

# County of El Paso, Texas Comprehensive Annual Financial Report

For the Fiscal Year Ended  
September 30, 2010



# COUNTY OF EL PASO

## 2010 CAFR UPDATE

**VISION STATEMENT**  
El Paso County—  
Government that *WORKS*





# OVERVIEW

- 1. Discussion of Financial Position- includes revenue, expenditure, and fund balance trends**
- 2. Impacts on current and future years**
- 3. Discussion on current budget process update and any additional recommendations from the Commissioners Court for 2012**



# Entity-Wide Statement of Net Assets

## ■ Assets

- Entity-wide assets totaled \$356.9 mil. and decreased by \$20.1 mil. or 5.35 percent.

## ■ Liabilities

- Entity-wide liabilities totaled \$213.5 mil. and increased by \$1.6 mil. or .74 percent from FY 2009.

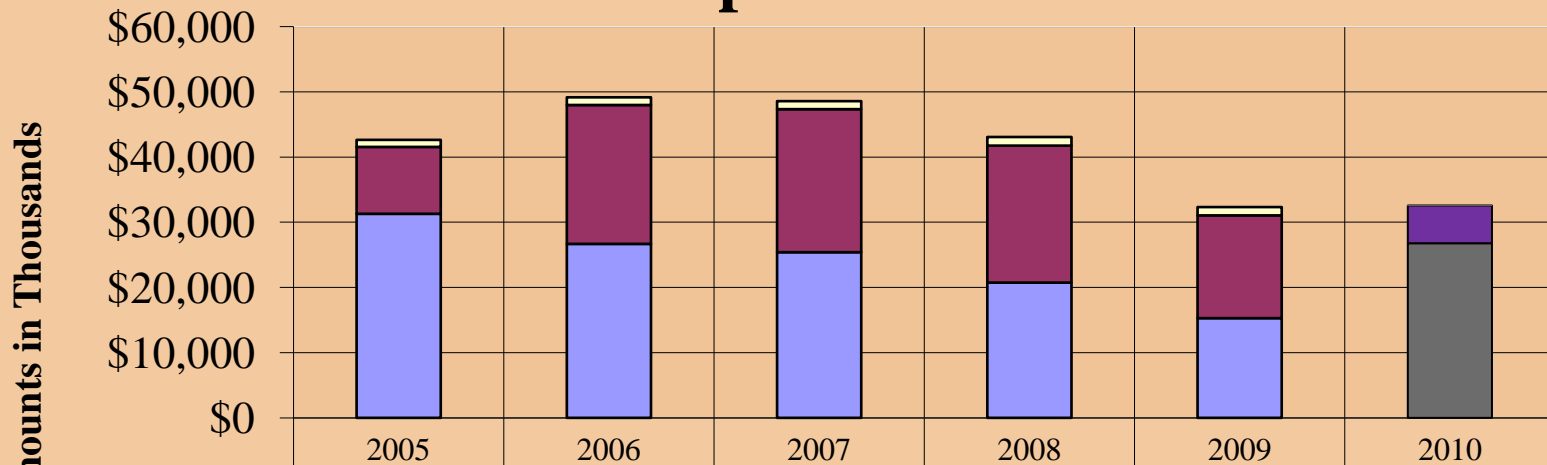
## ■ Net Assets

- Governmental & Business Type Activities Assets exceeded liabilities by \$143.4 mil. (Total Net Assets) and decreased by \$21.7 mil or 13.2 percent.
- \$132.3 mil or 92.2% represents governmental activities and \$11.2 mil or 7.8% represents business type activities.



# FY 2010 General Fund Fund Balance Analysis

## Fund Balance Components-General Fund



Fiscal Years	2005	2006	2007	2008	2009	2010
■ Nonspendable						\$5
■ Assigned						\$5,824
■ Unassigned						\$26,764
□ Reserved for Specific Purposes	\$1,078	\$1,162	\$1,250	\$1,339	\$1,280	
■ Unreserved, Designated for Subsequent Year Expenditures	\$10,253	\$21,316	\$21,924	\$20,983	\$15,751	
■ Unreserved, Undesignated/(Shortfall)	\$31,299	\$26,691	\$25,410	\$20,750	\$15,319	

- Actual total fund balance \$32,593 mil., which increased by \$243K above 2009.
- Of this total, the fund balance designated to balance the FY2011 budget was \$4.9 mil., which leaves a total of \$26.8 mil. undesignated, resulting in a ratio of 13.45% of the FY2011 General Fund budget of \$199.2 mil.



# FY 2010 General Fund Fund Balance Analysis

## General Fund- Fund Balance, cont'd

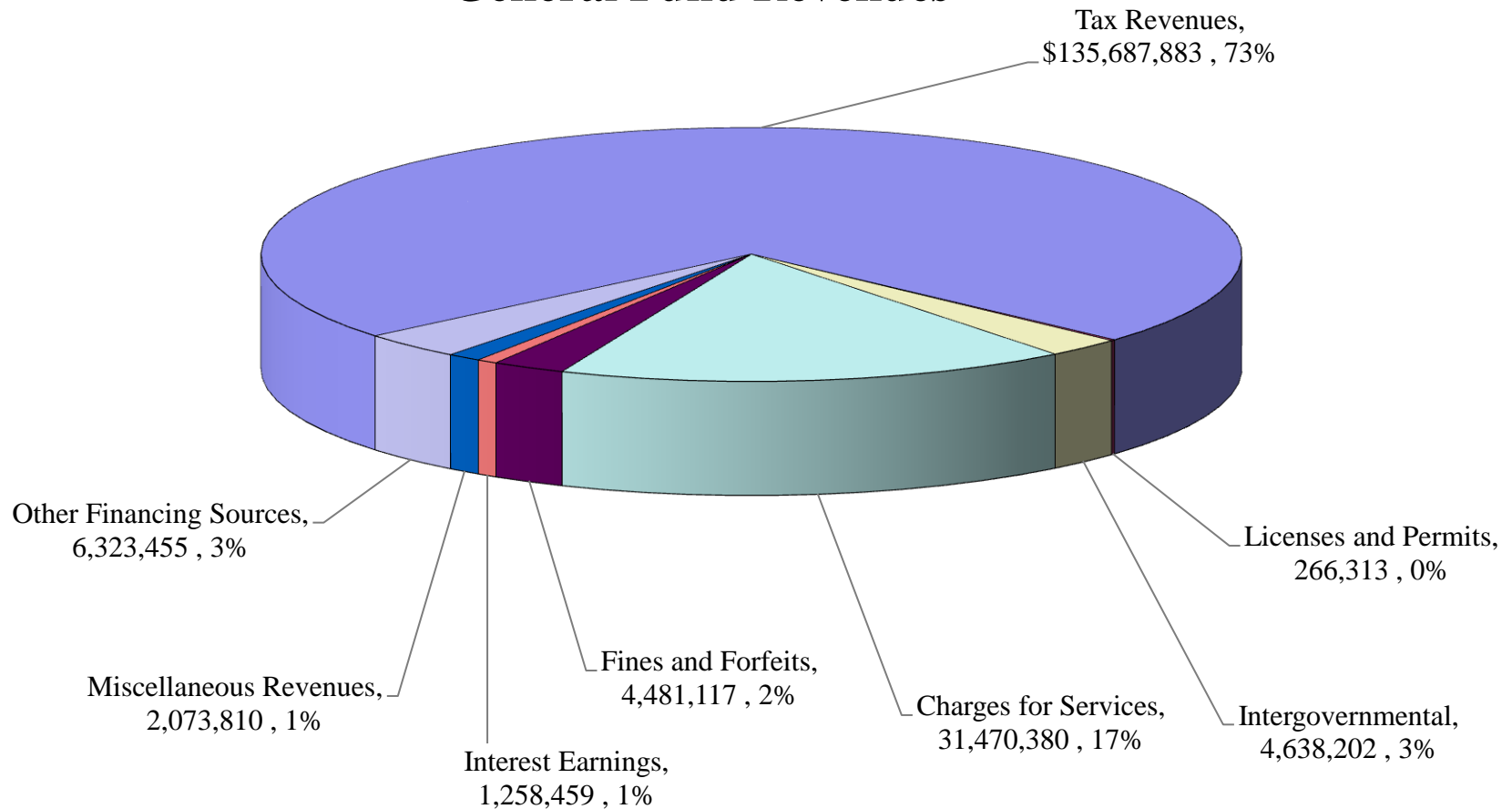
<b>FY 2009 Beginning balance</b>	<b><u>\$32.4 Mil.</u></b>
❖ Revenues and Transfers-In (Incr. \$4.8 mil or 2.64%)	\$186.2 Mil.
❖ Expenditures and Transfers-Out (Decrease \$ 6.4 mil or 3.33%)	\$186.0 Mil.
❖ FY 2010 Rev-less Expend	\$200K
<b>FY 2010 Ending balance</b>	<b><u>\$32.6 Mil.</u></b>





# Revenue Sources—General Fund

## General Fund Revenues



**\*Taxes – Property Taxes (\$98.4 million), Sales Taxes (\$35.4 million)**



# FY 2010 General Fund Revenue Analysis

	2010 Actual	2009 Actual	Amount Increase / Decrease from FY 2009	% Increase / Decrease	2010 Actual as a % of Total Revenue & Other Sources
<b>Tax Revenues</b>	\$135,687,883	\$134,980,088	\$707,795	0.52%	72.87%
<b>Licenses and Permits</b>	\$266,313	\$282,841	(\$16,528)	(5.84%)	0.14%
<b>Intergovernmental</b>	\$4,638,202	\$5,605,182	(\$966,980)	(17.25%)	2.49%
<b>Charges for Services</b>	\$31,470,380	\$30,718,968	\$751,412	2.45%	16.90%
<b>Fines and Forfeits</b>	\$4,481,117	\$4,691,135	(\$210,018)	(4.48%)	2.41%
<b>Interest</b>	\$1,258,459	\$1,602,150	(\$343,691)	(21.45%)	0.68%
<b>Miscellaneous</b>	\$2,073,810	\$2,149,394	(\$75,584)	(3.52%)	1.11%
<b>Other Financing Sources</b>	\$6,323,455	\$1,608,939	\$4,714,516	293.02%	3.40%
<b>Total Revenues and Other Sources</b>	\$186,199,619	\$181,638,697	\$4,560,922	2.51%	100%





# Revenue Sources- Increases

## GF Revenue Increases

### Net Taxes \$708K

Property Taxes  
(\$836K), Sales  
Taxes \$1.3 Mil.  
incr., Mixed Bev.  
\$14.4K incr.

Charges for  
Services \$751K

Other Financing  
Sources \$4.7 Mil



# Revenue Sources- Decreases

Licenses and  
Permits  
\$16.5K

Intergovernmental  
\$967K.

Fines and  
Forfeiture  
\$210K

Misc.  
Rev.  
\$76K

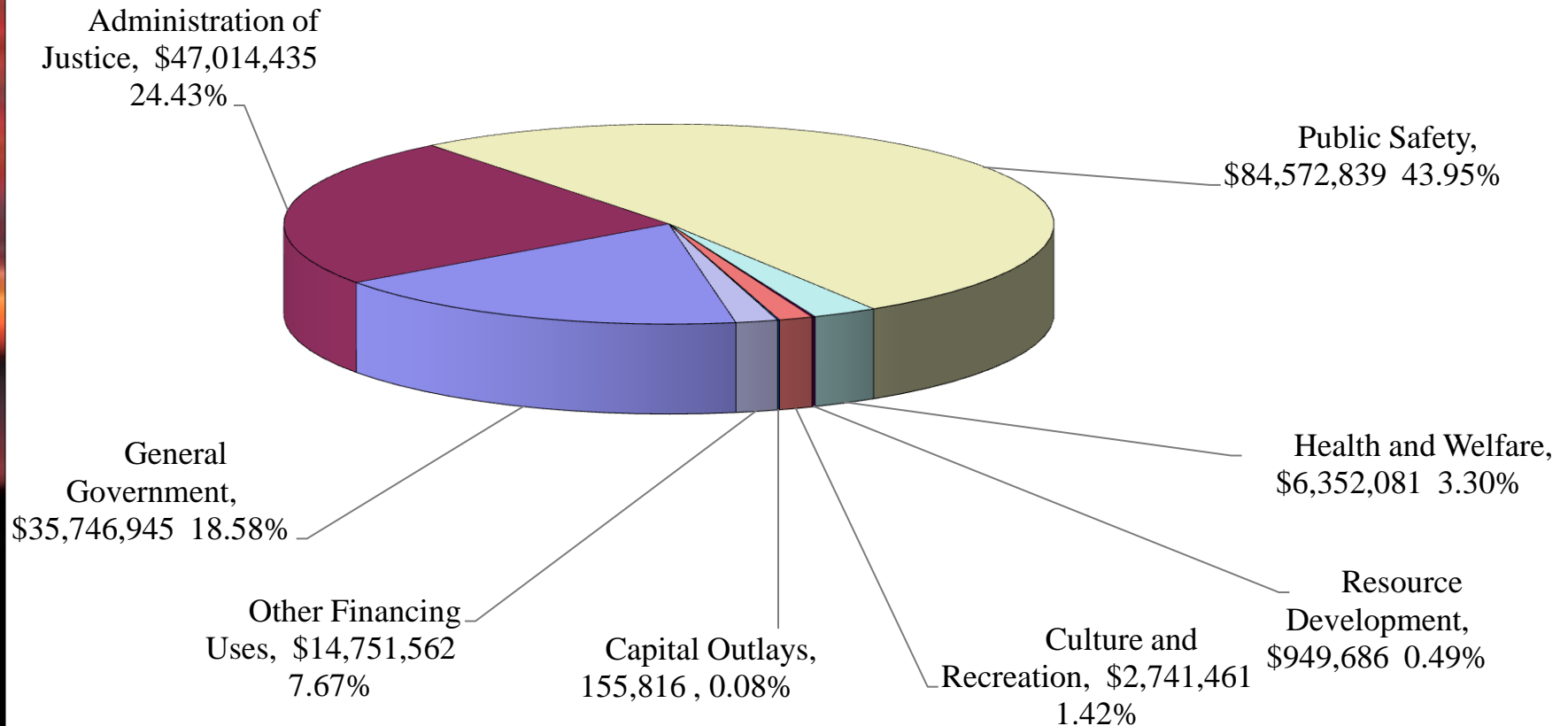
Interest  
Earnings  
\$344K

Revenue Decreases



# Expenditures – General Fund

## General Fund Expenditures







# FY 2010 General Fund Expenditure Analysis

	2010 Actual	2009 Actual	Amt Increase / Decrease from FY 2009	% Increase / Decrease	2010 Actual as a % of Total Expenses
General Government	\$33,137,445	\$35,751,669	(\$2,614,224)	(7.31%)	17.81%
Administration of Justice	\$45,345,561	\$47,014,435	(\$1,668,874)	(3.55%)	24.37%
Public Safety	\$96,160,454	\$84,574,932	\$11,585,522	13.70%	51.69%
Health and Welfare	\$5,063,110	\$6,352,081	(\$1,288,971)	(20.29%)	2.72%
Resource Development	\$240,588	\$949,686	(\$709,098)	(74.67%)	.13%
Culture and Recreation	\$2,650,048	\$2,741,461	(\$91,413)	(3.33%)	1.42%
Capital Outlays	\$155,816	\$307,001	(\$151,185)	(49.25%)	.08%
Other Financing Uses	\$3,280,884	\$14,751,562	(11,470,678)	(77.76%)	1.76%
Total Expenditures and Other Uses	\$186,033,906	\$192,442,827	(\$6,408,921)	(3.33%)	100%



# Expenditures- Changes

## Major Expenditure Incr./Decr.

Gen. Govt.  
(\$2.6 Mil.)

Admin. Of  
Justice  
(\$1.67 Mil.)

Public Safety  
\$11.6 Mil.

Hlth. and  
Welfare  
(\$1.29  
Mil.)

Resource  
Develop.  
(\$709K)

Other Fin.  
Uses  
(\$11.5 Mil.)

Capital  
Outlays  
(\$151K)

Culture  
and Rec.  
(\$91K)



# Expenditures for 2010 General Fund by Category

Capital

Other Fin.  
Uses

Operating

Personnel

\$156K  
or .08%

\$3.3  
Mil. or  
1.76%

\$38.3 Mil or  
20.59%

\$144.3 Mil or  
77.56%



# General Fund Overview

General Funds Overview as of September 30, 2010, Exhibit 4

REVENUES	10 Budget	10 Actual	Actual as % of Total Actual	10 Budget Variance	Var as % of Total Var	09 Actual	FY10 vs FY09 \$ Chg	FY10 vs FY09 % Chg
Taxes:								
Property	\$101,713,789	\$98,383,348	52.84%	(\$3,330,441)	1229.34%	\$87,777,846	\$10,605,502	12.08%
Sales	\$34,200,000	\$35,426,489	19.03%	\$1,226,489	-452.73%	\$32,985,941	\$2,440,548	7.40%
Bingo	\$52,000	\$56,409	0.03%	\$4,409	-1.63%	\$62,713	-\$6,304	-10.05%
Mixed beverage	\$1,500,000	\$1,821,637	0.98%	\$321,637	-118.72%	\$1,375,735	\$445,902	32.41%
Licenses and permits	\$248,500	\$266,313	0.14%	\$17,813	-6.58%	\$194,080	\$72,233	37.22%
Intergovernmental	\$4,033,856	\$4,638,202	2.49%	\$604,346	-223.08%	\$3,767,026	\$871,176	23.13%
Charges for services	\$30,320,988	\$31,470,380	16.90%	\$1,149,392	-424.27%	\$32,268,875	-\$798,495	-2.47%
Fines and forfeitures	\$4,805,000	\$4,481,117	2.41%	(\$323,883)	119.55%	\$5,706,185	-\$1,225,068	-21.47%
Interest	\$1,260,000	\$1,258,459	0.68%	(\$1,541)	0.57%	\$3,639,456	-\$2,380,997	-65.42%
Miscellaneous	\$2,482,100	\$2,073,810	1.11%	(\$408,290)	150.71%	\$2,203,854	-\$130,044	-5.90%
Other Financing Sources	\$5,854,298	\$6,323,455	3.40%	\$469,157	-173.18%			
Total revenues	\$186,470,531	\$186,199,619	100.00%	-\$270,912	100.00%	\$169,981,711	\$9,894,453	5.82%
Total Variance as % of Estimated Revenue				-0.15%				
General Government	\$45,204,294	\$33,117,900	17.81%	\$12,086,394	69.08%	\$29,888,859	\$3,229,041	10.80%
Admin of Justice	\$48,080,123	\$45,367,759	24.40%	\$2,712,364	15.50%	\$39,075,021	\$6,292,738	16.10%
Public Safety	\$98,292,950	\$96,067,196	51.66%	\$2,225,754	12.72%	\$78,221,079	\$17,846,117	22.81%
Health and Welfare	\$5,861,886	\$5,095,471	2.74%	\$766,415	4.38%	\$6,833,607	-\$1,738,136	-25.44%
Resource Development	\$369,166	\$241,166	0.13%	\$128,000	0.73%	\$470,660	-\$229,494	-48.76%
Culture and Recreation	\$2,938,865	\$2,642,251	1.42%	\$296,614	1.70%	\$2,282,462	\$359,789	15.76%
Capital Outlays	\$471,860	\$155,816	0.08%	\$316,044	1.81%	\$363,664	-\$207,848	-57.15%
Other Financing Uses	\$2,246,593	\$3,281,060	1.76%	-\$1,034,467	-5.91%	\$14,812,868	-\$11,531,808	-77.85%
Total	\$203,465,737	\$185,968,619	100.00%	\$17,497,118	100.00%	\$171,948,220	\$14,020,399	8.15%
Revenues less Expenditures	-\$16,995,206	\$231,000		-\$17,768,030		-\$1,966,509	-\$4,125,946	

# General Fund Overview

## General Fund Overview as of September 30, 2009

	09 Budget	09 Actual	Actual as % of Total Actual	09 Budget Variance	Var as % of Total Var	FY09 vs FY08 Act. \$ Chg	FY09 vs FY08 % Act. Chg
<b>REVENUES</b>							
Taxes:							
Property	\$100,026,332	\$99,219,241	54.62%	(\$807,091)	12.77%	\$5,506,059	5.88%
Sales	\$35,000,000	\$34,125,702	18.79%	(\$874,298)	13.83%	-\$1,182,655	-3.35%
Bingo	\$67,000	\$41,964	0.02%	(\$25,036)	0.40%	-\$36,261	-46.35%
Mixed beverage	\$1,400,000	\$1,593,181	0.88%	\$193,181	-3.06%	\$118,605	8.04%
Licenses and permits	\$228,800	\$282,841	0.16%	\$54,041	-0.85%	\$53,164	23.15%
Intergovernmental	\$4,864,856	\$5,605,182	3.09%	\$740,326	-11.71%	\$591,665	11.80%
Charges for services	\$35,318,950	\$30,718,968	16.91%	(\$4,599,982)	72.76%	-\$2,030,313	-6.20%
Fines and forfeitures	\$5,602,000	\$4,691,135	2.58%	(\$910,865)	14.41%	-\$765,343	-14.03%
Interest	\$2,600,000	\$1,602,150	0.88%	(\$997,850)	15.78%	-\$1,016,486	-38.82%
Miscellaneous	\$1,754,661	\$2,149,394	1.18%	\$394,733	-6.24%	\$348,980	19.38%
Other Financing Sources	\$1,098,000	\$1,608,939	0.89%	\$510,939	-8.08%	\$545,297	51.27%
Total revenues	\$187,960,599	\$181,638,697	100.00%	-\$6,321,902	100.00%	\$2,132,712	1.19%
<b>EXPENDITURES</b>							
General Government	\$48,161,432	\$35,777,927	18.59%	\$12,383,505	69.94%	\$3,498,845	10.84%
Admin of Justice	\$48,296,027	\$47,014,435	24.43%	\$1,281,592	7.24%	\$3,845,186	8.91%
Public Safety	\$87,083,830	\$84,572,839	43.94%	\$2,510,991	14.18%	\$1,597,692	1.93%
Health and Welfare	\$6,821,379	\$6,352,081	3.30%	\$469,298	2.65%	-\$670,493	-9.55%
Resource Development	\$1,167,571	\$949,686	0.49%	\$217,885	1.23%	\$373,467	64.81%
Culture and Recreation	\$3,018,394	\$2,741,461	1.42%	\$276,933	1.56%	\$188,327	7.38%
Capital Outlays	\$730,502	\$307,001	0.16%	\$423,501	2.39%	-\$535,662	-63.57%
Other Financing Uses	\$14,892,988	\$14,751,562	7.66%	\$141,426	0.80%	-\$228,885	-1.53%
Total	\$210,172,123	\$192,466,992	100.00%	\$17,705,131	100.00%	\$8,068,477	4.38%
Revenues less Expenditures	-\$22,211,524	-\$10,828,295		\$11,383,229		-\$5,935,765	

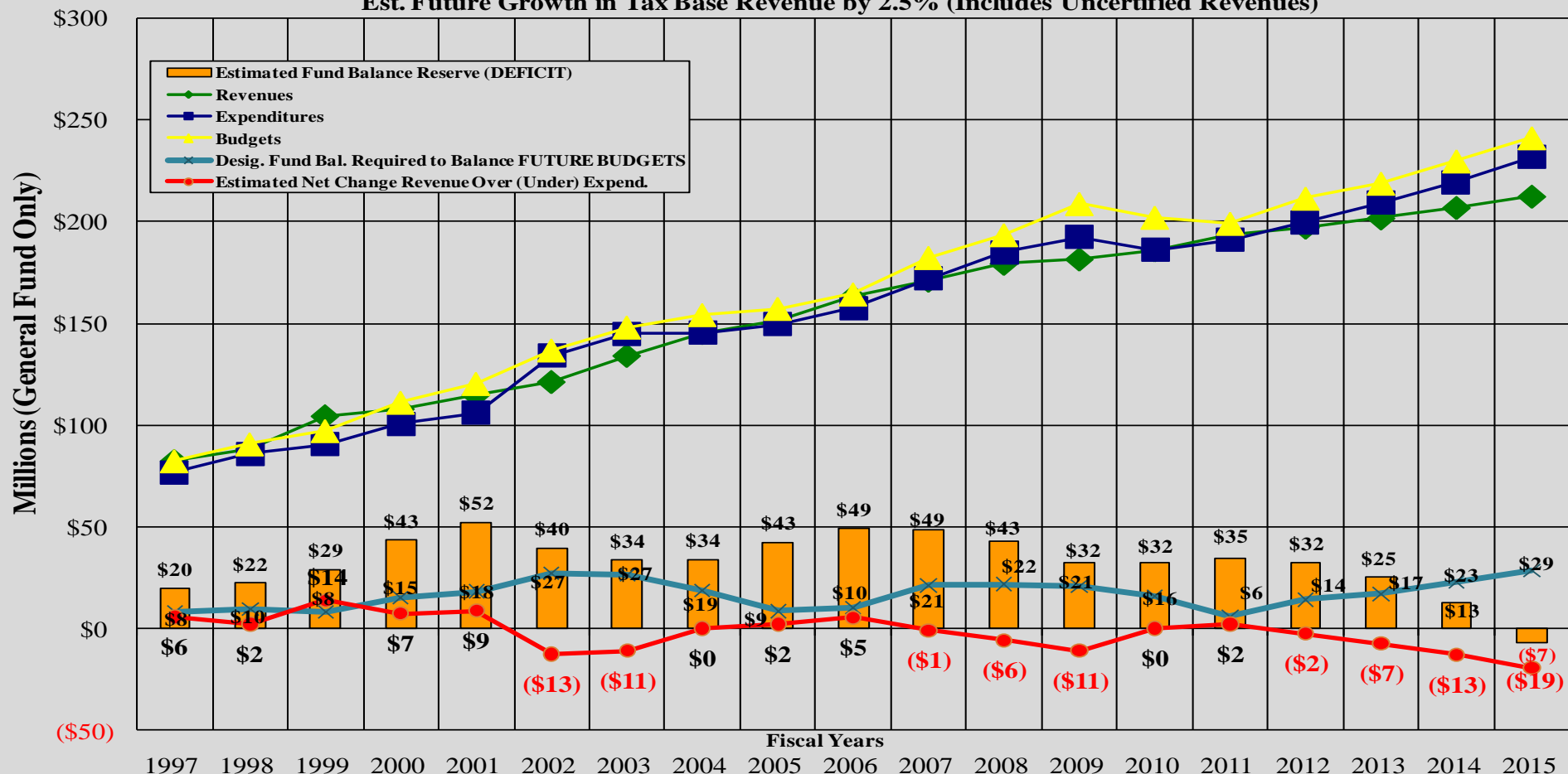


# Trends, Past and Future

## County Auditor's Financial Forecast

February 2011 (Unaudited)

Assumes Adopted FY 2011 Effective Tax Plus 5.62% and  
Est. Future Growth in Tax Base Revenue by 2.5% (Includes Uncertified Revenues)



Assumes net non tax revenue growth of 1% assuming reduced expenditures in as a result of 3.46% reduction in FY2010 and an additional 1.48% budget reduction in FY2011 approximating 5%





# Impacts for future years

- **Actively monitor economic impacts on revenue trends and possible future negative legislative impacts (Level Funding-Special Budget Workshops between departments and County Auditor as warranted)**
- **Continued monthly updates to Comm. Court-Next meeting (Dates TBD)**
- **Assess revenue enhancement to collection on assessments (Monitor Warrant/Scofflaw results)**
- **Timely use of existing bond proceeds for eligible projects.**
- **Identify future capital needs (CIP Status)**



# Impacts for future years-Cont.

- **Formalize Comprehensive 5-Year Capital Plan**
- **Future technology application projects (Financial Accounting, Purchasing and HR/Payroll)**
- **Other major capital needs-FPOE**



# Current Budget Process

## Current Budget Process



**\*Budget Hearings with Commissioners are only scheduled with those departments requesting changes in personnel and those that are in disagreement with County Auditor recommendations.**





# Comments and Questions

***Comments and Questions***