



FY 2017

1st Quarter

General Fund Report

"Delivering Outstanding Services"



Chronology

- FY 2016 1st Quarter Budget Report presented February 22, 2016
- FY 2016 2nd Quarter Budget Report presented June 14, 2016
- FY 2016 3rd Quarter Budget Report presented September 6, 2016
- FY 2016 4th Quarter Budget Report presented January 23, 2017



Overview

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General Fund Summary

<i>Starting Fund Balance (9/1/16)*</i>	<i>\$44,603,537</i>
Plus Estimated Revenues	\$378,768,716
Less Estimated Expenses	\$378,733,314
<i>Estimated Ending Fund Balance (8/31/17)</i>	<i>\$44,638,939</i>
Starting/Ending Estimated Variance	\$35,402

*Preliminary unaudited figure as of 1/5/17

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General Fund Revenues

REVENUE	FY2017 Adopted Budget	FY2017 Adjusted Budget	FY2017 Actual YTD	FY2017 Actual YTD %	FY2016 Actual YTD %
Property Taxes	160,411,640	160,411,640	5,825,678	3.6%	3.6%
Sales Taxes	89,998,184	89,998,184	20,839,919	23.2%	23.9%
Franchise Taxes	53,985,339	53,985,339	13,072,412	24.2%	24.7%
Charges for Services	30,201,329	30,412,071	5,655,968	18.6%	16.3%
Fines and Forfeitures	10,841,457	10,841,457	2,045,535	18.9%	15.7%
Licenses and Permits	12,956,767	12,956,767	3,185,573	24.6%	24.7%
Intergovernmental	469,169	469,169	1,257	0.3%	0.0%
County Participation	400,871	400,871	0	0.0%	0.0%
Interest	25,000	25,000	0	0.0%	4.4%
Rents and Other	1,638,125	1,638,125	393,175	24.0%	20.4%
Other Sources (Uses)	21,028,974	21,028,974	4,548,654	21.6%	22.6%
	381,956,855	382,167,597	55,568,170	14.5%	14.6%

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General Fund Expenses

EXPENDITURES	FY2017 Adopted Budget	FY2017 Adjusted Budget	FY2017 Actual YTD	FY2017 Actual YTD %	FY2016 Actual YTD %
Personal Services	287,476,318	287,346,232	57,185,902	19.9%	20.6%
Contractual Services	34,568,013	34,767,452	6,836,938	19.7%	25.5%
Materials and Supplies	16,504,741	16,418,414	2,721,607	16.6%	19.7%
Operating Expenditures	22,004,820	21,995,797	4,685,677	21.3%	22.7%
Non-Operating	9,462,436	9,462,640	3,662,230	38.7%	14.4%
Intergovernmental	1,550,972	1,552,764	30,567	2.0%	5.7%
Other Uses	10,190,055	10,399,197	1,352,816	13.0%	6.4%
Capital Outlay	199,500	225,102	76,000	33.8%	0.0%
TOTAL EXPENDITURES	\$381,956,855	\$382,167,597	\$76,551,738	20.0%	20.2%

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General Fund Expenses

EXPENDITURES	FY2017 Adopted Budget	FY2017 Adjusted Budget	FY2017 Actual YTD	FY2017 Actual YTD %	FY2016 Actual YTD %
Goal 1 - Economic Development	1,840,395	1,870,640	280,801	15.0%	20.3%
Goal 2 - Public Safety	224,497,982	224,497,982	44,474,720	19.8%	20.3%
Goal 3 - Visual Image	7,608,691	7,608,691	1,428,513	18.8%	20.0%
Goal 4 - Quality of Life	38,573,792	38,573,792	7,178,552	18.6%	18.9%
Goal 5 - Communication	12,313,203	12,313,203	3,820,094	31.0%	37.2%
Goal 6 - Sound Governance	48,798,918	49,009,660	9,844,056	20.1%	17.7%
Goal 7 - Infrastructure	41,513,153	41,513,153	8,229,957	19.8%	20.3%
Goal 8 - Sustainability	6,810,721	6,780,477	1,295,043	19.1%	18.4%
TOTAL EXPENDITURES	381,956,855	382,167,597	76,551,738	20.0%	20.2%

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Revenues

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Property Taxes

FY2017 Adjusted Budget	FY 2017 1st Qtr	FY2017 Actual YTD %	FY2016 Actual YTD %	FY 2016 1st Qtr
160,411,640	5,825,678	3.6%	3.6%	5,610,827

- Collection rate total as a percent of levy is 5.65% through 1st Quarter (five year average is 5.19%)
- Over 90% of property tax revenue is collected in the 2nd Quarter (December and February)

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Sales Taxes

FY2017 Adjusted Budget	FY 2017 1st Qtr	FY2017 Actual YTD %	FY2016 Actual YTD %	FY 2016 1st Qtr
\$89,998,184	\$20,839,919	23.2%	23.9%	\$20,368,685

- Current collections decreased in both October and November (-2.2% and -2.5% respectively)
- Audit collections (performed by the State) have increased by \$1.5M compared to 1st Quarter last year

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Sales Tax

		FY 2016 1st Qtr.	FY 2017 1st Qtr.	Variance \$	Variance %
Collections		\$20,973,866	\$20,615,955	(\$357,911)	-1.7%
State Audits	+	(\$1,179,545)	\$291,554	\$1,471,099	124.7%
Less Service Fees	-	\$403,602	\$426,932	\$23,330	5.8%
Net Payment	=	\$19,390,718	\$20,480,577	\$1,089,858	5.6%

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December Sales Tax Collections

City	Variance
Arlington	5.1%
Plano	4.2%
Dallas	0.0%
Austin	-0.1%
El Paso	-0.7%
Ft. Worth	-0.9%
San Antonio	-3.6%
Houston	-5.2%
Corpus Christi	-5.5%
Laredo	-7.1%

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Franchise Fees

FY2017 Adjusted Budget	FY 2017 1st Qtr	FY2017 Actual YTD %	FY2016 Actual YTD %	FY 2016 1st Qtr
\$53,985,339	\$13,072,412	24.2%	24.7%	\$12,731,774

- Continuing to experience monthly decreases in the number of AT&T phone lines (residential, non-residential, and point-to-point)
- El Paso Water Utility – trending positively due to rate increase for water sales

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Charges for Services

FY2017 Adjusted Budget	FY 2017 1st Qtr	FY2017 Actual YTD %	FY2016 Actual YTD %	FY 2016 1st Qtr
30,412,071	5,655,968	18.6%	16.3%	5,017,206

- Examples of accounts in this category include: ambulance service revenue, indirect costs, reimbursed expenses, and engineering charges
- Year-to-date increase due to timing of processing engineering charges to capital projects

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Fines & Forfeitures

FY2017 Adjusted Budget	FY 2017 1st Qtr	FY2017 Actual YTD %	FY2016 Actual YTD %	FY 2016 1st Qtr
\$10,841,457	\$2,045,535	18.9%	15.7%	\$1,673,724

- FY 2016 1st Quarter only includes actuals for September and October. November actuals were posted in December
- Difficulties being experienced with new court software implementation

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Expenses

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Personal Services

FY2017 Adjusted Budget	FY2017 Actual YTD	FY2017 Actual YTD %	FY2016 Actual YTD %	Actual 2016 YTD reporting month
287,346,232	57,185,902	19.9%	20.6%	56,314,882

- FY 2016 1st Quarter includes one-time lump sum payments (approx. \$1.7M)
- FY 2017 compensation increases effective on Nov. 27 (end of 1st Quarter).

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Contractual Services

FY2017 Adjusted Budget	FY2017 Actual YTD	FY2017 Actual YTD %	FY2016 Actual YTD %	Actual 2016 YTD reporting month
34,767,452	6,836,938	19.7%	25.5%	8,861,119

- FY 2016 1st Quarter included P25 public safety radio debt payment of \$2.3M (FY 2017 budgeted in the appropriate Non-Operating category)

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Materials & Supplies

FY2017 Adjusted Budget	FY2017 Actual YTD	FY2017 Actual YTD %	FY2016 Actual YTD %	Actual 2016 YTD reporting month
16,418,414	2,721,607	16.6%	19.7%	2,816,635

- FY 2017 budget increased by \$1.2M (primarily in Streets, Fire, and Parks)
- Examples include materials for pothole patching, striping, land maintenance, etc. which are primarily purchased during early Spring

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Operating Expenditures

FY2017 Adjusted Budget	FY2017 Actual YTD	FY2017 Actual YTD %	FY2016 Actual YTD %	Actual 2016 YTD reporting month
21,995,797	4,685,677	21.3%	22.7%	4,704,567

- Examples of accounts in this category include; utilities, communications, professional licenses, and training
- Expenditures in this category are currently performing as expected



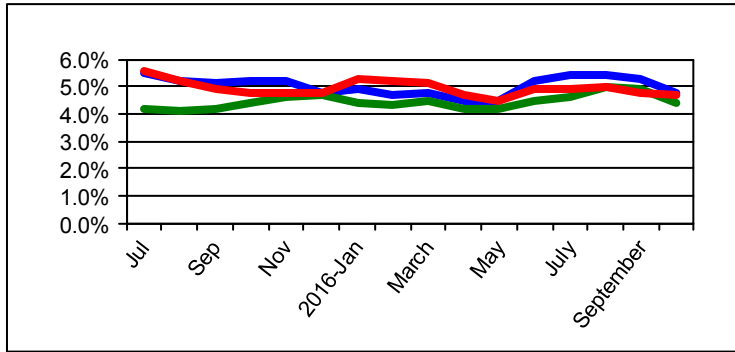
Questions

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El Paso, TX Economic Indicators (Q3 2016)

Unemployment Rate Trend (not seasonally adjusted)



Source: Bureau of Labor Statistics

El Paso Population

El Paso MSA: 850,321

City of El Paso: 678,007

Source: Census.gov

Unemployment Rate

(not seasonally adjusted)

	Oct 15	Oct 16	Change
El Paso	5.2%	4.8%	-0.4%
Texas	4.4%	4.4%	0.0%
U.S.	4.8%	4.7%	-0.1%

Source: BLS.gov

Wage Rates Median (Mean)

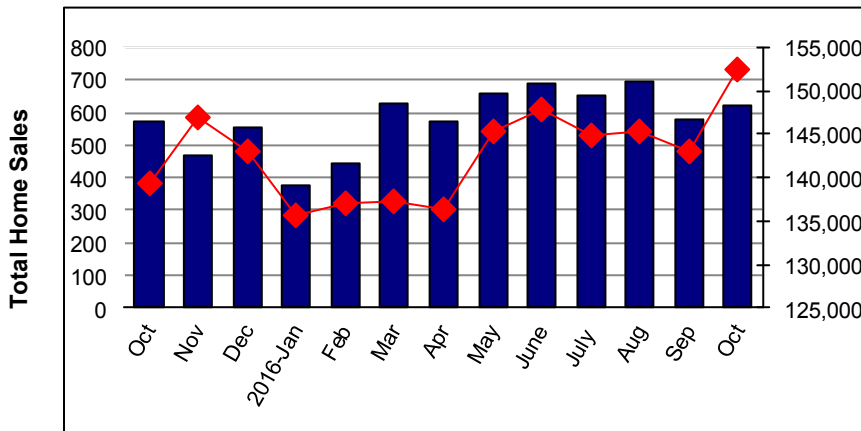
	May 2014	May 2015	Change		2015	2016	Change
El Paso	\$12.48 (\$17.51)	\$12.70 (\$17.78)	+\$0.22 (+\$0.27)	Median HH Income	\$40,170	\$41,088	+\$918
Texas	\$16.18 (\$21.79)	\$16.61 (\$22.38)	+\$0.43 (+\$0.59)	Civilian Labor Force	346,594	353,974	+7,380
U.S.*	\$17.09 (\$22.71)	\$17.40 (\$23.23)	+\$0.31 (+\$0.52)	Employment	328,938	336,987	+8,049

*Bureau of Labor Statistics— OES Data released February 2016

Sources: Texas Labor Market Profile , ACS & Alteryx

Workforce

Residential Activity



■ Home Sales
◆ Median Home Price

Source: Texas A&M Real Estate Center

Permits

2015 total permits
(single, multifamily, commercial)

2,218 *\$1,932,700
104 *\$1,095,500
1,869 *\$984,800

2016 total permits (as of Oct. 2016)
(single, multifamily, commercial)

1,964 *\$2,197,800
113 *\$911,800
798 *\$825,200

Median Price

Source: Texas A&M Real Estate Center

*Avg. Value per Dwelling Unit (1 year totals)

El Paso Apartment Data

Total November Units added (includes only complexes with 50+units): 208 units
Avg. Square Feet: 840 sq. ft.
Effective Rent: \$752
Asking Rent: \$764
Occupancy: 91.0% (November 2016)

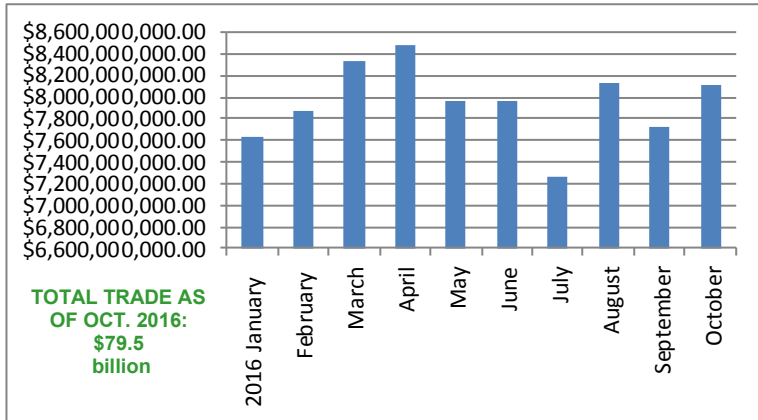
Source: ALN Apartment Data, Inc.



El Paso, TX Economic Indicators (Q3 2016)

U.S.-Mexico Exports and Imports Trade Activity El Paso, Texas (District 24)

*U.S. Department of Commerce, Foreign Trade Division



ACCRA Cost of Living Composite Index (Annual)

	2015	2016 Q3
El Paso	91.3	90.4
Albuquerque	95.6	94.3
Austin	96	96.3
Dallas	96.1	103.2
Fort Worth	102.8	101.7
Houston	98.2	99.4
Las Cruces	97.4	98.6
Phoenix	95.9	98.6
Tucson	92.8	94.1
San Antonio	87.3	85.4

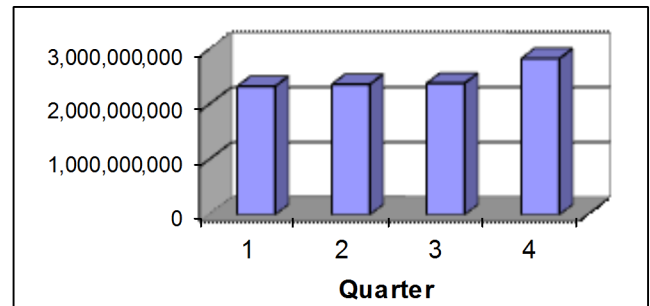
*Data released October 2016

El Paso International Airport October Flight Activity

	2015	2016	Change
Carriers	5	6	+1
Daily Departures	47	49	+2
Freight (in tons)	8,250	6,824	-17.3%
Nonstop cities	12	12	0
Passengers	244,840	248,987	+1.7%
Daily Seats	5,114	5,480	+366

*El Paso International Airport, October traffic report totals

El Paso MSA Gross Retail Trade Sales Source: Texas Comptroller's Office



Total Gross
Retail Trade Sales 2015
\$9,902,240,978

*mycpa.state.tx.us, Retail Trade Summary Report 2015

October Passenger Market by Airline

	2015	2016
Southwest	49.39%	47.35%
American	30.92%	32.01%
U.S. Airways	1.82%	0%
Delta	8.10%	8.11%
Allegiant	0.00%	2.54%
United	9.77%	9.99%

October 2016 Total Passengers: 248,987

Source:
El Paso International Airport

Hotel Industry El Paso

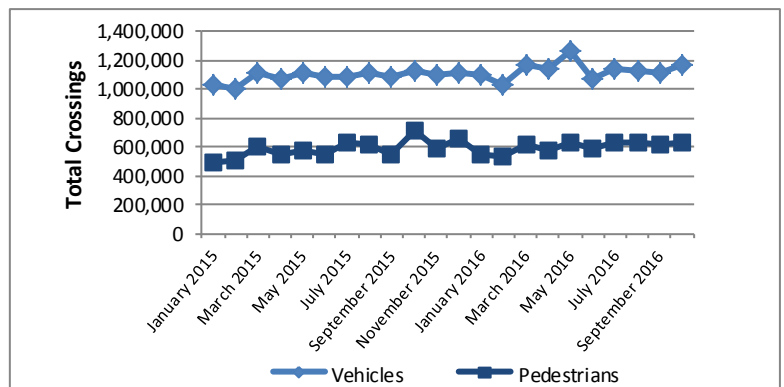
	Sep. 2015	Sep. 2016
Hotel Occupancy	68.1%	65.3%
Total Hotels	79	81
Total Rooms	8,997	9,200
Hotel Revenue, Sept. YTD 2016:	\$135M	

Note: Revenue in Millions

Sources:
Destination El Paso,
Market Texas Tourism website
October data not yet available

Northbound Crossings (all bridges)

More than 17 million northbound crossings as of Oct. 2016



Source: Customs & Border Protection

**CAPITAL IMPROVEMENT PROGRAM (CIP)
BUDGET TRANSFER REPORT
FIRST QUARTER FY 2017**

Date Completed	Fund	Amount	Project	Division	BT #	JUSTIFICATION	FUNDING SOURCE
9/19/2016	4710	\$245,339	PCP09MT0070A, PCP09MT0070	28300	2017-0018	CID proposes to transfer approp of \$245,338.65 for PCP09MT0070 NG TransitTerminal from sub-project PCP09MT0070A per Sun Metro's request.The funding source is 2009COs and is in accordance with paragraph 8 of the budget resolution.District 4	CO 2009 ISSUE
9/12/2016	4740	\$510	PCP16ST003, PCP13ST0003	28900	2017-0032	CID proposes to transfer approp of \$510.29 to PCP16ST003CentralCurbMod from MasterProjectPCP13ST0003.Funds needed to complete project.Funding source is2013-2019COs & is in accordance with paragraph8 of the BudgetResolution.DistrictCitywide	2013 STREET INFRASTRUCTURE
9/15/2016	4950	\$108,565	PCP14IB005, PCP14IB004	38170	2017-0033	To increase approp of \$108,565 for PCP14IB005 & PCP14IB004 Paso DelNorte&Stanton Ports of Entry.The funding source is reimbursed expenditures fromTXDOT and is in accordance with paragraph 10 of the budget resolution.District 8	Capital Projects-TxDot
8/31/2016	4500	\$375,671	PCP10FI010	22130, 28310	2017-0044	CID proposes to transfer appropriations of \$375,670.50 between project accounts for PCP10FI010 F.S # 31 per Comptroller's recommendation.	CO 2010 ISSUE
9/20/2016	4500, 4510, 4560, 4630, 4680, 4650, 4700, 4710, 4730, 4690	\$1,380,047	PCP12PRK01HO, PCP14CHSITE, PCP17ST016, PCP10TRAN04D0, PCP12MFG410, PCP12PRK01C0, PCP12PRK01D0, PCP12PRK01G0, PCP13CTYHALL2, PIT090010, PCP14LIB001, PSTM06PW840, PCP10IT010, PCP17ST016, PCP13LUTHER, P09ST0150, PCP13CTYHALL1, PCP08MF010, PCP08ST04D70, PCP14PRK05	28310, 28320, 28340, 38000, 38320, 15090, 28280, 28300, 99998, 99999	2017-0058	CID proposes to transf. approp of \$861,247.43 to fund PCP17ST016 OverwidthPavingProject. Amt approved per OverwidthReimbursement Agreement dated 11/19/2013, and is in accordance with paragraph 8 of budget resolution.	CO 2010 ISSUE, CO 2010 ISSUE, FY12-13CO'S CIP PLAN, CO 1998B ISSUE, CO 2003 ISSUE, CO 2001 ISSUE, Capital Projects-Storm 2006, CO 2009 ISSUE, RELOCATION CIP, CO 2006 ISSUE
9/21/2016	4741	\$1,707,393	PCP13PRKC07	38290	2017-0064	To establish additional funding of \$1,707,393 for the Westside Pool PCP13PRKC07 per Council approval on July 26, 2016. FY17 Budget Resolution #8.	CO2016 ISSUE
9/21/2016	4740	\$4,000	PCP17ST007	28900	2017-0067	CID proposes to transfer approp of \$4,000.00 for standing art work on PCP17ST007 Independence Dr Ped.& Bike Enhancements.Funding source is from 2013CO's St Infrastructure & in accordance with paragraph 8 of resolution.	2013 STREET INFRASTRUCTURE

**CAPITAL IMPROVEMENT PROGRAM (CIP)
BUDGET TRANSFER REPORT
FIRST QUARTER FY 2017**

Date Completed	Fund	Amount	Project	Division	BT #	JUSTIFICATION	FUNDING SOURCE
10/3/2016	4740	\$140,000	PCP13ST003Y4A, PCP13ST0003	28900	2017-0078	CID proposes to transfer approp of \$140,000 for PCP13ST003Y4A Rim&Hague Capital plan project. Funding source is 2013-2019CO's St Infrastructure Master Proj approved by council 3/18/16 & in accordance with paragraph 8 of budget resolution.	2013 STREET INFRASTRUCTURE
10/3/2016	4800	\$1,470,000	PCP13MUS01	29030	2017-0079	CID proposes to transfer appropriations of \$1,470,000.00 for PCP13MUS01 Children's Museum Land Aquisition project. The funding source is 2012 QOL GO's and is in accordance with paragraph 8 of budget resolution.	GOP 2012 QUALITY OF LIFE
10/12/2016	4800	\$2,611,661	PCP13PRKA18	29010	2017-0098	Transfer approp of \$2,611,661.35 to realign budget for PCP13PRKA18 Eastside SportsComplex . Funding 2012 QOL GO's. In accordance with paragraph 8 of budget resolution. Preview BTs regarding project attached as backup.	GOP 2012 QUALITY OF LIFE
10/19/2016	4970	\$203,701	PCP11MT040	38230	2017-0144	CID proposes to increase appropriations of \$203,701 for PCP11MT040 DYER RTS project. Funding source is from reimbursables from PSB. Budget transfer is in accordance with parag 13 of the budget resolution.	Other Outside Sources
10/19/2016	4740	\$500,000	PCP13ST006Y5, PCP13ST0006	28900	2017-0145	CID proposes to set up approp of \$500,000 for yr 5 for PCP13ST006Y5 NTMP project. Funding source is from 2013 Str Infrast.CO's master project. Budget transfer is in accordance with parag 13 of the budget resolution.	2013 STREET INFRASTRUCTURE
10/20/2016	4670	\$89,357	PSWM00120	38150	2017-0158	CID proposes to adjust appropriations to close out project PSWM00120 Clint Landfill project as per Comptroller's recommendation. Funding was from 2001A CO's.	CO 2001A ISSUE
11/2/2016	4950	\$146,725	PCP16TRAN02	38170	2017-0159	CID proposes to increase approp by\$ 146,724.60 for project PCP16TRANO2 Riverbend Dr Multimodal Improv. Funding source is reimbursed expenditures from TXDOT and is in accordance with paragr 13 of the budget resolution.	Capital Projects-TxDot
10/31/2016	4741, 4800	\$1,020,775	PCP13PRKC07	38290, 29010	2017-0176	CID proposes to realign the budget by \$1,020,774.93 for PCP13PRKC07 Westside Pool . Funding source is from 2012 QOL and 2016 CO's and is in accordance with paragr 8 of the budget resolution.	CO 2016 ISSUE, GOP 2012 QUALITY OF LIFE
10/31/2016	4740	\$600,000	PCP13ST007Y5, PCP13ST0007	28900	2017-0177	CID proposes to increase approp by \$600,000 for PCP13ST007Y5 PED ELEMENT SIDEWALK 2017 Yr 5. Funding source is from Ped Sidewalk & Parkway Master Account and is in accordance with paragr 8 of the budget resolution.	2013 STREET INFRASTRUCTURE
11/10/2016	4740	\$4,200,000	PCP13ST0001, PCP13ST0002, PCP13ST0003, PCP13ST0004, PCP13ST0005, PCP13ST0006, PCP13ST0007	28300	2017-0178	CID proposes to increase approp by \$4,200,000 to set up the Revenue portion of the budget for multiple projects. On original BT#2014-0519 only Expense portion was set for 2% Transfer for the Arts, Revenue was left out.	2013 STREET INFRASTRUCTURE

**CAPITAL IMPROVEMENT PROGRAM (CIP)
BUDGET TRANSFER REPORT
FIRST QUARTER FY 2017**

Date Completed	Fund	Amount	Project	Division	BT #	JUSTIFICATION	FUNDING SOURCE
11/1/2016	4740	\$5,500,000	PCP13ST002RSY5, PCP13ST0002	28900	2017-0179	CID proposes to increase approp by \$5,500,000 for PCP13ST002RSY5 Resurfacing 2017 Yr 5. Funding source is from Resurfacing/ Microsurfac Master Account and is in accordance with paragr 8 of the budget resolution.	2013 STREET INFRASTRUCTURE
11/1/2016	4800	\$9,940	PCP13ZOOD11	29020	2017-0180	CID proposes to increase approp by \$9,940.00 for project PCP13ZOOD11. Additional funds needed to purchase lighting equipment for the Zoo's parking lot.	GOP 2012 QUALITY OF LIFE
10/25/2016	4930	\$1,668,300	PCP06ST022B0, PCP10TRAN010, PCP12SRTS060, PCP12SRTS080, PCP14TRAN02, PCP14TRAN07, PCP14TRAN10, PPW00350070	38290	2017-0184	CID proposes to setup appropriation in fund 4930 for TXDOT projects with deficits in order to close out the project in fund 4950.	Capital Projects-Internal
11/10/2016	4930	\$59,054	PCP17MF001	38290	2017-0221	To set up funding for preliminary design and cost estimate of the Far Eastside Police Regional Command and Fire Station Complex (PCP17MF001).	Capital Projects-Internal
11/22/2016	4800	\$24,010	PCP13PRKA04, PCP13PRKC05	29010	2017-0234	CID proposes to increase approp by \$16,238.00 for project PCP13PRKC05 Pavo Real Spray Park. Additional funds needed to purchase security cameras. Funding source from 2012 QOL and is in accordance with parag 8 of resolution	GOP 2012 QUALITY OF LIFE