



FY 2025 Budget Overview

July 2024



Agenda

FY 2025

- Budget Development Approach
- FY 2025 Budget Highlights
- FY 2025 Revenue
- FY 2025 Expenditures
- Budget Calendar



Budget Summary – City Manager Intro

- FY 2025 Challenges – What’s different from last year?
- Recommended Property Tax Rate – How we balanced the budget?
- What are the long-term budget challenges?
- How will this budget impact next year and beyond?

FY 2024 – 2025 Budget Approach

Minimizing the Impact of Inflation and Economic Pressures on Our Community

Impacts



- Property Valuations
- Housing Costs
- Utility bills
- Inflation impacts (fuel, groceries, etc)
- Economic Slowdown

Recommended Actions

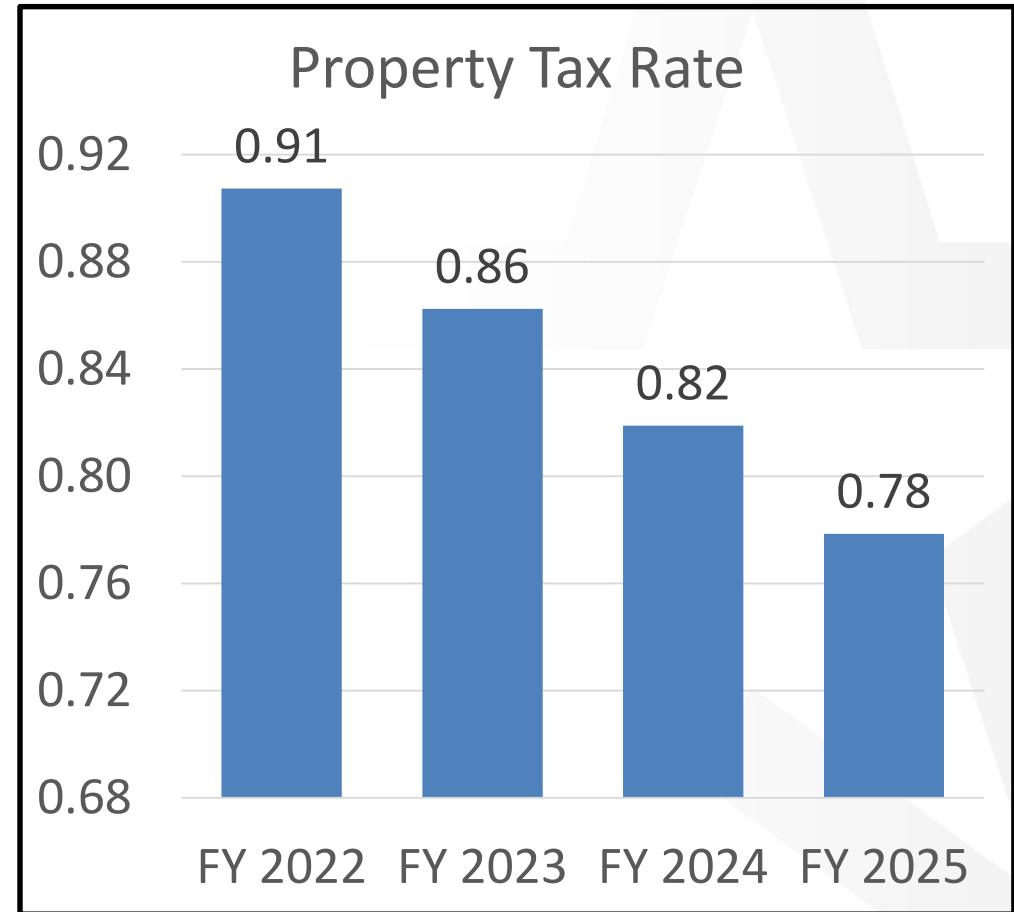
- Lower Property Tax Rate 4 cents
- Previous year's savings
- No debt issuance
- Maintains investment in public safety, streets, and workforce

FY 2025 Challenges – What's different from last year?

- Less new revenue
 - Sales tax revenue is only increasing by \$3.0 million, compared to \$24.5 million increase last year
 - Franchise fee revenue is decreasing by \$1.1 million, compared to \$10.4 million increase last year
- Increase in fixed costs
 - City contribution for healthcare costs increasing by \$4.2 million
 - November 2024 citywide election cost of \$2.2 million
 - Appraisal Service cost increase of \$1.0 million (Central Appraisal District)
- Other significant cost increases
 - Animal Services increase cost of \$2.3 million for staff and Morehead
 - Information Technology contracts increase of \$1.1 million

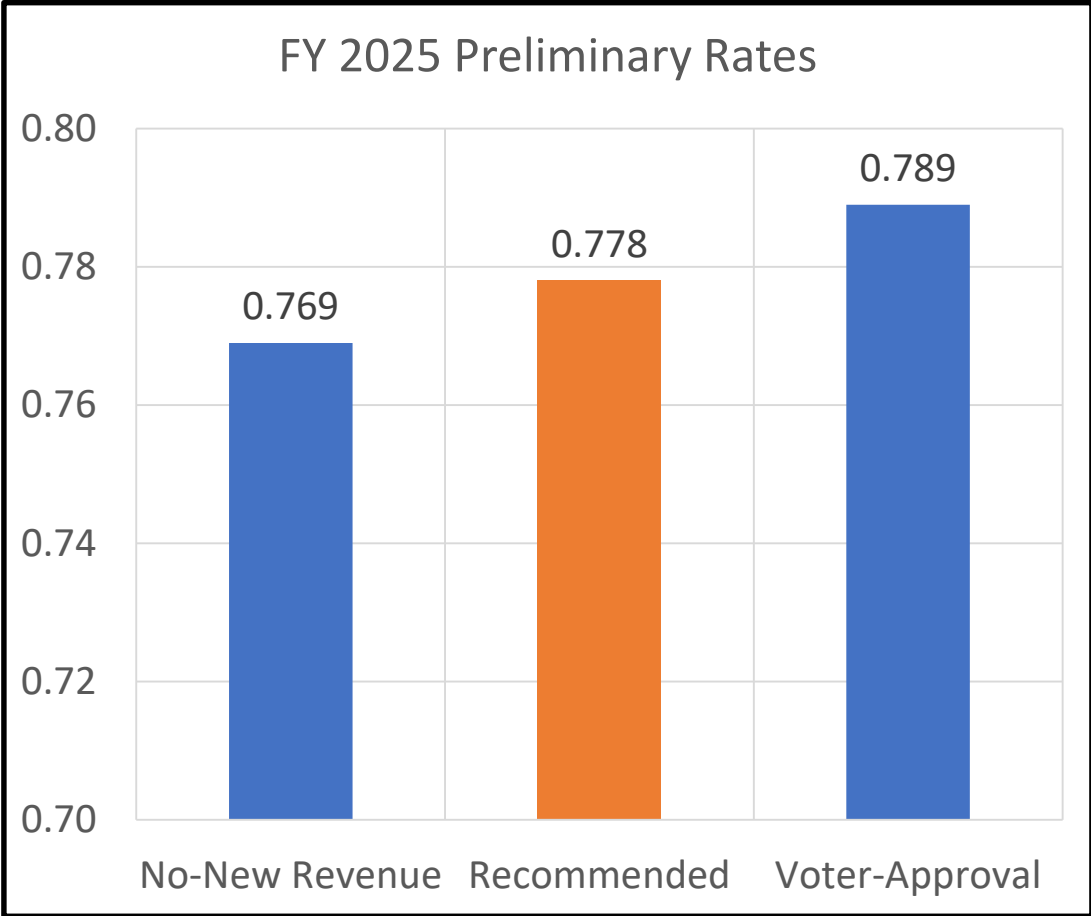
Recommended Preliminary Property Tax Rate

- FY 2025 preliminary property tax rate of 77.8 cents, which is a **four cent reduction** from the current tax rate
- Equals an almost **13 cent reduction in the last three years**, lowest tax rate since 2016
- Preliminary **debt service** tax rate of 23.6 cents is the **lowest since 2013**



Estimated Property Tax Rates

Certified Property Tax Values will be received on July 25, 2024



SB2 - Texas Property Tax Reform and Transparency Act of 2019

No-New-Revenue Tax Rate -

The tax rate that would generate the same amount of revenue in the current tax year as was generated in the preceding tax year.

Voter-Approval Tax Rate – 3.5% cap

The highest tax rate a taxing unit may adopt before requiring voter approval at an election.

How we achieved the 4 cent reduction

- Forward thinking decisions made last year (eliminating/modifying the TRZ #2 and 10A, creating the pay-for-futures fund and sales tax slowdown forecast)
- 10% increase estimated in property valuations, reduced O&M tax rate by 2 cents
- No debt issuance in FY 2025 and savings from refinancing
- Use of \$5 million from Pay-for-Futures Fund (one-time revenue from reserves)
- Civilian pay raises split September and March 2025 (last increase was Sep. 2023)
- Increased savings from vacancies by \$6.6 million from prior year
- Reduced annual pay-go by \$3 million for vehicles and facilities

Budget Focus

- 1) Utilizing multi-year outlook on ***City Council and Community priorities*** to minimize impact to taxpayers by lowering the property tax rate, while maintaining City services
- 2) Investing aggressively in ***public safety*** to maintain the standing as one of the nation's top safest cities by,
 - a. Continue to fund training academies for Police Officers and Firefighters
 - b. Retaining existing Police Officers and Firefighters through competitive compensation and incentives
 - c. Opening of new facilities through the voter approved 2019 public safety bond program

Budget Focus

- 3) Maintaining current levels of investment in improving ***street infrastructure*** through the annual pay-go and voter approved Community Progress Bond
 - a. Resurfacing and reconstruction on segments of the most-traveled arterials
 - b. Annual allocation for resurfacing residential and collector streets
 - c. Improving street connectivity
 - d. Increasing traffic safety initiatives to include new traffic signal intersections

Budget Focus

- 4) Continuing our commitment to providing ***exceptional recreational and cultural opportunities*** through investments in new amenities, for example:
 - a. La Nube (Children's Museum) - August 2024
 - b. Mexican American Cultural Center - August 2024
 - c. 100% of Libraries will be open in FY 2025 (all capital projects completed)
- 5) Investment in the ***retention and recruitment*** of our workforce,
 - a. Increasing the entry wage from \$13.11 to \$14.11 an hour with \$0.50 in September 2024 and \$0.50 in March 2025 (all civilian employees will receive a \$1.00 per hour)
 - b. No healthcare cost increases passed on to civilian employees for the sixth year

Workforce Focus

City Council's continued support for our employees by increasing the minimum wage from \$11.11 to \$13.11 or a \$2,080 annual increase resulted in:

| As of date Salary Plan | 9/1/2021 Average | 9/1/2022 Average | 9/1/2023 Average | Increase % |
|---------------------------|---------------------|---------------------|---------------------|------------|
| GS | 30,893 | 33,195 | 35,653 | 14.34% |
| PM | 52,192 | 54,736 | 57,458 | 9.62% |
| EX | \$118,700 | \$122,310 | \$126,668 | 6.51% |

Healthcare

- Projects a \$7.5 million all funds or \$4.2 million General Fund increase in healthcare due to new contract in January 2025, CBAs and rising costs.
- **6 consecutive years** with no healthcare cost increase for civilian employees (City covering the increase)
- Includes an increase in healthcare costs for employer only due to:
 - Rising costs in healthcare claims due to inflationary pressures and the number of claims paid
- Continue funding Health Savings Account - \$500 to \$1,000 annually (for Consumer Driven Healthcare Plan participants)
- Continue funding the Shape-it-Up wellness program - \$600 to \$1,800 annually

Key Investments – Annual Pay-Go Funding

| Description | FY 2023 Adopted | FY 2024 Adopted | FY 2025 Preliminary | Variance |
|---------------------------------|----------------------|----------------------|------------------------|-----------------------|
| PD Capital Replacement | 3,000,000 | 4,200,000 | 4,200,000 | - |
| FD Capital Replacement | 4,000,000 | 5,200,000 | 5,200,000 | - |
| ADA Curb Cuts | 500,000 | 750,000 | 750,000 | - |
| Parks Amenities | 1,000,000 | 1,000,000 | 1,000,000 | - |
| Residential Streets Resurfacing | 7,000,000 | 7,000,000 | 7,000,000 | - |
| Collector Street Resurfacing | 3,000,000 | 3,000,000 | 3,000,000 | - |
| Citywide Facility Renovations | 1,000,000 | 6,000,000 | 4,400,000 | (1,600,000) |
| Citywide Vehicle Replacement | 1,000,000 | 2,000,000 | 1,500,000 | (500,000) |
| SAM Heavy Equipment Replacement | - | 3,000,000 | 2,100,000 | (900,000) |
| | \$ 20,500,000 | \$ 32,150,000 | \$29,150,000 | \$ (3,000,000) |

*\$9 million included as part of the dissolution of TRZ #2 and 10A

Longer-term Budget Challenges – Our Need for Continued Investment

- No increased allocation in current annual pay-go funding
 - Streets - 50% of streets rank in the fair to very poor condition
 - Facilities - 2/3rd of existing facilities (250+) are more than 30 years old
 - Vehicles/equipment - 23% or 460 of light duty vehicles have surpassed their useful life
 - Parks - 25 “D” rated and more reaching end of useful life
- No annual funding for City grant match (MPO and city-wide grant program)
- No annual funding for critical Information Technology capital replacement

Importance of Multi-Year Outlook

Long-term planning

- Plan and prioritize financial resources to align with long-term goals and objectives

Stability & predictability

- Improves planning and decision-making

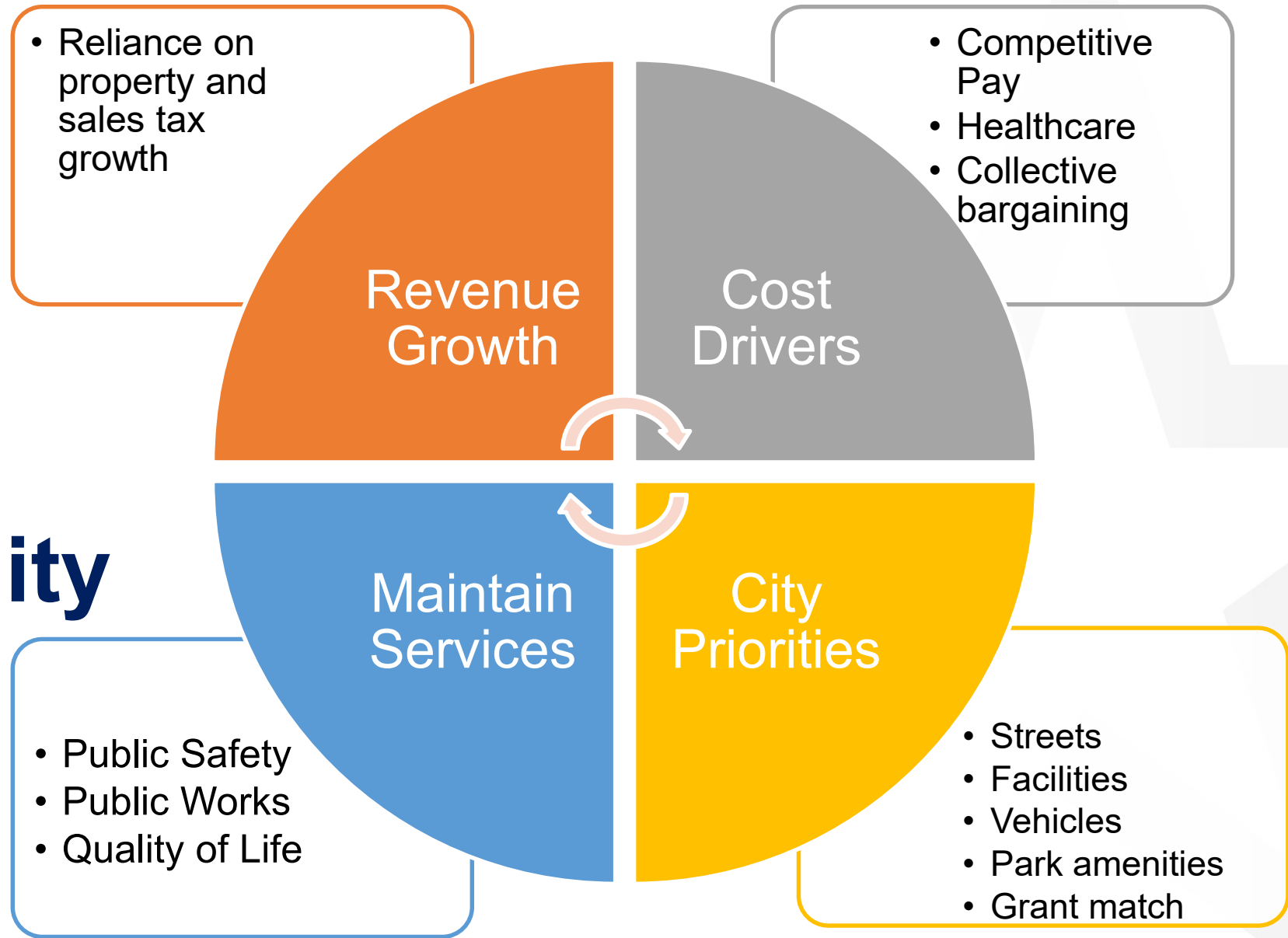
Improved financial management

- identifies potential fiscal challenges in advance and develop strategies to mitigate risk and maintain fiscal sustainability

Transparency & accountability

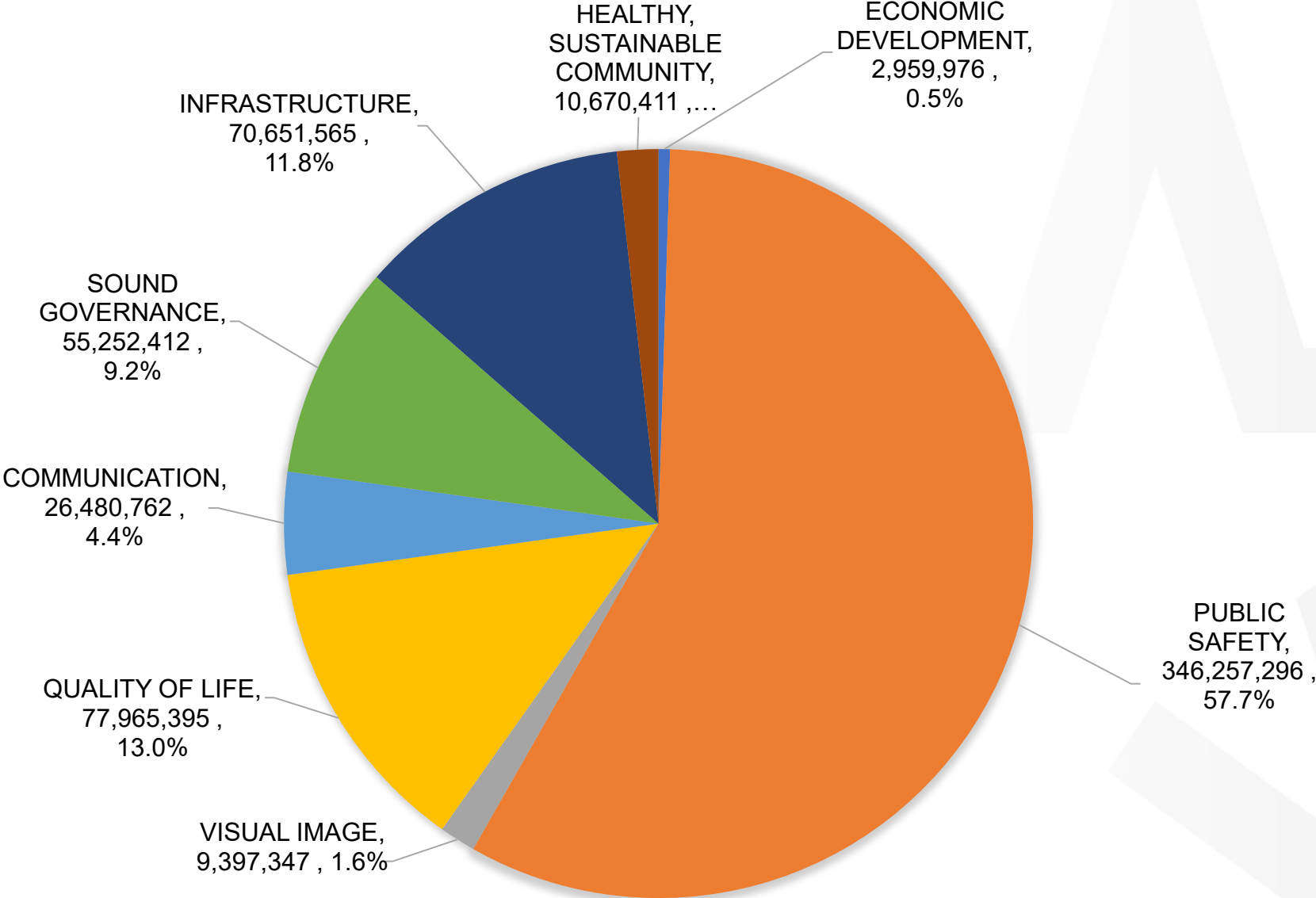
- Improves communication and engagement

Ensuring Long-term Financial Sustainability

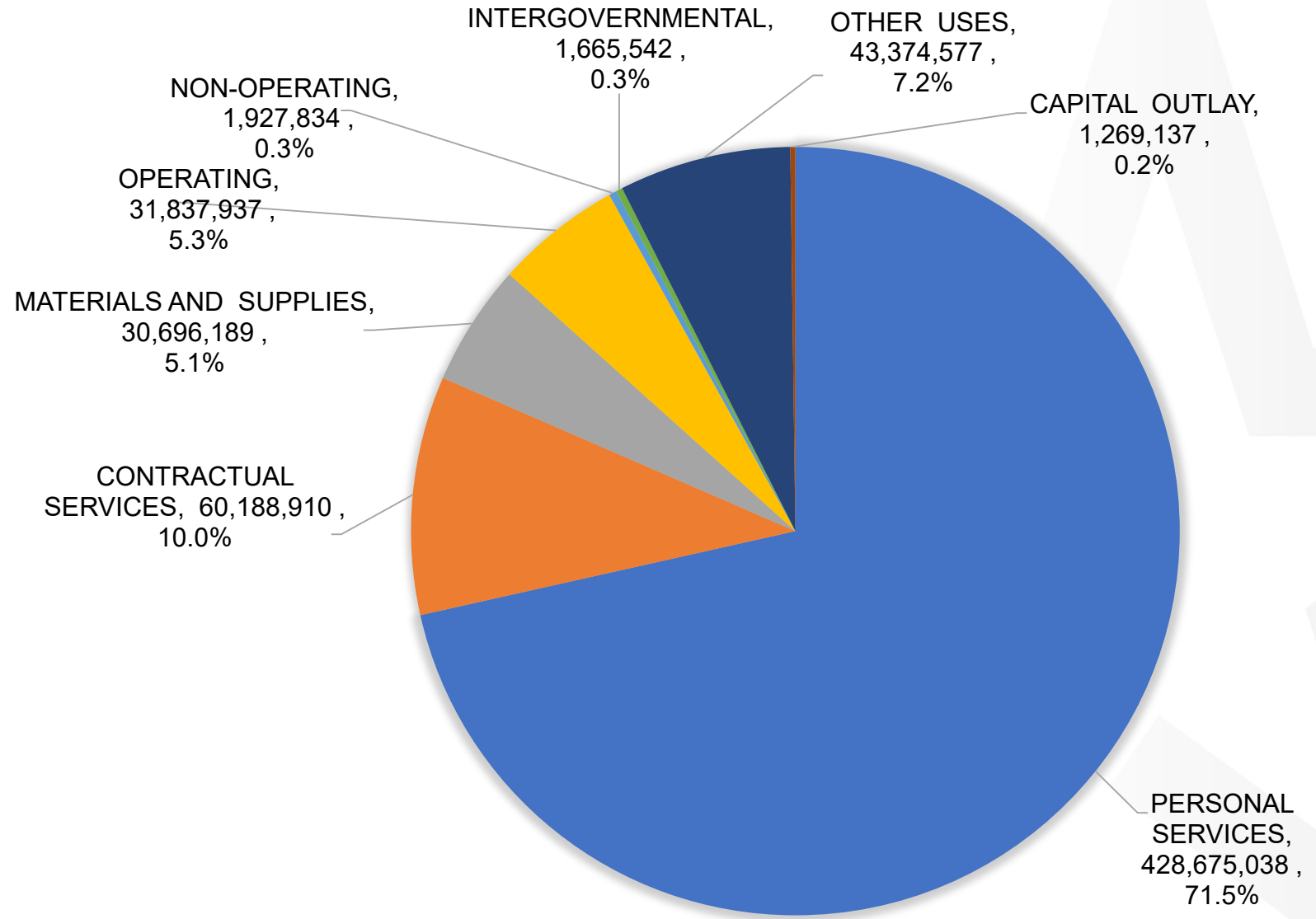


FY 2025 Preliminary General Fund Budget

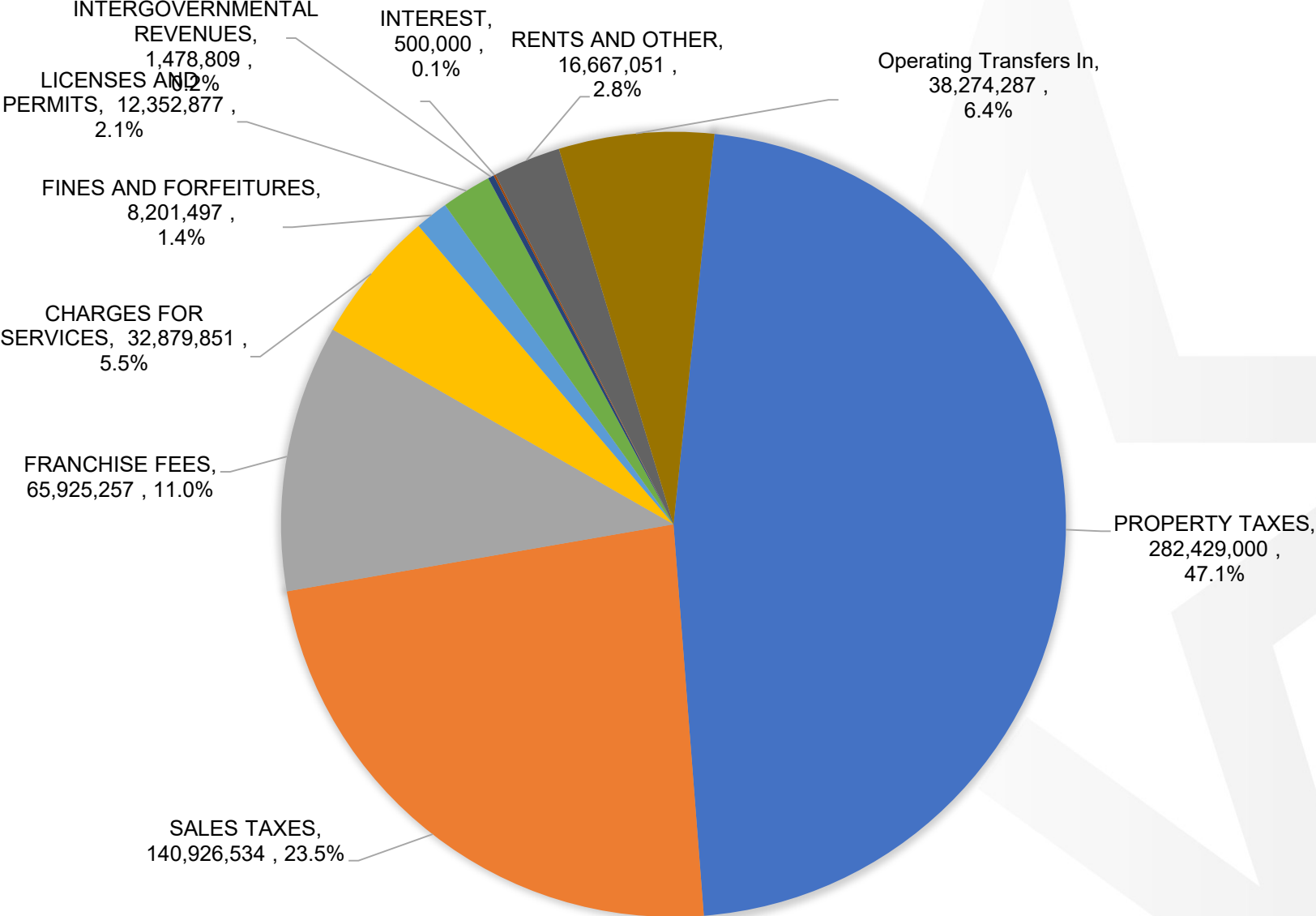
FY 2024/25 General Fund by Strategic Goal (Expenditures)



FY 2024/25 General Fund by Category (Expenditures)



FY 2024/25 General Fund Revenue by Category



**FY 2025
Preliminary
General
Fund
Budget
By
Department
(Expenditures)**

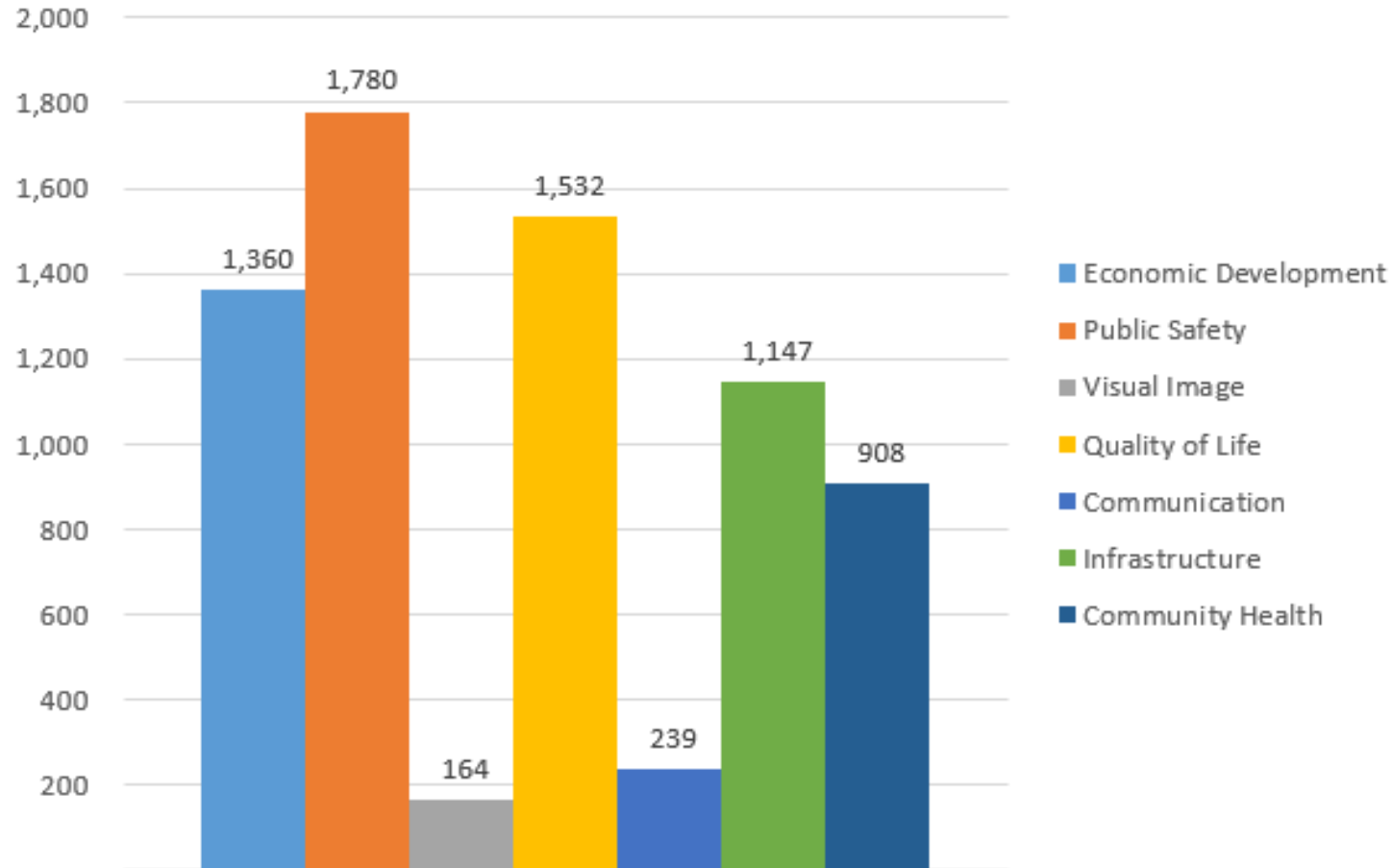
| Departments | FY 2024 Adopted | FY 2025 Preliminary | Variance |
|-----------------------------------|----------------------------|--------------------------------|-------------------|
| CAPITAL IMPROVEMENT DEPARTMENT | 7,611,562 | 8,102,901 | 491,339 |
| CITY ATTORNEY | 6,089,120 | 6,272,671 | 183,551 |
| CITY CLERK | 922,507 | 3,162,819 | 2,240,312 |
| CITY MANAGER | 3,220,658 | 3,051,390 | (169,268) |
| COMMUNITY AND HUMAN DEVELOPMENT | 2,337,178 | 2,402,680 | 65,502 |
| ECONOMIC DEVELOPMENT | 3,219,430 | 2,959,976 | (259,454) |
| FIRE | 141,786,883 | 148,681,926 | 6,895,043 |
| HUMAN RESOURCES | 4,041,014 | 4,485,366 | 444,352 |
| INFORMATION TECHNOLOGY | 24,676,524 | 26,480,762 | 1,804,239 |
| INTERNAL AUDIT DEPARTMENT | 1,161,620 | 1,177,566 | 15,947 |
| LIBRARY | 10,439,109 | 12,055,846 | 1,616,737 |
| MAYOR AND COUNCIL | 2,333,466 | 2,406,661 | 73,195 |
| MUNICIPAL COURT | 6,370,086 | 6,768,995 | 398,909 |
| MUSEUM AND CULTURAL AFFAIRS | 7,020,401 | 7,635,249 | 614,848 |
| NON-DEPARTMENTAL | 30,367,688 | 28,332,612 | (2,035,075) |
| OFFICE OF THE COMPTROLLER | 3,447,858 | 3,774,124 | 326,266 |
| PARKS AND RECREATION | 45,783,651 | 50,393,759 | 4,610,108 |
| PLANNING AND INSPECTIONS | 8,945,379 | 9,397,347 | 451,968 |
| POLICE | 182,855,781 | 190,806,375 | 7,950,593 |
| PUBLIC HEALTH | 7,673,941 | 8,267,731 | 593,790 |
| PURCHASING AND STRATEGIC SOURCING | 2,044,665 | 2,589,202 | 544,537 |
| STREETS AND MAINTENANCE | 63,767,529 | 62,548,663 | (1,218,866) |
| ZOO | 7,204,374 | 7,880,541 | 676,167 |
| Total Expenditures | 573,320,424 | 599,635,164 | 26,314,740 |

FY 2025 Preliminary All Funds Budget By Department (Expenses)

| Departments | FY 2024 Adopted | FY 2025 Preliminary | Variance |
|-----------------------------------|----------------------|------------------------|-------------------|
| ANIMAL SERVICES | 11,933,474 | 13,750,729 | 1,817,254 |
| AVIATION | 68,471,308 | 73,125,685 | 4,654,377 |
| CAPITAL IMPROVEMENT DEPARTMENT | 7,699,850 | 8,194,955 | 495,105 |
| CITY ATTORNEY | 6,139,758 | 6,337,622 | 197,864 |
| CITY CLERK | 922,507 | 3,162,819 | 2,240,312 |
| CITY MANAGER | 3,220,658 | 3,051,390 | (169,268) |
| COMMUNITY AND HUMAN DEVELOPMENT | 15,898,358 | 16,471,956 | 573,599 |
| DESTINATION EL PASO | 23,369,648 | 23,697,898 | 328,250 |
| ECONOMIC DEVELOPMENT | 27,401,688 | 38,555,291 | 11,153,603 |
| ENVIRONMENTAL SERVICES | 150,166,194 | 115,257,852 | (34,908,342) |
| FIRE | 153,534,979 | 157,386,246 | 3,851,267 |
| HUMAN RESOURCES | 79,353,605 | 87,395,838 | 8,042,233 |
| INFORMATION TECHNOLOGY | 24,676,524 | 26,480,762 | 1,804,239 |
| INTERNAL AUDIT DEPARTMENT | 1,161,620 | 1,177,566 | 15,947 |
| INTERNATIONAL BRIDGES | 28,100,985 | 30,348,602 | 2,247,618 |
| LIBRARY | 10,651,002 | 12,355,846 | 1,704,844 |
| MAYOR AND COUNCIL | 2,413,466 | 2,486,661 | 73,195 |
| MUNICIPAL COURT | 7,360,686 | 8,014,993 | 654,307 |
| MUSEUM AND CULTURAL AFFAIRS | 8,642,125 | 9,358,450 | 716,325 |
| NON-DEPARTMENTAL | 170,250,587 | 169,465,351 | (785,236) |
| OFFICE OF THE COMPTROLLER | 3,550,520 | 3,878,168 | 327,648 |
| PARKS AND RECREATION | 48,928,651 | 53,538,759 | 4,610,108 |
| PLANNING AND INSPECTIONS | 10,089,562 | 10,572,295 | 482,733 |
| POLICE | 205,161,844 | 213,946,658 | 8,784,814 |
| PUBLIC HEALTH | 18,646,927 | 18,832,633 | 185,706 |
| PURCHASING AND STRATEGIC SOURCING | 2,044,665 | 2,609,202 | 564,537 |
| STREETS AND MAINTENANCE | 104,928,544 | 100,606,380 | (4,322,164) |
| SUN METRO | 111,027,161 | 111,151,729 | 124,568 |
| TAX | 2,614,462 | 2,781,860 | 167,397 |
| ZOO | 10,164,733 | 11,445,160 | 1,280,427 |
| Total Expenditures | 1,318,526,091 | 1,335,439,357 | 16,913,266 |

Chime In Budget Survey Responses

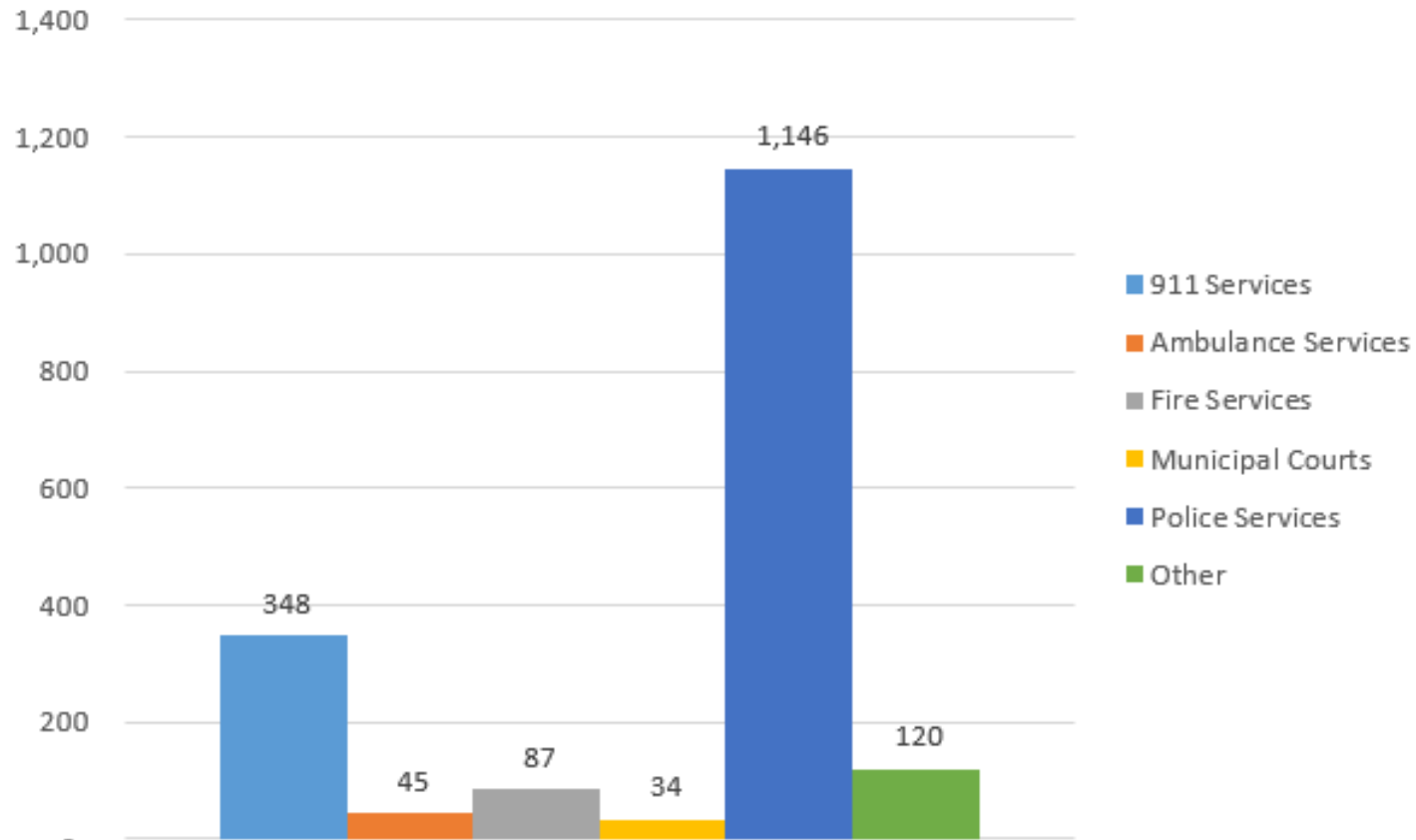
What is your top priority?



7,130 Responses

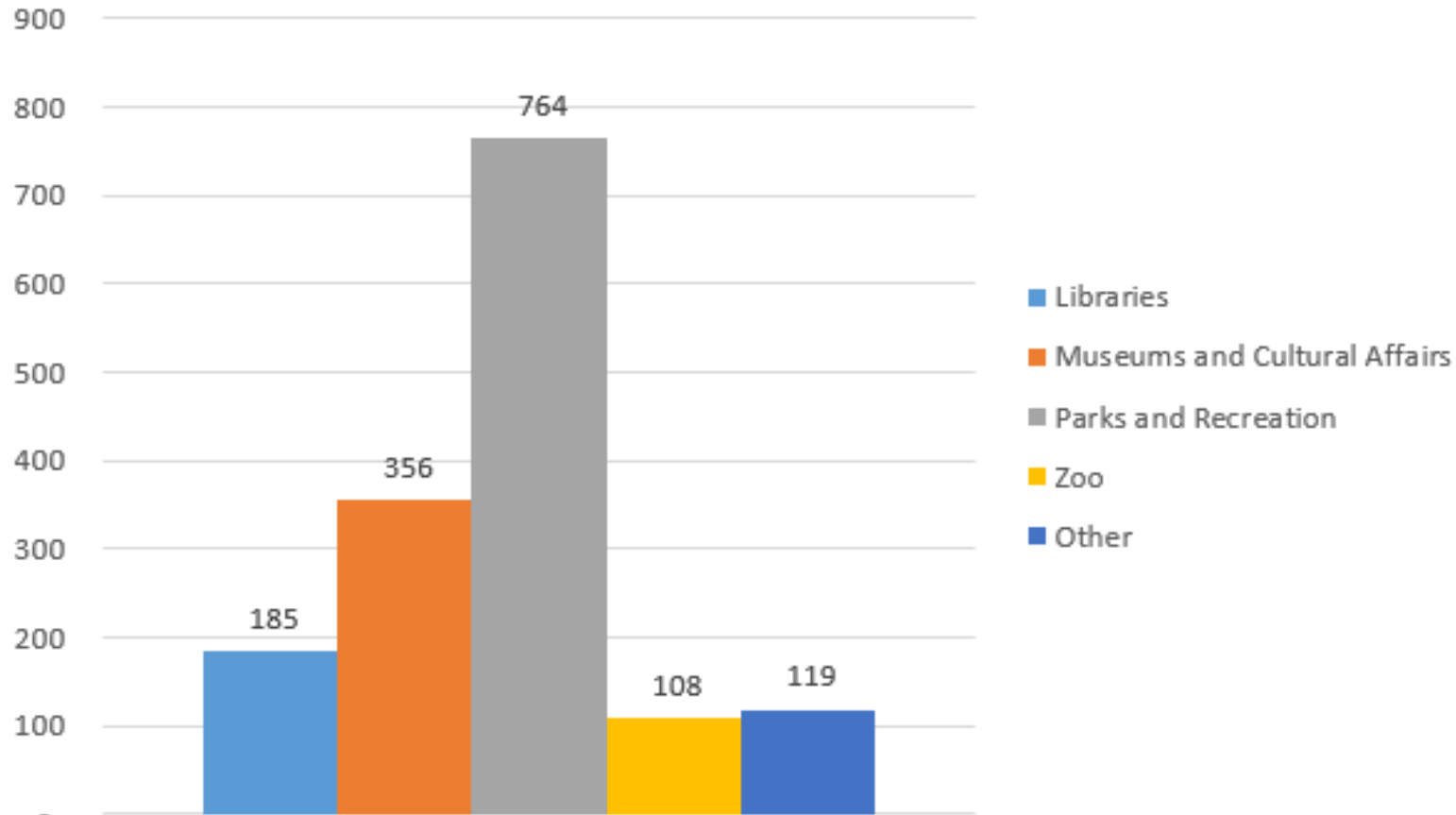
Chime In Budget Survey Responses

If you selected Public Safety, what is your focus?



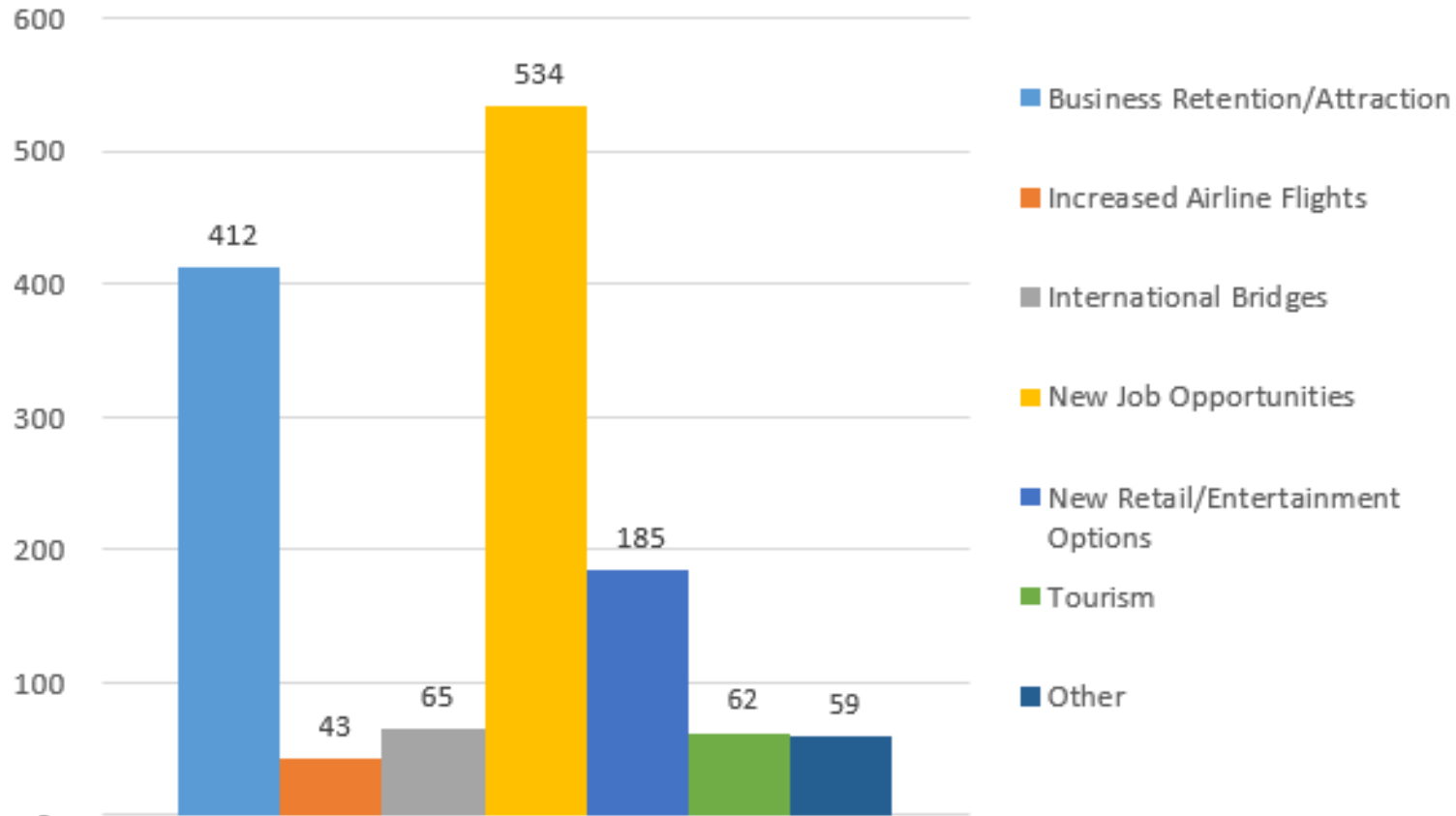
Chime In Budget Survey Responses

If you selected Quality of Life, what is your focus?



Chime In Budget Survey Responses

If you selected Economic Development, what is your focus?



Chime In! – Community Engagement

Focus Groups

Tuesday, June 11th @ 6:00PM

- WESTSIDE: Westside Library, 125 Belvidere

Tuesday, June 18th @ 6:00PM

- NORTHEAST: Sun Metro Northgate Transit Center, 9348 Dyer

Thursday, June 20th @ 6:00PM

- CENTRAL: Wayne Thornton Community Center at Grandview, 3134 Jefferson

Thursday, June 27th @ 6:00PM

- MISSION VALLEY: Sylvia Carreon Community Center, 709 Lomita

Saturday, June 29th @ 1:00PM

- EASTSIDE: Esperanza Moreno Library, 12480 Pebble Hills

Westside

Focus Group Responses

Infrastructure

- Traffic Mitigation
- TXDOT maintenance of streets
- Additional Parking for Downtown

Climate/Air Quality

- Incentivizing Solar Panels for our “Sun City”
- Efficient use of highway border to prevent pollution

New Revenue Sources

- Additional Grant funding
- New business Attractions & Retention

Public Safety

- Police Department Recurrent and Retention

Mass Transit

- Longer service hours and efficient routes

Cost of living

- Affordable housing
- Lower cost of Utilities

Code Enforcement

- Firm standards



Northeast

Focus Group Responses

Quality of Life

- Need more community involvement
- Need more community event promotions and community health
- Need residential street improvements

Economic Development

- Need business attraction
- Reevaluate Chapter 380 requirements
- Central Appraisal District must go out and appraise properties

Public Safety

- Teach the community how to be safe and provide more general education about public safety
- Involve more businesses in community policing (ex: Whataburger)
- Police Department – improved candidates, better trained, better accountability
- More communication and visibility

Civic/Community Engagement

- Inclusive of all groups
- Voter mobility



Central

Focus Group Responses

Public Safety

- “Walkable neighborhood”
- Traffic/Speeding – Stop signs and speed bumps (Copia, Dyer, McKinley)
- Police services – PAR officers

Civic/Community Engagement

- City and citizen disconnect
- Survey and meeting participation

Public Transportation/Infrastructure

- LIFT services commended
- Shade structures/canopies at bus stops
- Improve sidewalk accessibility

Resources

- Better Mental health services – More options

Quality of Life

- Dog parks – Simple enclosure with trash cans and bags
- More budget for libraries and parks

Cost of Living

- Lower property taxes

Efficiency

- “Do the basics well”

Economic Development

- Increase job opportunities and wages
- Promote local businesses
- Attract outside companies/new revenues



Mission Valley

Focus Group Responses

Quality of Life

- Major Tourism Attractions
- Promote El Paso's History and Geographical Area
- A vibrant Downtown, more Businesses, Multi-use development and restaurants
- Modern Parks / Spray Park
- Music Festival during the Summer

Infrastructure

- Beautification of Alameda Avenue
- Improve Visual Image of Car Lots in Mission Valley
- Additional / Free Parking Downtown
- Cleaner & Greener Communities

Mobility

- Traffic congestion improvement
- Traffic lights synchronization
- Street and Median Maintenance
- 18 Wheelers zoning enforcement

Economic Development

- More Job opportunities
- Better Wages
- More and Better Business, entertainment and restaurants
- Increase in Airline Flights

Public Safety

- Law enforcement presence in Alameda Ave.
- Zoning Enforcement
- Code Enforcement
- 311 Services follow up

New Revenue Sources

- Expand Tax Base with New business Attractions & Retention



Eastside

Focus Group Responses

Quality of Life

- Museums – Youth activities
- Libraries – Literacy

Public Safety

- Drunk Driving
- Traffic Safety/ Management – roundabout education, speeding (Edgemere and RC Poe)

Less Bond Issuances

- CIP Projects

Citizen Awareness

- Pride in our City

Infrastructure

- Renovation of buildings
- Streets – lane striping, potholes, street cleaning, median maintenance
- Green buildings
- Open space opportunities, weather friendly trees
- Work with businesses to reduce carbon footprint

School District Partnerships

- Student engagement/ volunteering
- Median maintenance as community service

Efficiency

- “Bang for our buck”

Communication

- TxDOT/ MPO updates, meetings on highway expansion
- - Montwood Extension

Focus on Cost Savings



FY 2024/25 Preliminary General Fund Revenue

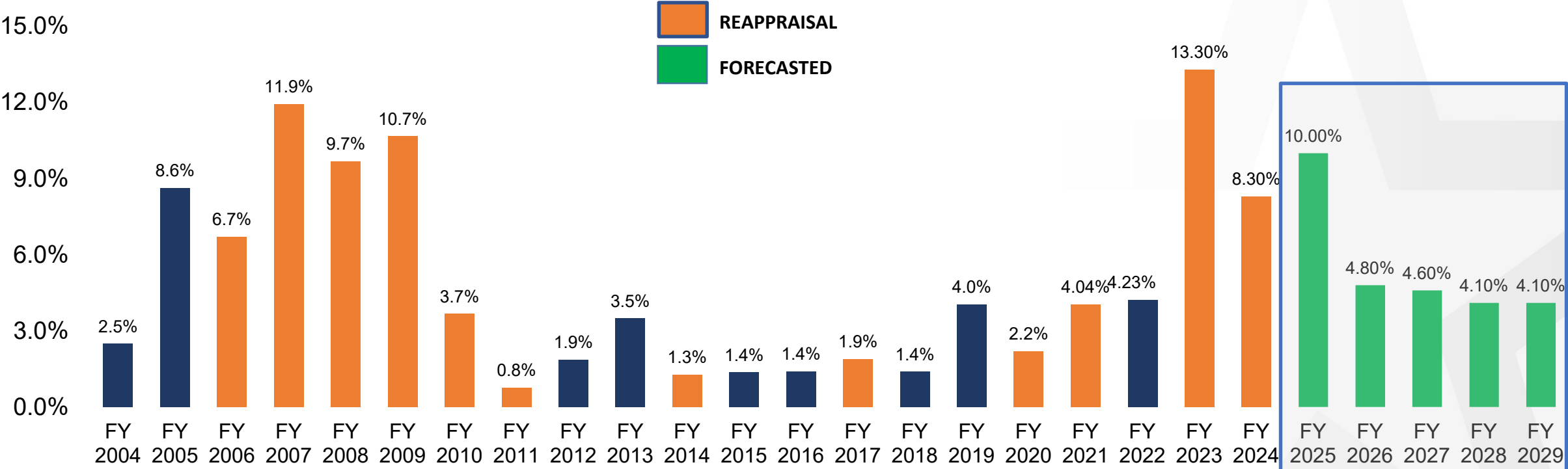
- Revenue by category
- Property tax information
- Sales tax information
- Major Variance – FY 2024 vs FY 2025

Preliminary General Fund Revenue

| | FY 2023 | FY 2024 | FY 2025 | FY 2025 Preliminary Over/(Under) FY 2024 Adopted | |
|----------------------------|--------------------|--------------------|--------------------|---|-----------|
| | Adopted | Adopted | Preliminary | Variance | Percent |
| PROPERTY TAXES | 251,280,449 | 264,719,112 | 282,429,000 | 17,709,888 | 7% |
| SALES TAXES | 112,783,370 | 137,439,887 | 140,926,534 | 3,486,647 | 3% |
| FRANCHISE FEES | 56,616,885 | 67,031,423 | 65,925,257 | (1,106,166) | -2% |
| CHARGES FOR SERVICES | 27,228,801 | 29,242,052 | 32,879,851 | 3,637,799 | 12% |
| FINES AND FORFEITURES | 7,097,584 | 7,087,584 | 8,201,497 | 1,113,913 | 16% |
| LICENSES AND PERMITS | 12,944,114 | 12,712,880 | 12,352,877 | (360,003) | -3% |
| INTERGOVERNMENTAL REVENUES | 1,268,809 | 1,478,809 | 1,478,809 | - | 0% |
| INTEREST | 125,000 | 500,000 | 500,000 | - | 0% |
| RENTS AND OTHER | 10,620,554 | 14,323,173 | 16,667,051 | 2,343,878 | 16% |
| OPERATING TRANSFERS IN | 32,785,706 | 38,785,505 | 38,274,287 | (511,218) | -1% |
| TOTAL REVENUES | 512,751,272 | 573,320,425 | 599,635,164 | 26,314,739 | 5% |

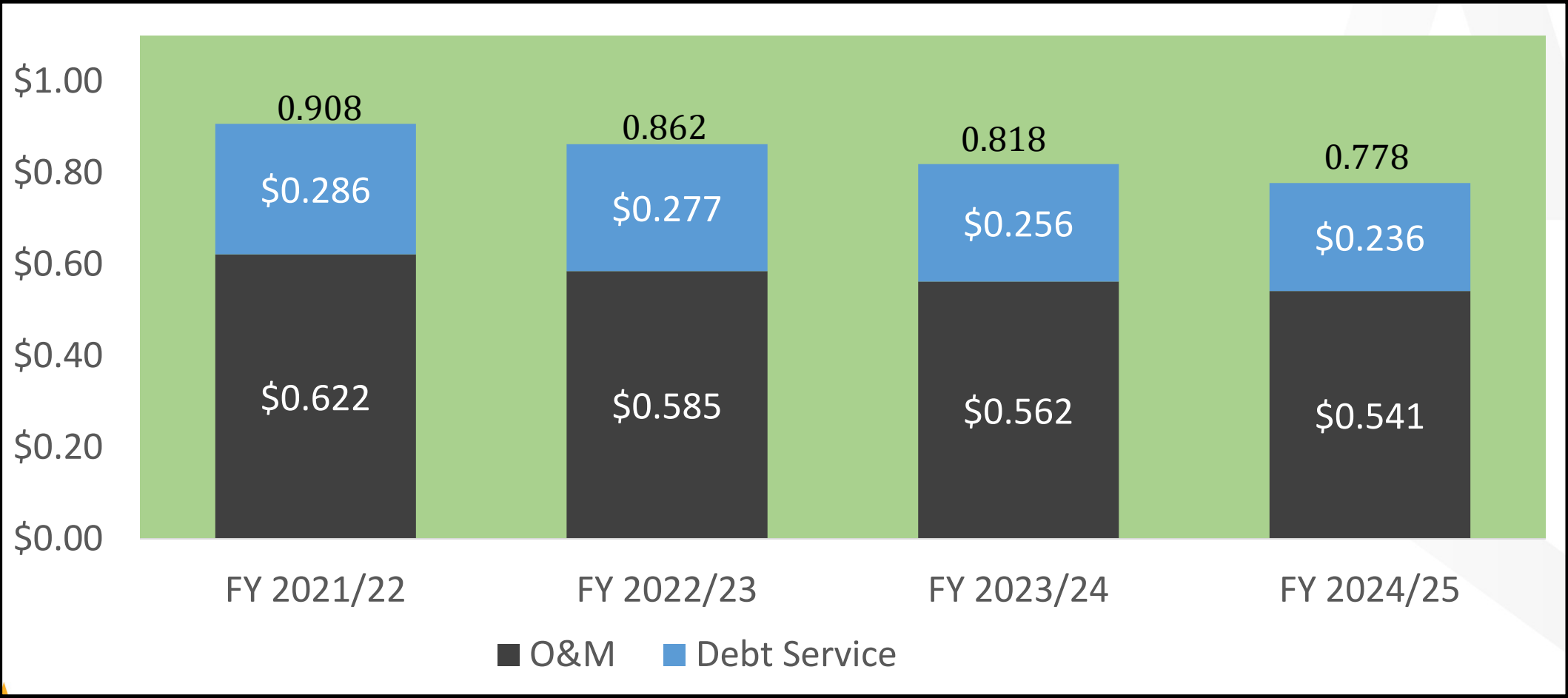
- Property taxes – assumes 10% increase in taxable values at the nominal tax rate with no debt issuance.
- Sales taxes – assumes 2% increase from the Adopted Budget. Current year is up 0.8% through first seven months.
- Franchise fees - to align with EPWater and El Paso Electric actuals
- Charges for Services and Fines and Forfeitures – align with actuals including an increase in Ambulance Revenue
- Licenses and Permits – reduction due to decline in residential and electrical permits.
- Rents and Other – Increase in facility rental revenue, 100% Disabled Veteran reimbursement and transfer from capital projects.
- Operating transfers in – reduction due to one time use of cash differential transfer in FY 2024.

Property Tax Valuations



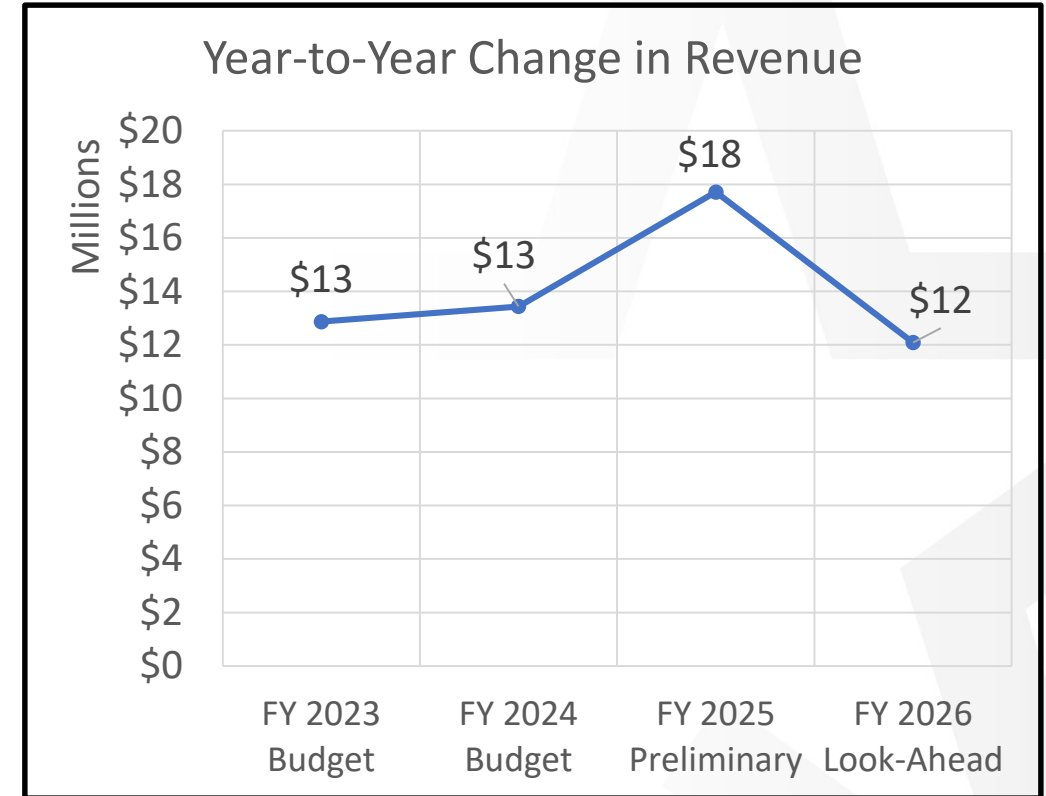
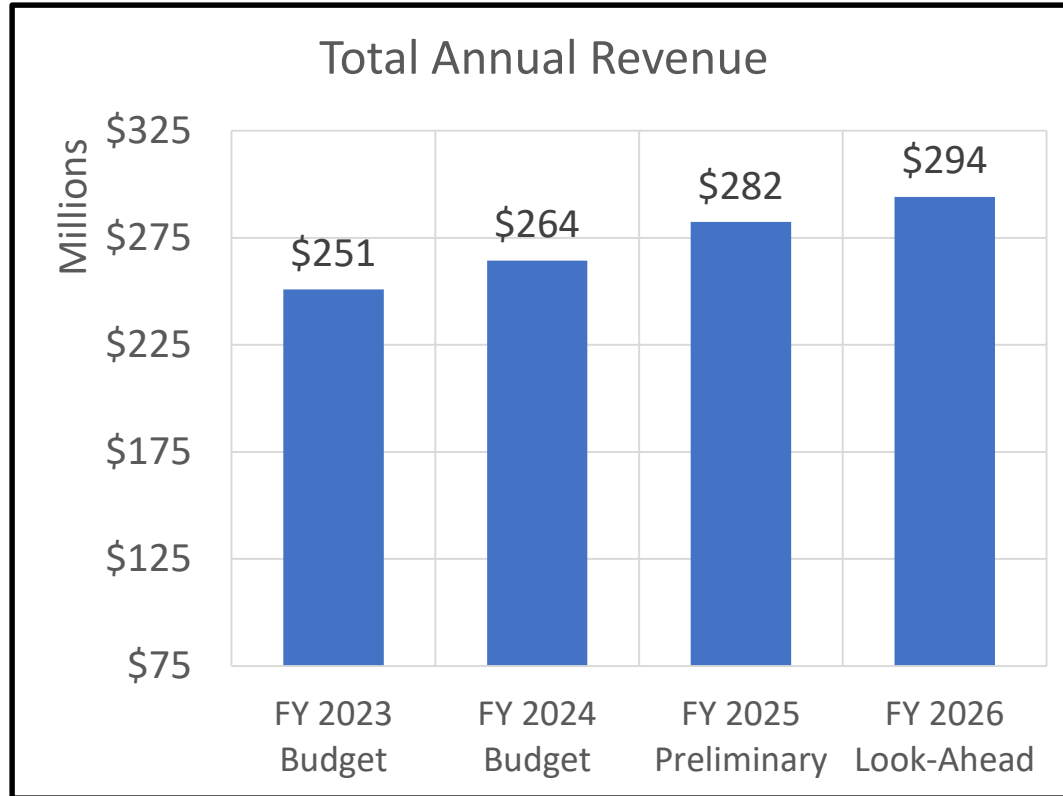
*FY 2025 is estimated based on preliminary taxable values. Certified appraisal roll will be received July 25, 2024.

Property Tax Rate Comparison - FY 2024/25 - 4 Cent Reduction (cents per \$100 valuation)



* FY 2024/25 Tax Rate is based on preliminary reports provided by the Central Appraisal District

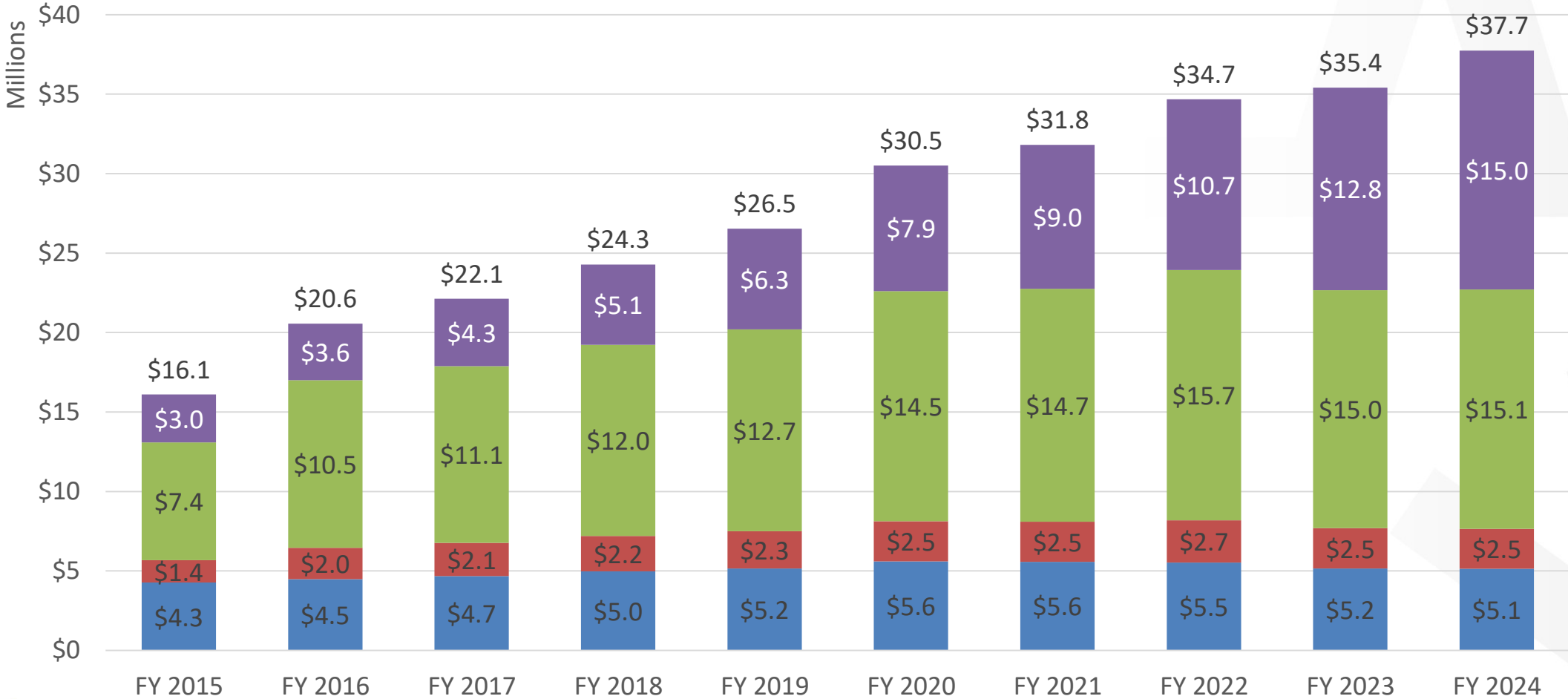
General Fund Property Tax Revenue Two-Year Outlook



FY 2025 – projected 10% increase in property valuations and no debt issuance
FY 2026 – projected 4.8% increase in property valuations and \$215 million debt issuance

City Property Tax Relief (\$ in Millions)

■ Homestead
 ■ Disabled
 ■ Over 65
 ■ Disabled Veteran

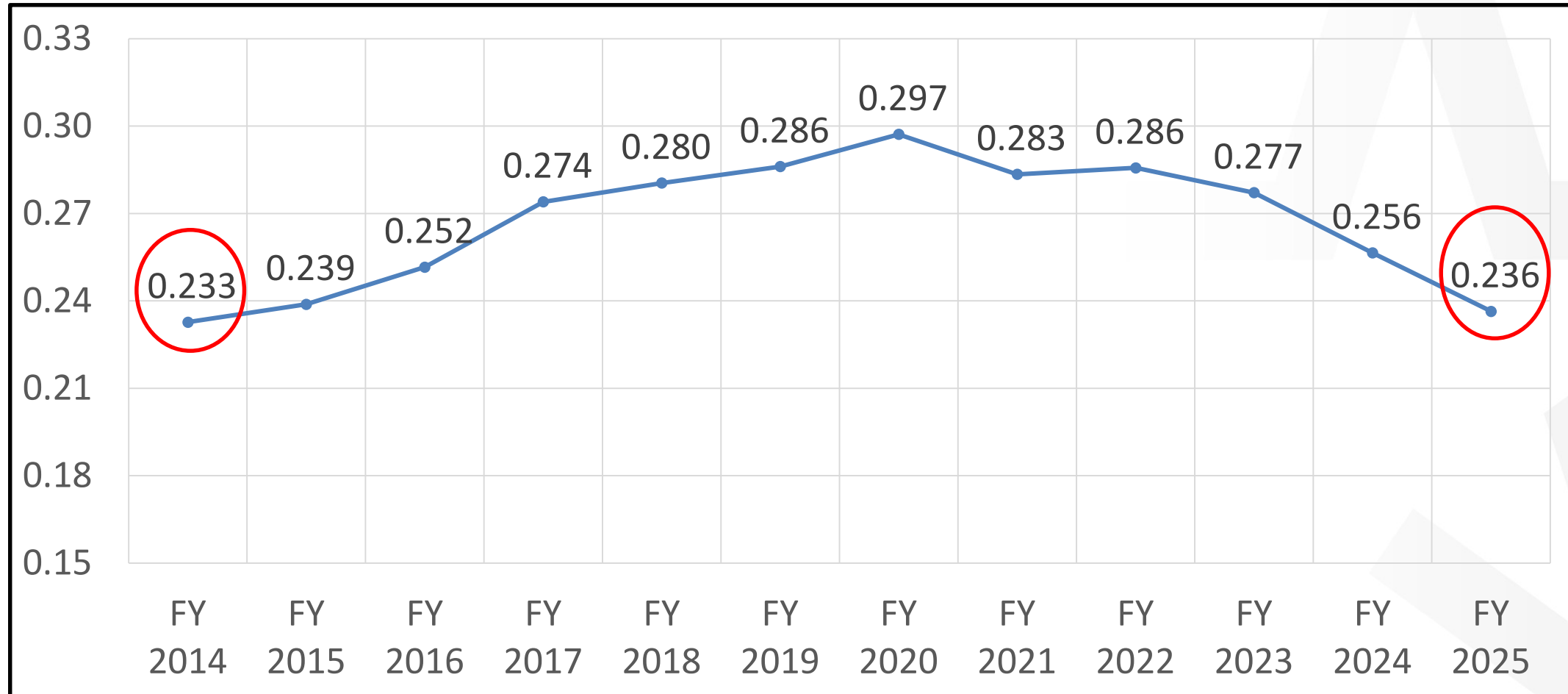


Projected Future Debt Service

Remaining Voter-Approved Bonds

| | FY 2025 | FY 2026 | FY 2027 | FY 2028 | FY 2029 - 2033 | Total |
|--------------------|------------|----------------|----------------|---------------|----------------|----------------|
| Quality of Life | \$0 | \$49.3 | \$79.1 | \$0.0 | \$0.0 | \$128.5 |
| Public Safety | \$0 | \$119.5 | \$70.4 | \$28.2 | \$27.7 | \$245.8 |
| Community Progress | \$0 | \$46.1 | \$38.3 | \$40.3 | \$101.7 | \$226.4 |
| Total | \$0 | \$214.9 | \$187.8 | \$68.5 | \$129.4 | \$600.7 |

Debt Service Property Tax Rate



Projected TIRZ/TRZ Valuations

| TIRZ/TRZ | FY2020 Certified | FY2021 Certified | FY2022 Certified | FY2023 Certified | FY2024 Certified | FY2025* Projected | FY2026* Projected | FY2027* Projected | FY2028* Projected | FY2029* Projected |
|--|---------------------|---------------------|---------------------|----------------------|---------------------|----------------------|----------------------|----------------------|----------------------|----------------------|
| 2303 TRZ #2** | 402,048,888 | 599,147,577 | 538,194,438 | 751,862,704 | | | | | | |
| 2304 TRZ #3 | 41,020,416 | 88,689,481 | 93,518,511 | 136,646,443 | 159,478,953 | 174,331,837 | 195,440,037 | 219,101,653 | 242,676,984 | 266,168,369 |
| 2302 TIRZ 5 DOWNTOWN | 109,351,317 | 151,509,133 | 143,743,032 | 97,959,643 | 118,143,262 | 201,701,959 | 222,022,647 | 230,534,314 | 239,046,197 | 247,558,356 |
| 2357 TIRZ 6 MEDICAL CTRS OF AMERICA | | | | 2,976,811 | 9,431,025 | 13,213,882 | 17,136,484 | 22,330,719 | 27,489,437 | 32,603,301 |
| 2358 TIRZ 7 NORTHGATE | | 1,182,556 | 1,353,884 | 1,448,360 | 2,564,925 | 2,828,775 | 3,333,056 | 3,799,800 | 4,266,543 | 4,733,287 |
| 2360 TIRZ 9 Eastside Sports Complex | 6,066,342 | 42,231,791 | 84,981,338 | 144,995,700 | 209,680,477 | 210,424,479 | 251,042,748 | 296,585,335 | 342,127,824 | 387,670,184 |
| 2361 TIRZ 10 WATER TANK SITE | 678,663 | 1,182,293 | 1,197,141 | 1,925,389 | 2,992,759 | 2,219,986 | 3,762,464 | 4,155,632 | 4,548,803 | 4,941,978 |
| 2362 TIRZ 10A WATER TNK EXPANSION** | 47,738,015 | 41,731,077 | 59,687,174 | 89,194,245 | | | | | | |
| 2366 TIRZ 13 NORTHEAST PARKWAY | 10,663,558 | 7,009,334 | 8,457,962 | 8,761,923 | 9,967,630 | 30,330,232 | 30,072,417 | 33,763,226 | 37,454,036 | 41,144,845 |
| 2367 TIRZ 14 AIRPORT | | | | 2,661,093 | 5,308,925 | 5,426,422 | 7,136,004 | 8,618,995 | 10,101,986 | 11,584,976 |
| Total | 617,567,199 | 932,683,242 | 931,133,480 | 1,238,432,311 | 517,567,956 | 640,477,571 | 729,945,857 | 818,889,674 | 907,711,809 | 996,405,296 |

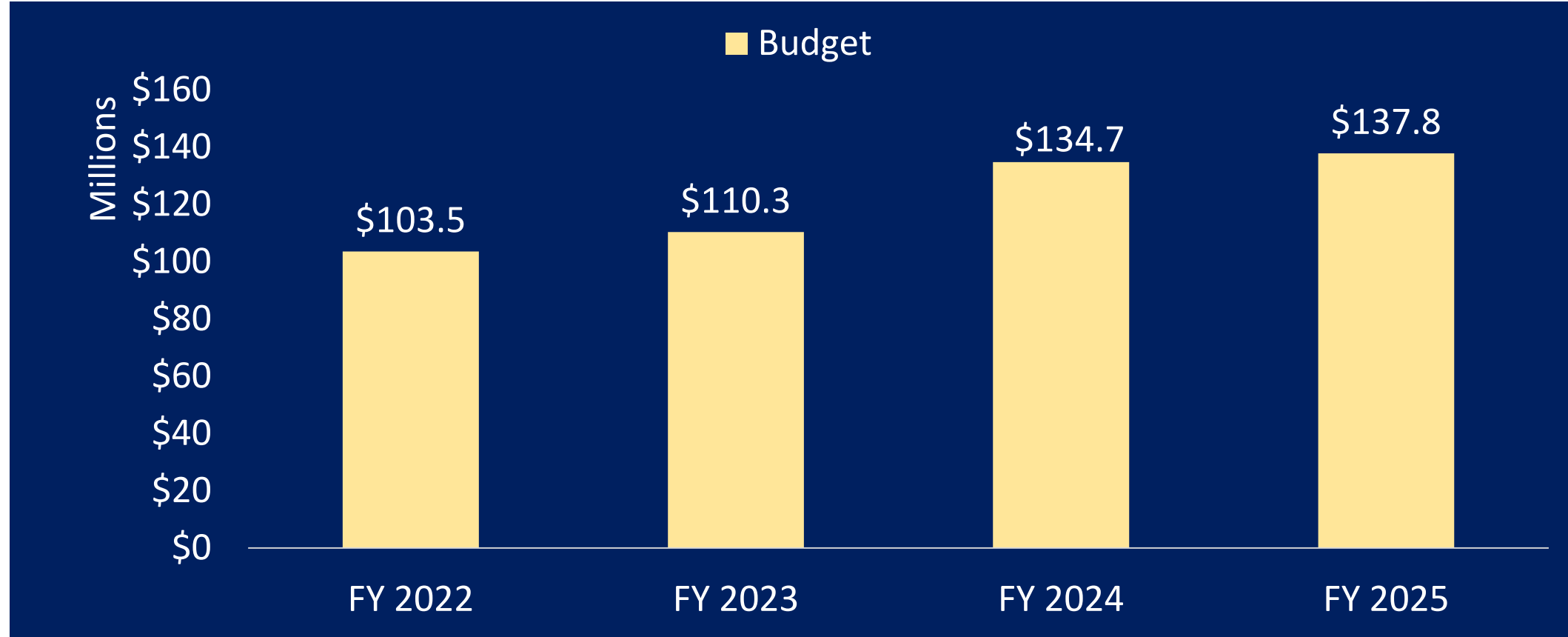
** Dissolved in FY2023

*Forecasted Tax Increment Reinvestment Zones or Transportation Reinvestment Zones - Values are estimates based on preliminary values from the Central Appraisal District, current market conditions and are subject to change

Impacts on Sales Tax Revenue

- Delay in data (two-month delay in receiving the data from the State)
- Low to Moderate Inflation expected for the next couple quarters
- Impact of sustained higher interest rates (3 rate cuts projected for 2024)
- Economic slowdown expected in 2024, but no recession in the forecast
 - Possible slowdown in job growth and spending forecasted by the Federal Reserve
 - Continued national unemployment at 3.9% and El Paso MSA is at 4.5% (January 2024)

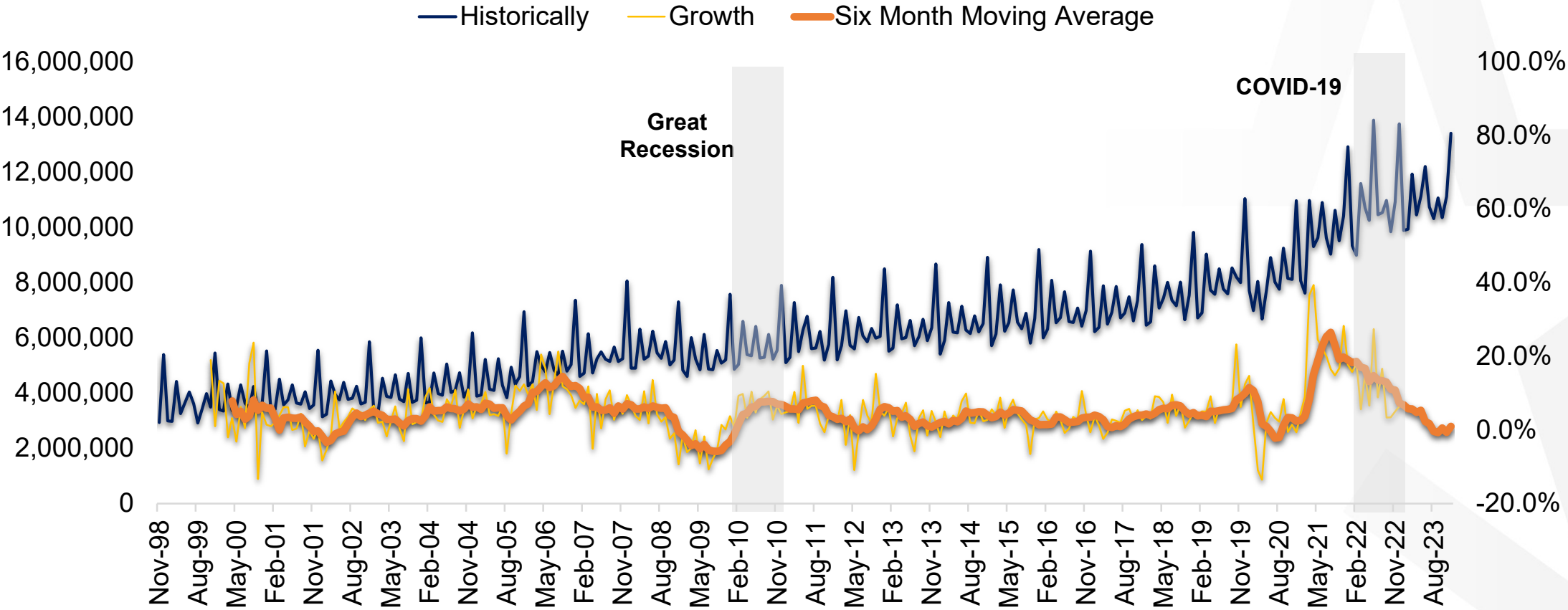
Adopted Budget City Sales Tax



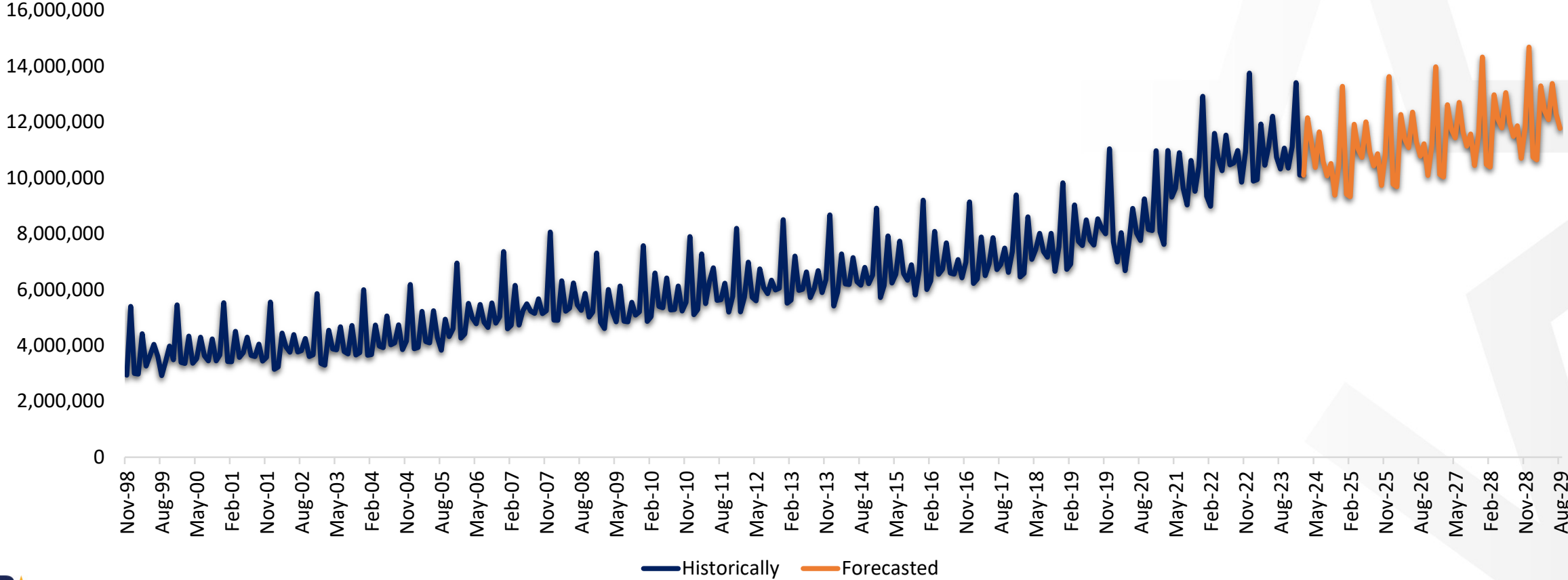
City Sales Tax Collections

| MONTH | FY 2023 | FY 2024 | FY2023 - FY2024 \$ VARIANCE | FY2023 - FY2024 % VARIANCE |
|--------------|----------------------|---------------------|--------------------------------|-------------------------------|
| September | 10,978,840 | 11,065,222 | 86,383 | 0.8% |
| October | 9,841,288 | 10,349,977 | 508,688 | 5.2% |
| November | 10,929,250 | 11,113,470 | 184,220 | 1.7% |
| December | 13,746,468 | 13,406,378 | (340,089) | -2.5% |
| January | 9,883,311 | 10,100,723 | 217,412 | 2.2% |
| February | 9,939,568 | 10,090,361 | 150,793 | 1.5% |
| March | 11,926,334 | 11,734,602 | (191,732) | -1.6% |
| April | 10,451,765 | 10,649,000 | 197,235 | 1.8% |
| May | 11,122,552 | | | |
| June | 12,140,871 | | | |
| July | 10,738,492 | | | |
| August | 10,321,726 | | | |
| Total | \$132,020,465 | \$88,509,735 | \$812,910 | 0.6% |

Historical Sales Tax Revenue



Sales Tax Revenue (Historical and Forecasted)



FY 2025 Fee Changes

Included are the following changes:

- Police – Abandoned auto and various licenses
- Planning and inspections – Zoning applications
- Mexican American Cultural Center – Program, membership and event fees
- Foreign Trade Zone – Transaction Fees
- Environmental Services – Increase in the residential collection rate of \$2.00 and the landfill tipping service fee of \$4.00
- Fire – Ambulance transport fee

FY 2025 Preliminary Budget Vision Block, Goal, Department



- FY 2025 Preliminary Budget by Fund Source
- General Fund Budget Comparison
- Non-General Fund Budget Comparison
- Departmental Variance Commentary

FY 2024/25 Source of Funds

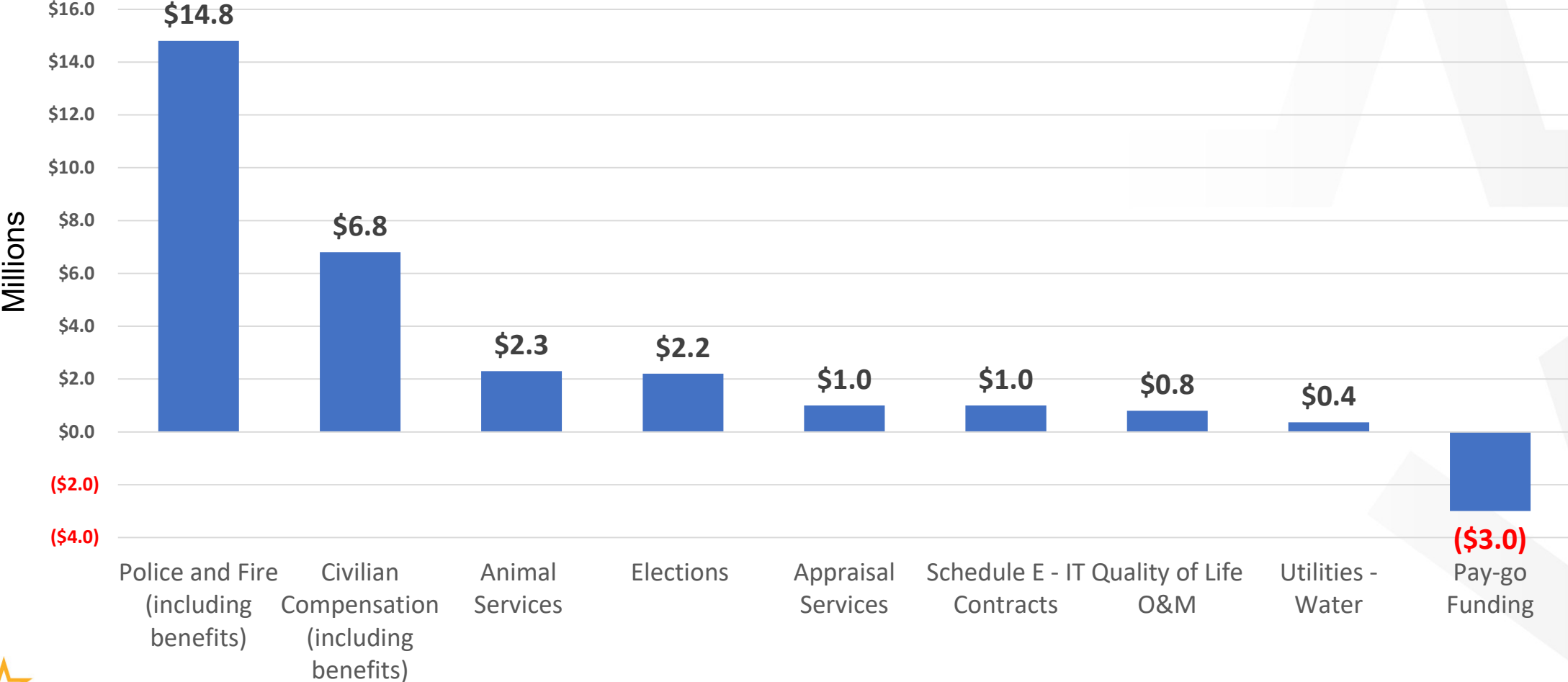
| DEPARTMENT | GF | Non-General Fund | | | | | | ALL FUNDS |
|------------------------------|--------------------|-------------------|--------------------|-------------------|--------------------|--------------------|--------------------|----------------------|
| | GENERAL FUND | CDBG | DEBT SERVICE | CAPITAL PROJECTS | SPECIAL REVENUE | ENTERPRISE | INTERNAL SERVICE | |
| GOAL 1: ECONOMIC DEVELOPMENT | 2,959,976 | - | - | 4,250,000 | 55,043,213 | 103,474,287 | - | 165,727,476 |
| GOAL 2: PUBLIC SAFETY | 346,257,296 | - | - | 9,400,000 | 23,690,601 | - | - | 379,347,897 |
| GOAL 3: VISUAL IMAGE | 9,397,347 | - | - | - | 1,174,948 | - | - | 10,572,295 |
| GOAL 4: QUALITY OF LIFE | 77,965,395 | - | - | 1,328,000 | 7,404,820 | - | - | 86,698,215 |
| GOAL 5: COMMUNICATIONS | 26,480,762 | - | - | - | - | - | - | 26,480,762 |
| GOAL 6: SOUND GOVERNANCE | 55,252,412 | 64,952 | 121,572,487 | 124,044 | 19,640,252 | 2,781,860 | 82,910,472 | 282,346,478 |
| GOAL 7: INFRASTRUCTURE | 70,651,565 | - | - | 8,750,000 | 11,352,197 | 111,151,729 | 18,047,572 | 219,953,063 |
| GOAL 8: COMMUNITY HEALTH | 10,670,411 | 13,575,043 | - | - | 36,365,110 | 103,702,607 | - | 164,313,170 |
| TOTAL CITY | 599,635,164 | 13,639,994 | 121,572,487 | 23,852,044 | 154,671,141 | 321,110,483 | 100,958,044 | 1,335,439,357 |

General Fund Summary by Vision Block

| | | FY 2024 Adopted | FY 2025 Preliminary | Variance |
|--|--------------------------------|--------------------|------------------------|------------|
| VIBRANT REGIONAL ECONOMY | GOAL 1: ECONOMIC DEVELOPMENT | 3,219,430 | 2,959,976 | (259,454) |
| | GOAL 3: VISUAL IMAGE | 8,945,379 | 9,397,347 | 451,968 |
| | VISION BLOCK TOTAL | 12,164,810 | 12,570,473 | 405,663 |
| SAFE AND BEAUTIFUL NEIGHBORHOODS | GOAL 2: PUBLIC SAFETY | 331,012,750 | 346,257,296 | 15,244,546 |
| | GOAL 7: INFRASTRUCTURE TOTAL | 71,379,091 | 70,651,565 | (727,527) |
| | GOAL 8: COMMUNITY HEALTH TOTAL | 10,011,118 | 10,670,411 | 659,292 |
| | VISION BLOCK TOTAL | 412,402,960 | 427,579,271 | 15,176,312 |
| ERCEO | GOAL 4: QUALITY OF LIFE TOTAL | 70,447,536 | 77,965,395 | 7,517,860 |
| | VISION BLOCK TOTAL | 70,447,536 | 77,965,395 | 7,517,860 |
| HIGH PERFORMING GOVERNMENT | GOAL 5: COMMUNICATIONS TOTAL | 24,676,524 | 26,480,762 | 1,804,239 |
| | GOAL 6: SOUND GOVERNANCE TOTAL | 53,628,595 | 55,252,412 | 1,623,817 |
| | VISION BLOCK TOTAL | 78,305,119 | 81,733,174 | 3,428,056 |
| TOTAL CITY - GENERAL FUND | | 573,320,424 | 599,635,164 | 26,314,740 |

FY 2025 General Fund Major Variances

\$26.3 million



Major Variance by Expenditures

| | |
|--|------------------------|
| FY 2024 Adopted | \$573.3 million |
| Police and Fire (including benefits) | \$14.8 million |
| Civilian Compensation (including benefits) | \$6.8 million |
| Animal Services | \$2.3 million |
| Elections | \$2.2 million |
| Appraisal Services | \$1.0 million |
| Schedule E - IT Contracts | \$1.0 million |
| Quality of Life O&M | \$0.8 million |
| Utilities - Water | \$0.4 million |
| Reduction in Pay-go Funding | (\$3.0) million |
| Subtotal | \$26.3 million |
| FY 2025 Preliminary | \$599.6 million |

FY 2025 Preliminary General Fund Budget

Vibrant Regional Economy

| BUDGET BY VISION BLOCK | | | FY 2022 Actual | FY 2023 Actual | FY 2024 Adopted | FY 2025 Preliminary | Variance |
|-----------------------------|----------------------------|--------------------------|-------------------|-------------------|--------------------|------------------------|-----------|
| VIBRANT REGIONAL ECONOMY | Goal 1 | ECONOMIC DEVELOPMENT | 2,075,263 | 3,224,349 | 3,219,430 | 2,959,976 | (259,454) |
| | ECONOMIC DEVELOPMENT TOTAL | | 2,075,263 | 3,224,349 | 3,219,430 | 2,959,976 | (259,454) |
| | Goal 3 | PLANNING AND INSPECTIONS | 6,979,209 | 7,909,457 | 8,945,379 | 9,397,347 | 451,968 |
| | VISUAL IMAGE TOTAL | | 6,979,209 | 7,909,457 | 8,945,379 | 9,397,347 | 451,968 |
| | VISION BLOCK TOTAL | | 9,054,472 | 11,133,806 | 12,164,810 | 12,357,323 | 192,513 |

Variance Highlights:

Economic Development – Compensation increases and reduction is due to Lobbyist funding transferred to Strategic and Legislative Affairs

Planning and Inspections – Compensation increases, increase in interpreter services and postage and a position transferred from non-general fund

FY 2025 Preliminary Non-General Fund Budget

Vibrant Regional Economy

| BUDGET BY SOURCE OF FUNDS | | | FY 2022 Actual | FY 2023 Actual | FY 2024 Adopted | FY 2025 Preliminary | Variance |
|-----------------------------|---------------------------|--------------------------|--------------------|--------------------|--------------------|------------------------|-------------------|
| VIBRANT REGIONAL ECONOMY | Goal 1 | AVIATION | 100,560,834 | 106,037,808 | 68,471,308 | 73,125,685 | 4,654,377 |
| | | DESTINATION EL PASO | 14,900,369 | 24,183,566 | 23,369,648 | 23,697,898 | 328,250 |
| | | ECONOMIC DEVELOPMENT | 11,308,814 | 30,879,288 | 24,182,257 | 35,595,315 | 11,413,057 |
| | | INTERNATIONAL BRIDGES | 23,964,741 | 29,988,870 | 28,100,985 | 30,348,602 | 2,247,618 |
| | GOAL 1 TOTAL | | 150,734,759 | 191,089,532 | 144,124,198 | 162,767,500 | 18,643,302 |
| | Goal 3 | PLANNING AND INSPECTIONS | 1,000,959 | 929,289 | 1,144,183 | 1,174,948 | 30,765 |
| | GOAL 3 TOTAL | | 1,000,959 | 929,289 | 1,144,183 | 1,174,948 | 30,765 |
| | VISION BLOCK TOTAL | | 151,735,717 | 192,018,821 | 145,268,381 | 163,942,448 | 18,674,067 |

Variance Highlights:

Aviation – Increase is due to compensation, parking lot management services, security contracts and utilities

Destination El Paso – Increase in general liability insurance for the Water Parks

Economic Development – Increase is due to use of the Texas Economic Development fund balance, the EPE Auxiliary Fund and 380 Agreements payments

International Bridges – Increase in compensation, additional staffing and cash differential transfer to the general fund

Planning & Inspections – PMZ code inspectors compensation increases and a position transferred to general fund

FY 2025 Preliminary General Fund Budget

Safe & Beautiful Neighborhoods

| BUDGET BY VISION BLOCK | | FY 2022 Actual | FY 2023 Actual | FY 2024 Adopted | FY 2025 Preliminary | Variance | |
|--|---------------------------|---------------------------------|--------------------|--------------------|------------------------|--------------------|-------------------|
| SAFE AND BEAUTIFUL NEIGHBORHOODS | Goal 2 | FIRE | 125,067,798 | 137,280,171 | 141,786,883 | 148,681,926 | 6,895,043 |
| | | MUNICIPAL COURT | 5,105,613 | 5,646,633 | 6,370,086 | 6,768,995 | 398,909 |
| | | POLICE | 156,356,995 | 163,575,058 | 182,855,781 | 190,806,375 | 7,950,594 |
| | GOAL 2 TOTAL | | 286,530,406 | 306,501,862 | 331,012,750 | 346,257,296 | 15,244,546 |
| | Goal 7 | CAPITAL IMPROVEMENT DEPARTMENT | 6,949,680 | 6,640,896 | 7,611,562 | 8,102,901 | 491,339 |
| | | STREETS AND MAINTENANCE | 45,495,081 | 48,813,595 | 63,767,529 | 62,548,663 | (1,218,865) |
| | | GOAL 7 TOTAL | 52,444,761 | 55,454,491 | 71,379,091 | 70,651,565 | (727,527) |
| | Goal 8 | COMMUNITY AND HUMAN DEVELOPMENT | 682,596 | 1,115,211 | 2,337,178 | 2,402,680 | 65,502 |
| | | PUBLIC HEALTH | 6,010,864 | 7,149,380 | 7,673,941 | 8,267,731 | 593,790 |
| | GOAL 8 TOTAL | | 6,693,460 | 8,264,591 | 10,011,118 | 10,670,411 | 659,292 |
| | VISION BLOCK TOTAL | | 345,668,628 | 370,220,944 | 412,402,959 | 427,579,271 | 15,176,312 |

Fire – Increase includes 10 additional firefighters, impact of the collectively bargained agreement, transfer of salaries from ARPA to general fund, civilian compensation increases, one fire academies and an increase in ambulance billing and collections contract.

Municipal Court – Compensation increases, an increase in security and outside contracts

Police – Increase includes the impact of the collectively bargained agreement, civilian compensation increases, uniform overtime, three graduating academies, prisoner transport, forensic DNA testing services, fleet leases and major crimes data processing contracts

Capital Improvement Department – Includes the compensation increase and an increase in FTEs.

Streets and Maintenance – Compensation increases and decrease of transfer out for pay-go funding

Community and Human Development – Includes increase in compensation

Public Health – Compensation increases and increase in immunization grant position allocation to the general fund

FY 2025 Preliminary Non-General Fund Budget Safe & Beautiful Neighborhoods

| Department | | FY 2023 Adopted | FY 2024 Adopted | FY 2025 Preliminary | Variance | Percent |
|-------------------------------|---------------------------------|--------------------|--------------------|---------------------|---------------------|---------------|
| Goal 2 | FIRE | 7,090,305 | 11,748,096 | 8,704,320 | (3,043,776) | -25.9% |
| | MUNICIPAL COURT | 1,015,573 | 990,599 | 1,245,997 | 255,398 | 25.8% |
| | POLICE | 25,953,931 | 22,306,063 | 23,140,283 | 834,221 | 3.7% |
| PUBLIC SAFETY TOTAL | | 34,059,808 | 35,044,759 | 33,090,601 | (1,954,158) | -5.6% |
| Goal 7 | CAPITAL IMPROVEMENT DEPARTMENT | 79,694 | 88,288 | 92,053 | 3,766 | 4.3% |
| | STREETS AND MAINTENANCE | 36,600,247 | 41,161,015 | 38,057,716 | (3,103,298) | -7.5% |
| | SUN METRO | 93,165,450 | 111,027,161 | 111,151,729 | 124,568 | 0.1%* |
| INFRASTRUCTURE TOTAL | | 129,845,391 | 152,276,464 | 149,301,499 | (2,974,965) | -2.0% |
| Goal 8 | ANIMAL SERVICES | 9,421,883 | 11,933,474 | 13,750,729 | 1,817,254 | 15.2% |
| | COMMUNITY AND HUMAN DEVELOPMENT | 12,785,558 | 13,561,180 | 14,069,277 | 508,097 | 3.7% |
| | ENVIRONMENTAL SERVICES | 96,418,320 | 150,166,194 | 115,257,852 | (34,908,342) | -23.2%* |
| | PUBLIC HEALTH | 12,151,632 | 10,972,986 | 10,564,902 | (408,084) | -3.7% |
| COMMUNITY HEALTH TOTAL | | 130,777,393 | 186,633,834 | 153,642,759 | (32,991,075) | -17.7% |
| VISION BLOCK TOTAL | | 294,682,592 | 373,955,057 | 336,034,859 | (37,920,198) | -10.1% |

Variance Highlights

Fire – Decrease is due to full allocation of the SAFER grant in FY 2024

Municipal Court – Increase due to security, software & maintenance, and support increases.

Police – Decrease in Texas Anti-Gang Center grant for one-time capital in FY 2024, uniform overtime and civilian compensation increases

Streets & Maintenance – Reduction in pay-go funding for facility renovation, city-wide vehicles and heavy equipment replacement

Sun Metro – Increase in capital replacement for fixed route buses

Animal Services – Increase in staffing and compensation, part-time veterinarians for spay and neuters, and operating for new facility at 5625 Confetti Dr. (Morehead Middle School)

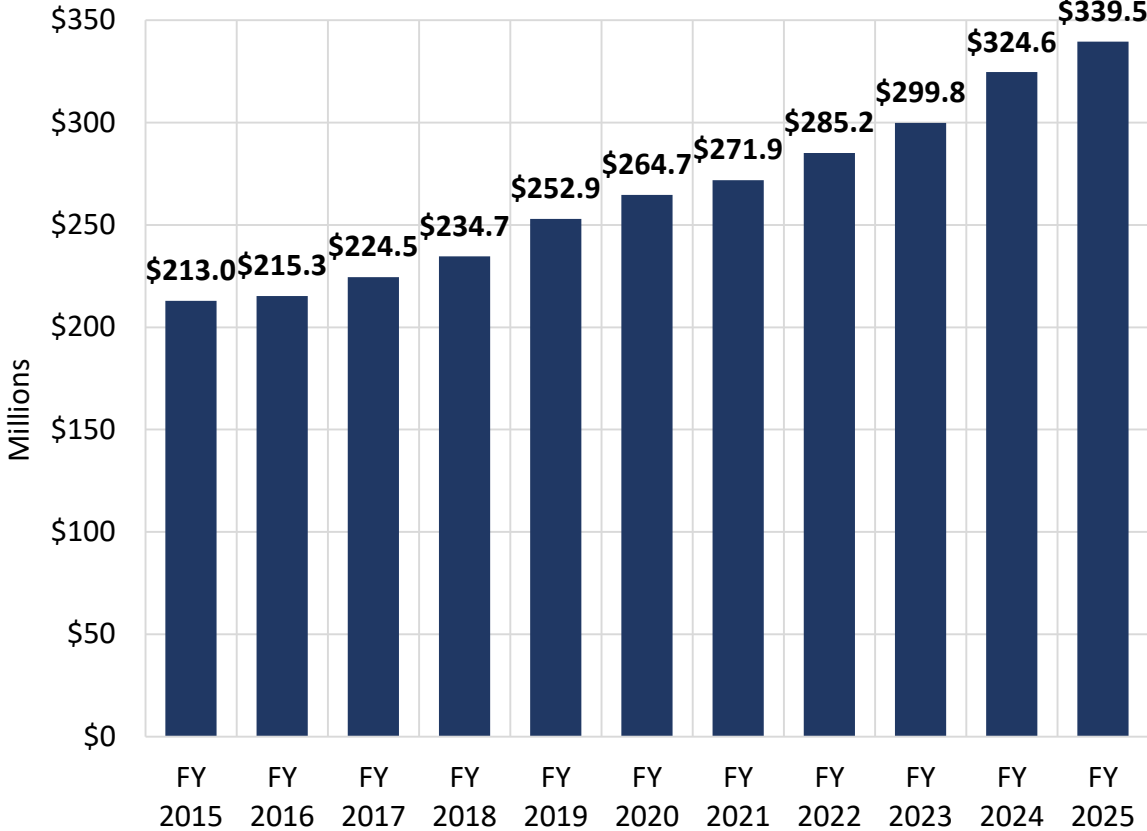
Community & Human Development – Movement of HOPWA funding

Environmental Services – Decrease due to one-time capital construction and landfill cell construction

Public Health – Reduction in HIV grant due to adjustment in grant budgeting

Expanded Investment in Public Safety

Police and Fire Annual Budgets



Staffing

- Since the summer of 2015 (FY 2016) the Police and Fire budgets have increased by \$126.5 million
- Police staffing plan to add a net increase of 300 Officers began in FY 2016
- Additional investments include the Crisis Intervention Team, an increase in 911 Communicators and additional firefighters for Station 38

Fleet/Capital Replacement

- Summer 2019 the budget included \$4 million for fleet and capital replacement
- Summer 2022 the budget included \$6M for fleet and capital replacement
- Summer 2023 the budget increase \$9.4M for fleet and capital replacement

2019 Public Safety Bonds

- \$167.3 million, or 40%, of the total \$413.1 million in bonds have been issued

FY 2024/25 Budget Highlights – Public Safety

- Collective bargaining impacts for public safety
- Increase in the Police Cadet starting salary from \$48,648 to \$49,865
- Three (3) police academies
- One (1) fire academy
- \$9.4 million for Public Safety capital replacement (set-aside funds)
- Continued investment in the Crisis Intervention Team
- Continued investment of the Body Worn Camera Program

Crisis Intervention Team

- Established 2018
- 14 officers, 3 Sergeants, 1 Lieutenant
- 14 EHN Mental Health Specialists
- A new interlocal agreement with Emergence Health Network (EHN) was approved by City Council on February 7, 2023. Extending the City's partnership with EHN thru November 2024. Cost \$1,733,954
- The new agreement allows for the expansion of the unit by 5 EHN Clinicians and 5 EPPD Officers. The CIT expansion is being phased in as police department graduations allow for growth.
- It also adds one Police Sergeant and one Secretary.

Upper Eastside Regional Command Center

Summer 2024

Police Department:

- 71 Uniform transferred from Pebble Hills Regional Command
- 4 Uniform Employees (new positions)
- 5 Civilian Employees (new positions)

Municipal Court:

- 1 Customer Relations Representative (new position)



Collectively Bargained Agreements

Police 2023 - 2027:

- 2.5% COLA each year and 2.5% - 5% Steps for all officers
- Detective pay adjustment
- Effective September 2024 sick leave buy back program

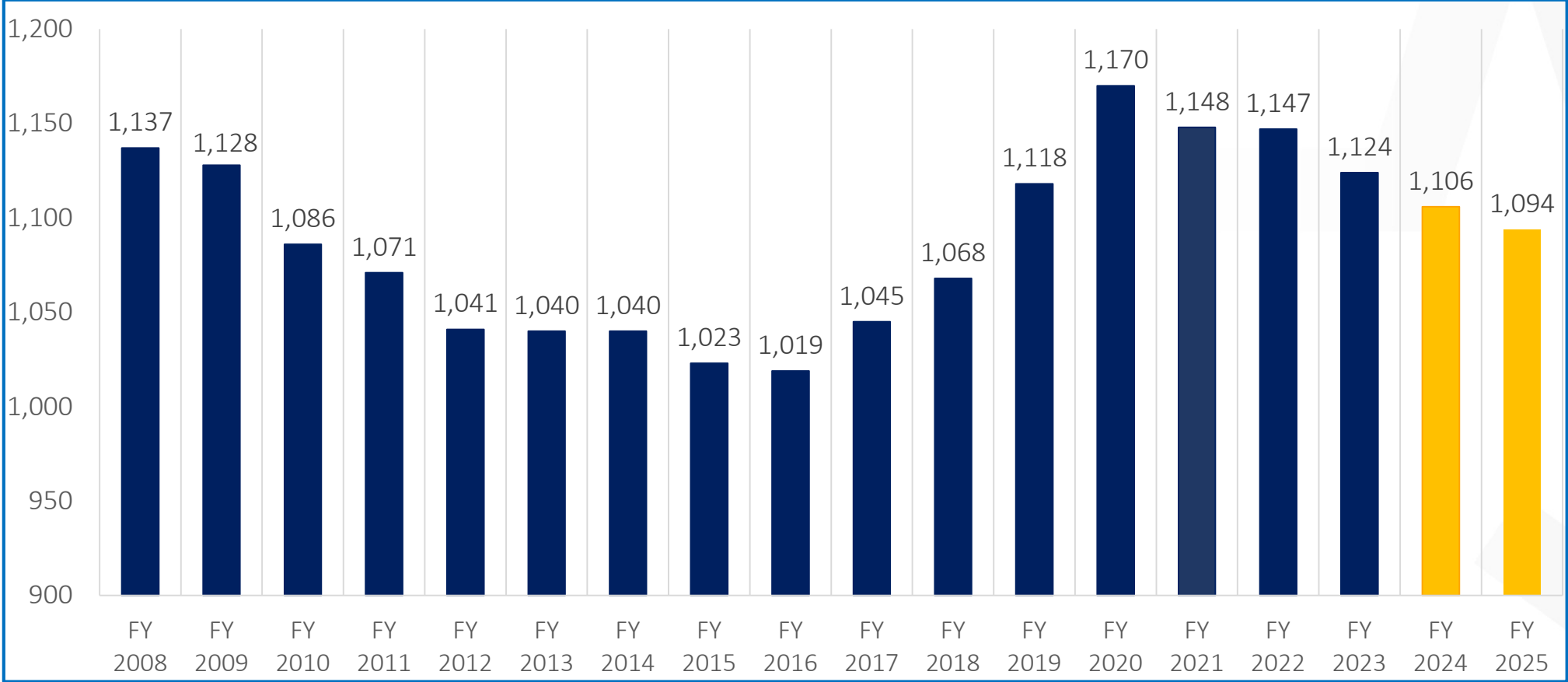
Fire 2022 - 2026:

- 3% COLA, 5% Steps for all firefighters

Police Long-Term Staffing Plan

| | FY 2020 | FY 2021 | FY 2022 | FY 2023 | *Projected FY 2024 | *Projected FY 2025 | *Projected FY 2026 | *Projected FY 2027 |
|---------------------------|---------|---------|---------|---------|-----------------------|-----------------------|-----------------------|-----------------------|
| FY Start (Filled) | 1118 | 1170 | 1148 | 1147 | 1124 | 1106 | 1094 | 1094 |
| Less Attrition | 53 | 52 | 68 | 70 | 73 | 65 | 65 | 65 |
| New Officers / Reinstated | 105 | 30 | 67 | 47 | 55 | 53 | 65 | 70 |
| FY Ending (Filled) | 1170 | 1148 | 1147 | 1124 | 1106 | 1094 | 1094 | 1099 |
| # Net Gain/Loss | 52 | -22 | -1 | -23 | -18 | -12 | 0 | 5 |

Police Uniformed Staffing



Net 30 plan started in FY 2016 – net increase of 300 officers in 10 years. FY 2025 includes funding to stay on this plan.

El Paso Police Department Recruitment

New program:

- Recruits will no longer wait for an official academy start date instead start department orientation and familiarization
- Basic academy will be 8.5 months of the 10.5 training schedule. The recruit will graduate and the remainder of the training will be completed concurrently with the Field Training Officer Program.



Fire Department & 911 Communications

- Fire Station 36 – October 23, 2023
- Fire Station 38 – Fall 2025

- Capital Replacement:

| | |
|--------|---|
| Pumper | 3 |
| Quint | 1 |
| Rescue | 4 |
| Pickup | 5 |

- 911 Communications:
 - 6 Academies



Fire Department

Current Staffing and Projected Academies

| Staffing | FY 2023 | FY 2024 | FY 2025 |
|--------------------|---------|---------|---------|
| FY Start (Filled) | 927 | 942 | 977 |
| Less Attrition | -55 | -45 | -50 |
| Reinstatements | | | |
| New Firefighters | 70 | 80 | 50 |
| Net Growth | 15 | 35 | 0 |
| FY Ending (Filled) | 942 | 977 | 977 |

| Academies | FY 2023 | FY 2024 | FY 2025 |
|---|---------|---------|---------|
| Class 101 (2/26/23) | 45 | | |
| Class 102 (1/17/23 -7/20/23) | 25 | | |
| Class 103 (SAFER) (9/11/23-3/31/24) | | 42 | |
| Class 104 (Jan '24-07/31/24) | | 38 | |
| Class 105 FS38 (Sep '24 - Mar '25) | | | 50 |
| Total | 70 | 80 | 50 |

Animal Services

Current Staffing and Expansion

Increase of \$2.3 million from General Fund

- Additional 25 staffing and operating :
 - Improve Customer Service – 1 Ombudsperson
 - 15 positions for 5625 Confetti Dr. (Morehead Middle School)
 - Additional 9 positions for customer service and animal care



FY 2024/25 Budget Highlights – Streets & Maintenance

- Continue \$750K for ADA on-demand request funding
- \$350K in Neighborhood Traffic Management Plan funding
- \$1.5M for continued Intersection Safety
- Reduction from \$5M to \$3.6M continued investment for city-wide vehicle replacement and heavy equipment
- Reduction from \$6M to \$4.4M for facility renovations



FY 2024/25 Budget Highlights – Sun Metro

System Optimization

Fixed Route:

- Sun Metro Rising
- Route enhancements recommendations finalized
- Accessibility enhancements initiated (curb-cuts)

Streetcar:

- Extended operating hours
- Streetcar ridership restored to pre-COVID levels

Capital Replacement

- 10 Fixed Route Buses for a total of \$7 million
- Paratransit (LIFT) Replacement Plan the entire fleet over the next 5 years
- Pending delivery of forty-five (45) Electric Vehicles in FY2026



FY 2024/25 Budget Highlights – Environmental Services

- Increase in Residential Collection Rate of \$2.00 per month to cover Fleet replacement cost increase, and planned capital expenditures for construction projects. (Last increase 09/01/2018)
- Increase in Landfill Tipping Fee \$4.00 to cover increasing post-closure liability cost, to assist with equipment replacements and site improvements.
- \$1.2 million increase maintenance charges to align with actual costs.
- \$1.9 million in compensation increases



FY 2024/25 Budget Highlights – Aviation and International Bridges

Aviation

- Increase in passengers to pre-pandemic levels
- Continued effort to add direct flights to major cities in the U.S.
- Continued effort to add international flights to destinations in Mexico
- Continue capital improvement projects and property development

International Bridges

- Slight increase in Passenger Vehicle Crossings
- Implementation of intelligent transportation systems project at Ysleta-Zaragoza and Bridge of the Americas
- Design pedestrian improvements at Ysleta-Zaragoza
- Coordinate agreement for the Paso del Norte and Stanton Bridges Project Development Study
- Continue to pursue funding opportunities for port of entry projects
- Enhance parking management strategies

FY 2025 Preliminary General Fund Budget

Exceptional Recreational, Cultural, & Educational Opportunities

| BUDGET BY SOURCE OF FUNDS | | | FY 2022 Actual | FY 2023 Actual | FY 2024 Adopted | FY 2025 Preliminary | Variance |
|--|---------------------------|-----------------------------|-------------------|-------------------|--------------------|------------------------|------------------|
| EXCEPTIONAL RECREATIONAL, CULTURAL AND EDUCATIONAL OPPORTUNITIES | Goal 4 | LIBRARY | 7,978,546 | 9,631,833 | 10,439,109 | 12,055,846 | 1,616,737 |
| | | MUSEUM AND CULTURAL AFFAIRS | 2,639,870 | 3,022,734 | 7,020,401 | 7,635,249 | 614,848 |
| | | PARKS AND RECREATION | 30,641,842 | 38,153,638 | 45,783,651 | 50,393,759 | 4,610,108 |
| | | ZOO | 5,149,634 | 6,064,463 | 7,204,374 | 7,880,541 | 676,167 |
| | GOAL 4 TOTAL | | 46,409,892 | 56,872,668 | 70,447,536 | 77,965,395 | 7,517,860 |
| | VISION BLOCK TOTAL | | 46,409,892 | 56,872,668 | 70,447,536 | 77,965,395 | 7,517,860 |

Variance Highlights:

Library – Increase in compensation and reduction in attrition savings

Museums and Cultural Affairs – Increase in compensation, La Nube (Children’s Museum) operating contribution and increase in security and janitorial contracts,

Parks and Recreation – Increase in compensation, aquatics and recreation leader salary adjustments, expansion of Winterfest to Cleveland Square Park, increase in Water Parks contribution due to general liability insurance, water, and 2012 Quality of Life operations and maintenance

Zoo – Increase in compensation

FY 2025 Preliminary Non-General Fund Budget

Exceptional Recreational, Cultural, & Educational Opportunities

| BUDGET BY SOURCE OF FUNDS | | | FY 2022 Actual | FY 2023 Actual | FY 2024 Adopted | FY 2025 Preliminary | Variance |
|--|---------------------------|-----------------------------|-------------------|-------------------|--------------------|------------------------|----------------|
| EXCEPTIONAL RECREATIONAL, CULTURAL AND EDUCATIONAL OPPORTUNITIES | Goal 4 | LIBRARY | 1,020,174 | 826,446 | 211,893 | 300,000 | 88,107 |
| | | MUSEUM AND CULTURAL AFFAIRS | 25,925,007 | 2,992,358 | 1,621,724 | 1,723,201 | 101,478 |
| | | PARKS AND RECREATION | 3,139,841 | 4,997,122 | 3,145,000 | 3,145,000 | - |
| | | ZOO | 1,714,220 | 2,148,200 | 2,960,359 | 3,564,619 | 604,260 |
| | GOAL 4 TOTAL | | 31,799,242 | 10,964,126 | 7,938,976 | 8,732,820 | 793,844 |
| | VISION BLOCK TOTAL | | 31,799,242 | 10,964,126 | 7,938,976 | 8,732,820 | 793,844 |

Variance Highlights:

Library – Increase in compensation and postage for Passport Program

Museums and Cultural Affairs – HOT programming and Public Art Maintenance

Zoo – Increase in operating expenditures for the rhino exhibit, one-time capital replacement, new programming and promotional contracts.

FY 2024/25 Budget Highlights – Quality of Life

- \$839K increase for Quality of Life services and operating costs for new bond projects
 - La Nube (Children’s Museum) – August of 2024
 - Modesto Gomez Flat Fields – Summer 2024
 - Komodo Dragon and Leopard Exhibit – Summer 2025
- \$1.4M for sports court maintenance and park amenities
- \$355K for maintenance in parkland dedication parks
- \$280K for Phase III of the automated irrigation project



FY 2025 Preliminary General Fund Budget

High Performing Government

| BUDGET BY SOURCE OF FUNDS | | | FY 2022 Actual | FY 2023 Actual | FY 2024 Adopted | FY 2025 Preliminary | Variance |
|-------------------------------|-----------------------------------|---------------------------|--------------------|--------------------|--------------------|------------------------|------------------|
| HIGH PERFORMING GOVERNMENT | Goal 5 | INFORMATION TECHNOLOGY | 21,082,373 | 22,479,360 | 24,676,524 | 26,480,762 | 1,804,239 |
| | GOAL 5 TOTAL | | 21,082,373 | 22,479,360 | 24,676,524 | 26,480,762 | 1,804,239 |
| | Goal 6 | CITY ATTORNEY | 6,714,653 | 5,914,183 | 6,089,120 | 6,272,671 | 183,551 |
| | | CITY CLERK | 1,673,008 | 2,168,316 | 922,507 | 3,162,819 | 2,240,312 |
| | | CITY MANAGER | 2,868,090 | 4,089,300 | 3,220,658 | 3,051,390 | (169,268) |
| | | HUMAN RESOURCES | 2,843,938 | 4,144,330 | 4,041,014 | 4,485,366 | 444,352 |
| | | INTERNAL AUDIT DEPARTMENT | 835,303.34 | 930,894.26 | 1,161,620 | 1,177,566 | 15,947 |
| | | MAYOR AND COUNCIL | 1,629,607 | 2,161,990 | 2,333,466 | 2,406,661 | 73,195 |
| | | NON-DEPARTMENTAL | 77,673,987 | 86,662,238 | 30,367,688 | 28,332,612 | (2,035,075) |
| | | OFFICE OF THE COMPTROLLER | 2,944,073 | 3,253,928 | 3,447,858 | 3,774,124 | 326,266 |
| | PURCHASING AND STRATEGIC SOURCING | 1,734,922 | 1,768,765 | 2,044,665 | 2,589,202 | 544,537 | |
| | GOAL 6 TOTAL | | 98,917,580 | 111,093,944 | 53,628,595 | 55,252,412 | 1,623,817 |
| | VISION BLOCK TOTAL | | 119,999,954 | 133,573,305 | 78,305,119 | 81,733,174 | 3,428,056 |

Variance Highlights:

Information Technology – Increase in compensation, IT Maintenance Contracts, telecommunication contracts

City Attorney – Increase in compensation and staffing

City Clerk – increase in compensation and City-wide elections

City Manager – Reduction is due to salaries and vacancies

Human Resources – Increase compensation and outside investigations

Internal Audit – Increase in compensation

Mayor and Council – Increase in compensation

Non-Departmental – Increase in appraisal services, health and general liability insurance and transfer to Animal Services, Strategic & Legislative Affairs

Office of the Comptroller – Increase in compensation

Purchasing and Strategic Sourcing – Increase in compensation and staffing

FY 2025 Preliminary Non-General Fund Budget High Performing Government

| BUDGET BY SOURCE OF FUNDS | | | FY 2022 Actual | FY 2023 Actual | FY 2024 Adopted | FY 2025 Preliminary | Variance |
|-------------------------------|---------------------------|-----------------------------------|--------------------|--------------------|--------------------|------------------------|------------------|
| HIGH PERFORMING GOVERNMENT | Goal 5 | INFORMATION TECHNOLOGY | 1,390,941 | 4,359,029 | - | - | - |
| | GOAL 5 TOTAL | | 1,390,941 | 4,359,029 | - | - | - |
| | Goal 6 | CITY ATTORNEY | 88,277 | 42,132 | 50,638 | 64,952 | 14,313 |
| | | CITY CLERK | 52,022 | 38,545 | - | - | - |
| | | CITY MANAGER | 132 | 3,000 | - | - | - |
| | | HUMAN RESOURCES | 73,048,073 | 74,940,030 | 75,312,591 | 82,910,472 | 7,597,881 |
| | | MAYOR AND COUNCIL | 111,896 | 102,111 | 80,000 | 80,000 | - |
| | | NON-DEPARTMENTAL | 147,203,815 | 199,486,395 | 139,882,899 | 141,132,739 | 1,249,840 |
| | | OFFICE OF THE COMPTROLLER | 108,957 | 98,128 | 102,662 | 104,044 | 1,382 |
| | | PURCHASING AND STRATEGIC SOURCING | 83,415 | 21,431 | - | 20,000 | 20,000 |
| | | TAX | 2,384,232 | 2,603,840 | 2,614,462 | 2,781,860 | 167,397 |
| | GOAL 6 TOTAL | | 223,080,819 | 277,335,612 | 218,043,253 | 227,094,066 | 9,050,813 |
| | VISION BLOCK TOTAL | | 224,471,760 | 281,694,640 | 218,043,253 | 227,094,066 | 9,050,813 |

Variance Highlights:

City Attorney – Increase in compensation

Human Resources – Increase in healthcare provider services and benefit administrator services

Non-Departmental – Decrease in debt service and increase in TIRZ projections, transfer of the Lobbyist Funding to Strategic and Legislative Affairs.

Office of the Comptroller – Increase in compensation for Property Control

Purchasing and Strategic Sourcing - Align with actuals for annual Purchasing Expo

Tax Office – Increase in compensation and staffing, reduction indirect costs

FTE Comparison

Vibrant Regional Economy

| DEPARTMENT | | FY 2023 Adopted | FY 2024 Adopted | FY 2025 Preliminary | Variance |
|-----------------------------------|--------------------------|--------------------|--------------------|------------------------|-------------|
| Goal 1 | AVIATION | 231.60 | 233.10 | 234.60 | 1.50 |
| | ECONOMIC DEVELOPMENT | 27.00 | 25.50 | 27.50 | 2.00 |
| | INTERNATIONAL BRIDGES | 70.00 | 76.00 | 77.00 | 1.00 |
| ECONOMIC DEVELOPMENT TOTAL | | 328.60 | 334.60 | 339.10 | 4.50 |
| Goal 3 | PLANNING AND INSPECTIONS | 141.00 | 141.00 | 142.00 | 1.00 |
| VISUAL IMAGE TOTAL | | 141.00 | 141.00 | 142.00 | 1.00 |
| VISION BLOCK TOTAL | | 469.60 | 475.60 | 481.10 | 5.50 |

Aviation – sUAS Director (Drone Program)

Economic Development – Increase in economic development liaisons and transfer of a Sr. Accountant to Planning and Inspections and transfer of the Grants & Strategic Project Manager to Strategic and Legislative Affairs

International Bridges – Increase in 1 toll supervisor

Planning and Inspections – Transfer of Senior Accounting Payroll Specialist from Economic Development

FTE Comparison

Safe and Beautiful Neighborhoods

| DEPARTMENT | | FY 2023 Adopted | FY 2024 Adopted | FY 2025 Preliminary | Variance |
|-------------------------------|---------------------------------|--------------------|--------------------|------------------------|----------------|
| Goal 2 | FIRE | 1,540.80 | 1,453.80 | 1,344.50 | (109.80) |
| | MUNICIPAL COURT | 98.65 | 94.65 | 96.15 | 1.50 |
| | POLICE | 1,566.60 | 1,601.00 | 1,615.00 | 14.00 |
| PUBLIC SAFETY TOTAL | | 3,206.05 | 3,149.45 | 3,055.65 | (94.80) |
| Goal 7 | CAPITAL IMPROVEMENT DEPARTMENT | 86.00 | 88.50 | 91.00 | 2.50 |
| | STREETS AND MAINTENANCE | 519.00 | 438.00 | 441.00 | 2.00 |
| | SUN METRO | 621.25 | 620.00 | 621.00 | 1.00 |
| INFRASTRUCTURE TOTAL | | 1,226.25 | 1,146.50 | 1,153.00 | 5.50 |
| Goal 8 | ANIMAL SERVICES | 143.50 | 163.00 | 188.00 | 25.00 |
| | COMMUNITY AND HUMAN DEVELOPMENT | 54.30 | 61.30 | 67.30 | 6.00 |
| | ENVIRONMENTAL SERVICES | 403.70 | 510.70 | 509.70 | (1.00) |
| | PUBLIC HEALTH | 416.00 | 357.75 | 380.00 | 22.25 |
| COMMUNITY HEALTH TOTAL | | 1,017.50 | 1,092.75 | 1,145.00 | 52.25 |
| VISION BLOCK TOTAL | | 5,449.80 | 5,388.70 | 5,353.65 | (36.55) |

Fire – Increase of 10 Firefighters and deletion of vacant COVID-19 operators

Municipal Court – Increase in Customer Relations Representative and Intern

Police – Increase in staffing of 9 for Upper Eastside Regional Command 4 uniform and 5 civilian and 5 additional positions

CID - Increase in 1 graduate intern, sr. accounting payroll specialist, 0.5 project manager

Streets and Maintenance – Contract Compliance Manager, Facilities Maintenance Superintendent & Engineering Aide
Sun Metro – Increase a Sr. HR Analyst

Animal Services – Increase in staffing of 15 for 5625 Confetti Dr., 1 Ombudsperson & 9 customer service and animal care

Community and Human Development – Increase in climate and sustainability division positions and Title VI positions

Environmental Services – Decrease of Managing Director

Public Health – Increase in administrative and grant funded positions

FTE Comparison

Exceptional Recreational, Cultural, & Educational Opportunities

| DEPARTMENT | | FY 2023 Adopted | FY 2024 Adopted | FY 2025 Preliminary | Variance |
|------------------------------|------------------------------|--------------------|--------------------|------------------------|--------------|
| Goal 4 | LIBRARY | 171.50 | 173.00 | 174.25 | 1.25 |
| | MUSEUMS AND CULTURAL AFFAIRS | 51.50 | 68.00 | 70.50 | 2.50 |
| | PARKS AND RECREATION | 540.87 | 567.48 | 574.88 | 7.40 |
| | ZOO | 137.50 | 147.50 | 147.50 | - |
| QUALITY OF LIFE TOTAL | | 901.37 | 955.98 | 967.13 | 11.15 |
| VISION BLOCK TOTAL | | 901.37 | 955.98 | 967.13 | 11.15 |

Library – Increase of 3 - 0.25 Library Youth Fellows and 0.5 Library Information Service Specialist
 Museums and Cultural Affairs – Increase of a Visitor Services Assistant, Public Affairs Coordinator, Research and Management Assistant from Parks and deletion of the 0.5 Museum Store Sales Clerk
 Parks and Recreation – Increase of 1 Strategic Initiative Coordinator and 2 Specialists, 2 General Service Workers, and 2 Grounds Keepers for QoI O&M

FTE Comparison

High Performing Government

| DEPARTMENT | | FY 2023 Adopted | FY 2024 Adopted | FY 2025 Preliminary | Variance |
|-------------------------------|-----------------------------------|--------------------|--------------------|------------------------|--------------|
| Goal 5 | INFORMATION TECHNOLOGY | 91.00 | 95.00 | 96.00 | 1.00 |
| COMMUNICATIONS TOTAL | | 91.00 | 95.00 | 96.00 | 1.00 |
| Goal 6 | CITY ATTORNEY | 44.50 | 48.50 | 51.50 | 3.00 |
| | CITY CLERK | 8.00 | 8.00 | 8.00 | - |
| | CITY MANAGER | 30.50 | 32.50 | 32.50 | - |
| | HUMAN RESOURCES | 61.00 | 67.00 | 69.63 | 2.63 |
| | INTERNAL AUDIT | 9.00 | 10.00 | 10.00 | - |
| | MAYOR AND COUNCIL | 25.00 | 27.00 | 27.00 | - |
| | NON-DEPARTMENTAL | 19.00 | 19.00 | 19.00 | - |
| | OFFICE OF THE COMPTROLLER | 36.00 | 38.00 | 39.00 | 1.00 |
| | PURCHASING AND STRATEGIC SOURCING | 29.00 | 29.00 | 31.00 | 2.00 |
| TAX | 24.50 | 24.50 | 25.50 | 1.00 | |
| SOUND GOVERNANCE TOTAL | | 286.50 | 303.50 | 313.13 | 9.63 |
| VISION BLOCK TOTAL | | 377.50 | 398.50 | 409.13 | 10.63 |

Information Technology – Increase of 1 Support Service Specialist I

City Attorney – Increase of 2 Paralegals and 1 Public Records Coordinator

Human Resources – Classification and Compensation Manager, Quality Assurance Manager and HRIS Quality Control Assurance Specialist

Non-Departmental – Transferred out 3 positions to Parks and Recreation and transferred in from Economic Development and City Manager’s Office

Office of the Comptroller – Increase of 1 Senior Accountant

Purchasing and Strategic Sourcing – Increase of 2 Procurement specialists for Construction and Transportation

Tax Office – Increase of 1 Administrative Service Manager

FY 2025 Preliminary All Funds Staffing

*As of June 2024

| Department | Authorized | | Filled | | Vacant | |
|-----------------------------------|-----------------|-----------------------|-----------------|-----------------------|-----------------|----------------------|
| | FTE | Salary Base | FTE | Salary Base | FTE | Salary Base |
| ANIMAL SERVICES | 188.00 | 7,687,872 | 139.50 | 6,065,207 | 48.50 | 1,622,665 |
| AVIATION | 234.60 | 11,304,784 | 192.50 | 9,473,128 | 42.10 | 1,831,657 |
| CAPITAL IMPROVEMENT DEPARTMENT | 91.00 | 6,278,682 | 66.00 | 4,845,402 | 25.00 | 1,433,280 |
| CITY ATTORNEY | 51.50 | 4,716,499 | 41.50 | 4,008,814 | 10.00 | 707,685 |
| CITY CLERK | 8.00 | 530,838 | 6.00 | 464,483 | 2.00 | 66,355 |
| CITY MANAGER | 32.50 | 3,349,709 | 25.50 | 2,902,865 | 7.00 | 446,844 |
| COMMUNITY AND HUMAN DEVELOPMENT | 67.30 | 3,879,231 | 50.00 | 2,930,335 | 17.30 | 948,896 |
| ECONOMIC DEVELOPMENT | 27.50 | 1,999,643 | 20.50 | 1,626,503 | 7.00 | 373,140 |
| ENVIRONMENTAL SERVICES | 509.70 | 21,364,987 | 394.90 | 17,353,983 | 114.80 | 4,011,004 |
| FIRE | 1,344.50 | 93,214,306 | 1,185.00 | 85,821,862 | 159.50 | 7,392,444 |
| HUMAN RESOURCES | 69.63 | 4,341,495 | 57.13 | 3,713,985 | 12.50 | 627,510 |
| INFORMATION TECHNOLOGY | 96.00 | 7,057,604 | 80.00 | 6,155,214 | 16.00 | 902,390 |
| INTERNAL AUDIT | 10.00 | 820,777 | 9.00 | 762,077 | 1.00 | 58,700 |
| INTERNATIONAL BRIDGES | 77.00 | 3,366,297 | 67.50 | 2,998,948 | 9.50 | 367,348 |
| LIBRARY | 174.25 | 7,380,238 | 149.75 | 6,521,055 | 24.50 | 859,183 |
| MAYOR AND COUNCIL | 27.00 | 1,771,443 | 19.00 | 1,288,359 | 8.00 | 483,084 |
| MUNICIPAL COURT | 96.15 | 4,320,723 | 85.10 | 3,938,953 | 11.05 | 381,770 |
| MUSEUM AND CULTURAL AFFAIRS | 70.50 | 4,041,237 | 48.50 | 3,165,664 | 22.00 | 875,573 |
| NONDEPARTMENTAL | 19.00 | 1,368,593 | 12.00 | 1,003,503 | 7.00 | 365,090 |
| OFFICE OF THE COMPTROLLER | 39.00 | 2,688,311 | 38.00 | 2,637,645 | 1.00 | 50,666 |
| PARKS AND RECREATION | 574.88 | 21,955,970 | 390.00 | 15,787,045 | 184.88 | 6,168,926 |
| PLANNING AND INSPECTIONS | 142.00 | 7,598,219 | 114.00 | 6,270,769 | 28.00 | 1,327,450 |
| POLICE | 1,615.00 | 117,039,923 | 1,404.00 | 110,283,465 | 211.00 | 6,756,459 |
| PUBLIC HEALTH | 380.00 | 19,115,171 | 268.25 | 14,319,374 | 111.75 | 4,795,798 |
| PURCHASING AND STRATEGIC SOURCING | 31.00 | 2,053,357 | 24.00 | 1,592,007 | 7.00 | 461,350 |
| STREETS AND MAINTENANCE | 441.00 | 19,954,286 | 316.00 | 15,049,551 | 125.00 | 4,904,735 |
| SUN METRO | 621.00 | 27,421,045 | 476.90 | 22,157,418 | 144.10 | 5,263,627 |
| TAX | 25.50 | 1,213,504 | 24.00 | 1,120,079 | 1.50 | 93,425 |
| ZOO | 147.50 | 5,984,096 | 125.75 | 5,077,965 | 21.75 | 906,131 |
| Grand Total | 7,211.01 | \$ 413,818,842 | 5,830.28 | \$ 359,335,658 | 1,380.73 | \$ 54,483,184 |

FY 2025 Preliminary All Funds Attrition of 60.6%

*As of June 2024

| Department | Vacant | | Average | FY 2025 Unfunded (Attrition) | Unfunded (Attrition) | Funded Vacancies |
|-----------------------------------|-----------------|----------------------|------------------|------------------------------------|-------------------------|---------------------|
| | FTE | Salary Base | Salary | Dollars | FTEs | FTEs |
| ANIMAL SERVICES | 48.50 | 1,622,665 | 33,457 | (1,265,213) | (37.82) | 10.68 |
| AVIATION | 42.10 | 1,831,657 | 43,507 | (376,481) | (8.65) | 33.45 |
| CAPITAL IMPROVEMENT DEPARTMENT | 25.00 | 1,433,280 | 57,331 | (600,669) | (10.48) | 14.52 |
| CITY ATTORNEY | 10.00 | 707,685 | 70,769 | (361,267) | (5.10) | 4.90 |
| CITY CLERK | 2.00 | 66,355 | 33,177 | (9,744) | (0.29) | 1.71 |
| CITY MANAGER | 7.00 | 446,844 | 63,835 | (316,168) | (4.95) | 2.05 |
| COMMUNITY AND HUMAN DEVELOPMENT | 17.30 | 948,896 | 54,850 | (486,339) | (8.87) | 8.43 |
| ECONOMIC DEVELOPMENT | 7.00 | 373,140 | 53,306 | (296,693) | (5.57) | 1.43 |
| ENVIRONMENTAL SERVICES | 114.80 | 4,011,004 | 34,939 | (2,022,457) | (57.89) | 56.91 |
| FIRE | 159.50 | 7,392,444 | 46,348 | (6,377,958) | (137.61) | 21.89 |
| HUMAN RESOURCES | 12.50 | 627,510 | 50,201 | (392,000) | (7.81) | 4.69 |
| INFORMATION TECHNOLOGY | 16.00 | 902,390 | 56,399 | (659,121) | (11.69) | 4.31 |
| INTERNAL AUDIT | 1.00 | 58,700 | 58,700 | (7,000) | (0.12) | 0.88 |
| INTERNATIONAL BRIDGES | 9.50 | 367,348 | 38,668 | (141,753) | (3.67) | 5.83 |
| LIBRARY | 24.50 | 859,183 | 35,069 | (234,652) | (6.69) | 17.81 |
| MAYOR AND COUNCIL | 8.00 | 483,084 | 60,385 | - | (2.58) | 5.42 |
| MUNICIPAL COURT | 11.05 | 381,770 | 34,549 | (155,839) | (4.51) | 6.54 |
| MUSEUM AND CULTURAL AFFAIRS | 22.00 | 875,573 | 39,799 | (518,753) | (13.03) | 8.97 |
| NONDEPARTMENTAL | 7.00 | 365,090 | 52,156 | (100,352) | (37.76) | (30.76) |
| NONDEPARTMENTAL - CITYWIDE | - | - | 39,469 | (1,969,623) | (49.90) | (49.90) |
| OFFICE OF THE COMPTROLLER | 1.00 | 50,666 | 50,666 | (63,336) | (1.25) | (0.25) |
| PARKS AND RECREATION | 184.88 | 6,168,926 | 33,367 | (2,439,654) | (73.12) | 111.76 |
| PLANNING AND INSPECTIONS | 28.00 | 1,327,450 | 47,409 | (869,380) | (18.34) | 9.66 |
| POLICE | 211.00 | 6,756,459 | 32,021 | (4,868,935) | (152.05) | 58.95 |
| PUBLIC HEALTH | 111.75 | 4,795,798 | 42,915 | (829,650) | (19.33) | 92.42 |
| PURCHASING AND STRATEGIC SOURCING | 7.00 | 461,350 | 65,907 | (220,187) | (3.34) | 3.66 |
| STREETS AND MAINTENANCE | 125.00 | 4,904,735 | 39,238 | (2,123,414) | (54.12) | 70.88 |
| SUN METRO | 144.10 | 5,263,627 | 36,528 | (4,719,926) | (129.22) | 14.88 |
| TAX | 1.50 | 93,425 | 62,283 | (17,232) | (0.28) | 1.22 |
| ZOO | 21.75 | 906,131 | 41,661 | (574,760) | (13.80) | 7.95 |
| Grand Total | 1,380.73 | \$ 54,483,184 | \$ 39,460 | \$ (33,018,559) | (836.77) | 543.96 |

All Funds Attrition by Department

FY 2023/FY 2024/
FY 2025

| Department | FY 2023 Unfunded (Attrition) | FY 2024 Unfunded (Attrition) | FY 2025 Unfunded (Attrition) |
|-----------------------------------|------------------------------------|------------------------------------|------------------------------------|
| | Dollars | Dollars | Dollars |
| ANIMAL SERVICES | (716,784) | (1,028,923) | (1,265,213) |
| AVIATION | (477,034) | (354,353) | (376,481) |
| CAPITAL IMPROVEMENT DEPARTMENT | (308,801) | (451,717) | (600,669) |
| CITY ATTORNEY | (260,646) | (239,467) | (361,267) |
| CITY CLERK | (11,901) | (9,947) | (9,744) |
| CITY MANAGER | (163,759) | (101,245) | (316,168) |
| COMMUNITY AND HUMAN DEVELOPMENT | (31,061) | (181,376) | (486,339) |
| ECONOMIC DEVELOPMENT | (406,015) | (110,024) | (296,693) |
| ENVIRONMENTAL SERVICES | (1,262,860) | (1,764,882) | (2,022,457) |
| FIRE | (3,726,454) | (4,132,944) | (6,377,958) |
| HUMAN RESOURCES | (536,640) | (442,401) | (392,000) |
| INFORMATION TECHNOLOGY | (271,852) | (531,949) | (659,121) |
| INTERNAL AUDIT | - | - | (7,000) |
| INTERNATIONAL BRIDGES | (548,744) | (165,508) | (141,753) |
| LIBRARY | (815,218) | (774,857) | (234,652) |
| MAYOR AND COUNCIL | - | - | - |
| MUNICIPAL COURT | (67,875) | (84,836) | (155,839) |
| MUSEUM AND CULTURAL AFFAIRS | (331,912) | (353,352) | (518,753) |
| NONDEPARTMENTAL | (192,941) | (361,330) | (100,352) |
| NONDEPARTMENTAL - CITYWIDE | - | (983,681) | (1,969,623) |
| OFFICE OF THE COMPTROLLER | (102,447) | (52,506) | (63,336) |
| PARKS AND RECREATION | (1,389,827) | (1,626,462) | (2,439,654) |
| PLANNING AND INSPECTIONS | (446,115) | (656,231) | (869,380) |
| POLICE | (5,575,256) | (4,258,434) | (4,868,935) |
| PUBLIC HEALTH | (373,012) | (586,050) | (829,650) |
| PURCHASING AND STRATEGIC SOURCING | (169,625) | (200,513) | (220,187) |
| STREETS AND MAINTENANCE | (750,608) | (1,392,614) | (2,123,414) |
| SUN METRO | (11,807,759) | (5,115,767) | (4,719,926) |
| TAX | (15,062) | (17,232) | (17,232) |
| ZOO | (385,681) | (483,411) | (574,760) |
| Grand Total | \$ (31,145,889) | \$ (26,462,012) | \$ (33,018,559) |

On-going Priorities

| Description | Percentage | FY 2025 Preliminary Budget | Total Annual Need |
|--------------------------------|------------|----------------------------|-----------------------|
| FD Capital Replacement | 91% | 5,200,000 | 5,700,000 |
| PD Capital Replacement | 76% | 4,200,000 | 5,500,000 |
| ADA Curb Cuts | 75% | 750,000 | 1,000,000 |
| SAM Heavy Equipment | 70% | 2,100,000 | 3,000,000 |
| Collector Street Resurfacing | 67% | 3,000,000 | 4,500,000 |
| Parks Amenities | 33% | 1,000,000 | 3,000,000 |
| City-wide Vehicle Replacement | 27% | 1,500,000 | 5,500,000 |
| Facility Renovations | 18% | 4,400,000 | 25,000,000 |
| Residential Street Resurfacing | 17% | 7,000,000 | 42,000,000 |
| Grant Match (MPO & City-wide) | 0% | - | 12,000,000 |
| IT Capital Replacement | 0% | - | 4,000,000 |
| TOTAL | 26% | \$ 29,150,000 | \$ 111,200,000 |

Street Maintenance

- Since 2018 Average citywide Pavement Condition Index has stayed steady at a rating of 65 (fair condition)
- 50% of streets rank in the fair to very poor condition
- Current investment is only approximately 25% of necessary annual amount
- Unpaved Rights-of-Way – 33% of alleys (1/3) are unpaved and 32 unpaved streets in our inventory

**PCI
PAVEMENT CONDITION INDEX**

| PCI Range | Condition Description | 2022 Data % of Network | 2018 Data % of Network | 2008 Data % of Network |
|----------------------------------|-----------------------|------------------------|------------------------|------------------------|
| 91-100 | Excellent | 11.57 % | 27.66 % | 26.75 % |
| 81-90 | Very Good | 17.52 % | 14.16 % | 22.72 % |
| 71-80 | Good | 16.16 % | 15.48 % | 17.06 % |
| 61-70 | Fair | 12.21 % | 10.31 % | 17.59 % |
| 43-60 | Marginal | 25.08 % | 19.56 % | 10.46 % |
| 21-42 | Poor | 17.41 % | 10.06 % | 5.00 % |
| 0-20 | Very Poor | 0.05 % | 2.77 % | 0.42 % |
| COEP PCI Average | | 65.29 | 65.42 | 75.54 |
| Percentage Good or Higher | | 45.25 % | 57.30 % | 66.5 % |
| Percentage Fair or Lower | | 54.75 % | 42.70 % | 33.5 % |

Parks System

- Inadequate funding to modernize and sustain existing assets
- Playground replacement – 25 “D” rated and more reaching end of useful life
- Shade structures – new and replacements (116 playgrounds need shade structure)
- Irrigation system
 - 84 systems need to be upgraded to Centralized Computer Control
 - Need to renovate irrigation systems in 39 parks

City Facilities

- Inadequate funding to modernize and sustain existing assets
- Summer 2023 - Council approved adding \$5 million to facilities budget
- 250+ buildings/structures, or 3.5 million square feet
- 2/3^{rds} of existing facilities are more than 30 years old
- More new facilities coming on board – ex. Community Readiness Center, Fire Stations, Police Regional Command, Training Academy/Headquarters
- Need to maximize current, unimproved, space
- Inadequate maintenance funding – shorter lifespan, increased maintenance costs, customer service impacts
- Need to increase facilities maintenance budget for repairs and staffing

Vehicle and Equipment

- Insufficient funding to update light and heavy vehicles/equipment
- FY 2025 funding level is \$1.5 million for City-wide light vehicle replacements and \$2.1 million for Streets and Maintenance heavy vehicle replacements
- City wide fleet has 2,000 +/- light duty vehicles and 800 +/- heavy duty vehicles.
- 23% of light duty vehicles have surpassed their useful life
- The development of a consistent replacement plan would help address maintenance costs by replacing a certain amount of vehicles per year

Grant-Funded Programs

- Deliver priority projects for our community at a reduced burden to local taxpayers
- Utilize Grants Partnership Agreements – matching funds, MOU's, participation commitments, in-kind contributions, letters of support
- Federal & state funded transportation projects
- Requires proactive planning and budgeting for matching commitments and other priority grant opportunities
- Approximately \$12 million needed annually

Multi-year Financial Impact

Property Tax Rate

Estimated as of June 2024

| | FY 2024 Adopted | FY 2025 Revised Preliminary (June 2024) | Variance (Revised & FY 2024 Adopted) |
|----------------------------|--------------------|---|---|
| No-New-Revenue | 0.818875 | 0.768500 | (0.050375) |
| Voter Approval Rate | 0.843259 | 0.788886 | (0.054373) |
| Tax Rate | | | |
| O&M | 0.562409 | 0.541384 | (0.021) |
| Debt Service | 0.256466 | 0.236466 | (0.020) |
| Total | 0.818875 | 0.777850 | (0.041) |

- Property Tax rate is based on 10% valuation growth
- No-new-revenue and voter approval rate will change
- Assumes no debt issuance in FY 2025

Multi-year Financial Outlook

Assumptions

Included:

- Impact of new CBA agreements with Police and Fire
- New academies for Police and Fire
- Civilian Compensation Increases
- 2012 Quality of Life O&M
- 2019 Public Safety Bond Projects

Not Included:

- Restoration of Pay-go Funding - \$3 million
- IT Capital Replacement - \$4 million
- Grant Match requirement in FY 2027 - \$12 million

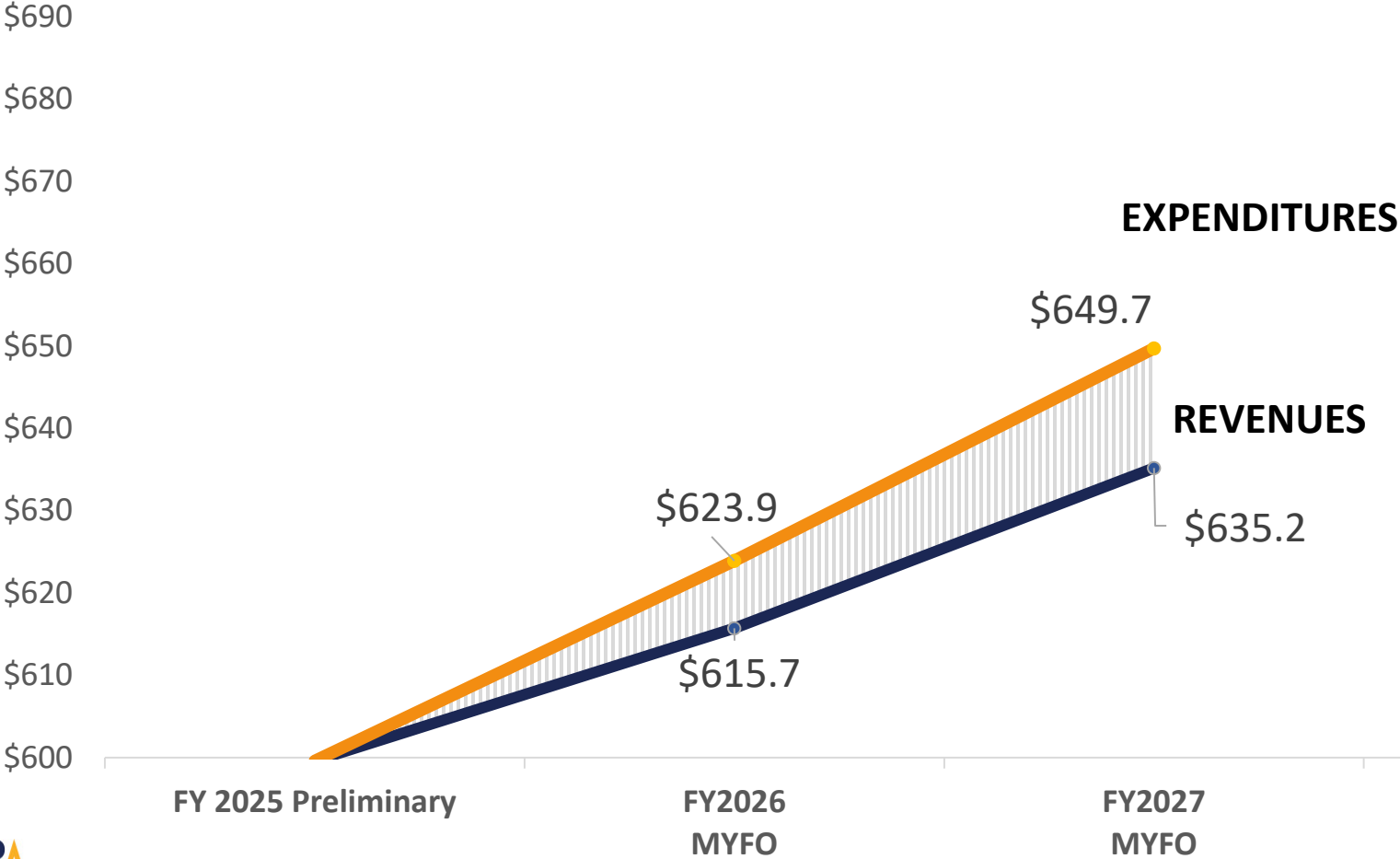
Multi-year Financial Outlook

FY 2023/24 through FY 2026/27

| in 000 | FY2024 Adopted | FY2025 Preliminary | FY2026 MYFO | FY2027 MYFO |
|--------------------------------|-------------------|-----------------------|----------------|-----------------|
| REVENUES | | | | |
| Property Taxes | 264,719 | 282,429 | 294,432 | 306,469 |
| Sales Taxes | 137,440 | 140,927 | 144,450 | 148,783 |
| Franchise Fees | 67,031 | 65,925 | 66,914 | 68,922 |
| Charges for Services | 34,893 | 32,880 | 33,537 | 34,879 |
| Fines and Forfeitures | 7,087 | 8,201 | 7,356 | 7,444 |
| Licenses and Permits | 12,713 | 12,353 | 13,174 | 14,050 |
| Intergovernmental Revenues | 1,479 | 1,479 | 1,479 | 1,479 |
| County Participation | 0 | 0 | 0 | 0 |
| Interest | 500 | 500 | 300 | 100 |
| Rents and Other | 8,675 | 16,667 | 16,750 | 16,834 |
| Operating Transfers In | 38,786 | 38,274 | 37,274 | 36,274 |
| Total Revenues | 573,323 | 599,635 | 615,667 | 635,235 |
| EXPENDITURES | | | | |
| Salaries & Wages Uniform | 256,380 | 267,069 | 279,239 | 292,799 |
| Salaries & Wages Civilian | 150,410 | 161,606 | 169,686 | 173,004 |
| Contractual Services | 54,359 | 60,189 | 61,393 | 66,235 |
| Materials and Supplies | 30,406 | 30,696 | 31,310 | 32,406 |
| Operating Expenditures | 32,874 | 31,838 | 32,475 | 33,611 |
| Non-Operating Expenditures | 1,906 | 1,928 | 1,966 | 2,035 |
| Intergovernmental Expenditures | 1,858 | 1,666 | 1,699 | 1,758 |
| Other Uses | 43,926 | 43,375 | 44,893 | 46,464 |
| Capital Outlay | 1,204 | 1,269 | 1,313 | 1,359 |
| Total Expenditures | 573,323 | 599,635 | 623,975 | 649,671 |
| Net | (0) | 0 | (8,307) | (14,437) |

Projections for planning purposes only and subject to change.

Multi-year Financial Outlook FY 2025 – FY 2027



Includes the following:

- Impact of new CBA agreements with Police and Fire
- New academies for Police and Fire
- Civilian Compensation Increases
- 2012 Quality of Life O&M
- 2019 Public Safety Bond Projects

Summary

- **4 cent reduction** in the property tax rate - 10% increase estimated in property valuations with no debt issuance in FY 2025
- Use of **\$5 million from Pay-for-Futures Fund** (one-time revenue from reserves)
- Civilian **pay raises split** September and March 2025 (last increase was Sep. 2023)
- Increased savings from vacancies by **\$5.9 million** from prior year
- **Reduced annual pay-go by \$3 million** for vehicles and facilities

Budget Calendar

- Public Hearings
- Special Council Meetings
- Budget/Tax Rate Adoption



Budget Calendar

July 8 - 10 – Budget Work Sessions

July 25 – Receive Certified Tax Roll from Central Appraisal District

August 1 – Present Certified Tax Roll and Ordinance Introducing Tax Rate

August 13 – Public Hearing on FY 2025 Budget

August 20 – Adopt FY 2025 Budget and Tax Rate

MISSION



Deliver exceptional services to support a high quality of life and place for our community.

VISION



Develop a vibrant regional economy, safe and beautiful neighborhoods and exceptional recreational, cultural and educational opportunities powered by a high performing government.



VALUES

Integrity, **R**espect, **E**xcellence,
Accountability, **P**eople