



Comprehensive Annual Financial Report



For the Fiscal Year Ended
September 30, 2014



COUNTY OF
EL PASO
TEXAS

COUNTY OF EL PASO

2014 Comprehensive Annual Financial Report (CAFR UPDATE)

April 6, 2015

Prepared by:

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VISION STATEMENT

“BUILDING ON OUR LEGACY, ILLUMINATING INNOVATION,
and SUCCEEDING BEYOND BORDERS”

Est. 1850

OVERVIEW

Discussion of Financial Position

1. External Audit Results
2. Entity-Wide Statement of Net Position
3. Entity-Wide Statement of Activities
4. FY 2014 GF Fund Balance Analysis
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Entity-Wide Statement of Net Position

▣ Assets

- Entity-wide assets totaled \$475.8 mil. and increased by \$1.5 mil. or 0.32 percent from FY2013

▣ Liabilities

- Entity-wide liabilities totaled \$327.2 mil. and decreased by \$68K Or .02 percent from FY 2013.

▣ Net Position

- Governmental & Business Type Activities Assets exceeded liabilities by \$148 mil. (Total Net Position) and increased by \$1.8 mil or 1.24 percent.
- \$138 mil or 92.74% represents governmental activities and \$10.8 mil or 7.26% represents business type activities.

Entity-Wide Statement of Activities

	<u>Amounts</u>	<u>Change</u>	<u>% Chg</u>
▣ Total Program Revenue			
	\$87,972,875	\$1,297,699	5.27%
▣ Total Expense	\$295,115,294	\$14,352,027	4.86%
▣ Total Net Revenue/(Expense)			
	(\$207,142,419)		
▣ Total General Revenue and other Changes			
	\$211,601,453	\$12,072,016	5.66%
▣ Total Change in Net Assets and Prior Period Adjustments			
	(\$4,885,209)		
▣ Total Net Assets 9/30/2014			
	\$148,846,433	\$1,827,217	1.22%

FY 2014 General Fund Fund Balance Analysis

General Fund- Fund Balance

FY 2014 Beginning balance	<u>\$49.8 Mil.</u>
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❖ Revenues and Transfers-In (Incr. \$12.7 mil or 5.79%)	\$231.5 Mil.
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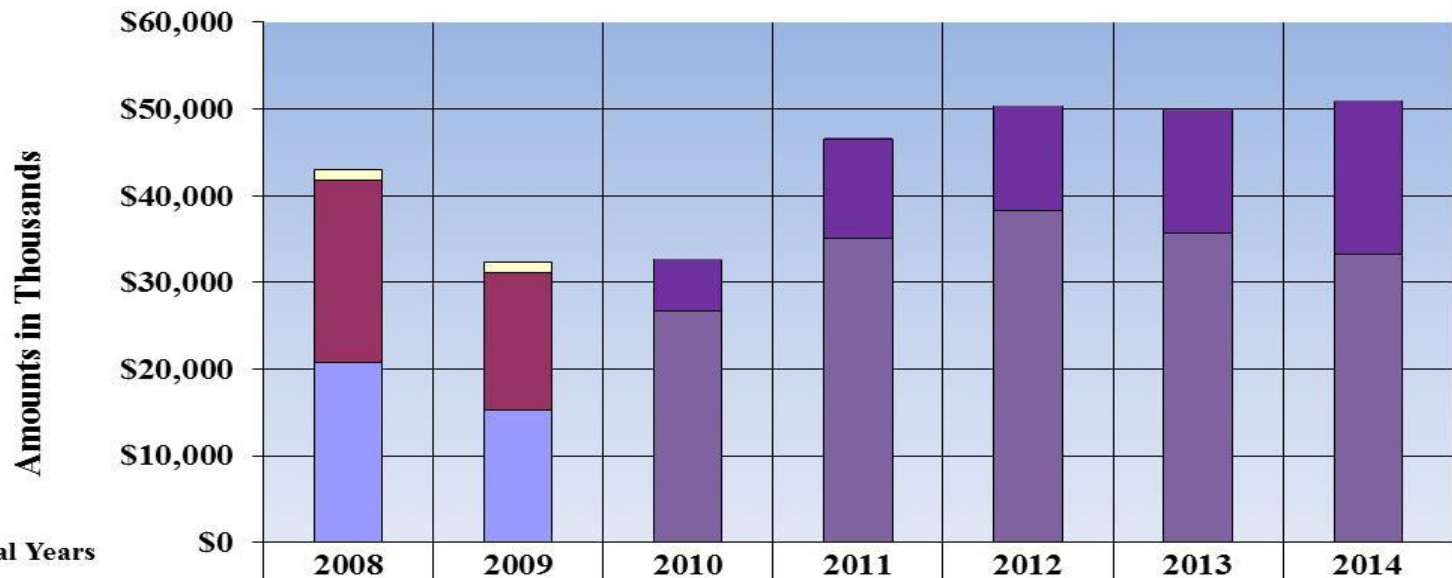
❖ Expenditures, Transfers-Out (Increase \$11.2 mil or 5.12%)	<u>\$230.4 Mil.</u>
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❖ FY 2014 Rev-less Expend (Net Change in Fund Balance)	<u>\$1.1 Mil</u>
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FY 2014 Ending balance	<u>\$50.9 Mil.</u>
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FY 2014 General Fund

Fund Balance Components-General Fund



- Actual total fund balance \$50.9 mil., which increased by \$1.1 Mil. above 2013.
- Of this total, the fund balance designated to balance the FY2015 budget was \$16.6 mil., which leaves a total of \$33.2 mil. undesignated, resulting in a ratio of 13.13% of the FY2015 General Fund budget of \$253 mil.

Revenue Estimate Variances–General Fund

Estimated Revenue	Budgeted Revenue Estimates				Actual Revenues	% Alloc.	Estimate vs Actual Variances	Variance as % of Estimate
	Original	% Orig. Est.	Final	% Final Est.				
Taxes:								
Property	\$139,681,225	60.69%	\$139,681,225	60.69%	\$138,628,134	60.18%	(\$1,053,091)	-0.75%
Sales	\$39,760,000	17.27%	\$39,760,000	17.27%	\$42,045,731	18.25%	\$2,285,731	5.75%
Bingo	\$60,000	0.03%	\$60,000	0.03%	\$52,924	0.02%	(\$7,076)	-11.79%
Mixed beverage	\$1,700,000	0.74%	\$1,700,000	0.74%	\$2,180,010	0.95%	\$480,010	28.24%
Licenses and permits	\$243,000	0.11%	\$243,000	0.11%	\$263,119	0.11%	\$20,119	8.28%
Intergovernmental	\$4,988,127	2.17%	\$4,988,127	2.17%	\$5,436,158	2.36%	\$448,031	8.98%
Charges for services	\$36,587,500	15.90%	\$36,587,500	15.90%	\$34,275,982	14.88%	(\$2,311,518)	-6.32%
Fines and forfeitures	\$4,748,000	2.06%	\$4,748,000	2.06%	\$4,892,253	2.12%	\$144,253	3.04%
Interest	\$110,000	0.05%	\$110,000	0.05%	\$88,791	0.04%	(\$21,209)	-19.28%
Miscellaneous	\$2,286,000	0.99%	\$2,286,000	0.99%	\$2,507,951	1.09%	\$221,951	9.71%
Transfers in	\$944,500	0.41%	\$944,500	0.41%	\$1,159,123	0.50%	\$214,623	22.72%
Total revenues	\$230,163,852	100.00%	\$230,163,852	100.00%	\$230,371,053	100.00%	\$207,201	0.09%

Note: Actual revenues exceeded the 2014 Revenue Estimate of \$230,163,852 by \$207,201 or approximately 1/10th of 1%.

Appropriation Variances-General Fund

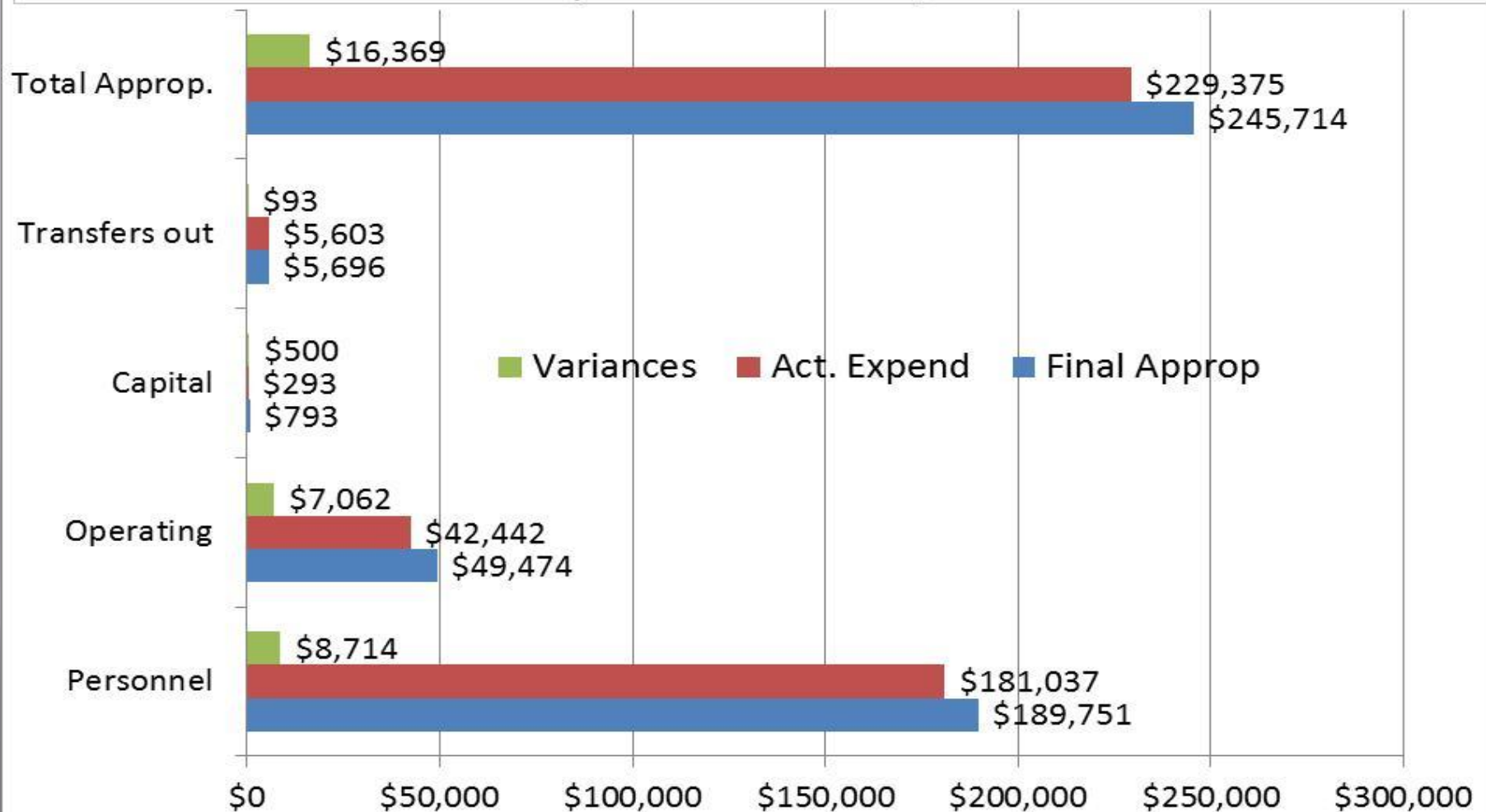
Appropriations	Budgeted Appropriations				Actual Expenditures	% Alloc.	Budget/Actual Variances	Variance as % of Approp.
	Original	% Alloc.	Final	% Alloc.				
Personnel	190,509,411	77.52%	189,750,719	77.22%	181,036,993	78.93%	8,713,726	3.55%
Operating	48,957,757	19.92%	49,503,792	20.13%	42,442,025	18.50%	7,061,767	2.87%
Capital	644,245	0.26%	792,871	0.32%	292,633	0.13%	500,238	0.20%
Transfers out	5,632,250	2.29%	5,696,281	2.32%	5,602,885	2.44%	93,396	0.04%
Total	245,743,663	100.00%	245,743,663	100.00%	229,374,536	100.00%	16,369,127	6.66%

- **Favorable appropriation variances were experienced in all functions of the County's general fund.**
- **Overall favorable appropriation variances totaled \$16,369,127 which represents 6.66 percent of the adopted general fund budget with carryover.**
- **Note: Favorable Variances have no impact on fund balance but rather represent budgetary savings or cost avoidance and a continued SIGNIFICANT contributing FACTOR to stabilization of fund balance reserves.**

Appropriation Variances-General Fund

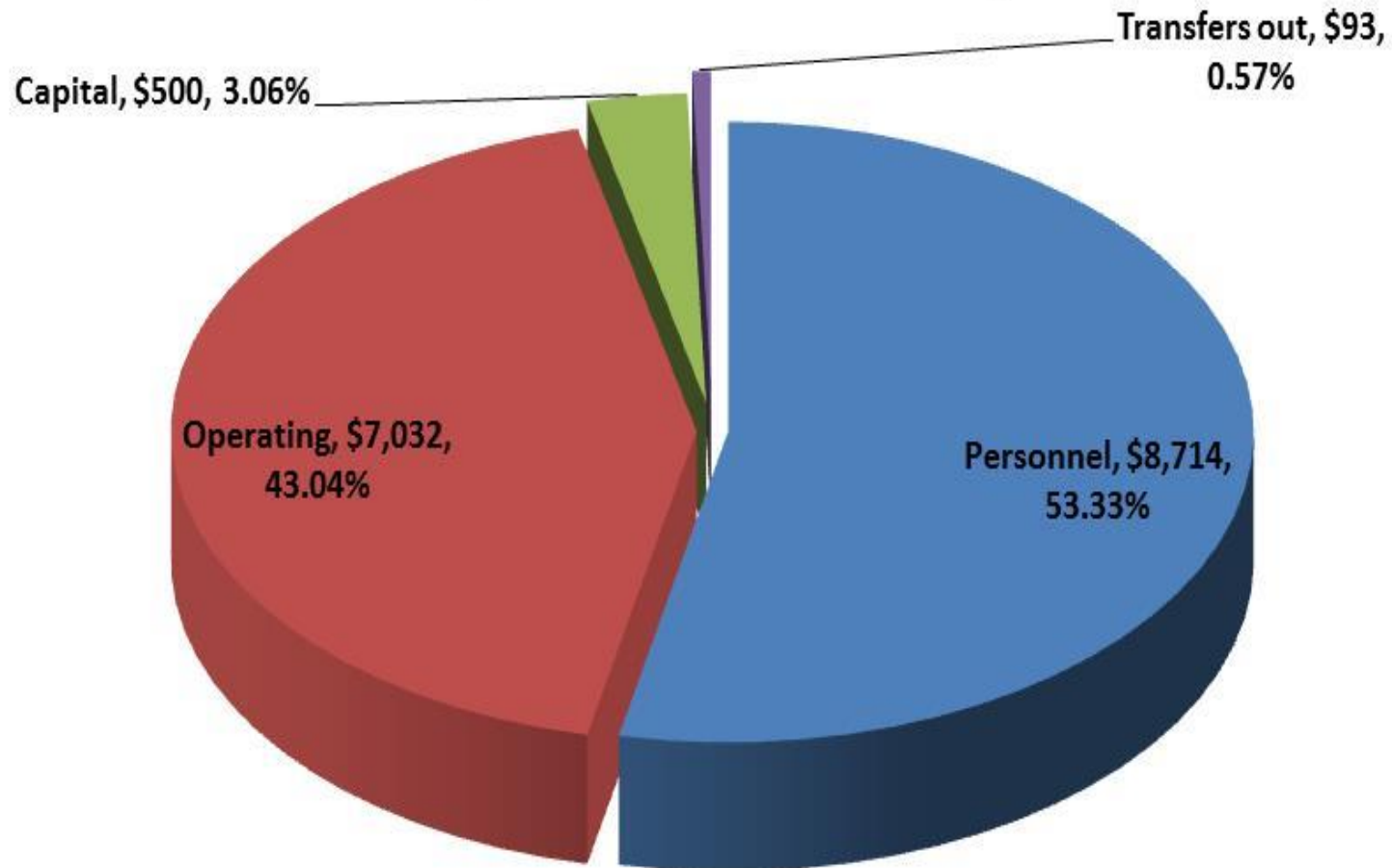
GF Appropriations, Expenditures and Variances

(Amounts in Thousands)



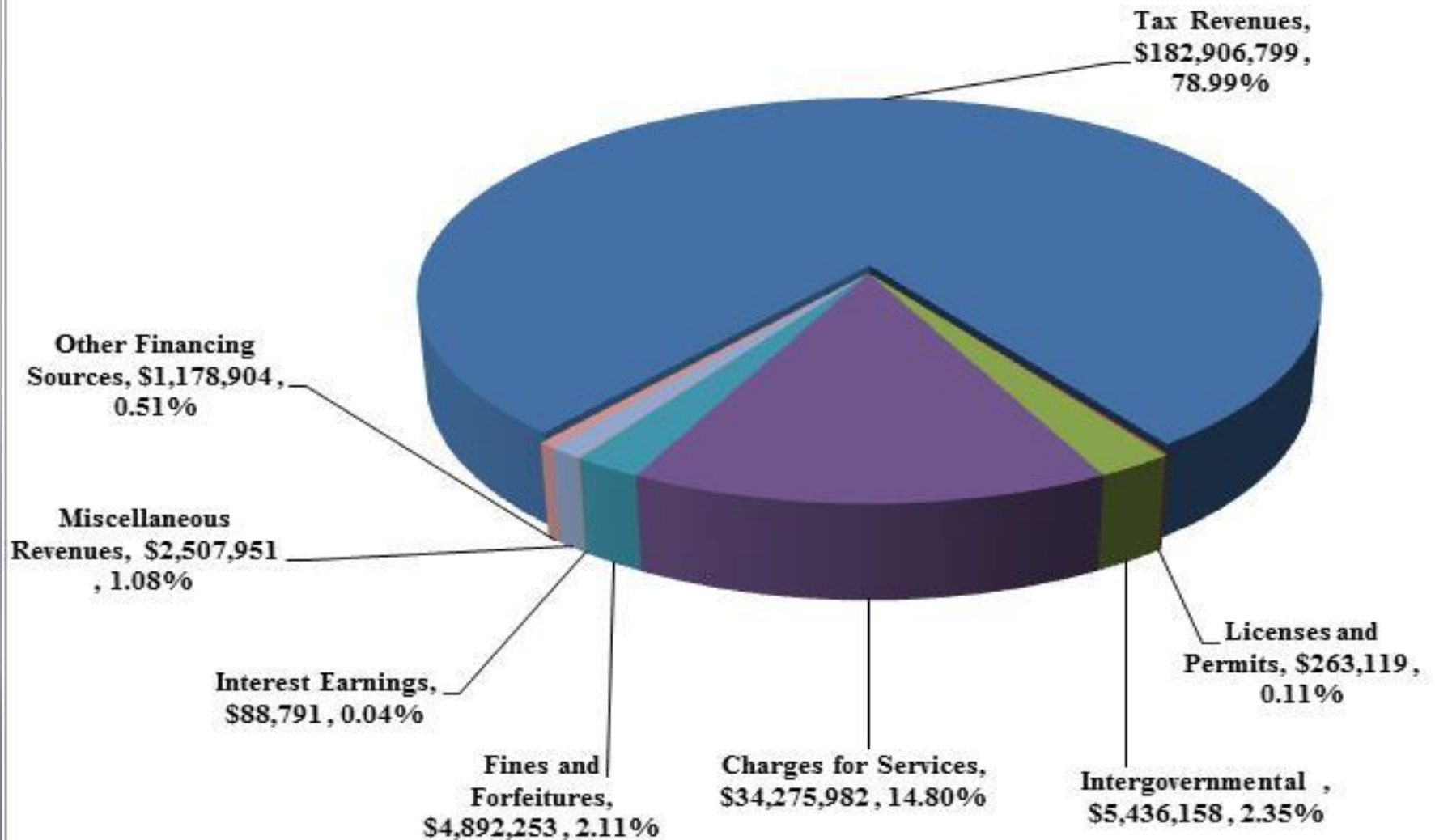
Appropriation Variances-General Fund

General Fund Appropriation Variance \$16.3 Mil. Or 6.65%
(Amounts in Thousands)



Revenue Sources–General Fund

General Fund Revenues



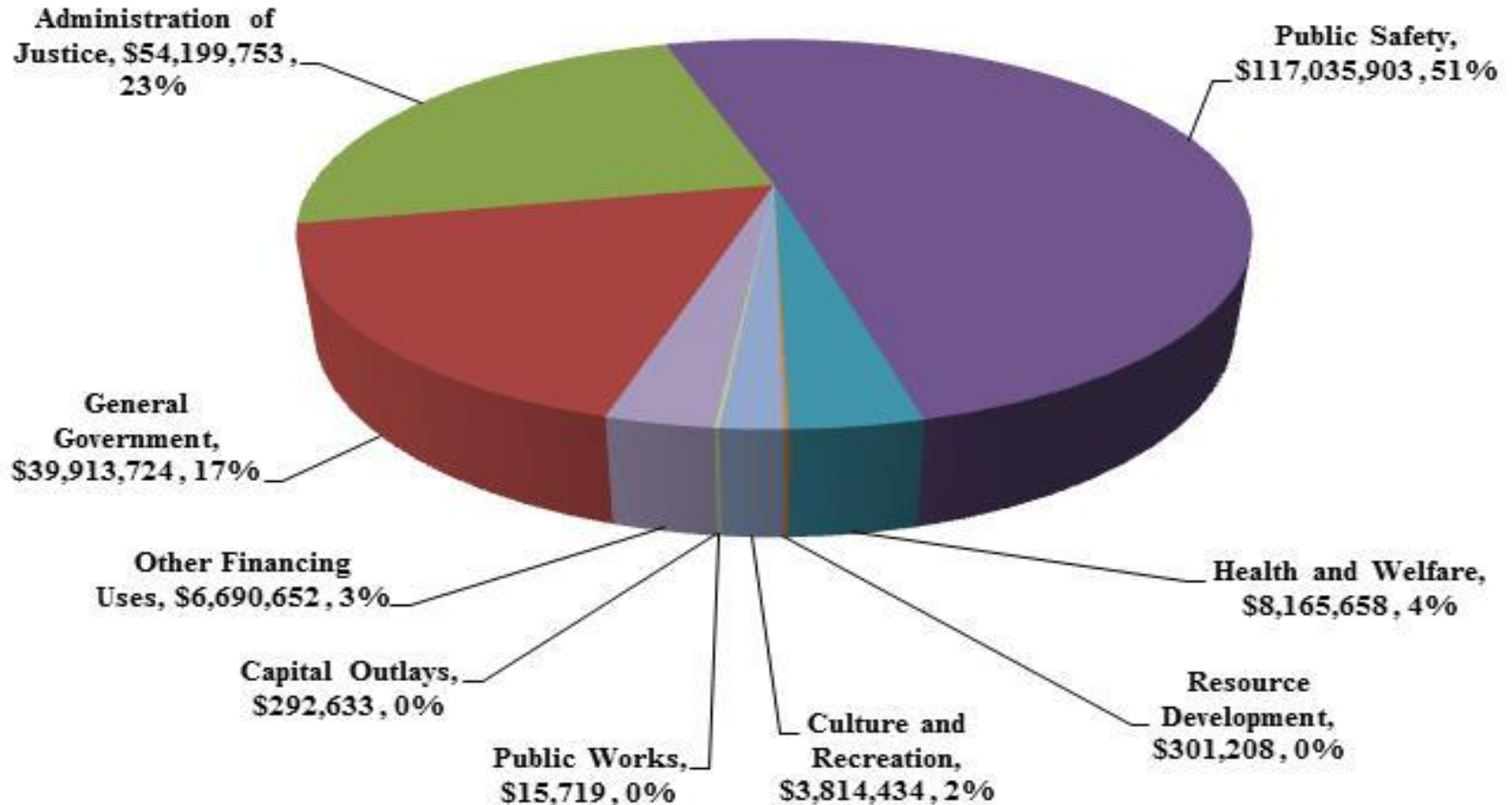
*Taxes – Property (\$138.6 million), Sales (\$42 million), Other (\$2.2 million)

FY 2014 General Fund Revenue Analysis

	2014 Actual	2013 Actual	Amount Increase / Decrease from FY 2013	% Increase / Decrease	2014 Actual as a % of Total Revenue & Other Sources
Tax Revenues	\$182,906,799	\$170,339,849	\$12,566,950	7.38%	79.00%
Licenses and Permits	263,119	230,828	32,291	13.99%	0.11%
Intergovernmental	5,436,158	4,066,753	1,369,405	33.67%	2.35%
Charges for Services	34,275,982	34,798,241	(522,259)	(1.50%)	14.80%
Fines and Forfeits	4,892,253	4,553,789	338,464	7.43%	2.11%
Interest	88,791	353,313	(264,522)	(74.87%)	0.04%
Miscellaneous	2,507,951	2,832,645	(324,694)	(11.46%)	1.08%
Other Financing Sources	1,178,904	1,695,979	(517,075)	(30.49%)	0.51%
Total Revenues and Other Sources	\$230,549,957	\$218,871,397	\$12,678,560	5.79%	100.00%

Expenditures – General Fund

General Fund Expenditures



FY 2014 General Fund Expenditure Analysis

	2014 Actual	2013 Actual	Amt Increase / Decrease from FY 2013	% Increase / Decrease	2014 Actual as a % of Total Expenses
General Government	\$39,913,724	\$37,296,434	\$2,617,290	7.02%	17.32%
Administration of Justice	54,199,753	52,870,335	1,329,418	2.51%	23.52%
Public Safety	117,035,903	113,737,194	3,298,709	2.90%	50.79%
Health and Welfare	8,165,658	5,633,583	2,532,075	44.95%	3.54%
Resource Development	301,208	312,440	(11,232)	(3.59%)	0.13%
Culture and Recreation	3,814,434	3,682,141	132,293	3.59%	1.66%
Public Works	15,719	273	15,446	5,657.88%	0.01%
Capital Outlays	292,633	353,240	(60,607)	(17.16)%	0.13%
Other Financing Uses	6,690,652	5,317,306	1,373,346	25.83%	2.90%
Total Expenditures and Other Uses	\$230,429,684	\$219,202,946	\$11,226,738	5.12%	100.00%

Trends, Past and Future

County Auditor's Financial Forecast As of March 2015 (Unaudited)

Note: Projections include uncertified non-tax revenues and known unfunded projected expenditure impacts due to new facilities in future years.



Note: Future deficits could arise if projected new cost increases are incurred without identifying new funding sources.

Impacts for future years

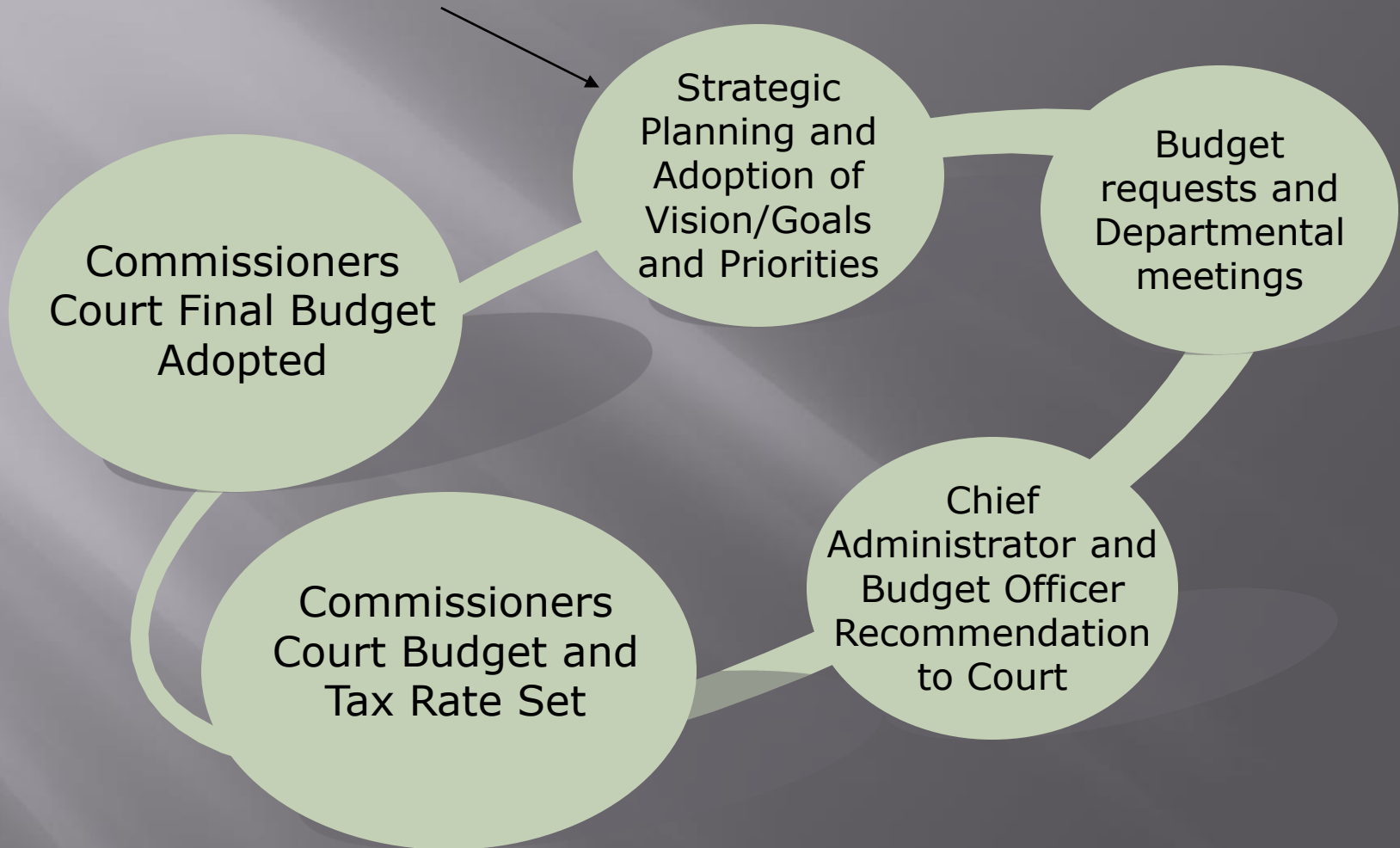
- ▣ Actively monitor economic impacts on revenue trends and possible future negative/positive legislative impacts
- ▣ Assess revenue enhancement to collection on assessments
- ▣ Work with project managers to ensure timely use of existing bond proceeds for eligible projects.
- ▣ Continue financial updates to Comm. Court
- ▣ Continue implementation of ERP (Financial, Purchasing, Budget, HR and Payroll)

Impacts for future years-Cont.

- ▣ Fiscal Policy Review, update and revise, financial, CIP, SRC and travel.
- ▣ Assess County Capital needs, Short-Term versus Long-Term and funding options.
- ▣ Budget Workshops will be set up between Budget Officer and departments (Identify needs and focus on areas of performance measurement and reporting results)

Budget Process

Budget Process Begins



Comments and Questions