

# BUDGET UPDATE

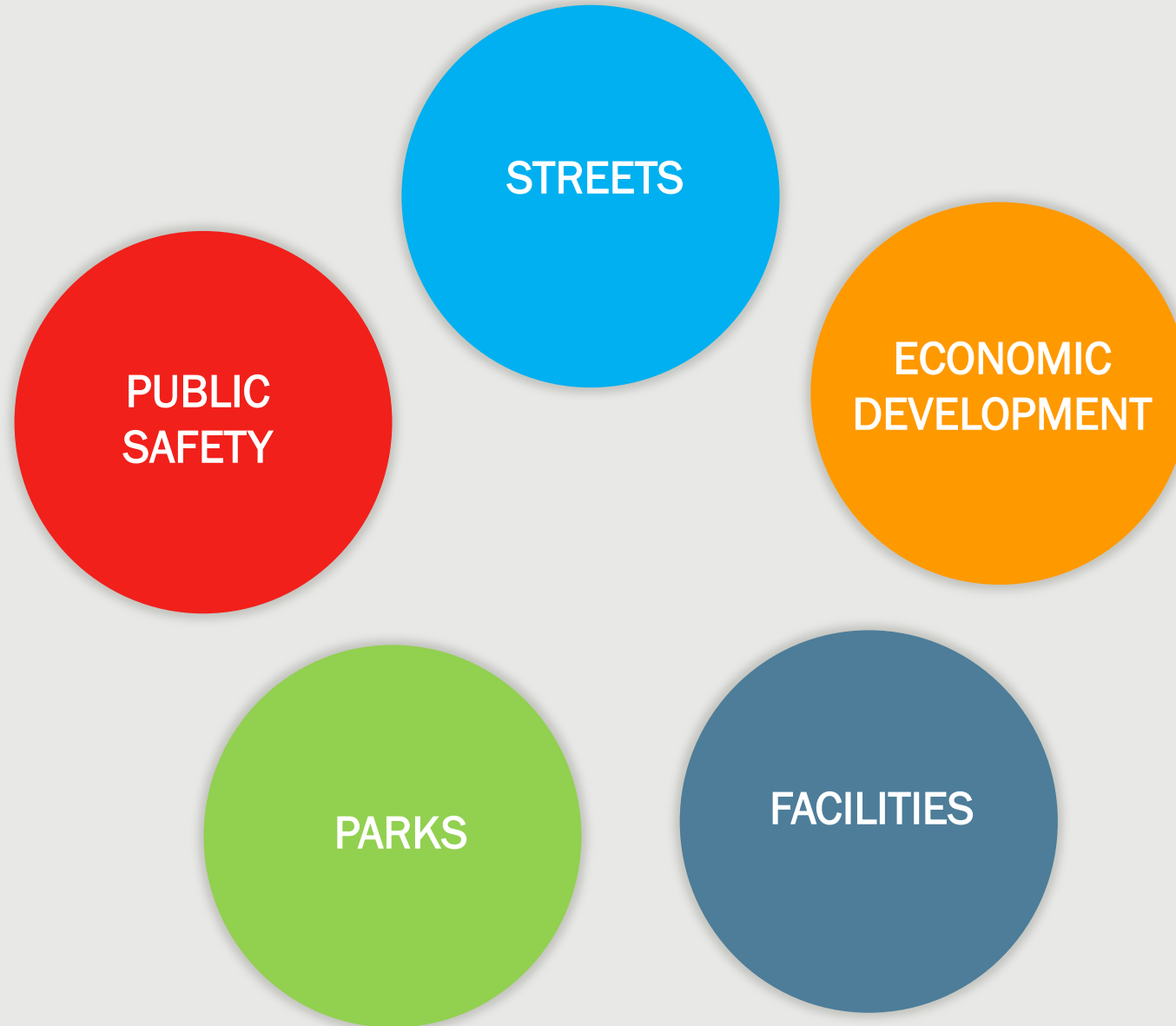
January 21, 2020



# Agenda

- Since 2017, **\$30.4 million** in annual funding to address community priorities
- Budget stabilization fund
- Implementing continuous improvements to identify new revenue and minimize costs

# Investing in Priorities



# Investing in Priorities

## Streets

- \$500,000 annually for ADA on-demand requests since 2016
- \$7 million annually for street maintenance projects approved in summer of 2018
- \$2 million annually for median maintenance for State roads approved in summer of 2019
- \$200,000 annually for neighborhood traffic mitigation projects
- \$3 million annually for street maintenance projects approved December 17, 2019

# Investing in Priorities

## Public Safety

- \$4 million annually for Public Safety capital
  - \$2.3 million for Fire
  - \$1.7 million for Police



# Investing in Priorities

## Parks and Facilities

- \$1.5 million annually for Sports Complex maintenance
- \$400,000 annually for sport court resurfacing
- \$1.5 million annually for facility maintenance

# Investing in Priorities

## Economic Development

- \$5 million annually from El Paso Electric franchise fee approved October 2018
- \$5.3 million annually for 15 years once franchise fee ordinance approved (February 2020)

# Budget Stabilization Fund

- In December 2015, City Manager recommended creating a budget stabilization fund to offset future tax rate increases
- Recommendation was not accepted by City Council
- On January 7, 2020, staff presented \$5.3 million surplus from FY 2019
- In February, staff will be bringing forward a recommendation for City Council action to allocate FY 2019 savings into a budget stabilization fund



# Continuous Improvement and Innovation

- 500+ Employees engaged in the Process Improvement Program
- 100% Departments trained in the Process Improvement Program
- 81% Departments with Process Improvement Program projects
- Lean Six Sigma (LSS) Belts
  - 45 green belts
  - 75 yellow belts
  - 146 white belts

Departments  
trained in LSS

100%

Departments  
with LSS  
projects

81%

Employees  
engaged in PIP

500+

LEAN  
6σ

Lean Six  
Sigma  
Projects



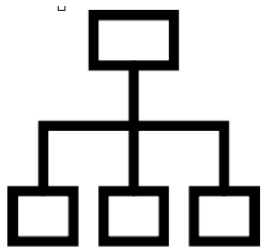
Kaizen  
Events



Survey  
Analysis

A3

A3  
Projects



Process  
Mapping



Data  
Analysis

\$32M

New Funding Secured

\$6.4M

Cost Avoidance & Savings

90+K

Capacity Hours Added

# Annual Pay-Go Funding Addressing Priorities

Year	Description	Amount	Source(s)
2017	ADA on-demand request	\$0.5M	General Fund
2018	Street Maintenance	\$10.0M	\$7M ESD & \$3M PSB Franchise
2018	Economic Development	\$5.0M	El Paso Electric Franchise
2018	Neighbor Traffic Mitigation Projects	\$0.2M	General Fund
2019	Public Safety capital	\$4.0M	General Fund
2019	Median maintenance (State roads)	\$2.0M	Environmental Fee
2019	Facility maintenance	\$1.5M	General Fund
2019	Sport Complexes maintenance	\$1.5M	General Fund
2019	Sport courts resurfacing	\$0.4M	General Fund
2020	Economic Development	\$5.3M	El Paso Electric Franchise (Feb. 2020)
		\$30.4M	