

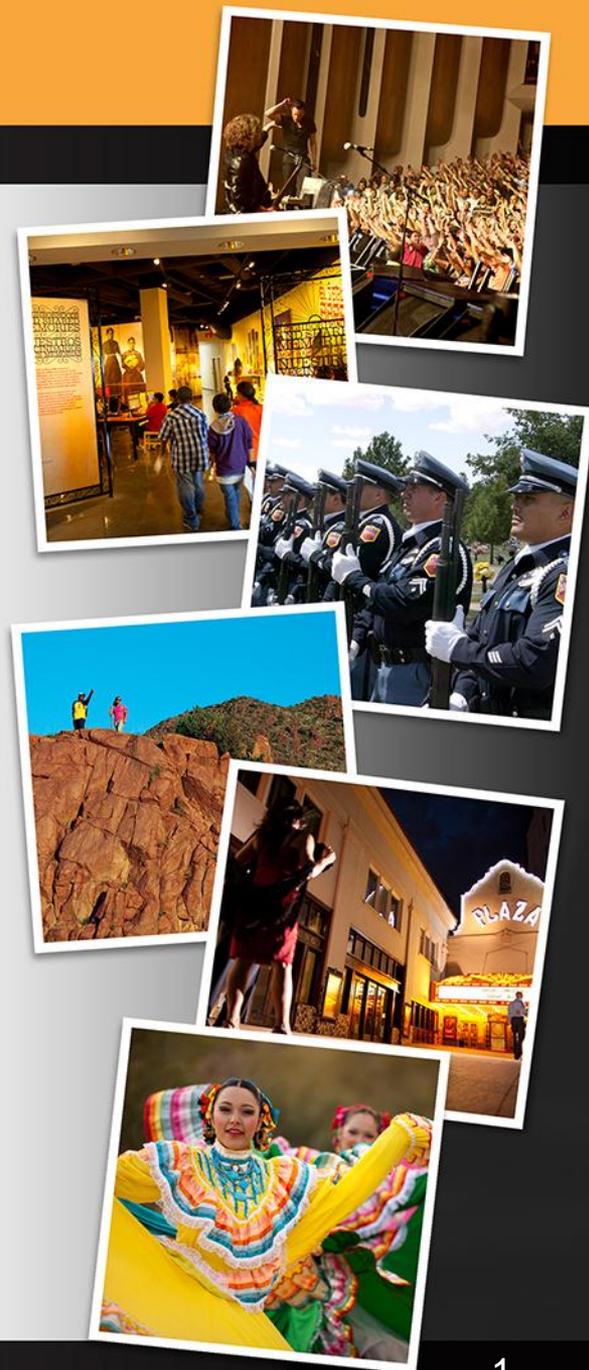


SERVICE SOLUTIONS SUCCESS

City of El Paso

FY2015 City Manager's Proposed Budget

Tommy González, City Manager





SERVICE SOLUTIONS SUCCESS

Organizational Philosophy

Vision

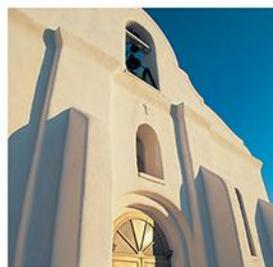
The City of El Paso is a high-performance, customer-focused organization.

Mission

Dedicated to providing outstanding customer services for a better El Paso.

We value:

- ✓ *Excellence*
- ✓ *Integrity*
- ✓ *Respect*
- ✓ *Accountability*
- ✓ *Our People*

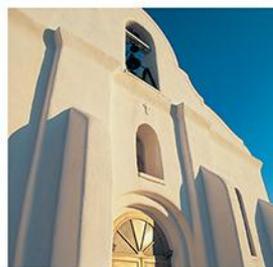




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FY 2015 Game Plan

- Delivering a flat budget
- Restored services eliminated or reduced in order to meet budget target
- Identified efficiencies for FY 2015 to remain flat
- Focused on Council key priorities, goals and objectives



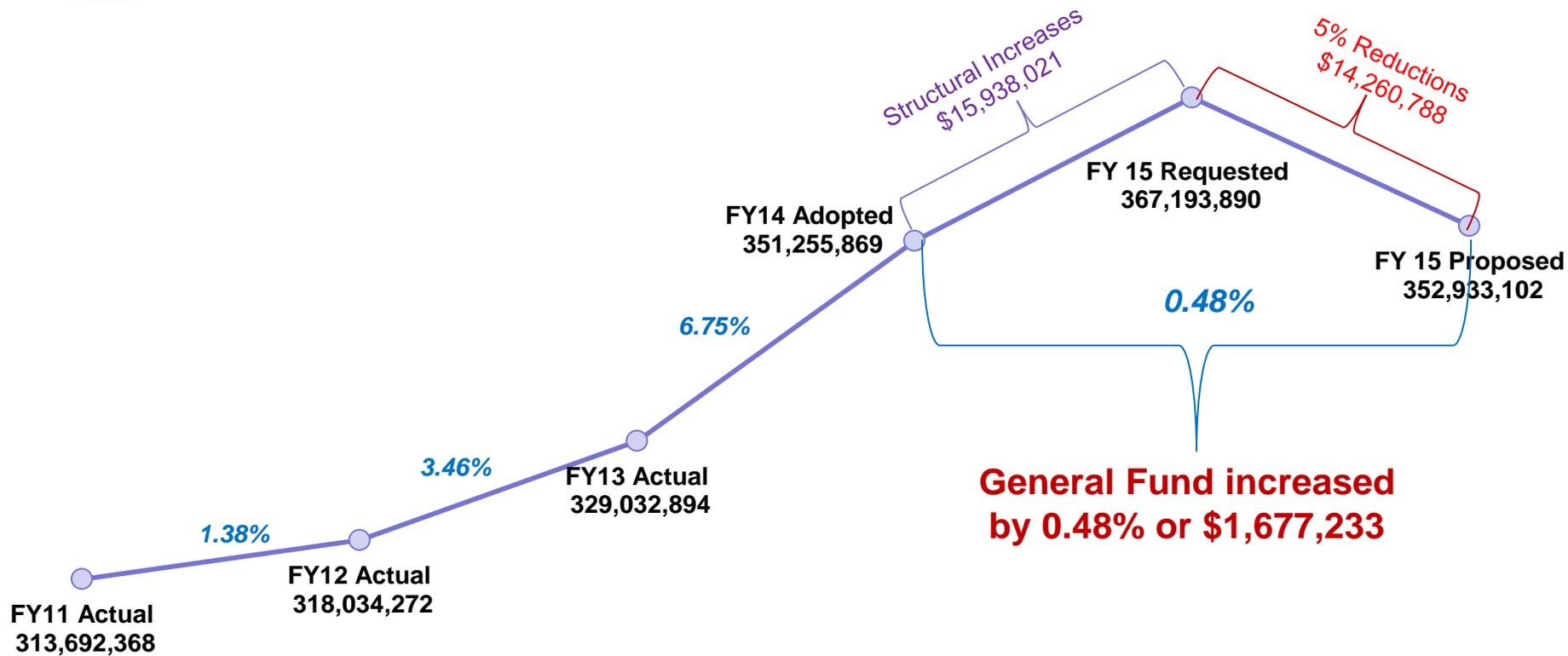


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Flat Budget





FY 2015 Proposed Budget Highlights

Includes

- Quality of Life (QOL) operating costs for new projects
- QOL debt service
- Economic development incentives

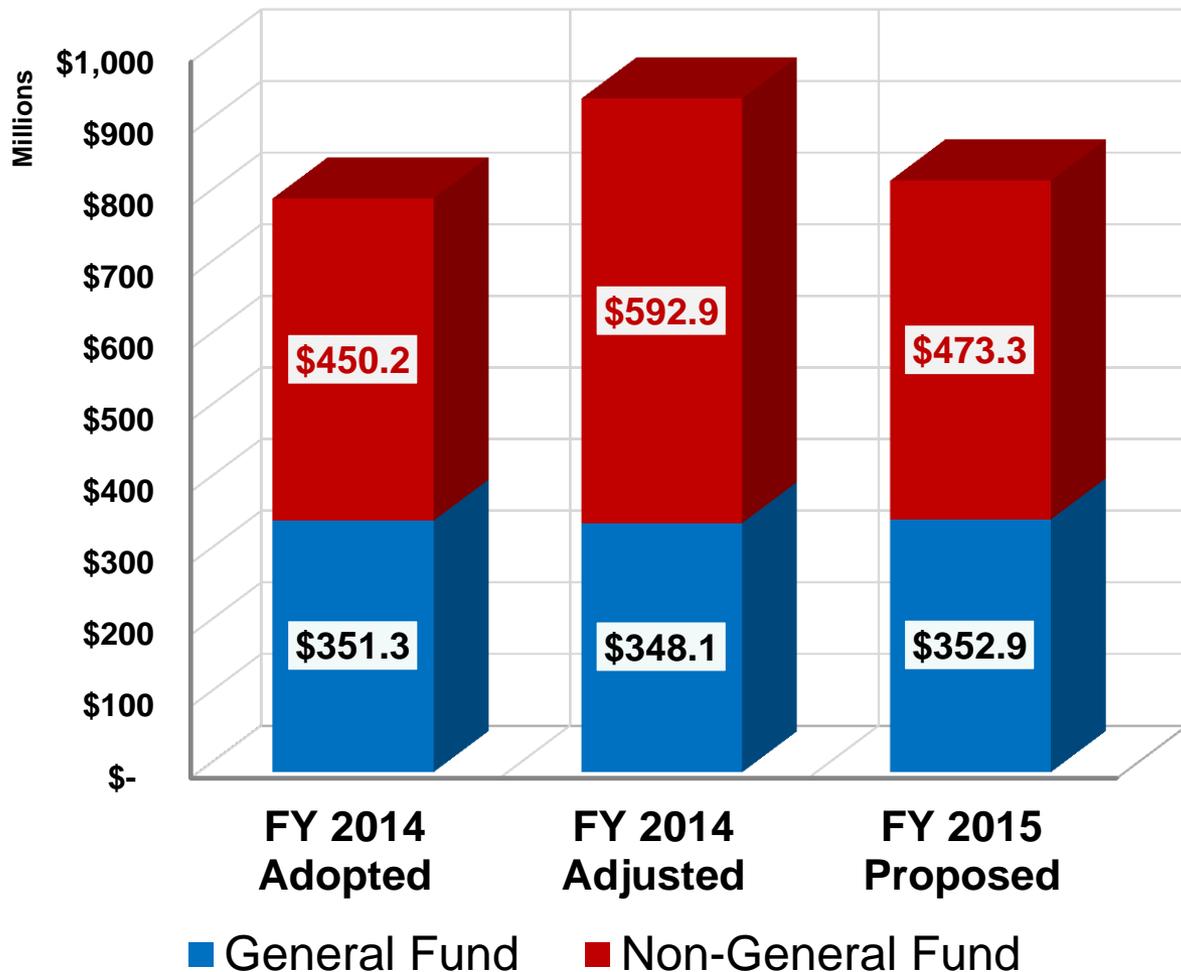
City Employees

- Steps 1 and 2 full year impact: All Funds \$2.36M, General Fund \$1.24M, Non-General Fund \$1.12M
- Police and Fire uniformed employees received collectively bargained increases under existing agreements
- Increase in employee health insurance contribution for \$570,060
- Increase in employee/employer contribution to Non-Uniform pension fund \$408,564
- \$50,000 established to implement training for Lean Six Sigma



FY 2015 Proposed Budget Highlights

- All Funds increased by \$24,816,355 or 3.1% from FY 2014 Adopted, i.e., decreased by (\$114,701,209) or 12.2% from FY 2014 Adjusted;
- General Fund increased by \$1,677,233 or 0.5% from FY 2014 Adopted, i.e., increased by \$4,867,471 or 1.4% from FY 2014 Adjusted;
- Non-General Fund increased by \$23,139,122 or 5.1% from FY 2014 Adopted, i.e., decreased by (\$119,568,680) or -20.2% from FY 2014 Adjusted;





Key Impacts to FY 2015 Budget

- Revenue Performance - underperforming
- Revenue Forecasting - streamlined
- Preliminary Assessed Valuations (PAV) - down
- Sales Tax – flat
- Franchise fees – up around \$5,069,486
- Structural increases - \$15,938,021
- Continuing obligations for TRZ Property Tax Incentives, Debt Subsidies, TIRZs and 380s
- FY 2014 Net Budget Adjustments - (\$3,190,238)



Revenue Performance

- FY 2014 – experienced lower than expected revenues with continuing impact into FY 2015.
- FY 2015 revenue budget is revising overly optimistic revenue forecasting practices established in the past.



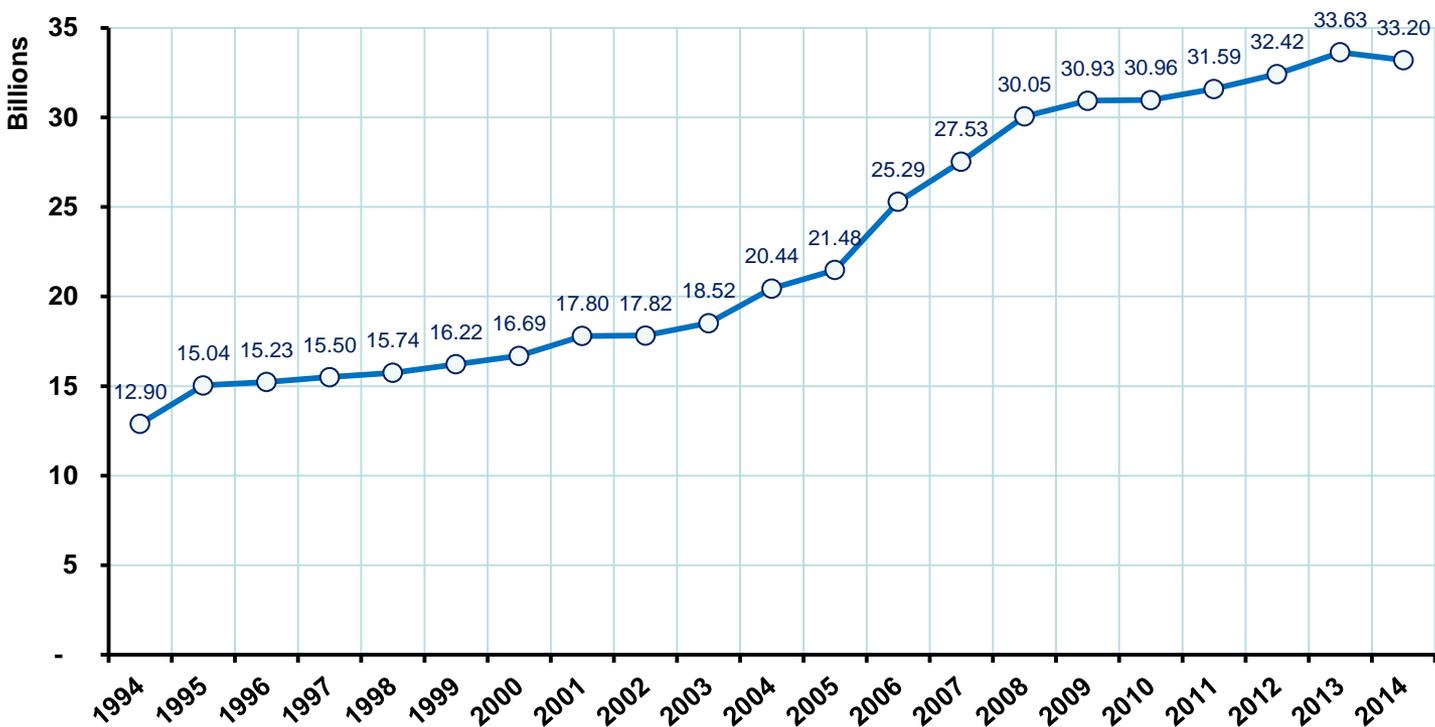
Revenue Forecasting

- Each major revenue source in the General Fund has been reviewed to prepare for the upcoming fiscal year.
- All of these methodologies have been collectively examined to determine the appropriate forecasting tool to lend credibility and reliability to each major revenue category.
- Methodology employed:
 - At least four years of prior year's actuals plus FY2014's projection utilized
 - Measureable industry or economic data
 - Staff experience with revenue estimations
 - Econometric forecasting
 - City's fifteen (15) major revenue categories have been evaluated using econometric forecasts by the University of Texas at El Paso (UTEP) Border Region Modeling Project.



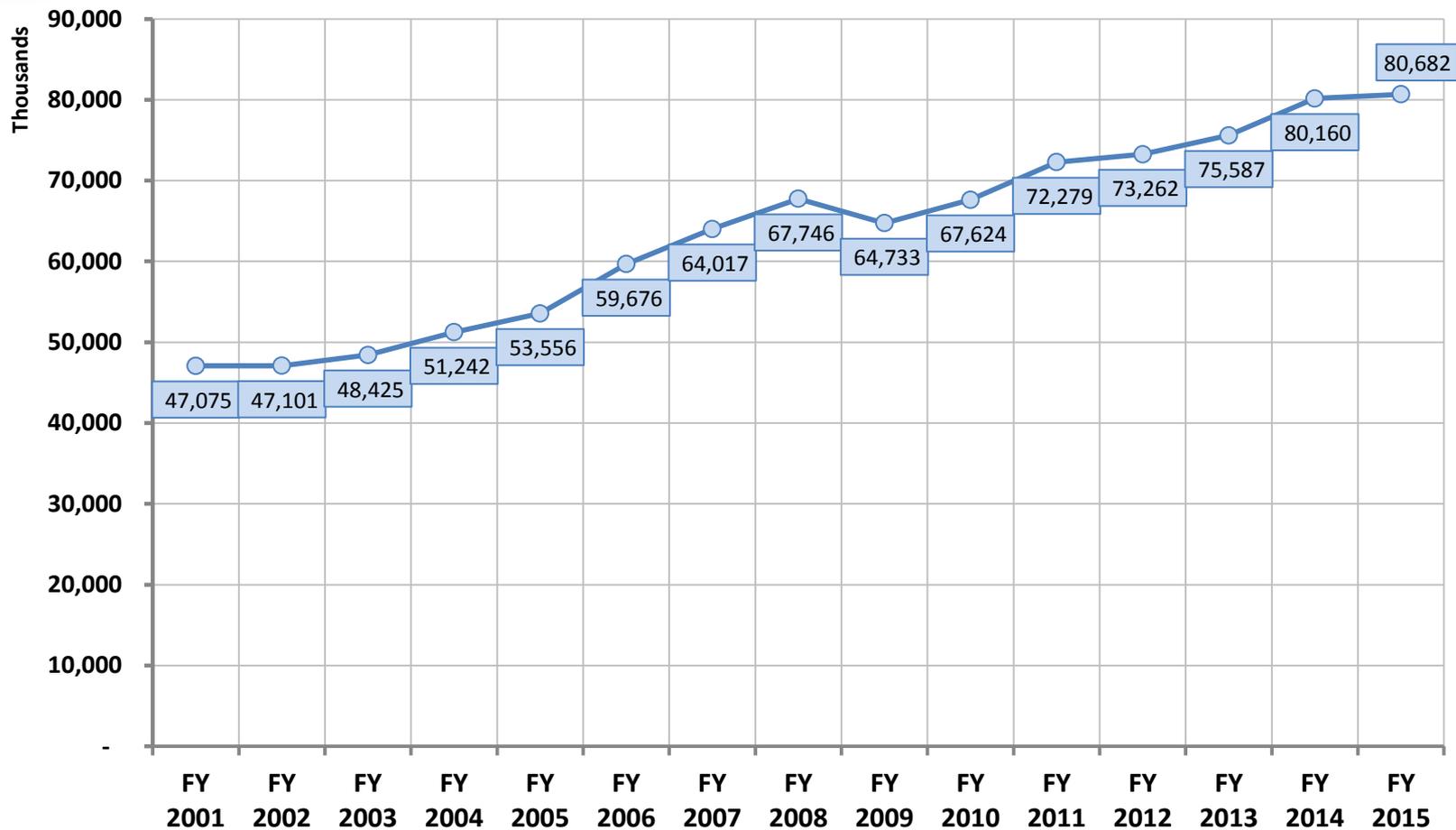
Preliminary Assessed Valuations (PAV)

- PAV by Central Appraisal District, decreased for the first time in the last 20 years, i.e., 2014 PAV reflects a \$429 million decrease from the 2013 PAV.





Sales Tax





Franchise fees

- Reflect an overall increase of \$5,069,486 or 11.5%
 - 2014 new agreement with Texas Gas Service to increase the franchise fee to 4.5% of gross revenue receipts instead of the prior model based on a franchise fee factor.
 - FY 2015 Proposed includes a 1% increase in the consumption-based electric franchise fee, currently set at 4%, which will generate an additional \$4.8 million to the City. This increase is offset by an adjustment for prior period overpayments from EPE to the City in the amount of \$630,000.
 - The combined increase of \$5 million is slightly offset by a decrease in the telephone, water, and cable franchise fee revenue.



Structural Increases Added in FY 2015 Budget

	Increases
Insurance and Benefits*	\$1,219,393
Salary adjustments**	1,241,586
Pension from 13.45% to 14.05%	408,564
Public Safety	3,178,550
Municipal Elections	225,000
Incentive Agreements	3,875,637
QOL Impacts	448,558
External legal counsel, claims, litigation expenses	1,000,000
Other departmental recommendations	4,340,733
	\$15,938,021

* Includes Retirees Health Plan

** Compression for non-uniform employees



FY 2014 Continuing Obligations

TRZ Property Tax Incentive + Debt Subsidy	\$ 3,640,996
TIRZ	702,057
380	1,414,772
	\$ 5,757,825

**Property Tax Supported Debt Service is captured
in a separate fund**

Debt Service	\$ 3,525,985
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FY 2014 General Fund Budget Adjustments – (\$3,190,238)

- City Attorney – \$1,000,000
 - Increased appropriation for damages, settlements, and external legal counsel (Item #2 of the Budget Resolution)
- Non-Departmental - \$800,000
 - Establish budget for the FY 2013 Purchase Orders authorized in FY 2013 but not completed until FY 2014 (Item #40 of the Budget Resolution)
- City Development - \$123,913
 - Increase revenue and appropriations for reimbursement of two employees' salaries by El Paso County (approved by City Council on 3/25/14)
- Dept. of Transportation - \$750,000
 - Increase revenue and appropriations for reimbursements by El Paso Water Utilities for street resurfacing work (approved by City Council on 3/25/14)
- City-wide (\$5,864,151)
 - Budget reductions approved by City Council on 3/25/14 as a result of under-performing revenues



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FY 2015 Proposed Budget - General Fund



SERVICE SOLUTIONS SUCCESS

**FY 2014 Adopted
\$351,255,869**

**Structural
Increases
\$15,938,021**

Insurance and Benefits	\$1,219,393
Salary adjustments	\$1,241,586
Pension from 13.45% to 14.05%	\$ 408,564
Public Safety	\$3,178,550
Municipal Elections	\$ 225,000
Incentive Agreements	\$3,875,637
QOL Impacts	\$ 448,558
External legal counsel, claims, litigation expenses	\$1,000,000
Other departmental recommendations	\$4,340,733

**FY 2015 Requested
\$367,193,890**

**5% reductions
\$14,260,788**

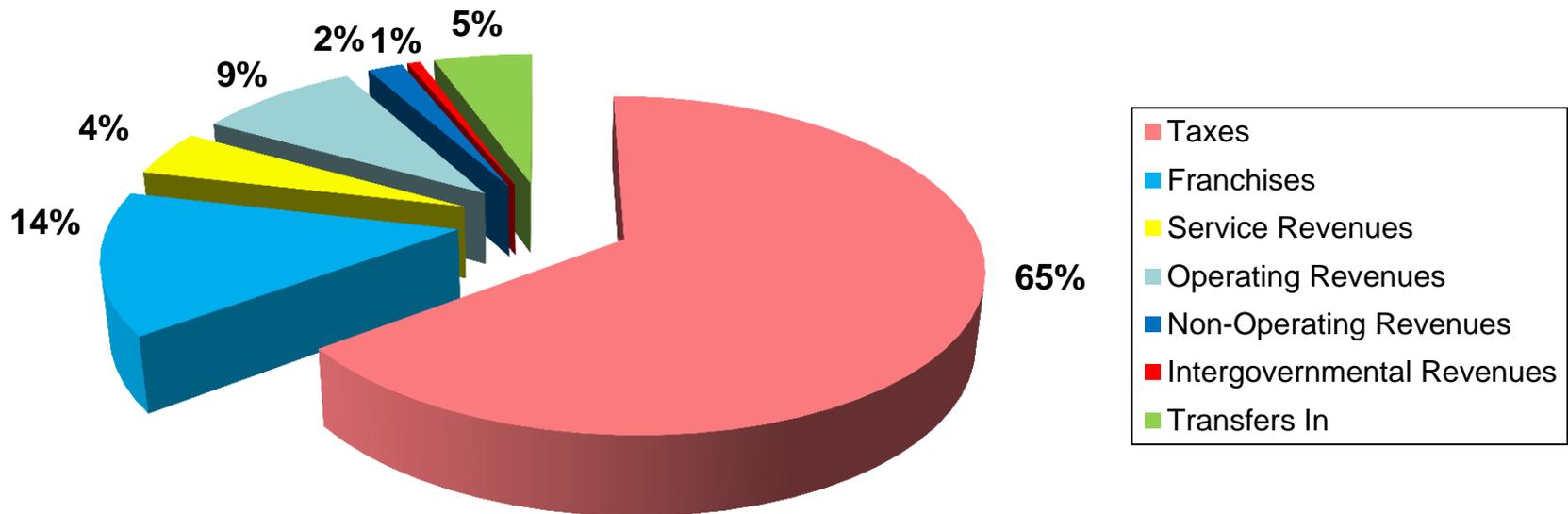
**FY 2015 Proposed
\$352,933,102**

City Attorney	(133,940)
City Development	(179,647)
City Manager	(100,957)
Community & Human Development	(23,476)
Department of Transportation	(913,056)
Engineering	(427,147)
Fire	(2,075,347)
General Services	(1,804,602)
Human Resources	(371,405)
Information Technology	(890,627)
Library	(403,697)
Mayor & Council	(39,070)
Municipal Clerk	(278,809)
Museum and Cultural Affairs	(121,678)
Non Departmental	(652,646)
Office of the Comptroller	(108,372)
Parks & Recreation	(175,478)
Police	(4,977,118)
Public Health	(320,915)
Purchasing	(63,376)
Tax	(7,200)
Zoo	(192,224)



General Fund Revenues

FY 2015 Total Revenue \$352,933,102





General Fund Revenue

<i>Revenue Source</i>	<i>FY10</i>	<i>FY11</i>	<i>FY12</i>	<i>FY13</i>	<i>FY14</i>	<i>FY14 3rd Qtr</i>	<i>FY15</i>	<i>FY2015 Proposed Over/(Under) FY2014 Adopted</i>	
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Projections</i>	<i>Proposed</i>	<i>Amount</i>	<i>Percent</i>
Taxes	195,595,724	202,774,834	207,432,067	215,720,408	227,583,786	224,343,579	228,584,899	1,001,113	0.4%
Franchises	39,906,715	44,026,459	42,964,820	41,360,418	44,059,942	42,382,450	49,129,428	5,069,486	11.5%
Service Revenues	10,959,290	13,354,275	16,912,691	16,500,351	15,637,202	15,641,685	15,929,471	292,269	1.9%
Operating Revenues	31,057,192	30,984,546	29,240,537	29,779,749	30,217,895	29,080,406	30,989,106	771,211	2.6%
Non-Operating Revenues	3,478,120	3,569,775	3,888,737	4,772,827	8,096,950	7,118,623	6,772,615	(1,324,335)	-16.4%
Intergovernmental Revenues	2,245,538	2,245,004	2,366,877	2,347,271	3,000,579	2,598,783	2,470,834	(529,745)	-17.7%
Transfers In	24,252,637	16,737,475	15,228,543	18,551,870	22,659,515	21,905,220	19,056,749	(3,602,766)	-15.9%
GRAND TOTAL	307,495,216	313,692,368	318,034,272	329,032,894	351,255,869	343,070,746	352,933,102	1,677,233	0.5%



General Fund Revenue Highlights

All revenue variances compare FY 2015 Proposed to FY 2014 Adopted

- Property taxes – \$996K or 0.69% increase (includes personal property taxes, penalties, and fees)
- Sales taxes – \$5,257 or 0.01% increase to align the budget with actuals based realistic growth expectations (includes Mixed Beverage & Bingo Tax)
- El Paso Electric – \$4,178,199 or 26.10% increase due to anticipated 1% increase in consumption-based franchise fee from existing 4% to 5%
- Texas Gas – \$2,174,046 or 73.66% increase due to newly negotiated agreement. Franchise rate will increase by 0.5% effective 9/1/14 from existing 4.0% to 4.5%
- AT&T – (\$1,279,707) or (18.70%) decrease as a result of a downward trend in land line telephone taxes and an expansion in cellular telephone usage



General Fund Revenue Highlights (Cont.)

- Water – (\$335,644) or (2.93%) decrease to align with actuals
- Telecom – \$401,502 or 17.17% increase due to upward trend and expansion of the market
- Ambulance – \$373,366 or 3.66% increase aligning with expected growth
- Dental Clinic Fees - \$150,000 or 50% increase to reflect a full year of service of new dental van
- Airport Indirect Cost Reimbursement – (\$189,324) or (14.87%) decline based on current cost allocation plan
- Moving Violation Fines & Forfeits – (\$1,629,079) or (26.86%) decrease to align revenues with ticket issuance
- Parking Forfeits Fines – \$326,857 or 20.82% increase to reflect the expected increase in parking fines



General Fund Revenue Highlights (Cont.)

- Liability Insurance Violations – (\$708,587) or (31.50%) to align revenue with ticket issuance
- Building and Electrical Permits - \$772,050 or 25.17% to reflect increase in permit activity
- Child Care Services - \$108,800 or 22.84% to reflect increase of \$1 per day per child
- Reimbursed Expenditures – (\$1.15) million or (25.45%) decrease. Revenue was zero-based and reflects appropriate amounts to be recovered from all sources.
- Investment Interest Revenue – (\$300,000) or (75%) due to rates on allowed investments not forecasted to start rising until late FY 2015



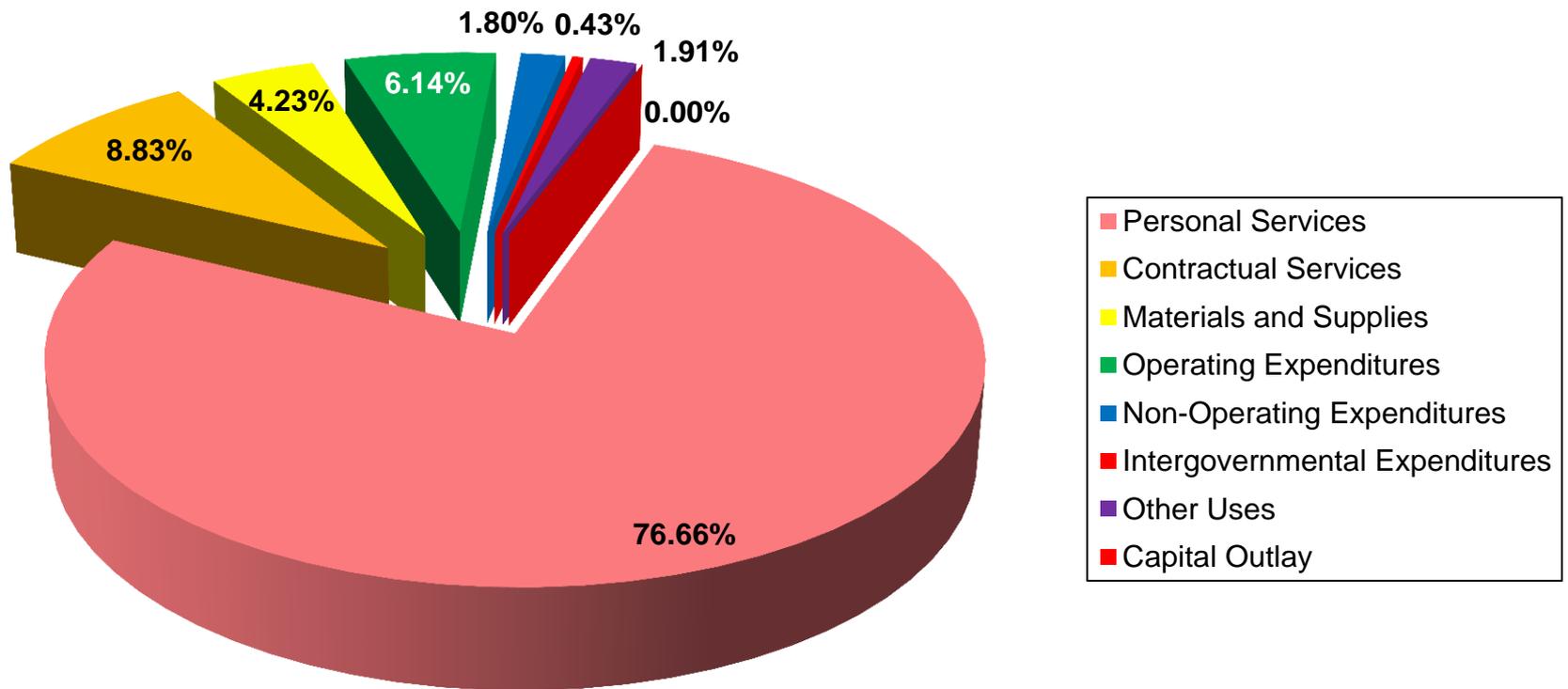
General Fund Revenue Highlights (Cont.)

- Facility Rentals - \$289,337 due to increase in facility fee rental charge for recreational centers. Fees have not been increased since 2008.
- Interlocal Tax Collection Agreement – (\$628,958) or (29.17%) to align with actuals and City's share of Tax Office cost.
- Interfund transfers (\$2.36M) or (14.65%)
 - Reduction in costs to be recovered from the Medicaid Waiver Program
 - Environmental Services' Indirect Cost now budgeted in the Indirect Cost Recovery account
- (\$1.2) million or (19.02%) for reimbursement from various Capital Projects for the associated Engineering and Information Technology Dept. salaries related to placing new assets in service



General Fund Appropriations

FY 2015 Total Appropriations \$352,933,102





General Fund Appropriations

<i>Category</i>	<i>FY11</i>	<i>FY12</i>	<i>FY13</i>	<i>FY14</i>	<i>FY14</i>	<i>FY15</i>	<i>FY2015 Proposed</i>	
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adjusted</i> <i>05/31/14</i>	<i>Proposed</i>	<i>Over/(Under) FY2014</i> <i>Adopted</i>	<i>Amount</i>
Personal Services	247,912,266	251,803,128	261,171,663	269,734,483	267,188,589	270,571,612	837,129	0.3%
Contractual Services	26,949,323	27,357,509	30,601,682	33,082,446	34,359,415	31,179,169	(1,903,277)	-5.8%
Materials and Supplies	12,258,934	14,134,296	14,340,516	15,248,880	15,293,897	14,928,033	(320,847)	-2.1%
Operating Expenditures	16,832,772	19,549,582	20,641,042	19,670,797	19,591,568	21,657,095	1,986,298	10.1%
Non-Operating Expenditures	2,952,899	3,034,057	4,401,700	5,177,732	5,891,412	6,338,788	1,161,056	22.4%
Intergovernmental Expenditures	1,563,236	1,511,938	1,358,565	1,611,221	1,464,021	1,531,066	(80,155)	-5.0%
Other Uses	3,240,861	113,385	712,350	6,580,310	4,044,729	6,727,338	147,028	2.2%
Capital Outlay	288,928	632,978	809,470	150,000	232,000	0	(150,000)	-100%
Grand Total	311,999,219	318,136,874	334,036,988	351,255,869	348,065,631	352,933,102	1,677,233	0.5%



General Fund Appropriations Variances

All variances compare FY 2015 Proposed to FY 2014 Adopted

- Personal Services - \$837,130 or 0.31% increase includes compression, pension, insurance, retirees, and collective bargain increases
- Contractual Services – (\$1,903,277) or (5.75%) decrease due primarily to the elimination of the G4S prisoner transport contract
- Materials & Supplies – (\$320,847) or (2.10%) due to decrease in land maintenance and landscaping supplies



General Fund Appropriations Variances

All variances compare FY 2015 Proposed to FY 2014 Adopted

- Operating Expenditures – \$1,986,298 or 10.10% increase due to utility increases and salary reserve
- Non-Operating Expenditures – \$1,161,056 or 22.42% increase due to damages and settlements expenses



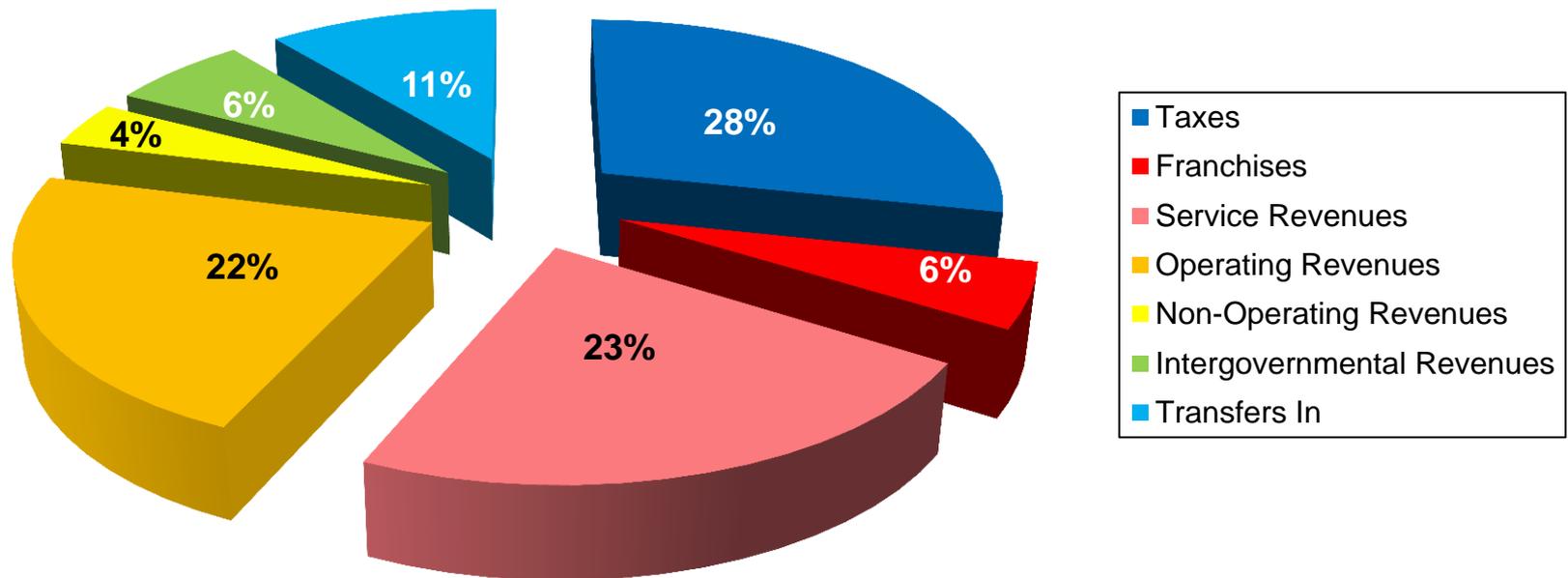
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FY 2015 Proposed Budget Non-General Fund



Non-General Fund Revenues

FY 2015 Total Revenue \$473,304,574





Non-General Fund Revenues

<i>Revenue Source</i>	<i>FY11</i>	<i>FY12</i>	<i>FY13</i>	<i>FY14</i>	<i>FY15</i>	<i>FY2015 Proposed Over/(Under) FY2014 Adopted</i>	
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Proposed</i>	<i>Amount</i>	<i>Percent</i>
Taxes	114,471,252	120,227,384	121,708,032	129,026,167	134,586,477	5,560,310	4.31%
Franchises	21,458,379	21,756,920	23,017,454	22,024,690	25,832,841	3,808,151	17.29%
Service Revenues	95,017,396	99,746,626	101,077,232	102,910,767	107,298,960	4,388,193	4.26%
Operating Revenues	85,715,174	88,244,415	91,087,804	104,774,976	105,722,821	947,845	0.90%
Non-Operating Revenues	25,525,214	21,616,424	32,860,941	20,824,699	18,266,851	(2,557,848)	-12.28%
Intergovernmental Revenues	76,368,161	62,197,459	46,182,612	30,034,402	30,430,069	395,667	1.32%
Transfers In	159,529,599	116,454,457	166,339,514	40,569,752	51,166,556	10,596,804	26.12%
GRAND TOTAL	578,085,174	530,243,684	582,273,590	450,165,453	473,304,574	23,139,121	5.14%



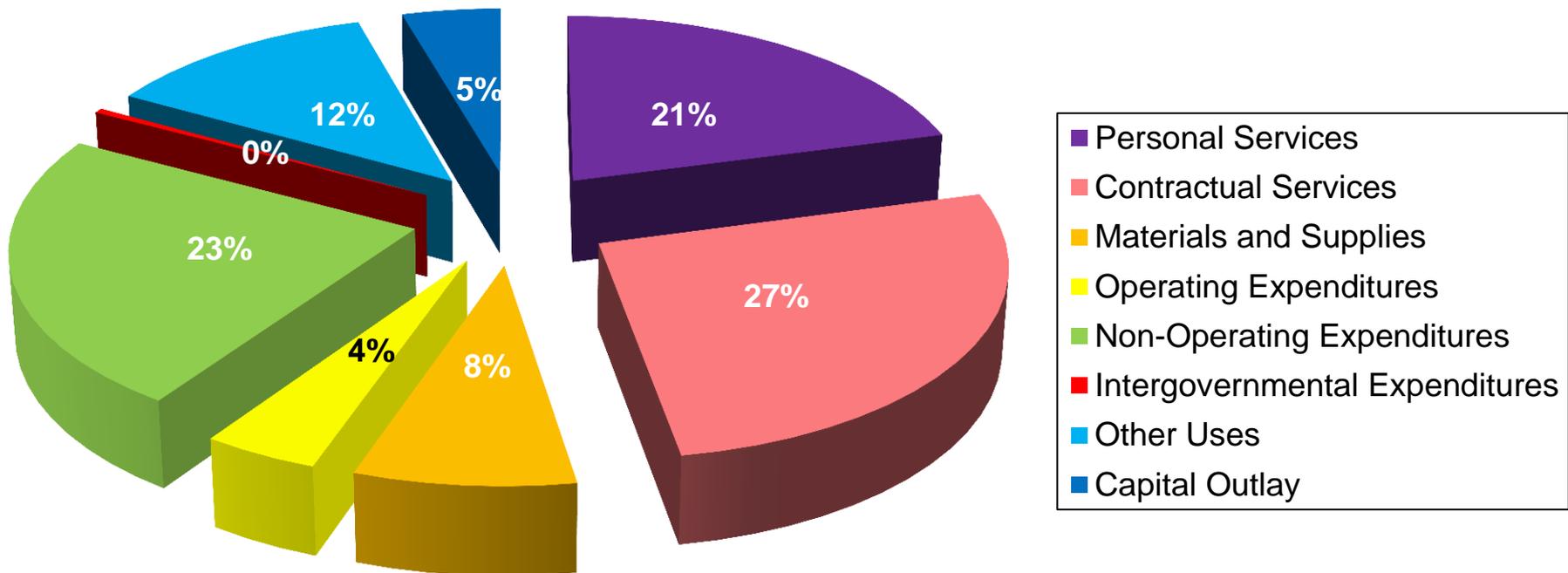
Non-General Fund Revenue Highlights

- Property taxes – \$4.83 million for debt service
- Passenger Vehicle Crossings – \$3.71 million for public-private partnership with Customs and Border Protection
- Garbage Collection Billings - \$2.15 million increase from \$1.00 fee increase and annual growth
- Environmental Fees - \$911,759 to align with actuals including 1% growth in customer accounts
- Grants and Medicare Waiver Program - \$1.9 million
- Land Sales – (\$2.3 million) reduced to align with actual anticipated land sales



Non-General Fund Appropriations

FY 2015 Total Appropriations \$473,304,574





Non-General Fund Appropriations

<i>Category</i>	<i>FY11</i>	<i>FY12</i>	<i>FY13</i>	<i>FY14</i>	<i>FY14</i>	<i>FY15</i>	<i>FY2015 Proposed Over/(Under) FY2014 Adopted</i>	
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Adopted</i>	<i>Adjusted 05/31/14</i>	<i>Proposed</i>	<i>Amount</i>	<i>Percent</i>
Personal Services	96,538,784	102,120,338	102,674,947	97,130,388	96,096,140	98,467,514	1,337,126	1.38%
Contractual Services	90,548,528	94,520,488	95,102,193	117,054,431	119,314,981	125,923,289	8,868,858	7.58%
Materials and Supplies	30,721,372	35,692,113	33,065,445	36,961,354	37,187,415	37,486,753	525,399	1.42%
Operating Expenditures	48,490,076	52,276,638	53,004,241	18,456,003	19,933,116	19,790,410	1,334,407	7.23%
Non-Operating Expenditures	93,415,218	104,726,704	92,580,009	103,155,524	103,407,976	110,207,875	7,052,351	6.84%
Intergovernmental Expenditures	285,713	278,519	241,969	2,021,959	1,763,298	1,929,015	(92,944)	-4.60%
Other Uses	94,956,325	74,427,644	89,020,133	53,656,855	159,226,021	58,444,918	4,788,063	8.92%
Capital Outlay	107,423,872	101,694,676	125,954,582	21,728,937	55,944,305	21,054,800	(674,137)	-3.10%
Grand Total	562,379,890	565,737,120	591,643,519	450,165,453	592,873,254	473,304,574	23,139,121	5.14%



Non-General Fund Appropriations Variances

- Environmental Services - \$10.5 million
 - \$1.3 million in personal services
 - \$4.9 million increase in transfers (Operating fund to Capital and Grant funds)
 - \$4.8 million increase in Capital
- Non-Departmental – \$4,044,171 increase for debt service requirement
- International Bridges - \$3,484,362 increase due to full year impact of P3 agreement with Customs and Border Protection Agency and expected growth

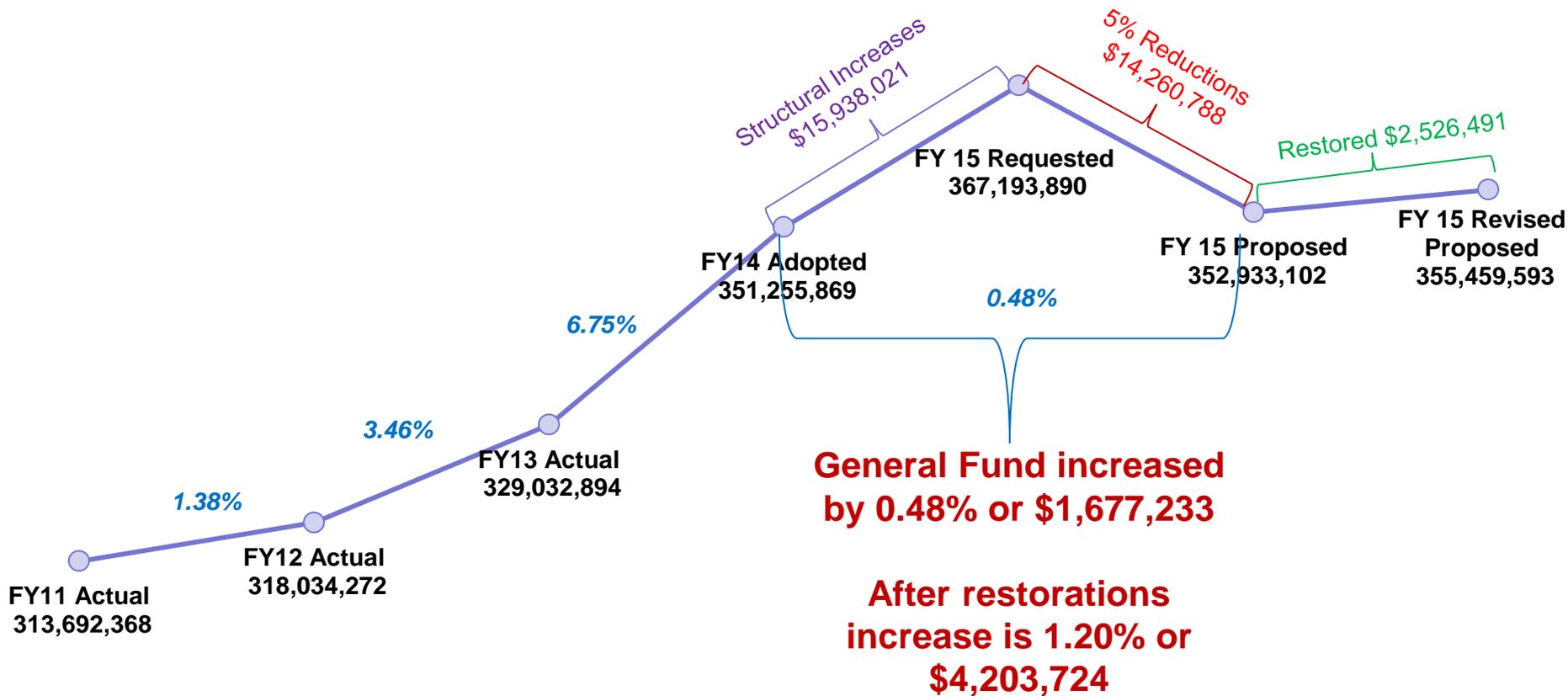


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Restorations





SERVICE SOLUTIONS PROCESS

**FY 2014 Adopted
\$351,255,869**

**Structural
Increases
\$15,938,021**

Insurance and Benefits	\$1,219,393
Salary adjustments	\$1,241,586
Pension from 13.45% to 14.05%	\$ 408,564
Public Safety	\$3,178,550
Municipal Elections	\$ 225,000
Incentive Agreements	\$3,875,637
QOL Impacts	\$ 448,558
External legal counsel, claims, litigation expenses	\$1,000,000
Other departmental recommendations	\$4,340,733

**FY 2015 Requested
\$367,193,890**

**5% reductions
\$14,260,788**

City Attorney	(133,940)
City Development	(179,647)
City Manager	(100,957)
Community & Human Development	(23,476)
Department of Transportation	(913,056)
Engineering	(427,147)
Fire	(2,075,347)
General Services	(1,804,602)
Human Resources	(371,405)
Information Technology	(890,627)
Library	(403,697)
Mayor & Council	(39,070)
Municipal Clerk	(278,809)
Museum and Cultural Affairs	(121,678)
Non Departmental	(652,646)
Office of the Comptroller	(108,372)
Parks & Recreation	(175,478)
Police	(4,977,118)
Public Health	(320,915)
Purchasing	(63,376)
Tax	(7,200)
Zoo	(192,224)

**FY 2015 Proposed
\$352,933,102**

**Restored
\$2,526,491**

Muni Court	156,705
City Dev.	51,231
Parks	175,478
Fire	445,105
Police	550,000
Library	403,697
DOT	48,225
DOT	500,000
GSD	196,050

**FY 2015 Revised Proposed
\$355,459,593**



Revenue Restorations

Date	Department	Change	General Fund (GF)
8-Jul	Parks	Revenue decrease from not raising several Parks' fees and lowering the prospective increase for others	(315,062)
14-Jul	Bridges	Removed admin. costs assigned to P3 and also adjusted transfer to General Fund based on depreciation vs. principal	666,382
14-Jul	Fire	911 District will cover a portion of the P25 radio communications expense	180,000
14-Jul	City Development	Adjustment to the subdivision fee structure - charge 50% of the true cost in FY15 and have a phase-in plan. This would generate 154K less than what was included in Proposed Budget.	(155,000)
12-Jul	City Development	Added Plumber position that will be reimbursed from El Paso Water Utilities	51,231
15-Jul	Non-Departmental	County reimbursement for P25 radio communications expense	125,930
Total Revenue Impact			553,481



Services Restorations

Date	Department	Change	General Fund (GF)
3-Jul	Zoo	None	-
8-Jul	Muni Court	3 Customer Relations Reps; 2 Deputy Court Clerks	156,705
8-Jul	Parks	Add back 2.4 FTEs for pools; Add back 2.75 FTEs for Rec Centers; Add back 1 FTE for Game Field maintenance	175,478
8-Jul	Fire	Paramedic Class/30 Recruit Academy/Car Allowance, and added back Communications Manager	445,105
8-Jul	Police	Prisoner transport contract (G4S) for summer	550,000
8-Jul	Library	Restore funding for positions + janitorial and parking tags	403,697
9-Jul	DOT	Add vital positions to assist with contract management	48,225
9-Jul	DOT	Restore in house paving budget	500,000
10-Jul	GSD	Restore Funding for portable restrooms	196,050
10-Jul	City Development	Added Plumber position that will be reimbursed from El Paso Water Utilities	51,231
Total Appropriations Impact			2,526,491



Department Summary Restorations

Revenues

Department	General Fund
Bridges	666,382
Parks	(315,062)
Fire	180,000
City Development	(103,769)
Non-Departmental	\$125,930
Total	\$553,481

Expenditures

Department	General Fund
Muni Court	156,705
Parks	175,478
Fire	445,105
Police	550,000
Library	403,697
DOT	548,225
GSD	196,050
City Development	51,231
	\$2,526,491



SERVICE SOLUTIONS SUCCESS

FY 2015 Proposed Budget Department Summary



Department Summary - General Fund

Departments	FY 11 Actuals	FY 12 Actuals	FY 13 Actuals	FY 14 Adopted	FY 14 Adjusted	FY 15 Proposed	FY2015 Proposed Over/(Under) FY2014 Adopted	
							Amount	Percent
Aviation	29	0	0	0	0	0	0	0.00%
City Attorney	4,538,016	4,348,075	4,094,423	3,972,005	4,827,018	3,952,705	(19,300)	(0.49%)
City Development	8,121,927	6,996,845	8,810,314	8,339,418	8,463,335	9,169,634	830,216	9.96%
City Manager	2,675,928	2,925,114	2,528,267	2,878,521	2,835,479	2,970,561	92,040	3.20%
Community and Human Development	495,025	485,396	331,949	463,234	444,380	446,033	(17,201)	(3.71%)
Department of Transportation	12,451,795	12,491,191	12,850,216	13,263,070	13,934,532	12,348,063	(915,007)	(6.90%)
Engineering and Construction Management	2,465,446	3,799,205	2,980,994	4,945,303	4,898,989	4,896,545	(48,758)	(0.99%)
Environmental Services	3,221,704	2,270,643	2,178,801	0	0	0	0	0.00%
Fire	85,039,638	87,571,311	92,328,216	96,234,569	95,748,575	95,437,726	(796,843)	(0.83%)
General Services	24,580,987	25,997,735	26,817,019	25,014,882	25,014,885	24,698,918	(315,964)	(1.26%)
Human Resources	1,814,696	1,830,303	1,863,989	1,923,230	1,813,562	1,939,493	16,263	0.85%
Information Technology	10,063,149	10,294,245	14,260,864	10,857,634	10,479,689	12,507,756	1,650,122	15.20%
Library	7,970,979	8,397,099	8,568,691	8,678,310	8,628,189	8,500,873	(177,437)	(2.04%)
Mass Transit - Sun Metro	0	(42)	0	0	0	0	0	0.00%
Mayor and Council	1,215,230	1,293,429	1,396,043	1,346,734	1,312,241	1,257,190	(89,544)	(6.65%)
Municipal Clerk	4,884,235	4,531,962	5,024,929	5,058,023	5,058,023	5,297,363	239,340	4.73%
Museum and Cultural Affairs	2,141,707	2,245,314	2,303,420	2,332,762	2,328,138	2,367,009	34,247	1.47%
Non-Departmental	8,610,689	6,087,484	9,733,746	20,831,614	18,561,711	22,623,522	1,791,908	8.60%
Office of the Comptroller	2,243,992	2,247,794	1,821,382	2,076,225	2,076,232	2,059,069	(17,156)	(0.83%)
Parks and Recreation	10,628,929	11,208,019	11,810,339	11,867,021	11,867,024	12,143,135	276,114	2.33%
Police	104,932,591	110,957,068	112,257,079	118,251,195	117,009,820	117,173,593	(1,077,602)	(0.91%)
Public Health	5,651,242	5,744,145	5,937,509	6,052,616	6,052,141	6,096,059	43,443	0.72%
Purchasing and Strategic Sourcing	761,066	722,351	760,813	933,846	828,059	1,136,859	203,013	21.74%
Tax	3,929,056	1,965,941	1,652,406	2,159,016	2,159,017	2,148,012	(11,004)	(0.51%)
Zoo	3,561,164	3,726,248	3,725,580	3,776,642	3,724,592	3,762,986	(13,656)	(0.36%)
Grand Total	311,999,219	318,136,874	334,036,988	351,255,869	348,065,631	352,933,102	1,677,233	0.48%



Department Summary – Non-General Fund

Departments	FY 11 Actuals	FY 12 Actuals	FY 13 Actuals	FY 14 Adopted	FY 14 Adjusted	FY 15 Proposed	FY2015 Proposed Over/(Under) FY2014 Adopted	
							Amount	Percent
Aviation	120,231,875	98,674,847	80,337,236	49,025,295	47,710,191	51,573,209	2,547,913	5.20%
Capital Improvement Program	70,980,711	68,669,778	54,429,357	453,921	21,599,671	-	(453,921)	(100.00%)
City Attorney	355,260	231,901	520,440	301,590	301,590	240,248	(61,342)	(20.34%)
City Development	2,214,041	5,663,760	5,594,028	7,730,858	6,260,543	11,020,860	3,290,002	42.56%
City Manager	(21,911)	0	113,075	0	0	0	0	0.00%
Community and Human Development	25,311,167	19,676,824	13,922,696	13,129,204	13,174,200	12,901,445	(227,759)	(1.73%)
Department of Transportation	3,272,760	3,246,429	3,671,575	5,799,545	6,212,044	5,607,433	(192,112)	(3.31%)
Destination El Paso	10,874,578	11,657,864	9,707,028	12,730,782	12,730,781	13,613,317	882,535	6.93%
Engineering and Construction Management	0	0	14,090	250,000	250,000	0	(250,000)	(100.00%)
Environmental Services	41,117,552	48,765,938	58,731,898	69,130,144	69,103,147	79,640,476	10,510,332	15.20%
Fire	5,859,865	10,441,852	8,490,728	1,911,083	1,911,082	1,554,538	(356,545)	(18.66%)
General Services	25,527,376	29,150,851	20,134,379	25,248,689	25,654,585	22,214,411	(3,034,278)	(12.02%)
Human Resources	40,617,241	45,655,810	43,807,267	61,820,931	61,820,931	62,172,694	351,763	0.57%
Information Technology	2,673,275	404,169	14,354,783	740,000	740,000	145,000	(595,000)	(80.41%)
International Bridges	13,708,072	13,851,024	17,218,518	17,845,679	18,532,643	21,330,041	3,484,362	19.52%
Library	3,374,081	3,528,092	2,367,320	0	0	0	0	0.00%
Mass Transit - Sun Metro	66,287,962	67,515,606	70,180,236	66,004,768	66,816,522	67,628,476	1,623,707	2.46%
Mayor and Council	78,535	23,413	94,536	0	0	40,000	40,000	0.00%
Metropolitan Planning Organization	1,369,297	1,762,326	1,780,253	1,543,142	1,586,156	1,784,243	241,101	15.62%
Municipal Clerk	2,006,261	1,053,582	514,700	1,330,137	1,274,500	1,319,500	(10,637)	(0.80%)
Museum and Cultural Affairs	2,144,754	2,342,099	2,039,486	2,016,222	(7,703,800)	2,562,929	546,707	27.12%
Museum and Cultural Affairs - Public Art	310,019	459,759	355,578	0	8,921,793	0	0	0.00%
Non-Departmental	94,811,000	105,066,434	153,575,693	93,048,572	216,150,432	97,092,743	4,044,171	4.35%
Office of the Comptroller	217,205	230,800	134,352	250,400	220,399	212,003	(38,397)	(15.33%)
Parks and Recreation	2,527,320	1,746,871	548,199	286,451	291,451	296,295	9,845	3.44%
Police	11,811,935	10,894,529	13,841,848	4,292,829	4,511,612	4,971,873	679,044	15.82%
Public Health	12,460,934	12,441,299	12,798,755	13,239,299	12,766,870	12,916,446	(322,853)	(2.44%)
Purchasing and Strategic Sourcing	6,526	(12,586)	18,421	0	0	0	0	0.00%
Tax	12,500	0	0	0	0	0	0	0.00%
Zoo	2,239,701	2,593,851	2,347,043	2,035,911	2,035,911	2,466,395	430,484	21.14%
Grand Total	562,379,890	565,737,120	591,643,519	450,165,453	592,873,254	473,304,574	23,139,121	5.14%



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Department Summary – All Funds

Departments	FY 11 Actuals	FY 12 Actuals	FY 13 Actuals	FY 14 Adopted	FY 14 Adjusted	FY 15 Proposed	FY2015 Proposed Over/(Under) FY2014 Adopted	
							Amount	Percent
Aviation	120,231,903	98,674,847	80,337,236	49,025,295	47,710,191	51,573,209	2,547,913	5.20%
Capital Improvement Program	70,980,711	68,669,778	54,429,357	453,921	21,599,671	0	(453,921)	(100.00%)
City Attorney	4,893,276	4,579,976	4,614,863	4,273,595	5,128,608	4,192,953	(80,642)	(1.89%)
City Development	10,335,968	12,660,604	14,404,342	16,070,276	14,723,878	20,190,494	4,120,218	25.64%
City Manager	2,654,017	2,925,114	2,641,342	2,878,521	2,835,479	2,970,561	92,040	3.20%
Community and Human Development	25,806,192	20,162,220	14,254,645	13,592,438	13,618,580	13,347,478	(244,960)	(1.80%)
Department of Transportation	15,724,555	15,737,621	16,521,791	19,062,615	20,146,576	17,955,496	(1,107,119)	(5.81%)
Convention and Performing Arts	10,874,578	11,657,864	9,707,028	12,730,782	12,730,781	13,613,317	882,535	6.93%
Engineering and Construction Management	2,465,446	3,799,205	2,995,084	5,195,303	5,148,989	4,896,545	(298,758)	(5.75%)
Environmental Services	44,339,256	51,036,580	60,910,699	69,130,144	69,103,147	79,640,476	10,510,332	15.20%
Fire	90,899,503	98,013,163	100,818,944	98,145,652	97,659,657	96,992,264	(1,153,388)	(1.18%)
General Services	50,108,363	55,148,586	46,951,397	50,263,571	50,669,470	46,913,329	(3,350,242)	(6.67%)
Human Resources	42,431,936	47,486,113	45,671,256	63,744,161	63,634,493	64,112,187	368,026	0.58%
Information Technology	12,736,423	10,698,414	28,615,648	11,597,634	11,219,689	12,652,756	1,055,122	9.10%
International Bridges	13,708,072	13,851,024	17,218,518	17,845,679	18,532,643	21,330,041	3,484,362	19.52%
Library	11,345,060	11,925,191	10,936,011	8,678,310	8,628,189	8,500,873	(177,437)	(2.04%)
Mass Transit - Sun Metro	66,287,962	67,515,564	70,180,236	66,004,768	66,816,522	67,628,476	1,623,707	2.46%
Mayor and Council	1,293,765	1,316,842	1,490,579	1,346,734	1,312,241	1,297,190	(49,544)	(3.68%)
Metropolitan Planning Organization	1,369,297	1,762,326	1,780,253	1,543,142	1,586,156	1,784,243	241,101	15.62%
Municipal Clerk	6,890,495	5,585,544	5,539,629	6,388,160	6,332,523	6,616,863	228,703	3.58%
Museum and Cultural Affairs	4,286,461	4,587,413	4,342,906	4,348,984	(5,375,662)	4,929,938	580,954	13.36%
Museum and Cultural Affairs - Public Art	310,019	459,759	355,578	0	8,921,793	0	0	0.00%
Non-Departmental	103,421,689	111,153,918	163,309,439	113,880,186	234,712,143	119,716,265	5,836,079	5.12%
Office of the Comptroller	2,461,197	2,478,594	1,955,733	2,326,625	2,296,631	2,271,071	(55,554)	(2.39%)
Parks and Recreation	13,156,249	12,954,890	12,358,538	12,153,472	12,158,475	12,439,430	285,959	2.35%
Police	116,744,526	121,851,597	126,098,927	122,544,024	121,521,432	122,145,466	(398,558)	(0.33%)
Public Health	18,112,176	18,185,444	18,736,264	19,291,915	18,819,011	19,012,505	(279,410)	(1.45%)
Purchasing and Strategic Sourcing	767,592	709,765	779,234	933,846	828,059	1,136,859	203,013	21.74%
Tax	3,941,556	1,965,941	1,652,406	2,159,016	2,159,017	2,148,012	(11,004)	(0.51%)
Zoo	5,800,865	6,320,099	6,072,624	5,812,553	5,760,503	6,229,381	416,828	7.17%
Grand Total	874,379,109	883,873,994	925,680,507	801,421,321	940,938,885	826,237,676	24,816,355	3.10%



FY 2015 Preliminary Tax Rate

Adopted FY 2014 Tax Rate:

Maintenance and Operations Rate	\$0.445699/\$100
Debt Service Rate	<u>\$0.232679/\$100</u>
Adopted Rate	\$0.678378/\$100

Proposed FY 2015 Tax Rate:

Maintenance and Operations	\$0.454749/\$100
Debt Service Rate	<u>\$0.244820/\$100</u>
Proposed Tax Rate	\$0.699569/\$100

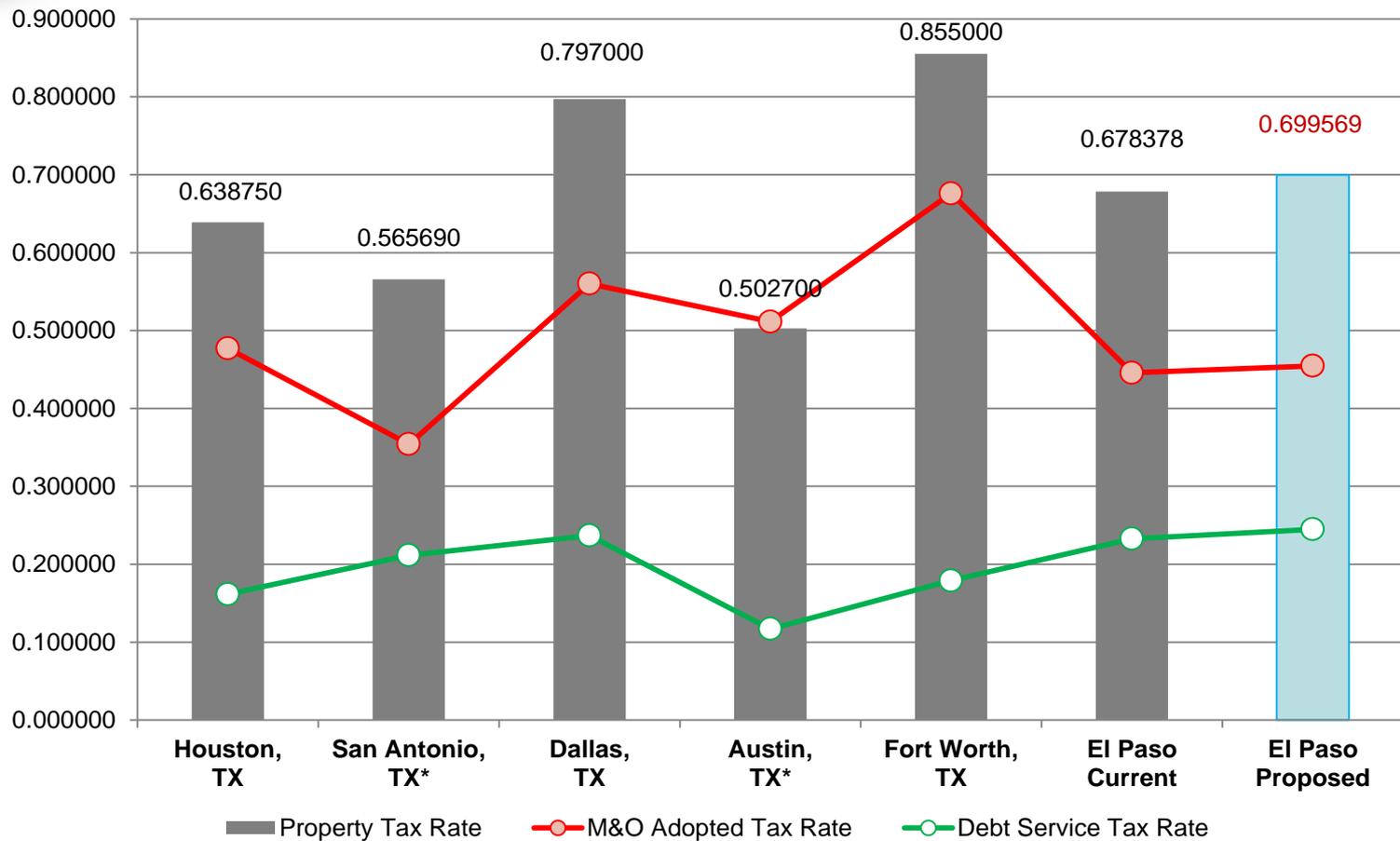
Preliminary Effective Tax Rate*	\$0.702179/\$100
Preliminary Effective M&O Tax Rate*	\$0.461134/\$100

Variance – Effective M&O* to Proposed M&O \$0.006385

*Preliminary valuation reduced by 3.15% to account for pending protests



How El Paso Compares with other cities



*San Antonio and Austin own their utilities



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Average Net Taxable Home Value (after homestead exemption)

	Tax Rate	Avg. Valuation	Property Tax Levy	Variance FY2015 Proposed Over/(Under) FY2014
FY2014 Adopted	0.678378	124,191	842.48	
FY2015 Proposed Tax Rate	0.699569	125,105	875.20	32.71

\$100,000 Net Taxable Home Value (after homestead exemption)

	Tax Rate	Valuation	Property Tax Levy	Variance FY2015 Proposed Over/(Under) FY2014
FY2014 Adopted	0.678378	100,000	678.38	
FY2015 Proposed Tax Rate	0.699569	100,000	699.57	21.19

\$300,000 Net Taxable Home Value (after homestead exemption)

	Tax Rate	Avg. Valuation	Property Tax Levy	Variance FY2015 Proposed Over/(Under) FY2014
FY2014 Adopted	0.678378	300,000	2,035.13	
FY2015 Proposed Tax Rate	0.699569	300,000	2,098.71	63.57

\$100,000 Net Taxable Home Value (after homestead exemption)

	Tax Rate	Valuation	Property Tax Levy	Variance FY2015 Proposed and Preliminary Effective to FY2014 Adopted
FY2014 Adopted M&O Rate	0.445699	100,000	445.70	
FY2015 Proposed M&O Rate	0.454749	100,000	454.75	9.05
FY2015 Preliminary Effective M&O Rate	0.461337	100,000	461.34	15.64

*Preliminary valuation reduced by 3.15% to account for pending protests



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More Efficient Operations



Cost Containment

- City of El Paso has maintained services while other cities made cuts
 - Avoided lay-offs and furloughs
 - Provided pay increases in 2014
 - Targeted increases to Police and Fire to support Strategic Plan priorities
 - Maintained steady growth to Police and Fire positions
- New training and motivational incentives for employees



Reorganization and Streamlining

- Operations reviewed to proactively reduce costs and streamline processes
- More efficient, leaner and better run organization



Structurally Balanced Budgets

- Continued to balance the budget for the past three years without impacting services
 - No layoffs
 - No furloughs for employees
 - Vacant positions filled only after 360° review to assess needs and solutions



Performance Measures

- In January 2012, City began a strategic planning initiative to identify core business processes within the City and align them to the desired results.
- In order to effect this change, the City has implemented a system that fully integrates the following into one management system:
 - Strategic Business Planning
 - Performance Based Program Budgeting
 - Accounting Structure
 - Organizational Structure, and
 - Performance Reporting.
- The system will provide City Council, the City Manager, executive leaders, managers, and employees at all levels with the right information about the right results at the right times.
- As of today 90%, all but three departments, have developed strategic business plans and their budgets are tied to measureable results.
- The Departments provide quarterly performance reports to Council.



Why Performance-Based Budgeting?

- Best practice—allows us to measure success in providing services to our customers
- Gives us the right information to make good decisions—program budgets are tied to services inventory and measures for results, output, demand and efficiency
- Enables us to demonstrate transparency and accountability to our community through performance measures
- Gives us the basis to demonstrate our value to the community
- Aligns every employee to organizational success since they have responsibility for meeting operational measures which they created
- Helps communicate successes and challenges to our customers
- Provides ability to compare services, expenditures and results with our peers and competitors



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Funded Council's Key Priorities, Goals and Objectives



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Key Focus Areas for 2014-2015

Economic Development

Fort Bliss, Jobs, Retail, Business Processes

Public Safety

Police, Fire & Code Enforcement

Customer Service

High Performance – Surveys, etc. for voice of customer

Fiscal Responsibility & Sound Governance

Effective use of our funds

Quality of Life

Quality of Life Bonds & Street Improvement Bods & Overall Improvements in Transportation, After-School Programs, and Summer Programs for Kids – Libraries, Recreational Programs, Parks and the Zoo

Workforce Focus

Incentives, motivational processes

Communications

Transparent & consistent



FY 2015 Priorities

- Economic Development and job creation
- Public Safety commitments
- Citizen feedback opportunities
- Quality of Life and Street Infrastructure projects
- Opening of Brio (Rapid Transit System) – on the Mesa corridor in September, 2014
- New training and motivational incentives for employees
- Transparent communications in the budget document including Adjusted Budgets and 3rd quarter FY 2014 preliminary forecast for General Fund departments



Continuing Priorities

- Safest U.S. City with a population of 500,000 or more
- El Paso GDP growth
- Downtown revitalization
- New businesses coming to El Paso; Existing businesses expanding
- Jobs creation
- Economic development Initiatives and other developments
- New Quality of Life projects coming online
- CIP
- Ballpark positive impact on overall economy
- Responding to Council and Residents
- Increased expectations



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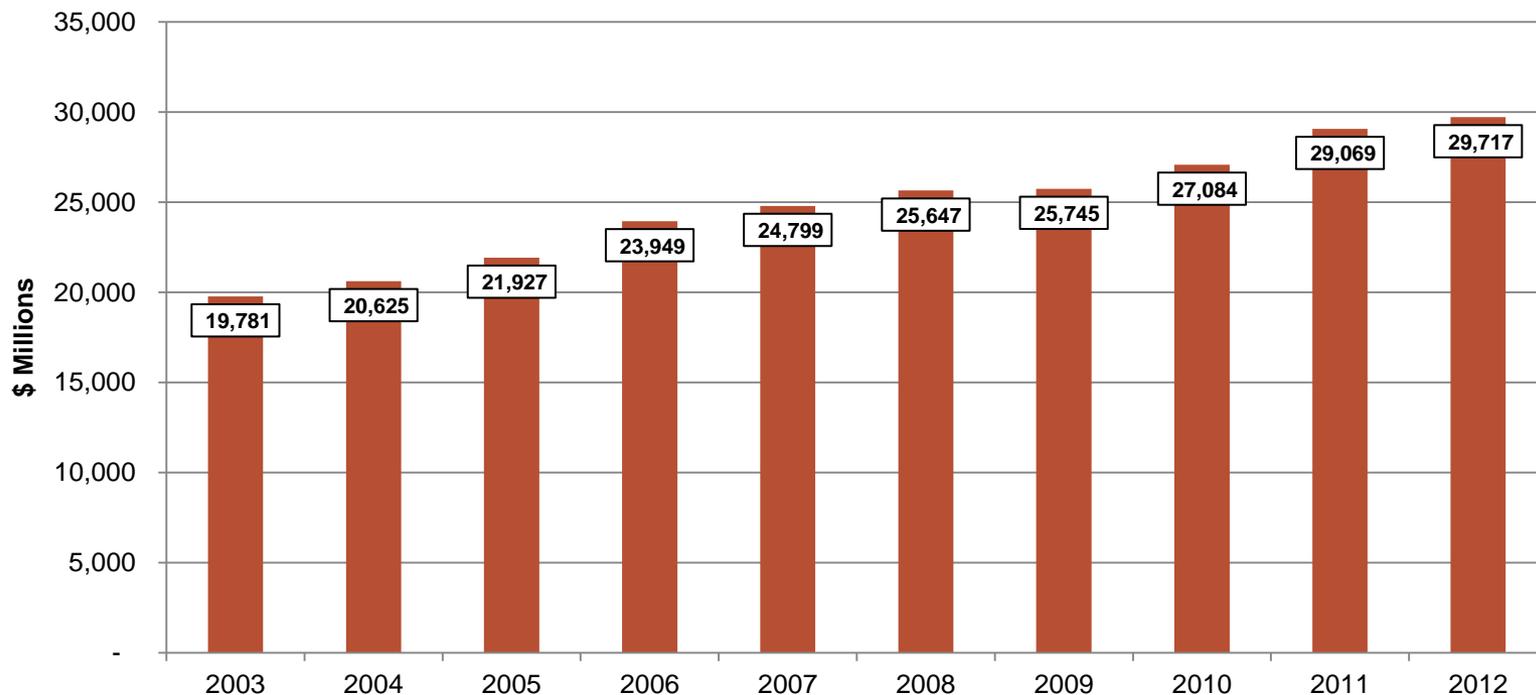
Economic Conditions

- Fort Bliss / BRAC
- Housing Activity
- Retail
- MLS Soccer



GDP Growth

- GDP increased by an average annual growth rate of 4.51% from 2003 to 2012 (Most recent data available as of February 2014)



Source: US Bureau of Economic Analysis



Downtown revitalization

- Main Goals:
 - Improve Downtown infrastructure (street, parks, buildings, etc.)
 - Expand activities in order to attract housing, working, shopping, and cultural, and civic uses
 - Improve connectivity (streetcars, bike lanes, pedestrian pathways)
 - Restore & reuse Downtown's historic buildings



Downtown revitalization

- Tax Increment Reinvestment Zone #5
 - Created 2006, expanded December 2007, and expanded again July 2012
 - \$236 million invested in Downtown since 2006 from both public and private investments.
 - Unique because of involvement of major local investors and establishment of REIT.

Major Projects:

Ongoing	Completed
Mills Plaza District	200-room Doubletree Hotel
Pedestrian Plaza	Sun Metro Transfer Terminal
Plaza Hotel remediation	1 st Avenue Lofts
Multi-Family Units (486 pending)	Judson F. Williams Convention Center
Mexican Consulate doubling in size	New Federal Courthouse
Bank Development	Calvary Man Triangle Park
Los Alamitos (\$55 million)	Triple A Baseball Park
San Jacinto redesign/construction	

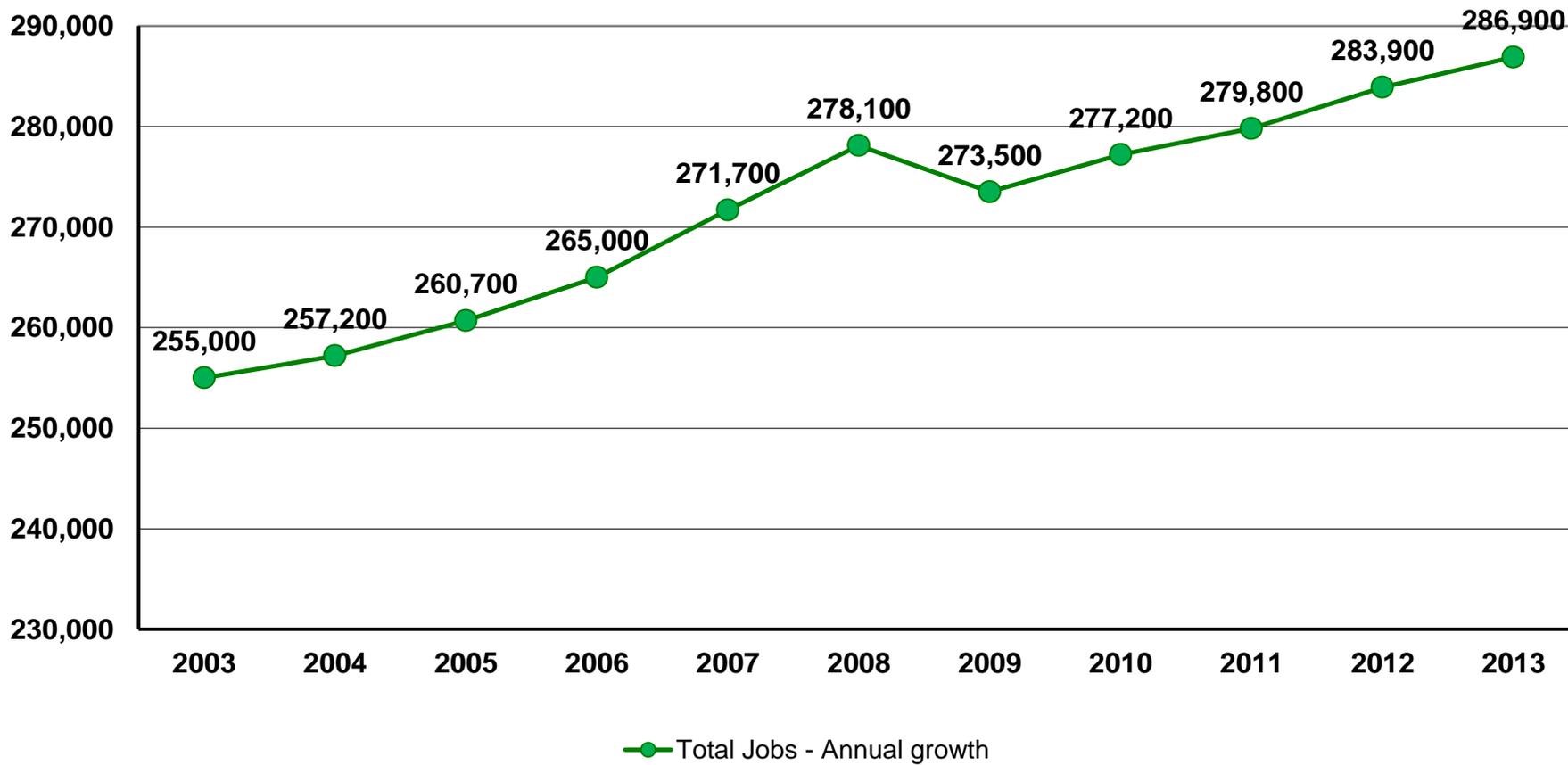


New businesses coming to El Paso / Jobs Creation

- 1,500 net jobs added to local economy from FY 2011 to FY 2012, according to Texas Workforce Commission, Labor Market Information, Jan 2014
- LanguageLine Solutions – **new 100 jobs**
- Prudential
- Schneider Electric – Will retain its current 250 and add **new 193 employees**
- Consolidated Rental Car Facility (ConRAC) on the Airport property will create over **400 new construction jobs**



Job Growth in El Paso, MSA



'Source: Texas Workforce Commission, Labor Market Information, April 2014



Economic Development Initiatives

- City approved 380 Grant agreement incentives for Smart Growth development for the Montecillo and Geltmore developments.
- City approved a 380 grant to the Medical Center of the Americas to expand the healthcare industry and research facilities in the Paso del Norte Region.
- City approved Multi-Family Incentives with a goal to add 4,000 units serving current City demands. To date all 4,000 units have been granted. This program has added an estimated \$155 million in new investment since inception.
- Expansion of Sun Metro to a Rapid Transit System.
- Hire El Paso First ordinance recognizes that the foundation of a strong local economy comprises of programs that encourage local businesses and hire locals as employees for those business.



Economic Development Initiatives

- City approved Sustainable City Centers incentives to spur economic development in urban locations specifically located along five primary corridors (Five Points, Nestor Valencia, Glory Road, Northgate and Medical Center of the Americas) to improve the quality of life for El Paso residents while reducing the City's carbon footprint.
- City approved new construction incentives to encourage development or redevelopment in the City's historic downtown core.
 - Hotel Indigo - Hotel redevelopment project that includes 115 guest rooms (Approximately \$11M investment)
 - Martin Building - Redevelopment project that includes retail and 41 new apartments (Approximately \$5.1M Investment)
 - Martin Annex- New Construction project that includes retail and commercial space (Approximately \$1.49M Investment)
- City approved a 380 Grant Agreement with Civitas Capital Group to create the first EB-5 Regional Center in El Paso (Civitas El Paso Regional Center)



Other City Developments

- Northgate SmartCode Transit Oriented Development (TOD)
 - Revitalizing 30 acre abandoned shopping mall
 - Includes multistory, retail wrapped parking structure and bus terminal (7 acres)
 - Tens of thousands of sqft of retail space, over 600 multifamily units
 - Anticipate development will begin 2015
 - Expected investment of **~\$100 million**
- The Fountains at Farah
 - A newly opened **\$70 million** power lifestyle-shopping center offering open-air atmosphere with water displays, entertainment venues, patio dining and covered parking. The 600,000-square-foot center has approximately 30 stores and seven restaurants.
- Airport Area
 - The Developer is breaking ground this summer (2014) on the construction of a full-service brand-name hotel on eight acres of vacant land owned by the airport. Construction will take approximately 14-18 months. The four-star hotel will include 220 Rooms, space for retail, restaurants and entertainment venues.



FY 2015 Debt Service – Quality of Life General Obligation Bonds

Projects Completed in FY 2014:

- Magoffin Park
- Northeast Skate Park Phase 2
- Fiesta/Coronado Balboa Park
- Outdoor Sports Field Lighting at Sal Berroteran, Pico Norte, Blackie Chesher parks
- Bookmobile purchase
- Library materials purchase (1st purchase)
- Zoo support elements

Land acquisitions completed in FY 2014:

- New Rec Center – Alameda
- Ysleta Library Branch parking lot
- New Rec Center – Chamizal
- Las Palmas/Pendale Park
- New Rec Center – Yucca



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Quality of Life Projects funded by recent debt authorization



QoL - Parks and Recreation

Project Name	Completion	Project Cost	FY 2015 M&O
Sports Fields Lighting for Blackie Chesher, Pico Norte and Sal Barroteran	FY14	\$948,320	\$107,100
Land acquisition for Chamizal, Chelsea Pool, Argal Park at Las Palmas, Open Space Land Acquisition	FY14/15	\$6,449,642	0
Park improvements for Barron, Cheryl Ladd, Eastside Regional, Eastside Sports Complex, James Schwitters Family Park, Johnson Basin, Neighborhood Improvement Projects, Palisades, Radford, San Jacinto, Yucca Park Expansion and Basketball Court, Magoffin	FY14/15/16	\$37,150,000	0
Northeast Skate Park	FY14	\$3,600,000	0
Aquatics for Westside Pool, Training & Instructional Pool, Pavo Real Enclosure	FY16	\$10,425,000	0
Tierra Del Este Trail, Trailhead Parking Areas, Valley Creek Access Trail	FY16	\$1,079,450	0



ZOO - QoL

Project Name	Completion	Project Cost	FY 2015 M&O
Improvements of support elements: HVAC upgrades, Scissor lift, boardwalks, sea lion floor, tables/chairs/picnic tables, shift gates, roof	FY 2014	\$596,000	0
Improvements of support elements: Video system animal monitoring, shaded picnic area, back up generators, restroom upgrades	FY2015	\$610,000	\$21,100
African Wild Dog Exhibit	FY 2015	\$400,000	\$41,462
Reptile Building	FY 2015	\$500,000	\$2,500
Canal improvements	FY 2015	\$2,700,000	0
General overall support to the ZOO	Ongoing		\$54,286



Library - QoL

Project Name	Completion	Project Cost	FY 2015 M&O
Bookmobile	FY 2014	\$350,000	\$42,000
Land Acquisition- Ysleta Parking Lot	FY 2014	\$100,000	
Irving Schwartz improvements*	FY 2015	\$2,150,000	\$50,726

*In FY16 cost will increase by 35,000. Books are funded from the capital first year.



Museums and Cultural Affairs - QoL

Project Name	Completion	Project Cost	FY 2015 M&O
Digital Wall and Pavilion (History Museum)	FY 2015	\$3,000,000	\$129,384
Arts Festival Plaza Improvements	FY 2015		
Café (Museum of Art)	FY 2015		
Public Art Program (11 active projects in FY2015)	Ongoing	2% of each QOL project	
Masterplan for Signature Projects (project budget also includes land acquisition and siting)	FY 2015	5,000,000	
General Improvements (Archeology Museum)	FY 2015	1,500,000	



Debt Policy

- Debt Service as a percent of total expenditures should not exceed 15%
- Repayment term shall not exceed 30 years
 - Average (weighted) general obligation bond maturities shall be kept at or below 15 years.
- Debt service tax rate maximum of 30 cents for current authorization.

Debt Burden

Fiscal Year Ended 8-31	Estimated City Population (1)	Net Taxable Assessed Valuation(2) (\$000)	Direct Net Debt Outstanding (\$000)	Per Capita Funded Tax Debt	Debt per Assessed Value
2010	654,988	\$ 29,798,064	829,745	\$ 1,267	2.78%
2011	665,568	29,942,549	907,070	1,363	3.03%
2012	676,855	30,805,126	871,690	1,288	2.83%
2013	685,631	32,045,965	892,660	1,302	2.79%
2014	685,631	32,476,820	1,062,835 (3)	1,550 (3)	3.27% (3)

(1) Source: El Paso Planning Department. Population estimates for any given year are the estimate at the end of the previous calendar year.

(2) Source: El Paso Central Appraisal District report of Property Values. Adjustments may be made to the tax roll subsequent to the date of such reports.

(3) Includes the Certificates, excludes the Refunded Obligations. Preliminary, subject to change.



Street Infrastructure Projects Under construction

- **Country Club Road** – limits are Doniphan to Santa Teresita, Districts 1 & 8
- **Montwood Street** – limits are McRae to Zanzibar and on Windrock from Montwood to Buckwood, Districts 6 & 7
- **Pasodale Phase 4** – includes Greggerson from Pasodale to Valley View, Valley View from Pasodale to Greggerson, Tulane, Princeton Way, Yale Ave., District 7
- **Carpenter Street** – limits are Helms to Josephine, District 7
- **Butterfield Trail Industrial Park** – includes Founders, Walter Jones, Butterfield Trail Blvd., Leigh Fisher, Zane Grey, Concord, Celerity Wagon, Spur Drive, Butterfield Circle, District 2
- **Projects completed in 2012, District 1 - 5 projects, District 2 – 3, District 3 – 2, District 4 – 1, District 5 – 2, District 7 – 1, District 8 – 2**
- **In 2013, total of 32 projects were completed in District 4**



CIP - Street Reconstruction Projects

Design initiated in 2014

Street Name	From	To	District
Schuster	Sun Bowl	Stanton	1,8
Robinson	Ochoa	Rim	1
Rio Grande/Arizona	Piedras	Oregon	2, 8
Geiger	Tangier	Malaga	3
Cardis	Malaga	"Dead End"	3
Malaga	Alameda	Delta	3
Toni	Ben Swain	Mary Jeanne	3
Mary Jeanne	Toni	Yvonne	3
Yvonne	Mary Jeanne	George Orr	3
Glenwood	El Paso Dr.	Delta	3
Turner	Nolan Richardson	Loop 375	5



CIP - Street Reconstruction Projects

Design initiated in 2014

Street Name	From	To	District
Pebble Hills	Tierra Mina	Zaragoza	5
Edna	Delta	Huerta	8
Encino	Cortez	Flower	8
Cortez	Alameda	Flower	8
Alicia	Barcelona	Flower	8
Flower	Encino	"Dead End"	8
Dolan	Flower	"Dead End"	8



CIP - Street Reconstruction Projects

Scheduled for Design in 2015

Street Name	From	To	District
Manor	Alameda	Barker	3
Barker	Polo Inn	Balsam	3
Kernel	Betel	Betel	6
Carpenter	Helms	Josephine	7
Ranger	Tower Trail	"Dead End"	7
Pendale	Gateway East	Yermoland	7
Elena	Encino	Huerta	8
Feliz	Edna	Encino	8



Ballpark positive impact on overall economy

- \$48,000 in ballpark parking revenue at the convention center and Union Plaza Transit Terminal lots. This revenue is obligated to debt service for the stadium.
- \$134,842 representing payment of the ticket fee of \$.50 per ticket sold during the months of April, May, and June 2014.
 - The total number of tickets sold for ballpark events for each month:
April --21,469, May -- 139,768 and June -- 108,447.
- Hotel occupancy as of May 2014 is about 70.1%, an increase of almost 8.8% from last year in May 2013.
- Economic impact study will be conducted within the next few months in order to assess the impact of the ballpark.



Proposed/Underway Downtown Redevelopment Projects (over \$500K) After September 18, 2012

	Current Proposed/ Underway Private Projects	Project Address	Investment	Completion	Units/ Rooms	Uses
1	204 Mills (Tejas Building) Redevelopment	204 Mills	\$ 500,000	Oct-15		Mixed-use
2	Campbell Apartments	501-513 Campbell	\$ 3,000,000	Mar-15	82	Housing/ Mixed-Use
3	Indigo Hotel Redevelopment (Artisan)	325 N. Kansas	\$ 11,000,000	Apr-15	110	Hotel
4	Martin Building/ Annex	212 Mills	\$ 1,500,000	Nov-15		Mixed-use
5	Martin Building/ Historic	215 Stanton	\$ 5,200,000	Nov-15	41	Housing
6	Old Fellows Bar	533 W. Franklin	\$ 500,000	May-14		Bar
7	Savoy/ (Dollar Tree) Redevelopment (HOUSING)	116 S. Stanton	\$ 2,000,000	TBD	10	Housing/ Mixed-Use
8	209 N. Stanton Boutique Hotel	209 N. Stanton	\$ 6,500,000	Apr-15	41	Hotel
9	Virginia Apartments	407 S. Virginia	\$ 500,000	Nov-15	8	Housing/Mixed Use
10	513 San Antonio (HOUSING)	513 San Antonio	\$ 800,000	Jan-15	14	Housing/Mixed Use
Total Private			\$ 31,500,000			



Responding to Council and Residents

- Citizen Feedback, i.e., Citizen Survey.
 - New survey results will be presented in August and will continue to inform the strategic process throughout FY 2015.
- Extensive citizen involvement in the Bond Overview Advisory Committee (BOAC)
- Customer satisfaction surveys administered by individual departments
- Neighborhood Association partnership with Fire
- Social media activity on Twitter, Facebook, and YouTube
- Your Tax Dollars at Work web site, a comprehensive outreach effort to share information on the \$1 billion dollar investment made by the City of El Paso.
- Construction cams available for major projects such as ballpark & San Jacinto Plaza
- Traditional interaction with City Council members through e-mail, telephone and mail, and in person at neighborhood meetings, specific topic meeting and City Council meetings.
- OMB Budget Think Tank
- Quality of Life projects are extensively vetted through community meetings



Fort Bliss

- Fastest-growing U.S. Army Installation in the United States
- Approximately 1.12 million acres in Texas and Southern New Mexico.
- Combined with White Sands Missile Range, encompasses 40% of the Army's Usable Land Space
- By end of 2013:
 - A net gain of approximately 20,000 troops and as many as 40,000+ family members since 2005.
 - **Total Base Population 45,189; Total Population Supported 168,135**
 - \$5.99 billion additional economic impact annually
 - \$248 million in property taxes
 - \$55 million in new sales taxes
 - 2,792 new jobs (engineering, technical & industrial)
 - Total homes 3,836 as of now; **By 2016 approximately 4,469**
 - Solar Project – will add solar panels to 4K (+) homes by 2015



Fort Bliss

FORT BLISS PROJECTED	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Total Military	34,355	32,864	32,928	32,934	32,829	32,829	32,829
Total Civilians	10,834	10,827	10,642	10,603	10,598	10,598	10,598
Total Base Population	45,189	43,691	43,570	43,537	43,427	43,427	43,427
Military Family Members	44,785	42,452	42,577	42,578	42,496	42,496	42,496

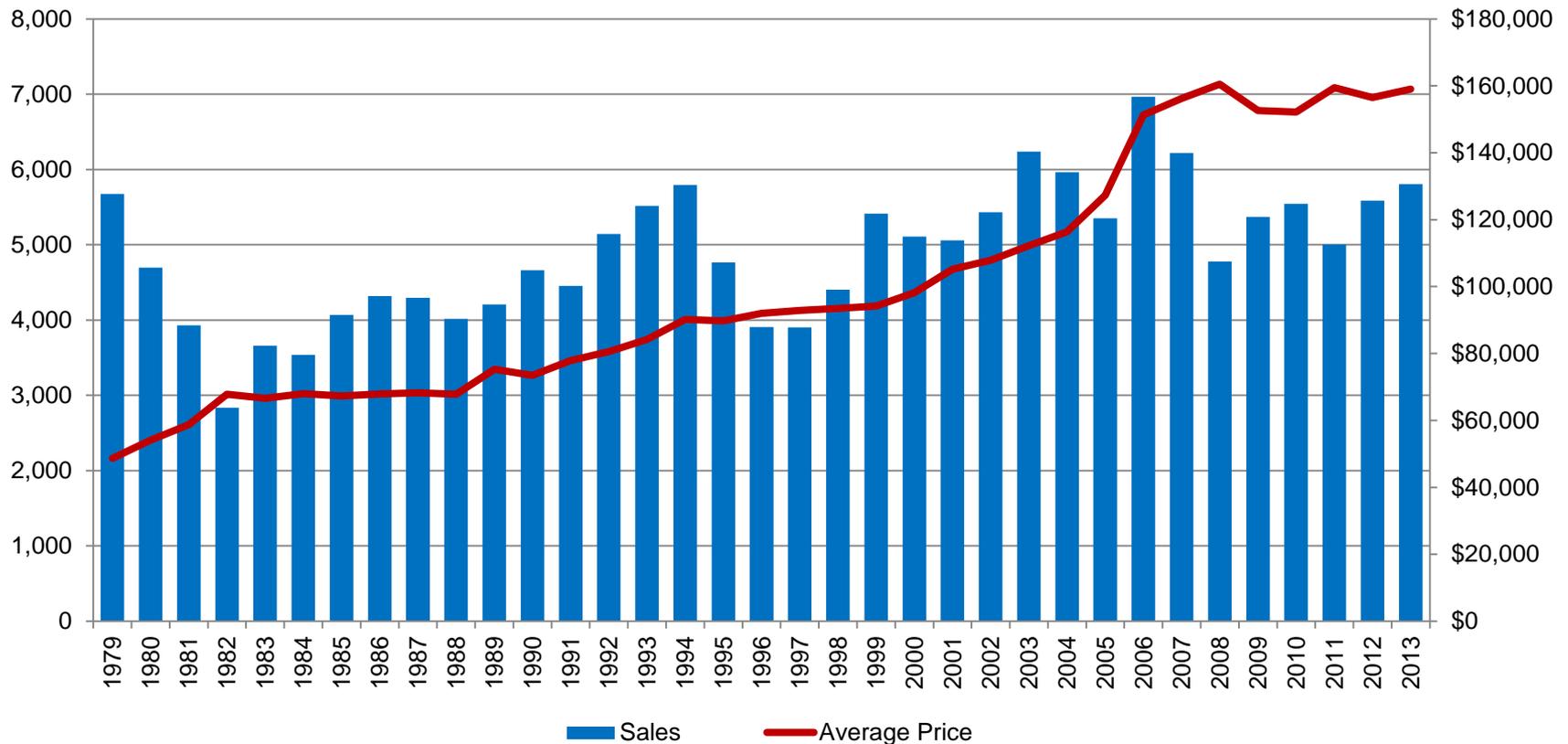
Projected data does not reflect approx.. 20-30K in additional Transient/Rotational/Students as part of CRC, Off-post tng & AF future missions

Chart source: Fort Bliss 2020 and Beyond presentation- El Paso Chamber of Commerce Armed Forces Division

- **Fort Bliss may be impacted by Army realignment**
 - ***The situation that is currently happening at F. Bliss is not, and should not be considered BRAC. It's an Army Force Structure Reduction initiative. The Army is analyzing a worst case scenario of 16,000+/- Soldier/ Civilian Department of the Army reduction. However, realistically speaking, Fort Bliss could see the loss of a brigade which is the equivalent of 3,000 - 4,000 individuals.***



MLS Housing Activity- Home Sales and Average Price



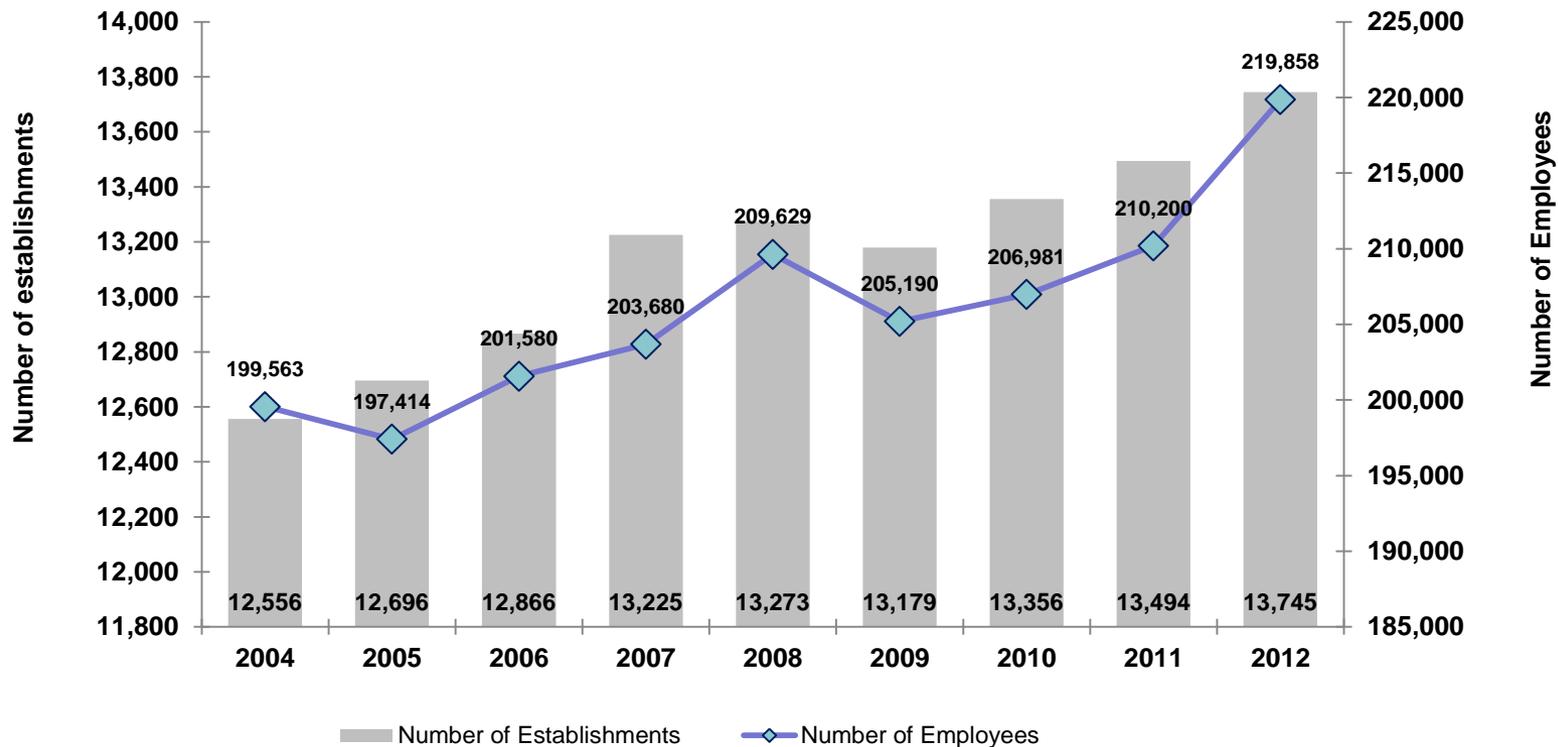
Source: Greater El Paso Association of Realtors and Real Estate Center

Taken from: <http://recenter.tamu.edu/data/hs/hs220.asp>



Retail

Establishments and Number of Employees
2004-2011



Source: U.S. Census Bureau, County Business Patterns



FY 2015 Preliminary Debt Service Rate

- Debt Service Requirement* – \$77,765,536
 - Increase of \$3.52 million, 0.012141 or 1.2141 cents from FY 2014
 - Increase is net result of:
 - \$14 million in Quality of Life Bonds
 - October 2013 issuance including debt for Street Infrastructure Plan
 - \$73 million in Certificates of Obligation to be issued in August 2014

*Note: Only represents tax supported debt



SERVICE SOLUTIONS SUCCESS

How much will a taxpayer have to pay in taxes?

*Slide was presented to City Council on 10/30/12

City of El Paso, Texas
 Estimated Tax Rate for Existing Authorizations PLUS BOTH Propositions
 As of October 16, 2012

FYE	Proposed Debt Tax Rate	Property Tax based on \$100,000 valuation	Property Tax based on \$100,000 valuation with \$5,000	Property Tax based on \$100,000 valuation with
2013	0.21980	\$ 219.80	\$ 208.81	\$ 142.87
2014	0.23470	234.70	222.97	\$ 152.56
2015	0.26250	262.50	249.38	\$ 170.63
2016	0.27990	279.90	265.91	\$ 153.95
2017	0.28500	285.00	270.75	\$ 156.75
2018	0.29200	292.00	277.40	\$ 160.60
2019	0.29530	295.30	280.54	\$ 162.42
2020	0.29950	299.50	284.53	\$ 164.73
2021	0.30380	303.80	288.61	\$ 167.09
2022	0.30560	305.60	290.32	\$ 168.08
2023	0.30930	309.30	293.84	\$ 170.12
2024	0.30180	301.80	286.71	\$ 165.99
2025	0.29080	290.80	276.26	\$ 159.94
2026	0.28300	283.00	268.85	\$ 155.65
2027	0.27850	278.50	264.58	\$ 153.18
2028	0.27750	277.50	263.63	\$ 152.63
2029	0.27180	271.80	258.21	\$ 149.49
2030	0.26820	268.20	254.79	\$ 147.51

2015's Proposed Debt Rate is \$0.2448. This is \$0.0186 less than projected.

*New Elderly Exemption applies in FYE 2016 (January 1, 2015 or earlier application if tax rate is over \$0.69)

Difference between the Highest Amount in 2018 - Existing Authorization Less Highest Point in 2023 is \$39.80



Budget Calendar

- **Monday, July 21, 2014, 8 a.m.**
- **Tuesday, July 22, 2014, 11 a.m.**
- **Wednesday, July 23, 2014, 8 a.m.**
- **Thursday, July 24, 2014, 8 a.m.**
- **Friday, July 25, 2014, 8 a.m.**

All meetings held at City Hall, 2nd Floor Main Conference Room



Budget Calendar

- **Monday, July 28, 2014, 9 a.m.**
Introduction of Ordinance Levying FY 2015 Tax Rate Pursuant to Section 3.9 of the El Paso City Charter
- **July 30, 31 & August 4, 5, 2014, 9 a.m.**
Budget Wrap up
- **Tuesday, August 5, 2014, 9 a.m.**
First Public Hearing on Tax Rate
- **Tuesday, August 12, 2014, 9 a.m.**
Second Public Hearing on Tax Rate
- **Tuesday, August 19, 2014, 9 a.m.**
Adoption of FY15 Budget



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Questions?