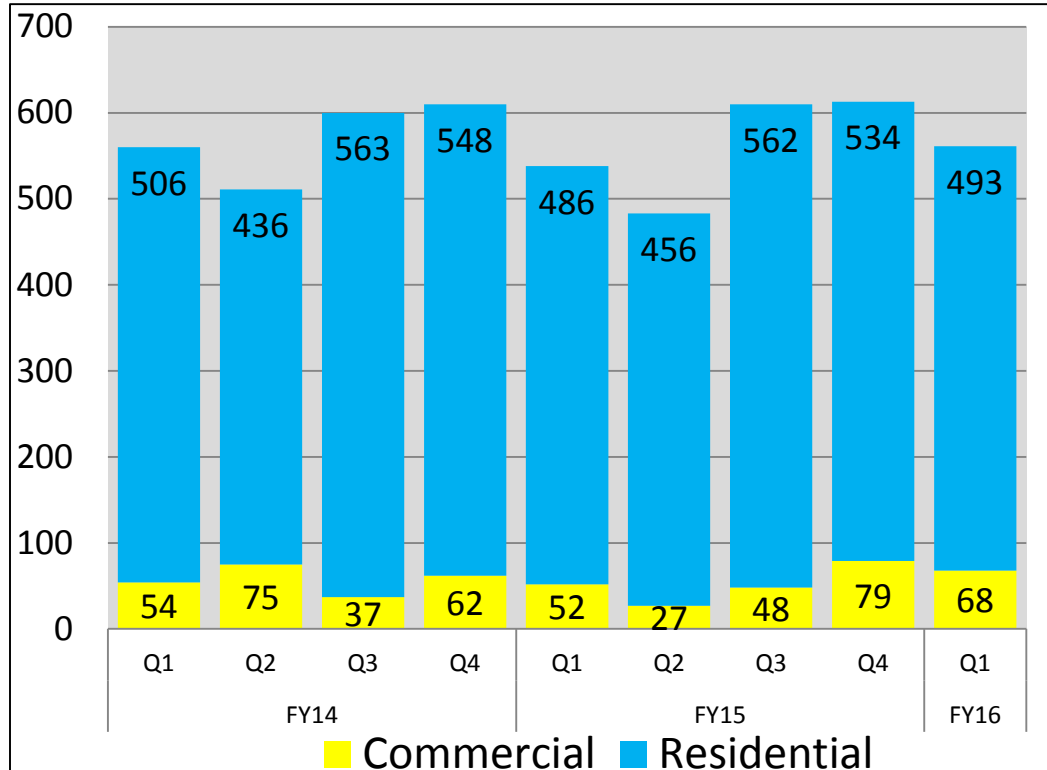


Economic Indicator: Bridge Crossings





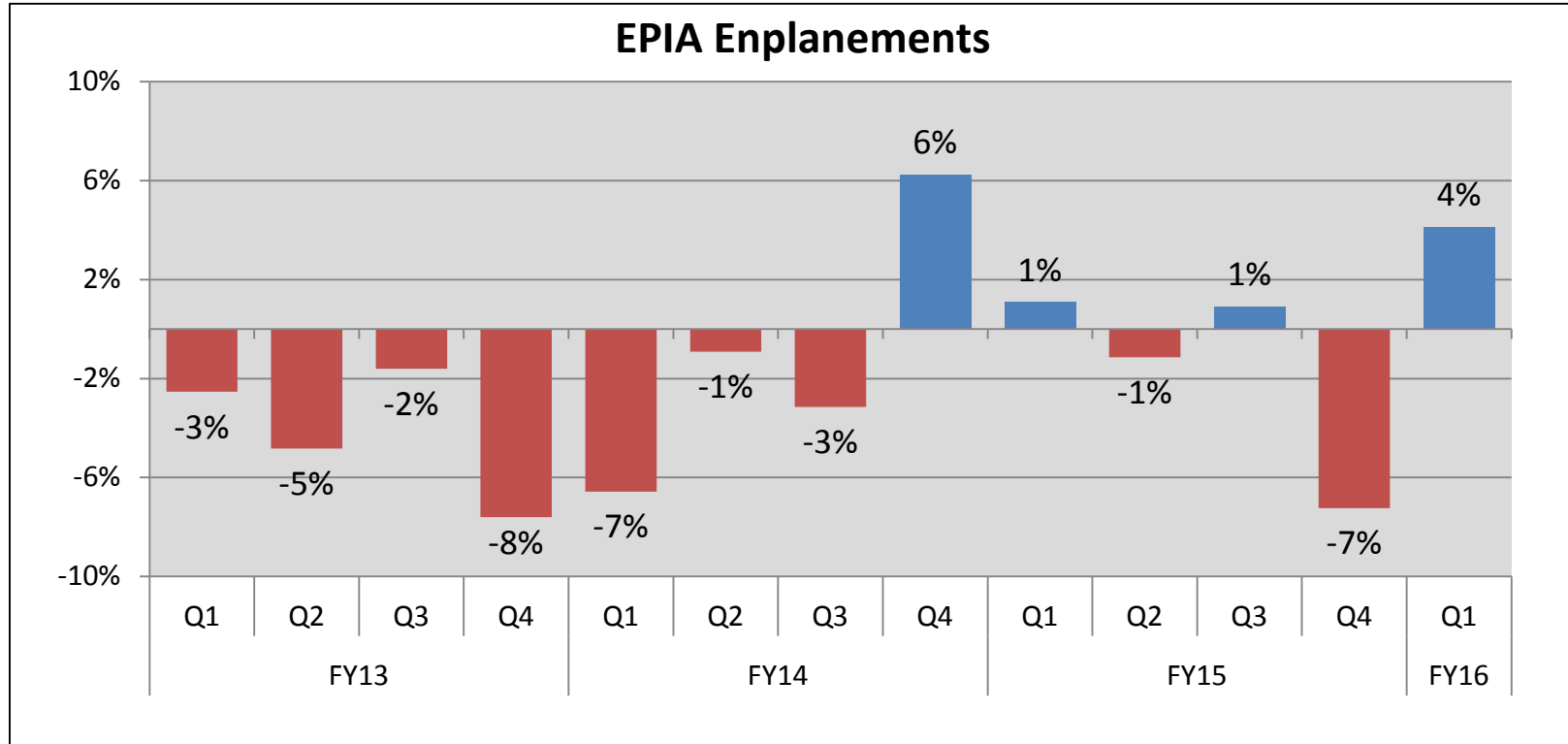
Economic Indicator: Building Permits



During the 1st quarter of FY 2016, Residential Building Permits increased slightly compared to Q1 of FY 2015. Commercial Permit activity increased 31% during the same interval.



Economic Indicator: EPIA Traffic





Questions?

**CAPITAL IMPROVEMENT PROGRAM (CIP)
BUDGET TRANSFER REPORT
FIRST QUARTER FY 2016**

| Date Completed | Fund | Amount | Project | Division | BT # | JUSTIFICATION | FUNDING SOURCE |
|----------------|--|-----------|--|---|-----------|---|---|
| 10/12/2015 | 3350, 3305 | \$666,333 | PCP10IB001B0, BMF0010, PCP15IB003 | 32000, 64830 | 2016-0045 | ECM proposes to reprogram appropriation of \$333,166.53 for project Rehab of Int'l Bridges Stanton & S. Fe from Bridge Capital and Bridge Maintenance. The funding source is Int'l Bridges Capital and Int'l Bridges Maintenance which have been approved by council. The budget transfer request is in accordance with paragraph 8 of the budget resolution. District 8 | Int'l Bridges Capital and Int'l Bridges Maintenance |
| 9/29/2015 | 4970 | \$65,854 | PCP15ST002 | 38190 | 2016-0048 | ECM proposes to appropriate \$65,854.00 for project Purple Heart Elementary School Flashers. The funding source is Other Outside Sources (Socorro Independant School District), agreement approved by council September 21, 2015. The budget transfer request is in accordance with paragraph 13 of the budget resolution. District 5 | SISD |
| 10/5/2015 | 4800 | \$985,200 | PCP13PRK01, PCP15NIP001, PCP15NIPD1A, PCP15NIPD1B, PCP15NIPD2A, PCP15NIPD2B, PCP15NIPD3A, PCP15NIPD3B, PCP15NIPD3C, PCP15NIPD4A, PCP15NIPD4B, PCP15NIPD5A, PCP15NIPD6A, PCP15NIPD7A, PCP15NIPD7B, PCP15NIPD8A, PCP15NIPD8B | 29010 | 2016-0071 | CID proposes to appropriate \$985,200.00 to fund the 2nd round of the Neighborhood Improvement Program projects approved by council June 23, 2015. Funding source is 2012 Quality of Life master project PCP13PRK01. Districts: Citywide | 2012 QOL |
| 10/15/2015 | 4710, 4740, 4690 | \$614,001 | PCP10ST080, PCP13ST004Y2A, PCP06MF001D0, PCP08LJ010, PCP15TRAN05, PCP15TRAN07 | 28300, 28900, 99999 | 2016-0078 | ECM proposes to reprogram appropriation of \$614,001.27 for project Viscount Hike&Bike Trail and Independence Hike&Bike Trail from several completed projects. The funding sources are 2009 CO, 2013 STREET INFRASTRUCTURE, and 2006 CO, all having been approved by council. The budget transfer request is in accordance with paragraph 8 of the budget resolution. Districts: 3 & 7 | 2009 CO, 2013 STREET INFRASTRUCTURE, and 2006 CO |
| 10/12/2015 | 4970 | \$98,642 | PCP14ST004 | 38190 | 2016-0082 | CID proposes to appropriate \$98,642.00 for project Sun Ridge Mis/Lujan Chavez Elen Flashers. The funding source is Other Outside Sources (SISD) agreement approved by council September 21, 2015. The budget transfer request is in accordance with paragraph 13 of the budget resolution. District 5 | SISD |
| 10/27/2015 | 4080, 4690, 4710, 4740, 4500, 4640, 4700, 4500 | \$299,569 | PCP13WELLSRD, PCP10F010, PCP10BND0010, PCP12PRK01H0, PCP13PRKA10, PCP13PRKA28, PCP10ST140 | 31640, 99999, 28300, 28900, 28310, 38130, 28280 | 2016-0083 | CID proposes to transfer appropriation of \$299,568.80 for Vocational Park, Johnson Basin Park, San Jacinto Plaza, and Montwood St. from Wells Rd., Fire Station #37, and 2% Bond Costs which are all complete. Funding sources are 417-GO 2000A, 2010 CO, 2006 CO, 471-CO 2009, 2013 St. Infrastructure, 2010 CO, 451-CO 2010, 464-CO 2000, and 2006 Storm, all approved by council. Districts: Citywide | 417-GO 2000A, 2010 CO, 2006 CO, 471-CO 2009, 2013 St. Infrastructure, 2010 CO, 451-CO 2010, 464-CO 2000, and 2006 Storm |
| 10/15/2015 | 4950 | \$352,563 | PCP15TRAN07 | 38170 | 2016-0084 | CID proposes to appropriate \$352,562.87 for Viscount Hike & Bike Trail. Funding source is TXDOT Reimbursables, LPFAFA executed 6/11/2015. District: 3 | TXDOT |
| 10/20/2015 | 4970 | \$62,582 | PCP13ST003Y3C | 38030 | 2016-0109 | CID proposes to increase appropriation of \$62,582.00 for project Flower Dr. and Concepcion. Street and Drainage Improvements. Funding source is reimbursables from PSB. The budget transfer request is in accordance with paragraph 13 of the budget resolution. | PSB |
| 10/20/2015 | 4970 | \$23,390 | PCP13ST003Y3G | 38030 | 2016-0110 | CID proposes to increase appropriation of \$23,390.24 for project Alicia Dr. Street and Drainage Improvements. Funding source is reimbursables from PSB. The budget transfer request is in accordance with paragraph 13 of the budget resolution. District: 8 | PSB |
| 10/20/2015 | 4690 | \$3,000 | PCP08NI01A0, PCP13PRKA02 | 99999 | 2016-0111 | CID proposes to transfer appropriation of \$3,000.00 for Barron Park project from Lower Dyer Improvement project. Funding source is 2006 CO approved by Council 1/10/2006. The budget transfer request is in accordance with paragraph 8 of the budget resolution. | 2006 CO's |
| 10/28/2015 | 4560 | \$187,000 | PCP12F010, PCP13LIBA07 | 28340 | 2016-0120 | CID proposes to transfer appropriation of \$187,000.00 for Irving Schwartz Library from Fire Station #37 which is complete. Funding source is 2012-2013 CO approved by council April 19, 2011. The budget transfer request is in accordance with paragraph 8 of the budget | 2012 - 2013 CO's |
| 11/9/2015 | 4970 | \$94,231 | PCP15ST003 | 38200 | 2016-0133 | CID proposes to appropriate \$94,231.00 for project Reyes Elementary School Flashers. Funding source is other outside sources (CISD) agreement approved October 8, 2015. The budget transfer request is in accordance with paragraph 13 of the budget resolution. | CISD |
| 11/9/2015 | 4970 | \$92,503 | PCP13ST003Y1L | 38230 | 2016-0138 | CID proposes to increase appropriation of \$92,502.50 for Five Points Quiet Zones project. Funding source is reimbursables from EPWU. The budget transfer request is in accordance with paragraph 13 of the budget resolution. Districts: 2 & 8 | EPWU |

| Date Completed | Fund | Amount | Project | Division | BT # | JUSTIFICATION | FUNDING SOURCE |
|----------------|------|-----------|----------------------------|----------|-----------|---|------------------|
| 11/9/2015 | 4560 | \$10,000 | PCP12FI010, PCP06ST0100 | 28340 | 2016-0143 | CID proposes to transfer appropriation of \$10,000.00 for project Carnegie Street and Drainage. Funding source is FY2012-2013 CO. The budget transfer request is in accordance with paragraph 8 of the budget resolution. District: 3 | FY2012-2013 CO's |
| 11/12/2015 | 4970 | \$11,712 | PCP13ST003Y1A | 38030 | 2016-0157 | CID proposes to increase appropriation of \$11,712.00 for project Ramos Ct, Little Flower and Manning Way Street and Drainage Improvements. Funding source is reimbursables from PSB. The budget transfer request is in accordance with paragraph 13 of the budget resolution. District: 3 | PSB |
| 11/16/2015 | 4970 | \$409,353 | PCP13ST003Y1E | 38230 | 2016-0158 | CID proposes to increase appropriation of \$409,353.00 for project Pebble Hills Blvd. Extension Street and Drainage Improvements. Funding source is reimbursables from PSB. The budget transfer request is in accordance with paragraph 13 of the budget resolution. District: 5 | PSB |