County of El Paso, Texas

Comprehensive Annual Financial Report

For the Fiscal Year Ended September 30, 2012
VISION STATEMENT
“BUILDING ON OUR LEGACY, ILLUMINATING INNOVATION,
and SUCCEEDING BEYOND BORDERS”
Est. 1850
1. Discussion of Financial Position- includes revenue, expenditure, and fund balance trends
2. Impacts on current and future years
Assets

- Entity-wide assets totaled $476.2 mil. and increased by $108.7 mil. or 29.6 percent.

Liabilities

- Entity-wide liabilities totaled $335.9 mil. and increased by $114.3 mil. or 51.6 percent from FY 2011.

Net Assets

- Governmental & Business Type Activities Assets exceeded liabilities by $140.3 mil. (Total Net Assets) and decreased by $5.6 mil or 3.8 percent.
- $129.3 mil or 92.17% represents governmental activities and $10.9 mil or 7.83% represents business type activities.
General Fund- Fund Balance, cont’d

FY 2012 Beginning balance  $46.6 Mil.

- Revenues and Transfers-In
  (Incr. $.3 mil or .15%)  $205.7 Mil.

- Expenditures, Transfers-Out and
  Fund Balance changes
  (Increase $10.6 mil or 5.56%)  $202.0 Mil.

- FY 2012 Rev-less Expend  $3.7 Mil.

FY 2012 Ending balance  $50.3 Mil.
Actual total fund balance $50.3 mil., which increased by $3.7 Mil. above 2011.

Of this total, the fund balance designated to balance the FY2013 budget was $11.2 mil., which leaves a total of $39.1 mil. undesignated, resulting in a ratio of 16.94% of the FY2013 General Fund budget of $230.8 mil.
*Taxes – Property ($115.4 million), Sales ($38.6 million), Other ($1.7 million)
# FY 2012 General Fund Revenue Analysis

<table>
<thead>
<tr>
<th></th>
<th>2012 Actual</th>
<th>2011 Actual</th>
<th>Amount Increase / Decrease from FY 2011</th>
<th>% Increase / Decrease</th>
<th>2012 Actual as a % of Total Revenue &amp; Other Sources</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Revenues</td>
<td>$155,892,465</td>
<td>$150,869,855</td>
<td>$5,022,610</td>
<td>3.33%</td>
<td>75.77%</td>
</tr>
<tr>
<td>Licenses and Permits</td>
<td>259,217</td>
<td>231,371</td>
<td>27,846</td>
<td>12.04%</td>
<td>.013%</td>
</tr>
<tr>
<td>Intergovernmental</td>
<td>4,520,023</td>
<td>7,029,052</td>
<td>(2,509,029)</td>
<td>(35.70%)</td>
<td>2.20%</td>
</tr>
<tr>
<td>Charges for Services</td>
<td>36,757,322</td>
<td>36,474,166</td>
<td>283,156</td>
<td>.78%</td>
<td>17.87%</td>
</tr>
<tr>
<td>Fines and Forfeits</td>
<td>4,464,529</td>
<td>6,218,678</td>
<td>(1,754,149)</td>
<td>(28.21%)</td>
<td>2.17%</td>
</tr>
<tr>
<td>Interest</td>
<td>421,107</td>
<td>1,125,637</td>
<td>(704,530)</td>
<td>(62.59%)</td>
<td>.20%</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>2,389,866</td>
<td>2,137,439</td>
<td>252,427</td>
<td>11.81%</td>
<td>1.16%</td>
</tr>
<tr>
<td>Other Financing Sources</td>
<td>1,033,234</td>
<td>1,334,082</td>
<td>(300,848)</td>
<td>(22.55%)</td>
<td>.50%</td>
</tr>
<tr>
<td>Total Revenues and Other Sources</td>
<td>$205,737,763</td>
<td>$205,420,280</td>
<td>317,483</td>
<td>.30%</td>
<td>100.00%</td>
</tr>
</tbody>
</table>
General Fund Expenditures

- Administration of Justice, $47,502,229, 23%
- Public Safety, $108,897,329, 54%
- General Government, $34,400,799, 17%
- Other Financing Uses, $2,011,956, 1%
- Capital Outlays, $58,082, 0%
- Health and Welfare, $5,671,876, 3%
- Public Works, $4,436, 0%
- Culture and Recreation, $3,481,027, 2%
- Resource Development, $253,576, 0%
## FY 2012 General Fund Expenditure Analysis

<table>
<thead>
<tr>
<th>Category</th>
<th>2012 Actual</th>
<th>2011 Actual</th>
<th>Amt Increase / Decrease from FY 2011</th>
<th>% Increase / Decrease</th>
<th>2012 Actual as a % of Total Expenses</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Government</td>
<td>$34,400,799</td>
<td>$32,085,864</td>
<td>$2,314,935</td>
<td>7.22%</td>
<td>17.01%</td>
</tr>
<tr>
<td>Administration of Justice</td>
<td>$47,502,229</td>
<td>$45,138,602</td>
<td>2,363,627</td>
<td>5.24%</td>
<td>23.48%</td>
</tr>
<tr>
<td>Public Safety</td>
<td>$108,897,329</td>
<td>$102,1060,535</td>
<td>6,790,794</td>
<td>6.65%</td>
<td>53.83%</td>
</tr>
<tr>
<td>Health and Welfare</td>
<td>$5,671,876</td>
<td>$5,259,017</td>
<td>412,859</td>
<td>7.85%</td>
<td>2.80%</td>
</tr>
<tr>
<td>Resource Development</td>
<td>$253,576</td>
<td>$205,336</td>
<td>48,240</td>
<td>23.49%</td>
<td>0.13%</td>
</tr>
<tr>
<td>Culture and Recreation</td>
<td>$3,481,027</td>
<td>$3,153,371</td>
<td>327,656</td>
<td>10.39%</td>
<td>1.72%</td>
</tr>
<tr>
<td>Public Works</td>
<td>$4,436</td>
<td>$6,984</td>
<td>(2,548)</td>
<td>(36.48%)</td>
<td>0.00%</td>
</tr>
<tr>
<td>Capital Outlays</td>
<td>$58,082</td>
<td>$94,333</td>
<td>(36,251)</td>
<td>(38.43%)</td>
<td>0.03%</td>
</tr>
<tr>
<td>Other Financing Uses</td>
<td>$2,011,956</td>
<td>$3,186,166</td>
<td>(1,174,210)</td>
<td>(36.85%)</td>
<td>.99%</td>
</tr>
<tr>
<td>Total Expenditures and Other Uses</td>
<td>$202,281,310</td>
<td>$191,236,208</td>
<td>$5,267,589</td>
<td>2.83%</td>
<td>100.00%</td>
</tr>
</tbody>
</table>
County Auditor's Financial Forecast
February 2013 (Unaudited)
Assumes Adopted FY 2013 Tax Rate and
Est. Future Growth in Tax Base Revenue by 1.5-2.0
% Annually (Includes Uncertified Revenues)

Trends, Past and Future
Actively monitor economic impacts on revenue trends and possible future negative legislative impacts

Budget Level Funding-Special Budget Workshops between departments and County Auditor as warranted (Identify areas of concern, utility and gas costs, training, capital needs)

Assess revenue enhancement to collection on assessments (Monitor Revenues and Misdemeanor Scofflaw Phase II)

Timely use of existing bond proceeds for eligible projects.

Identify and assess future capital needs (CIP)

Continued monthly financial updates to Comm. Court
Move forward with the County’s Formalize Comprehensive 5-Year Capital Plan

Future technology application projects (Financial Accounting, Purchasing and HR/Payroll)

Other major capital needs-POE

Other County Capital needs, Short versus Long-Term and funding options.
Current Budget Process

Commissioners Court Recommendations and Final Budget Adopted

Preliminary Meeting with Court

Auditors Reports Results of Budget Meetings with Depart.

County Auditor meetings with Depart.

Recommendations Submitted to Court and Budget Hearings Set*

*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