

GENERAL FUND



**GENERAL FUND TYPE
OPERATING BUDGET COMPARISON
WITH FY 2003 ACTUALS**

CHANGES IN OPERATING BUDGETS BETWEEN FISCAL YEARS

	OPERATING BUDGETS			CHANGES	
	FY 2003 Actuals	Total Budget FY 2004	Total Budget FY 2005	Amount	%
Revenues (Sources):					
Taxes	\$85,650,457	\$88,886,435	\$101,766,548	\$12,880,113	14.49%
Licenses and Permits	179,036	151,500	177,500	26,000	17.16%
Intergovernmental	9,189,186	1,701,044	1,876,638	175,594	10.32%
Charges for Services	29,524,793	28,710,958	32,263,775	3,552,817	12.37%
Fines and Forfeits	5,367,762	5,600,200	5,704,800	104,600	1.87%
Interest	803,996	800,000	850,000	50,000	6.25%
Miscellaneous Revenues	2,817,496	2,751,495	3,068,350	316,855	11.52%
Other Financing Sources	735,602	6,974,000	3,118,000	(3,856,000)	-55.29%
Total Revenues and Other Financing Sources	<u>134,268,328</u>	<u>135,575,632</u>	<u>148,825,611</u>	<u>13,249,979</u>	<u>9.77%</u>
Beginning Fund Balances	44,720,300	33,860,029	33,849,656	(10,373)	-0.03%
Total Available Resources	<u>\$178,988,628</u>	<u>\$169,435,661</u>	<u>\$182,675,267</u>	<u>\$13,239,606</u>	<u>7.81%</u>

TAXES

When comparing the 2004 and 2005 budgets for taxes, there are some significant differences. The line item for Taxes was budgeted at a higher amount for average increases of 8.6% in property values resulting from re-appraisals, both residential and commercial. More significantly, the tax rate for fiscal year 2005 increased from \$0.410817 to \$.432259 per \$100 of assessed property value. In addition, the Sales and Use Taxes line item was budgeted at \$1.3 million more based on the favorable increases in sales tax during fiscal year 2004, as a result of positive changes in the economy.

LICENSES AND PERMITS

Licenses and Permits were budgeted with a \$26,000 projected increase mainly for projected increases in receipts for alcoholic beverage licenses.

INTERGOVERNMENTAL REVENUES

Intergovernmental Revenues were projected higher for next fiscal year based on litigation that was previously pending being resolved for Counties and revenues for County Court at Law judiciary support continuing.

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CHARGES FOR SERVICES

The main contributor to the increase in Charges for Services is for revenues no longer budgeted in the Ascarate Park Improvement Fund, but rather in the General fund. These revenues are generated from the Ascarate Park, Golf Course, and Swimming Pools. In an effort to plan for upcoming demands on limited resources, the Commissioners approved to budget for these revenues in the General Fund, rather than use these funds for grant matches and improvements. In addition, the anticipated reimbursement from the U. S. Marshal's for the housing of federal prisoners in the County Jails was also increased. Historically, receipts relating to reimbursement for the housing of prisoners have met and exceeded the revenue estimate budgeted for this line item.

FINES AND FORFEITS

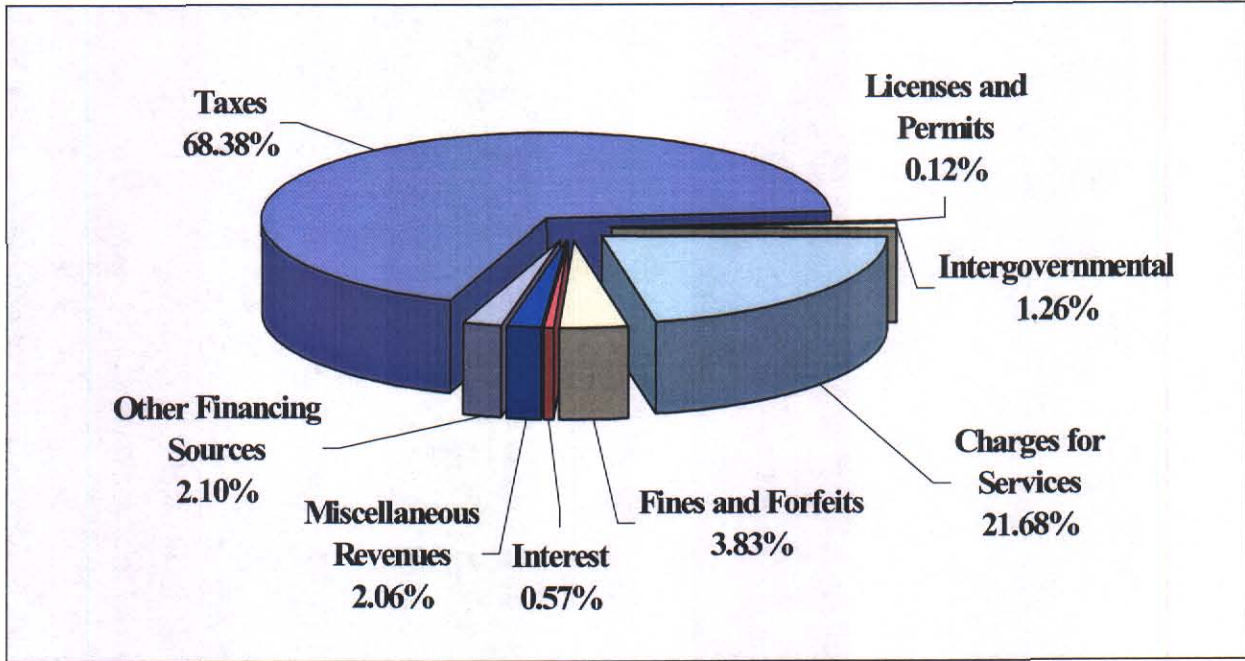
Fines and Forfeits were budgeted higher for fiscal year 2005 due to favorable revenue trends in fines resulting from the warrant pilot program, which the Constables and J.P.'s, implemented last year to enforce outstanding warrants. The aggressive collection efforts by various offices in the County, namely the County Clerk's and County Attorney's Offices' have contributed to increases in the past.

**INTEREST, MISCELLANEOUS REVENUES AND OTHER FINANCING
SOURCES**

Lastly, the line item for Interest increased by \$50,000 based on historical trends for the County's interest earnings. Miscellaneous Revenues were increased mostly due to projected increase in local phone commission revenues, while Other Financing Sources were budgeted lower based on a one-time transfer in from the Ascarate Improvement Special Revenue account of \$1.4 million last year, and a 50% reduction in the transfer in from the Road and Bridge fund for FY05.

GENERAL FUND TYPE OPERATING BUDGET FY 2005

Fiscal Year 2005 Budget Revenues (Sources) – General Fund Type - \$148,825,611

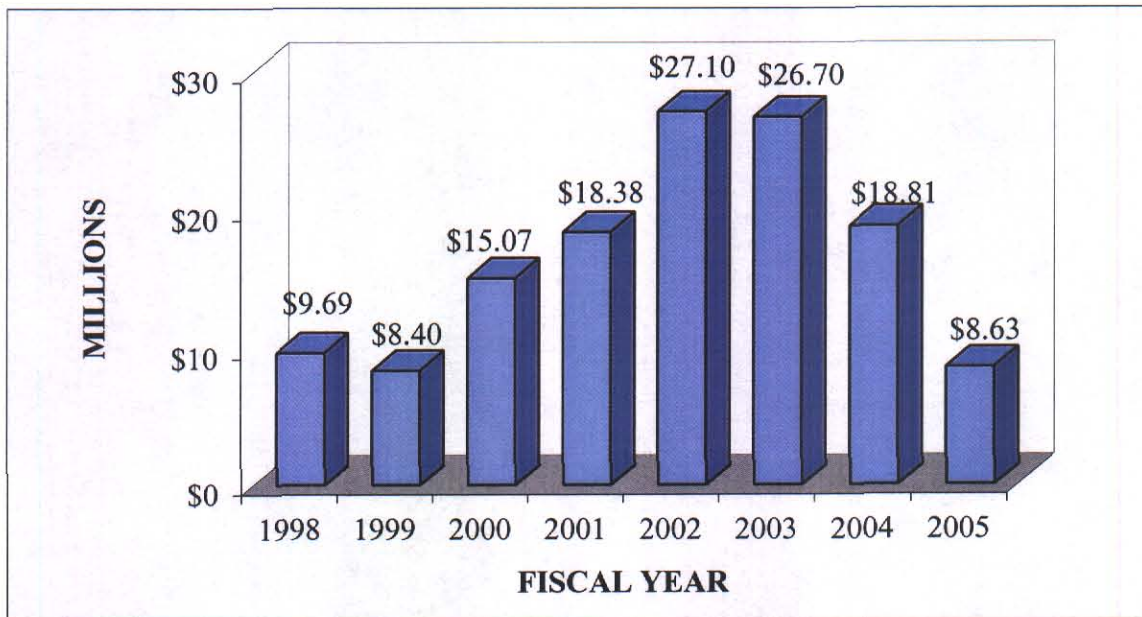


As can be seen in the pie chart above, Tax revenues, consisting of Property Taxes, Sales and Use Taxes, Bingo Tax and State Mixed Beverage Taxes account for 68.38% of General Fund Revenues. The next material item to the General fund is Charges for Services. As mentioned before, the largest item under Charges for Services is the revenue from the U.S. Marshal's Office for the housing of federal prisoners.

GENERAL FUND TYPE FUND BALANCE COMPARISON

As can be seen in the bar graph below, since 1998 the Commissioners Court has consistently designated a portion of the fund balance reserves to balance the operating budget, with a downward trend beginning in fiscal year 2003. In fiscal year 2003, Commissioners Court used \$26,726,320 to balance the budget. For fiscal year 2004, the Commissioners Court used \$18,809,886 of fund balance, with a property tax rate increase from \$.396610 to \$.410817 per \$100 of property valuation. In fiscal year 2005, the Commissioners Court used \$8,625,529 of fund balance, with a property tax rate increase from \$.410817 to \$.432259 per \$100 of property valuation. This downward trend is a result of the acknowledgement by Commissioners that property tax rate increases were necessary, in order to maintain adequate reserves in the event of unforeseen emergencies.

YEARLY COMPARISON OF FUND BALANCE UTILIZED TO BALANCE THE GENERAL FUND BUDGET



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CHANGES IN OPERATING BUDGETS BETWEEN FISCAL YEARS

	OPERATING BUDGETS			CHANGES	
	FY 2003 Actuals	Total Budget FY 2004	Total Budget FY 2005	Amount	%
Appropriations/Expenditures (Uses):					
General Government	\$31,486,527	\$33,198,093	\$35,306,502	\$2,108,409	6.35%
Administration of Justice	29,633,124	31,602,790	31,718,329	115,539	0.37%
Public Safety	68,398,523	65,507,601	67,967,774	2,460,173	3.76%
Health and Welfare	7,088,139	6,878,771	6,377,899	(500,872)	-7.28%
Resource Development	1,192,257	1,099,497	738,729	(360,768)	-32.81%
Culture and Recreation	2,718,835	3,081,013	2,084,209	(996,804)	-32.35%
Capital Outlays	100,734	354,774	125,000	(229,774)	-64.77%
Other Financing Uses	4,510,460	12,662,979	13,132,698	469,719	3.71%
Total					
Appropriations/Expenditures and Other					
Financing Uses	145,128,599	154,385,518	157,451,140	3,065,622	1.99%
Encumbrances		1,389,096	1,334,358	(54,738)	-3.94%
Ending Fund Balances	33,860,029	13,661,047	23,889,769	10,228,722	74.88%
Total					
Appropriations/Expenditures, Other Financing Uses and Fund Balances					
	\$178,988,628	\$169,435,661	\$182,675,267	\$13,239,606	7.81%

GENERAL GOVERNMENT

Overall there was a \$2.1million dollar increase between fiscal years 2004 and 2005. The most significant of these increases was to establish a reserve under a General and Administrative account for one additional pay-period to hit in fiscal year 2005, and to establish a reserve for a 2% across the board Cost of Living Allowance for County employees. The reserves for COLA will be transferred via a budgetary amendment during the fiscal year to individual departments that are not able to cover increased salary expenses through attrition.

ADMINISTRATION OF JUSTICE

The increase of \$115,539 in the Administration of Justice program is mainly attributable to the creation of new positions, mainly in the District and County Attorney's Offices.

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Public Safety	\$68,398,523	\$65,507,601	\$67,967,774	\$2,460,173	3.76%
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Resource Development	1,192,257	1,099,497	738,729	(360,768)	-32.81%
Culture and Recreation	\$2,718,835	\$3,081,013	\$2,084,209	(\$996,804)	-32.35%

PUBLIC SAFETY

The increase in Public Safety is attributable to projections in expenditures for the Sheriff's department, mainly in salaries.

HEALTH AND WELFARE

The Health and Welfare function decreased due to reductions in force approved for various departments such as Veterans Assistance, General Assistance, and the Child Welfare Board, based on our projected deficit in future years. Reductions in force were proposed first for non-mandated functions of government, vs. mandated functions such as Administration of Justice and General Government. This decrease in Health and Welfare is also attributable to lower appropriations set for pauper burials, support assistance in the General Assistance program, de-funding of the Shelter for Battered Women, and consolidation of the Veterans and General Assistance operations.

RESOURCE DEVELOPMENT

The decrease in the budget for fiscal year 2004 for Resource Development is for reductions in force that were approved for the Planning and Development department, as well as for the Agricultural Co-op departments. Again, reductions in force were proposed first for non-mandated functions of government, vs. mandated functions such as Administration of Justice and General Government.

CULTURE AND RECREATION

The decrease in the budget for fiscal year 2005 for Culture and Recreation is mainly for reductions in force that were approved for the Library, Ascarate Park, and Golf Course, in addition to de-funding of the Canutillo Community Center Maintenance account. During budget hearings the issue of transferring the park function over to the City of El Paso was considered, but ultimately reductions in force were approved.

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Appropriations/Expenditures (Uses):					
Capital Outlays	\$100,734	\$354,774	\$125,000	(\$229,774)	-64.77%
Other Financing Uses	\$4,510,460	\$12,662,979	\$13,132,698	\$469,719	3.71%

CAPITAL OUTLAYS

For the past several years, the Commissioners Court has opted to fund equipment needs for County departments under the Capital Projects fund. One exception to this would be for the contingency of \$125,000 that is set aside under the General and Administrative account to meet any unexpected needs of the County. The decrease from 2004 represents transfers made during fiscal year 2004 by departments from other operating accounts into equipment. These appropriations, which are considered to be for one-time purchases, are ultimately not funded in the subsequent year.

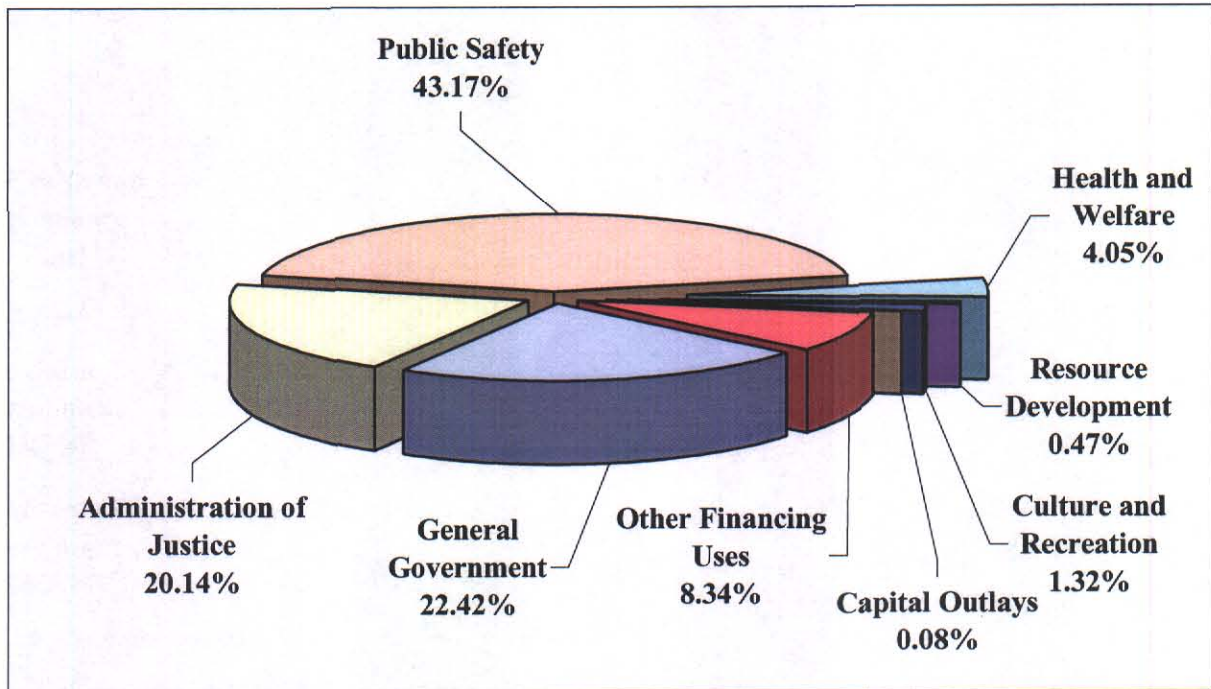
OTHER FINANCING USES

The majority of the increase in the Other Financing Uses category, is merely for a re-classification of retiree premiums from a personnel sub-object to a transfer out line item, in order to show the full benefit that will be picked up by the County in health and life premiums. There are also other minimal increases in grant match requirements for fiscal year 2005.

GENERAL FUND TYPE OPERATING BUDGET FY 2005

The pie chart below provides for your information, the various appropriations for the General Fund Type and their percentage of the total.

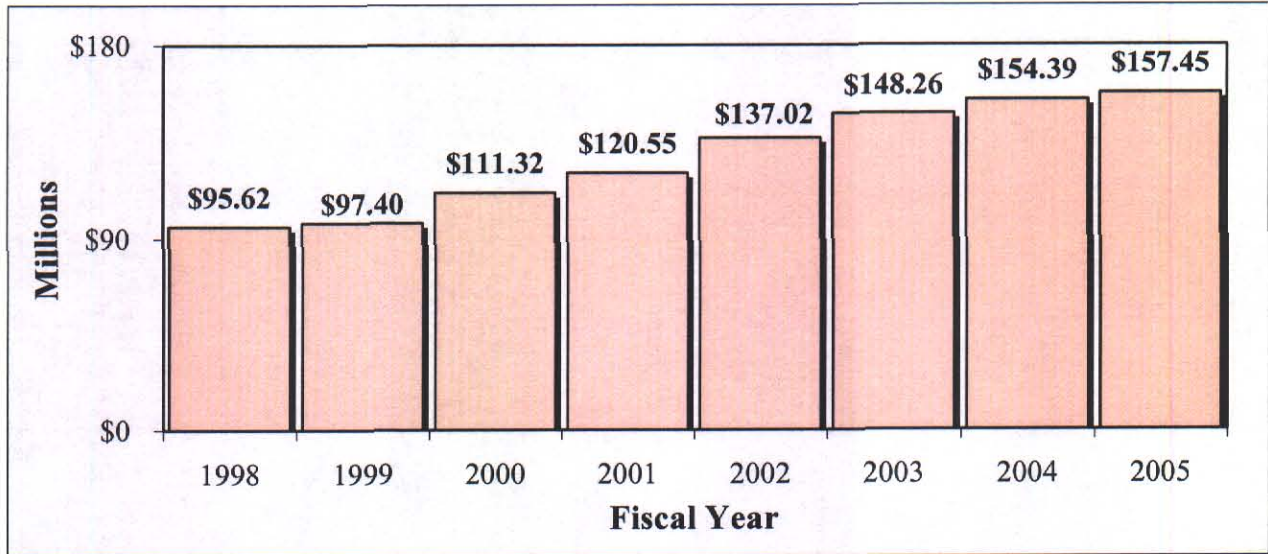
Fiscal Year 2005 Budget Appropriations (Uses) – General Fund Type - \$157,451,140



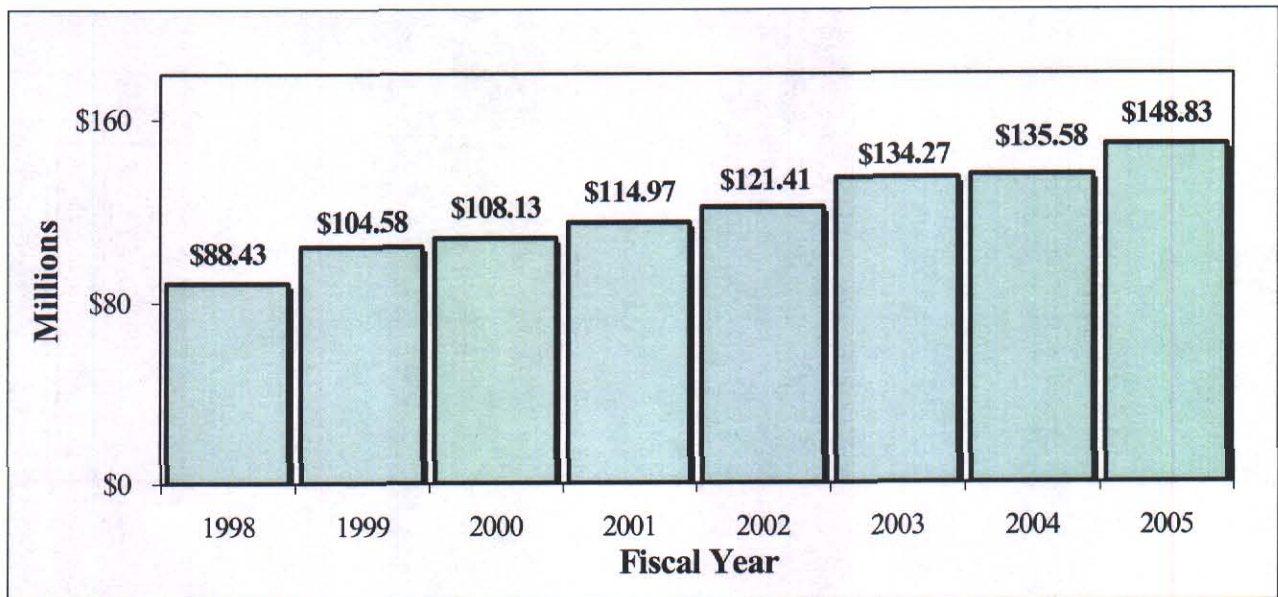
GENERAL FUND TYPE OPERATING BUDGET COMPARISON WITH FY 2003 ACTUALS

The following tables provide information regarding the General Fund Type overall budget, and actual revenues/expenditures since 1998. **Details can be found in the revenue and expenditure sections of this document.**

General Fund Type – Budget Trends



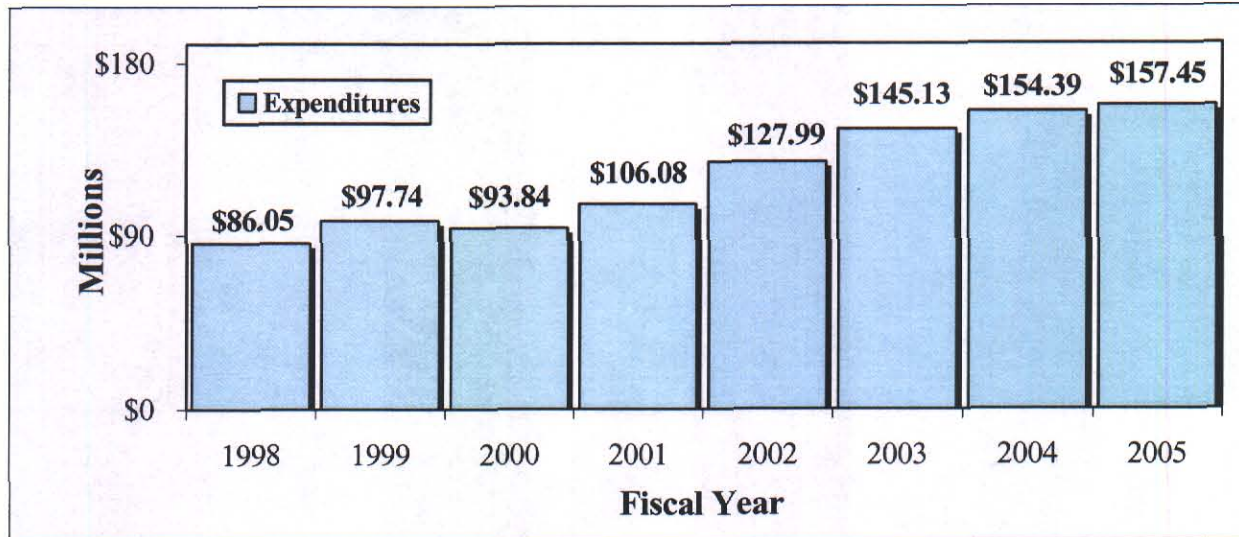
General Fund Type-Revenue Trends



*Fiscal Year 2004 and 2005 are Budgets, 1998-2003 are Actuals

GENERAL FUND TYPE OPERATING BUDGET COMPARISON WITH FY 2003 ACTUALS

Expenditures (Uses): General Fund Type – Expenditure Trends



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SUMMARY FOR FISCAL YEAR 2005 BY CHARACTER

Character	FY 2003 Actuals	OPERATING BUDGETS		Changes	
		FY 2004	FY 2005	Amount	%
Personnel	\$102,145,787	\$104,382,961	\$108,573,560	\$4,190,599	4.01%
Operating	42,882,078	49,647,783	48,752,580	(895,203)	-1.80%
Capital	100,734	354,774	125,000	(229,774)	-64.77%
Total Budgets and Actuals	\$145,128,599	\$154,385,518	\$157,451,140	\$3,065,622	1.99%

