

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.

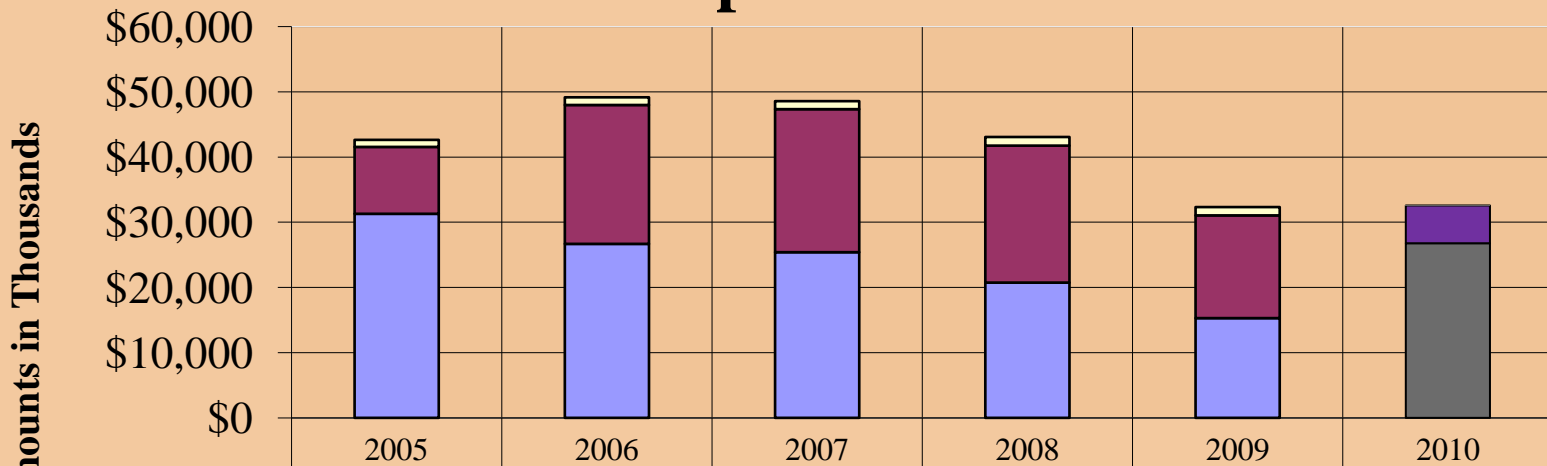
■ Net Assets

- 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

FY 2009 Beginning balance

\$32.4 Mil.

❖ 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

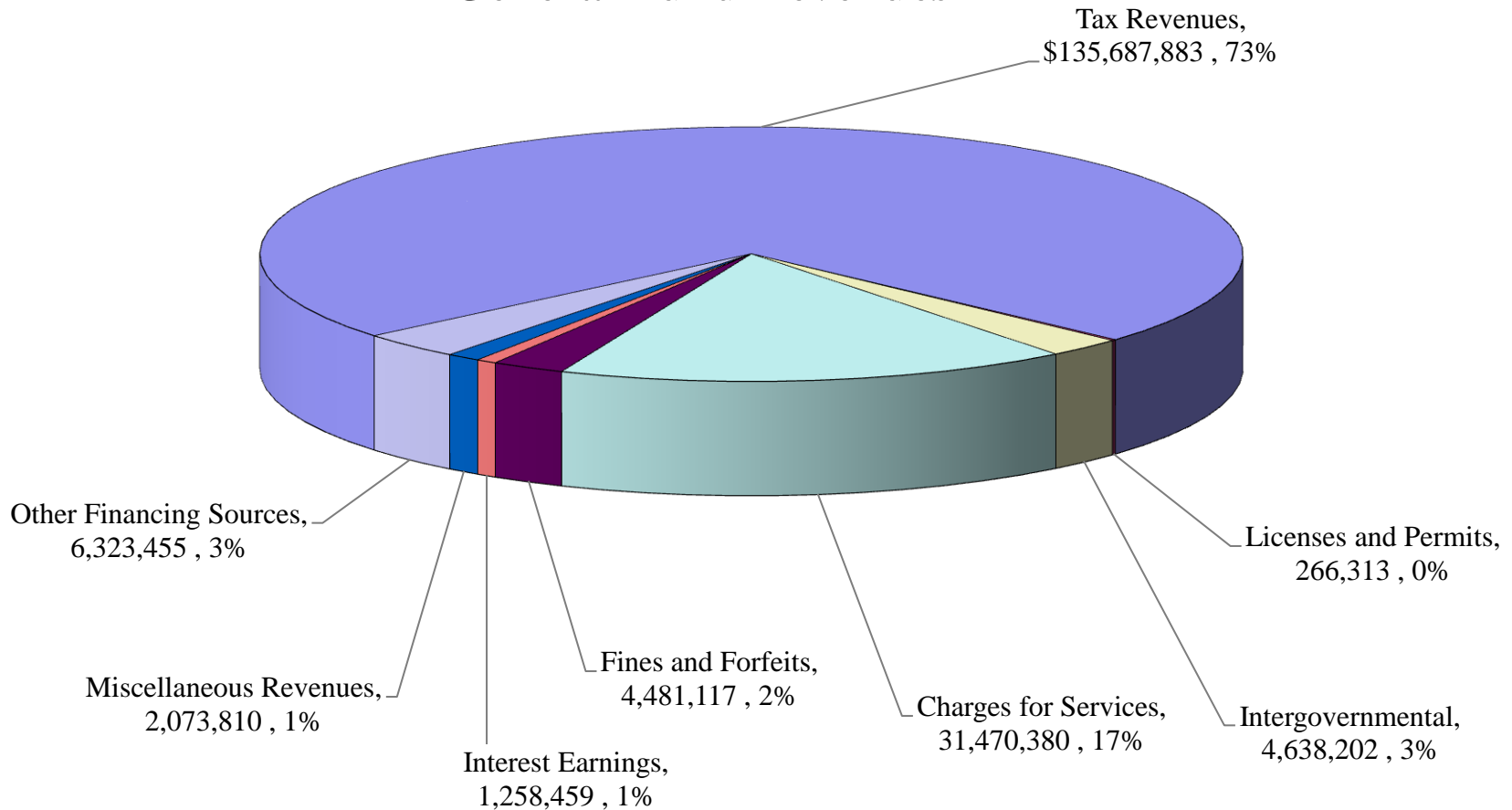
\$200K

FY 2010 Ending balance

\$32.6 Mil.

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
Tax Revenues	\$135,687,883	\$134,980,088	\$707,795	0.52%	72.87%
Licenses and Permits	\$266,313	\$282,841	(\$16,528)	(5.84%)	0.14%
Intergovernmental	\$4,638,202	\$5,605,182	(\$966,980)	(17.25%)	2.49%
Charges for Services	\$31,470,380	\$30,718,968	\$751,412	2.45%	16.90%
Fines and Forfeits	\$4,481,117	\$4,691,135	(\$210,018)	(4.48%)	2.41%
Interest	\$1,258,459	\$1,602,150	(\$343,691)	(21.45%)	0.68%
Miscellaneous	\$2,073,810	\$2,149,394	(\$75,584)	(3.52%)	1.11%
Other Financing Sources	\$6,323,455	\$1,608,939	\$4,714,516	293.02%	3.40%
Total Revenues and Other Sources	\$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

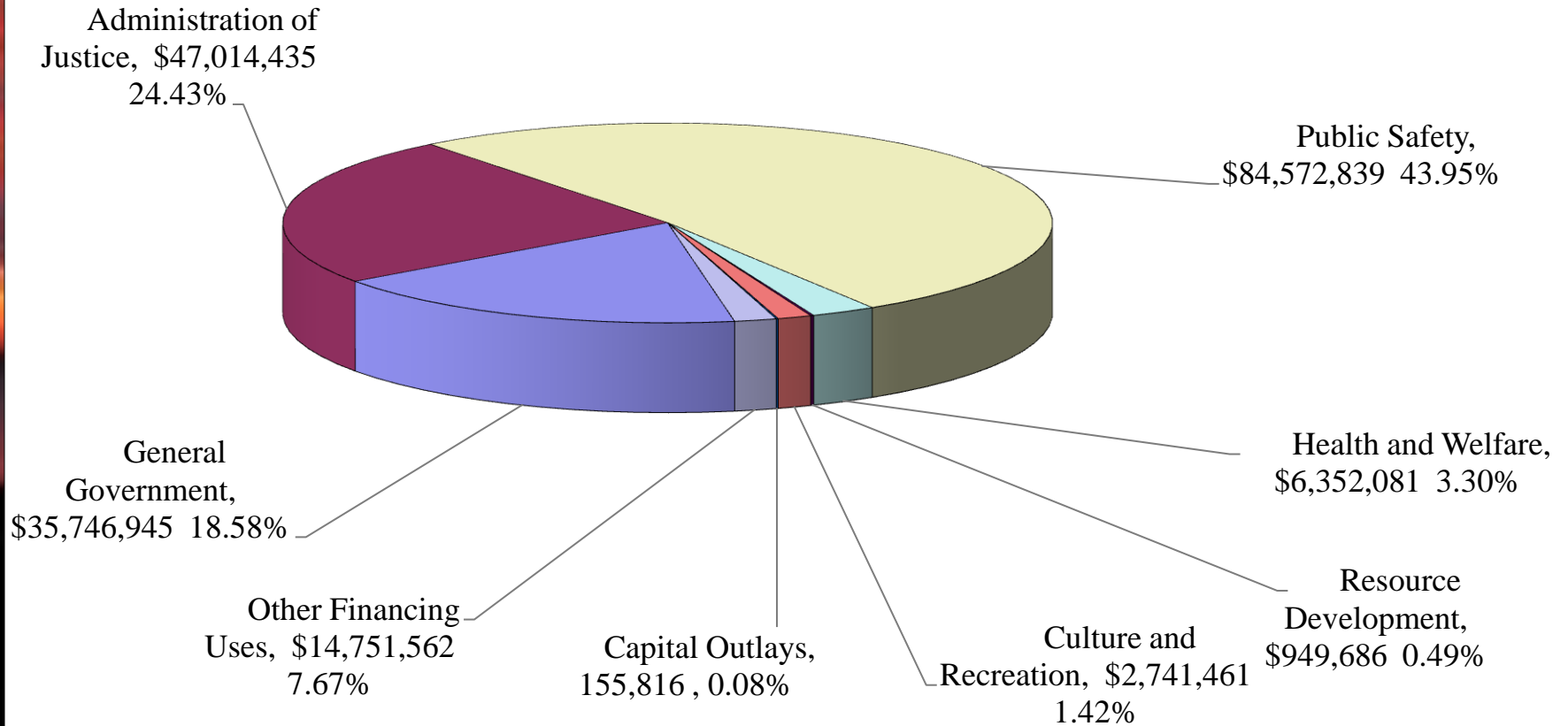
Interest
Earnings
\$344K

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)

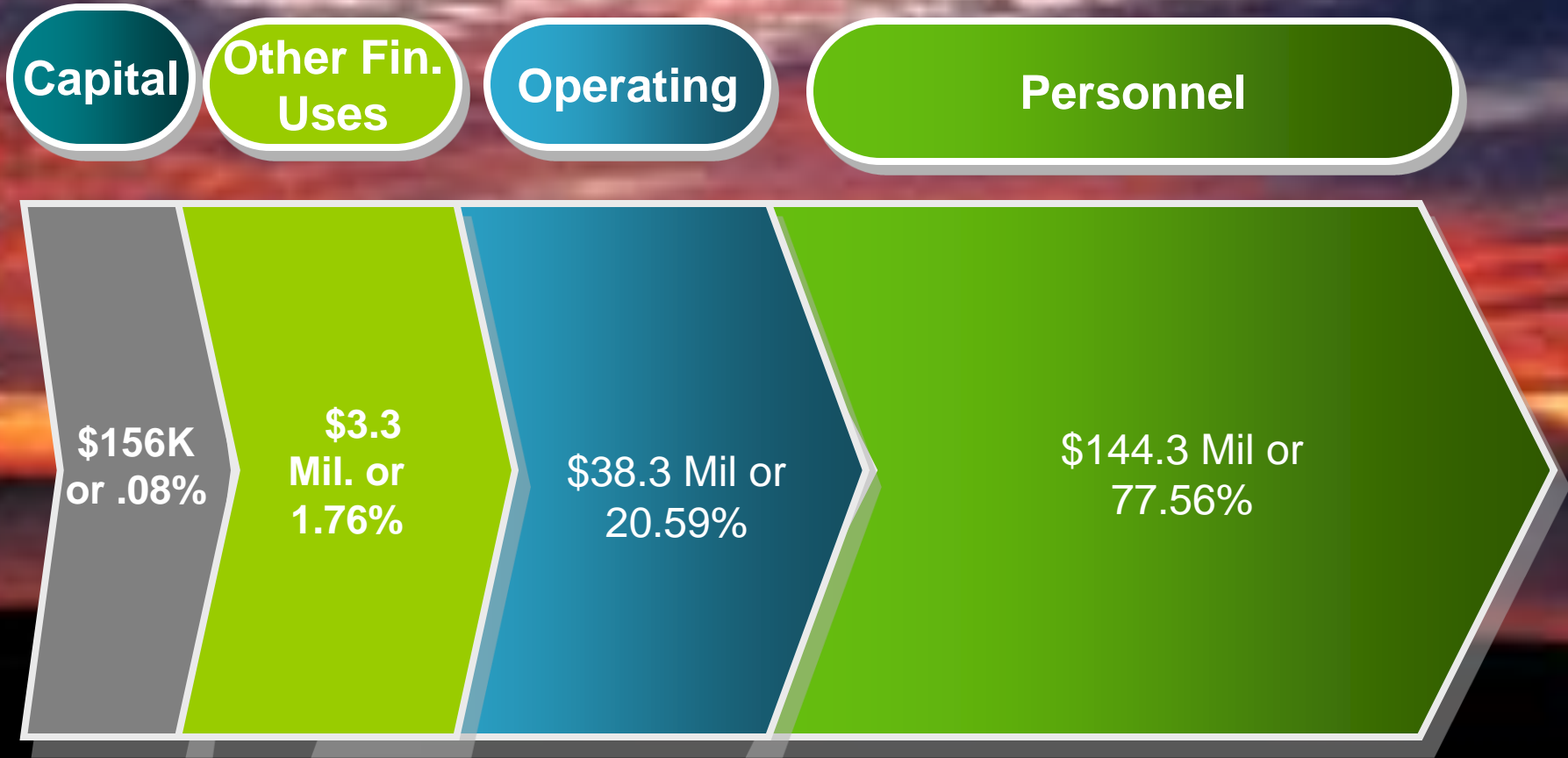
Culture
and Rec.
(\$91K)

Capital
Outlays
(\$151K)

Other Fin.
Uses
(\$11.5 Mil.)



Expenditures for 2010 General Fund by Category



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

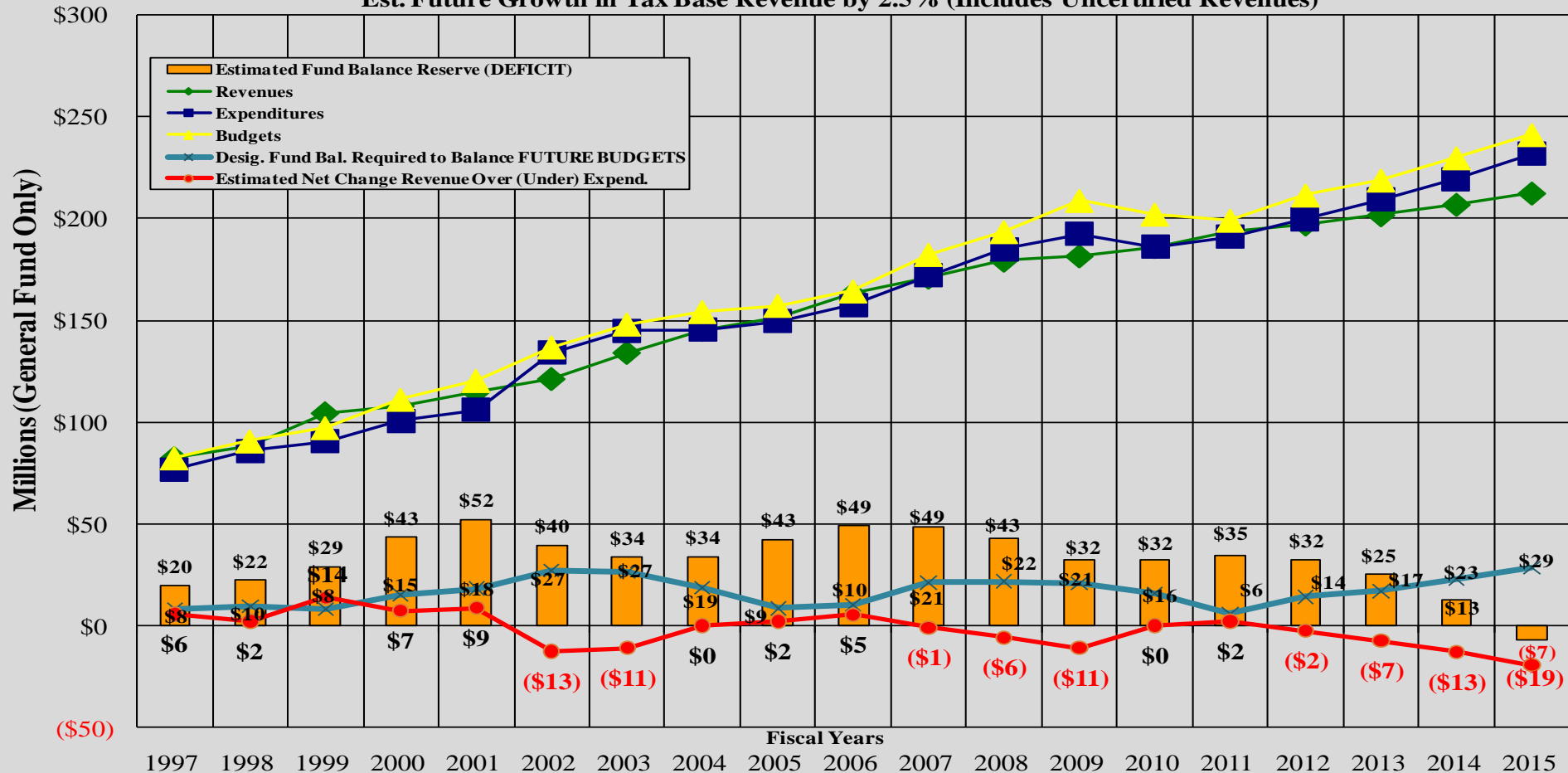
General Fund Overview as of September 30, 2009

REVENUES	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
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	<u>\$187,960,599</u>	<u>\$181,638,697</u>	<u>100.00%</u>	<u>-\$6,321,902</u>	<u>100.00%</u>	<u>\$2,132,712</u>	<u>1.19%</u>
EXPENDITURES							
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	<u>\$210,172,123</u>	<u>\$192,466,992</u>	<u>100.00%</u>	<u>\$17,705,131</u>	<u>100.00%</u>	<u>\$8,068,477</u>	<u>4.38%</u>
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)**

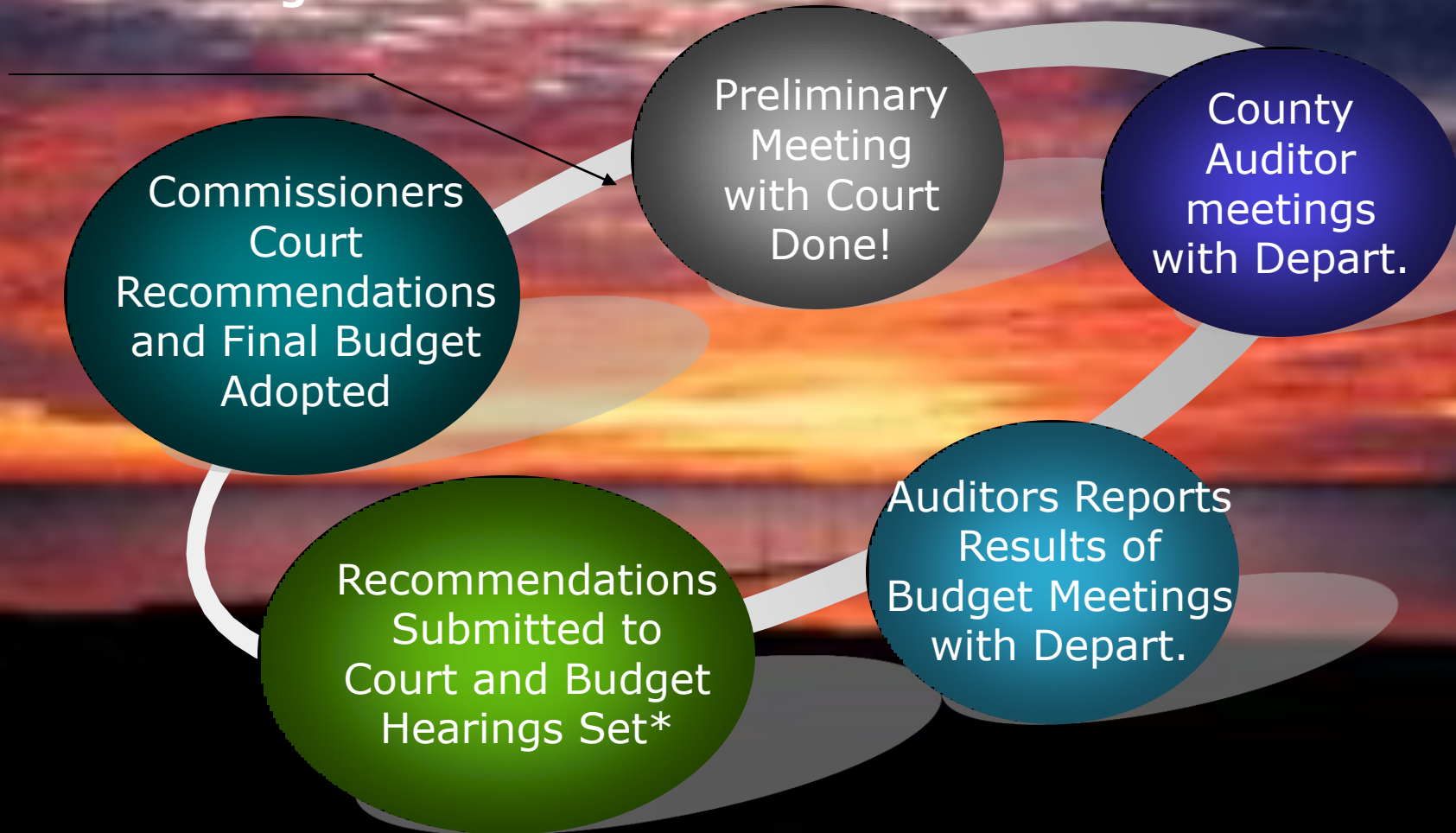


Impacts for future years-Cont.

- **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

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