



CITY OF EL PASO

**FY 2024**

# **1<sup>st</sup> Quarter Financial Report**

# Agenda

- FY 2024
  - Budget Recap
  - Revenue and Expense Summary (Sep – Jan)
- FY 2025
  - Budget Calendar
  - Look-Ahead (Cost Drivers and Revenue)



# FY 2024 Budget Recap

## No-New-Revenue Tax Rate Achieved

- Above average property value growth
- Unprecedented sales tax growth
- Dissolved and modified Reinvestment Zones = \$9.2M in new property tax revenue for General Fund
- Utilized \$5 million from “Pay for Futures” fund (prior year savings)
- No debt issuance for bond projects – utilized bond proceeds on-hand

# FY 2024 Budget Recap

- **Public Safety** – increase in the number of academies, increase in compensation through CBA's, and \$9.4 million for vehicles and equipment
- **Workforce** – increased min. wage by 8.3% to \$13.11 (\$1.00 per hr. increase for all, no employee healthcare increases, and increased funding for tuition assistance program
- **Facilities/vehicles** - \$9 million increase in annual pay-go (\$5 million for facilities and \$4 million for vehicles/heavy equipment)

# FY 2024 Budget Recap

## General Fund Revenue

Revenues	FY 2023 Budget	FY 2024 Budget	Variance
Property Taxes	\$251,280,450	\$264,719,112	\$13,438,662
Sales Taxes	112,783,370	137,439,887	\$24,656,517
Franchise Fees	56,616,885	67,031,423	\$10,414,537
Charges For Services	35,571,824	40,214,493	\$4,642,670
Fines And Forfeitures	7,097,584	7,087,584	(\$10,000)
Licenses And Permits	12,944,114	12,712,880	(\$231,234)
Intergovernmental	1,268,809	1,478,809	\$210,000
Interest	125,000	500,000	\$375,000
Rents And Other	2,277,531	3,350,731	\$1,073,200
Operating Transfers In	32,785,706	38,785,505	\$5,999,799
<b>Total Revenue</b>	<b>\$512,751,272</b>	<b>\$573,320,424</b>	<b>\$60,569,151</b>

# FY 2024 Budget Recap

## General Fund Expenses

Expenses	FY 2023 Budget	FY 2024 Budget	Variance
Personal Services .....	\$373,777,936	\$406,790,521	\$33,012,585
Contractual Services....	47,845,832	54,359,039	6,513,207
Materials & Supplies.....	26,726,652	30,403,209	3,676,557
Operating.....	30,103,597	32,873,579	2,769,982
Non-Operating.....	1,766,547	1,906,437	139,890
Intergovernmental.....	1,505,866	1,857,600	351,734
Transfers.....	29,436,877	43,926,100	14,489,223
Capital.....	1,587,965	1,203,938	(384,027)
<b>Total Expenditures...</b>	<b>\$512,751,272</b>	<b>\$573,320,424</b>	<b>\$60,569,151</b>

# FY 2024 Summary (Sep – Jan)

Overall revenue is up, \$35.7 million, or 12.0% compared to same time last year, primarily driven by:

- Property tax collections is up \$33.0 million, or 17.7%
- City sales tax revenue is up \$819K, or 1.5% (Sep – Nov collections)
- Ambulance Service revenue is up \$900K, or 15.6%
- Investment earning revenue is up \$522K, or 90.9%
- Licenses and permits revenue is down \$293K, or 5.2%

# FY 2024 Summary (Sep – Jan)

Overall expenditures are up by \$17.5 million, or 9.8% compared to same time last year, primarily driven by:

- Personal services (salaries, benefits, and taxes) is up \$12.9 million, or 9.2%
- Contractual services (primarily IT contracts and vehicle maintenance) is up \$4.7 million, or 29.2%
- Unbudgeted District 2 election and runoff cost of \$436,117 (pending final invoices for Jan runoff)

# General Fund Revenue

## Year-End Total and Projection

Category	FY 2024 Budget	FY 2024 Actuals (Sep-Jan)	FY 2024 Year-End Projections
Revenue	\$573,320,424	\$334,202,402	\$571,164,889
Expenses	573,320,424	197,210,136	569,428,662
Variance			\$1,736,227

Year-end revenue projection does not include \$5 million approved transfer from the Pay for Future Fund.

# General Fund Revenue Year-To-Date Comparison

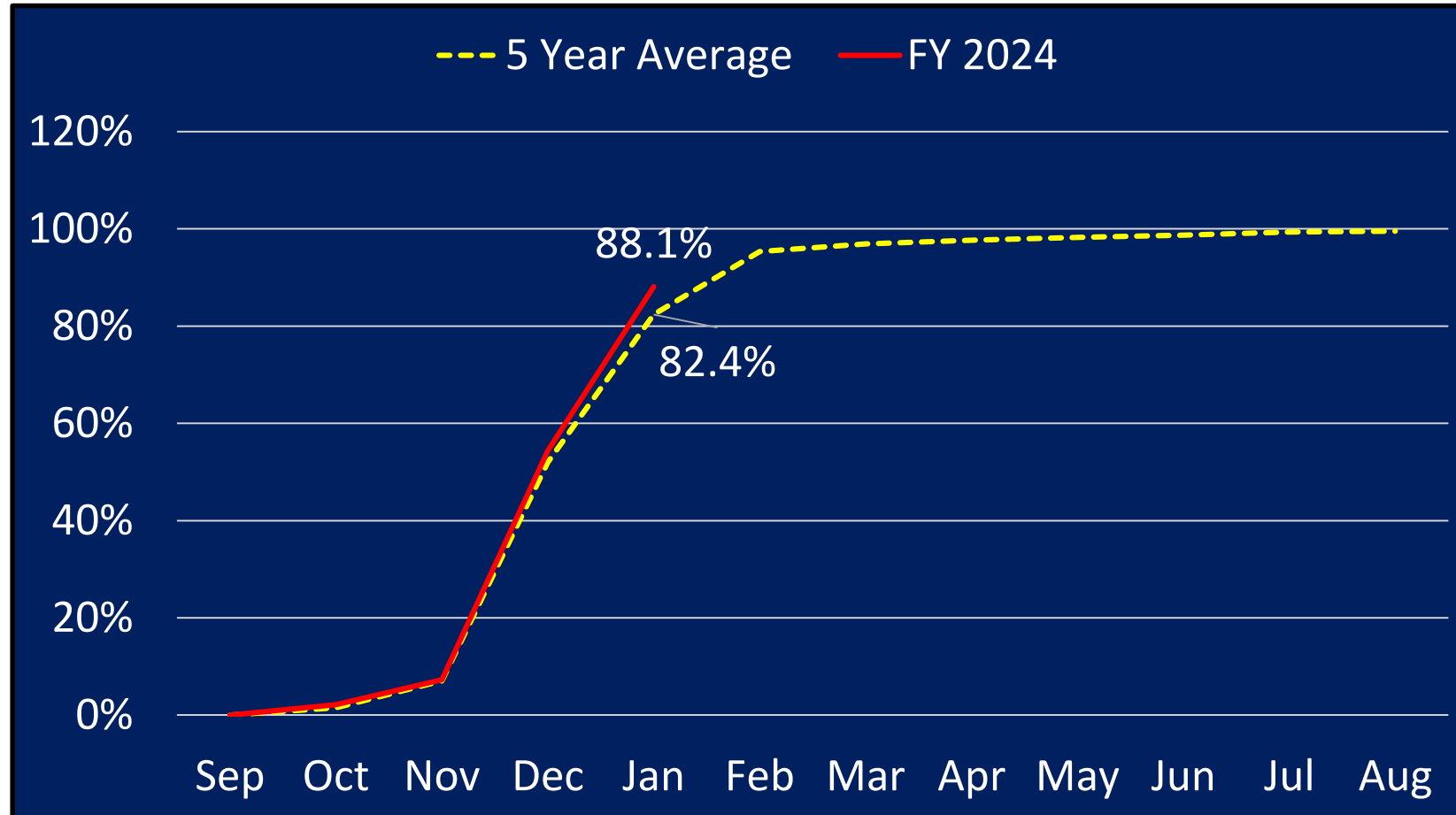
Category	FY 2024 Budget	FY 2024 Actuals (Sep-Jan)	FY 2024 % Budget Collected	FY 2023 Actuals (Sep-Jan)	FY 2023 % Total Collected
Property Taxes	\$264,719,112	\$219,134,895	82.8%	\$186,135,168	74.2%
Sales Taxes	137,439,887	55,129,769	40.1%	54,310,898	40.0%
Franchise Fees	67,031,423	17,249,581	25.7%	19,244,400	31.7%
Charges For Services	29,242,052	13,578,804	46.4%	12,182,629	38.0%
Fines And Forfeitures	7,087,584	2,748,846	38.8%	2,917,907	39.1%
Licenses And Permits	12,712,880	5,303,730	41.7%	5,597,047	38.5%
Intergovernmental	1,478,809	224,793	15.2%	39,989	6.1%
Interest	500,000	1,096,872	219.4%	574,443	11.0%
Rents And Other	14,323,173	3,730,539	26.0%	4,015,020	35.1%
Operating Transfers In	38,785,505	16,004,573	41.3%	13,495,506	35.9%
<b>Total Revenue</b>	<b>\$573,320,424</b>	<b>\$334,202,402</b>	<b>58.3%</b>	<b>\$298,513,008</b>	<b>53.7%</b>

# General Fund Revenue Year-End Projections

Category	FY 2024 Budget	FY 2024 Actuals (Sep-Jan)	FY 2024 Year-End Projections	Projected Over/(Under) Budget
Property Taxes	\$264,719,112	\$219,134,895	\$265,513,269	\$794,157
Sales Taxes	137,439,887	55,129,769	138,473,167	1,033,280
Franchise Fees	67,031,423	17,249,581	61,268,000	(5,763,423)
Charges For Services	29,242,052	13,578,804	32,962,007	3,719,955
Fines And Forfeitures	7,087,584	2,748,846	7,128,456	40,872
Licenses And Permits	12,712,880	5,303,730	13,659,893	947,013
Intergovernmental	1,478,809	224,793	1,478,809	0
Interest	500,000	1,096,872	2,000,000	1,500,000
Rents And Other	14,323,173	3,730,539	14,125,783	(197,390)
Operating Transfers In	38,785,505	16,004,573	34,555,505	(4,230,000)
<b>Total Revenue</b>	<b>\$573,320,424</b>	<b>\$334,202,402</b>	<b>\$571,164,889</b>	<b>(\$2,155,534)</b>

Year-end projection does not include \$5 million approved transfer from the Pay for Future Fund.

# Property Tax Collection %

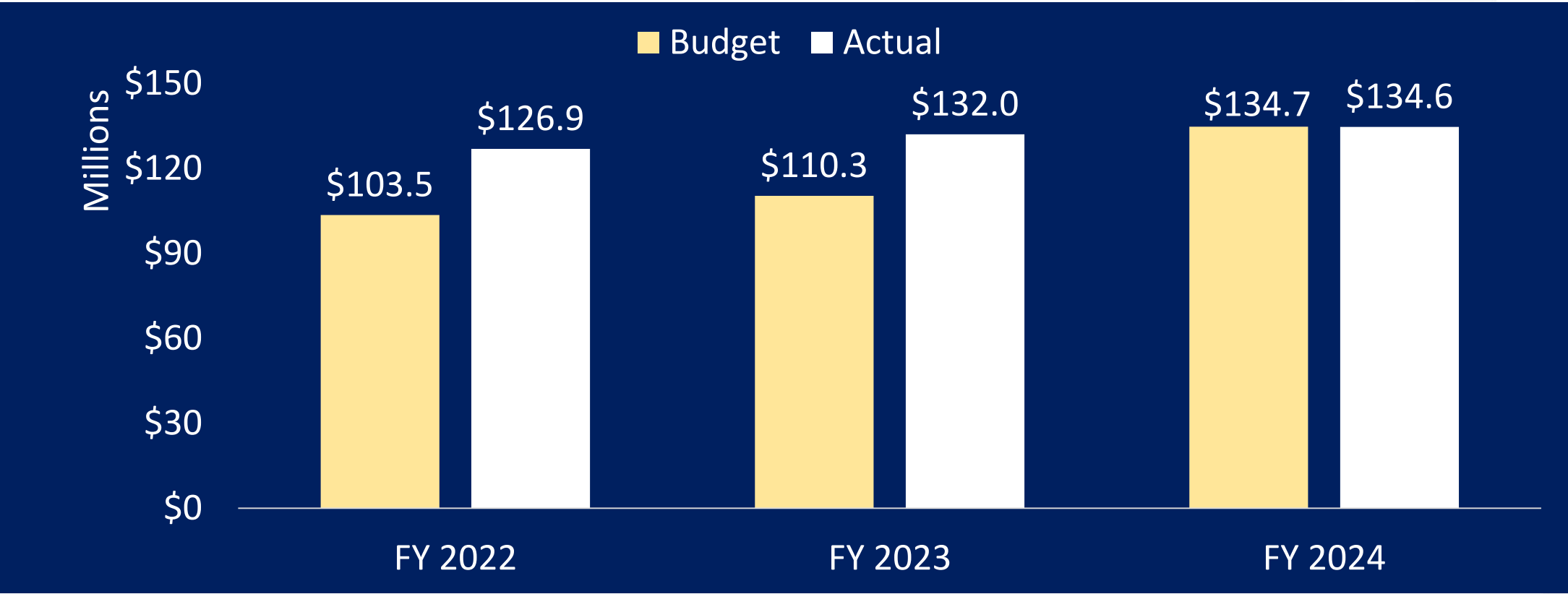


# City Sales Tax Collections

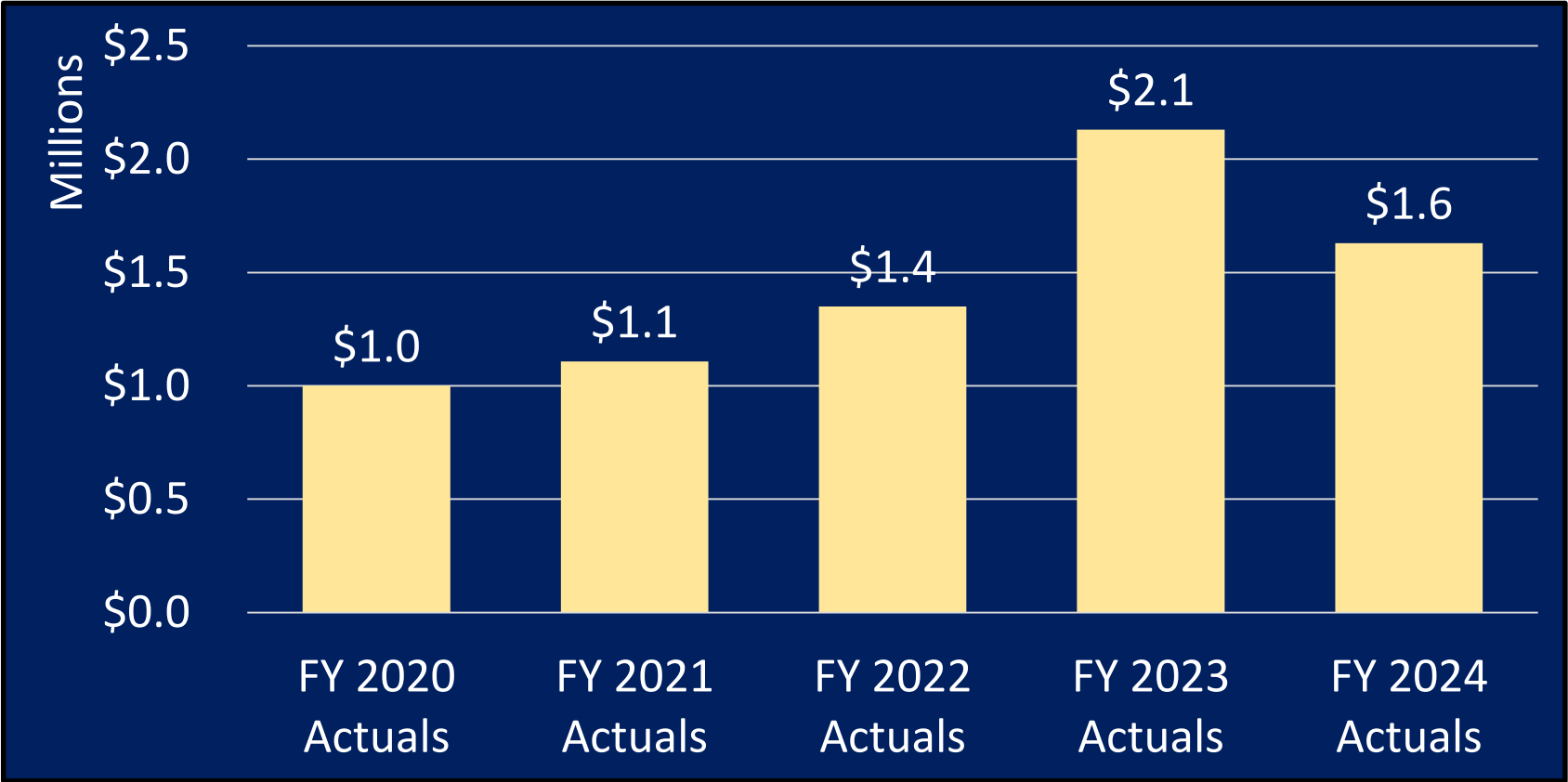
MONTH	FY 2023	FY 2024	FY2023 - FY2024 \$ VARIANCE	FY2023 - FY2024 % VARIANCE
September	10,978,840	11,065,222	86,383	0.8%
October	9,841,288	10,349,977	508,688	5.2%
November	10,929,250	11,113,470	184,220	1.7%
December	13,746,468	13,406,378	(340,089)	-2.5%
January	9,883,311			
February	9,939,568			
March	11,926,334			
April	10,451,765			
May	11,122,552			
June	12,140,871			
July	10,738,492			
August	10,321,726			
<b>Total</b>	<b>\$132,020,465</b>	<b>\$45,935,048</b>	<b>\$439,202</b>	<b>1.0%</b>

- Two month delay from state on sales tax collections
- December sales tax received Feb. 7

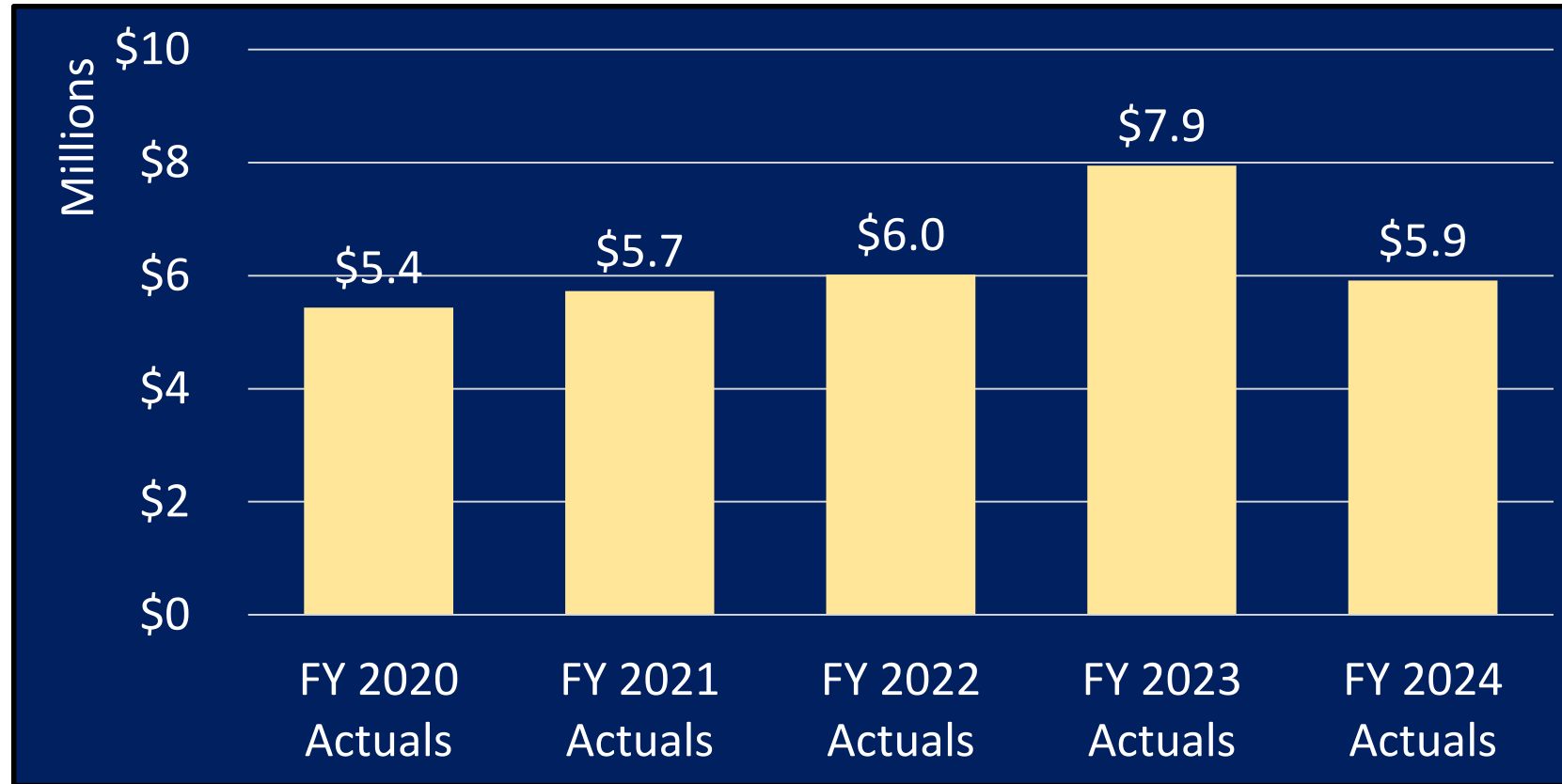
# City Sales Tax



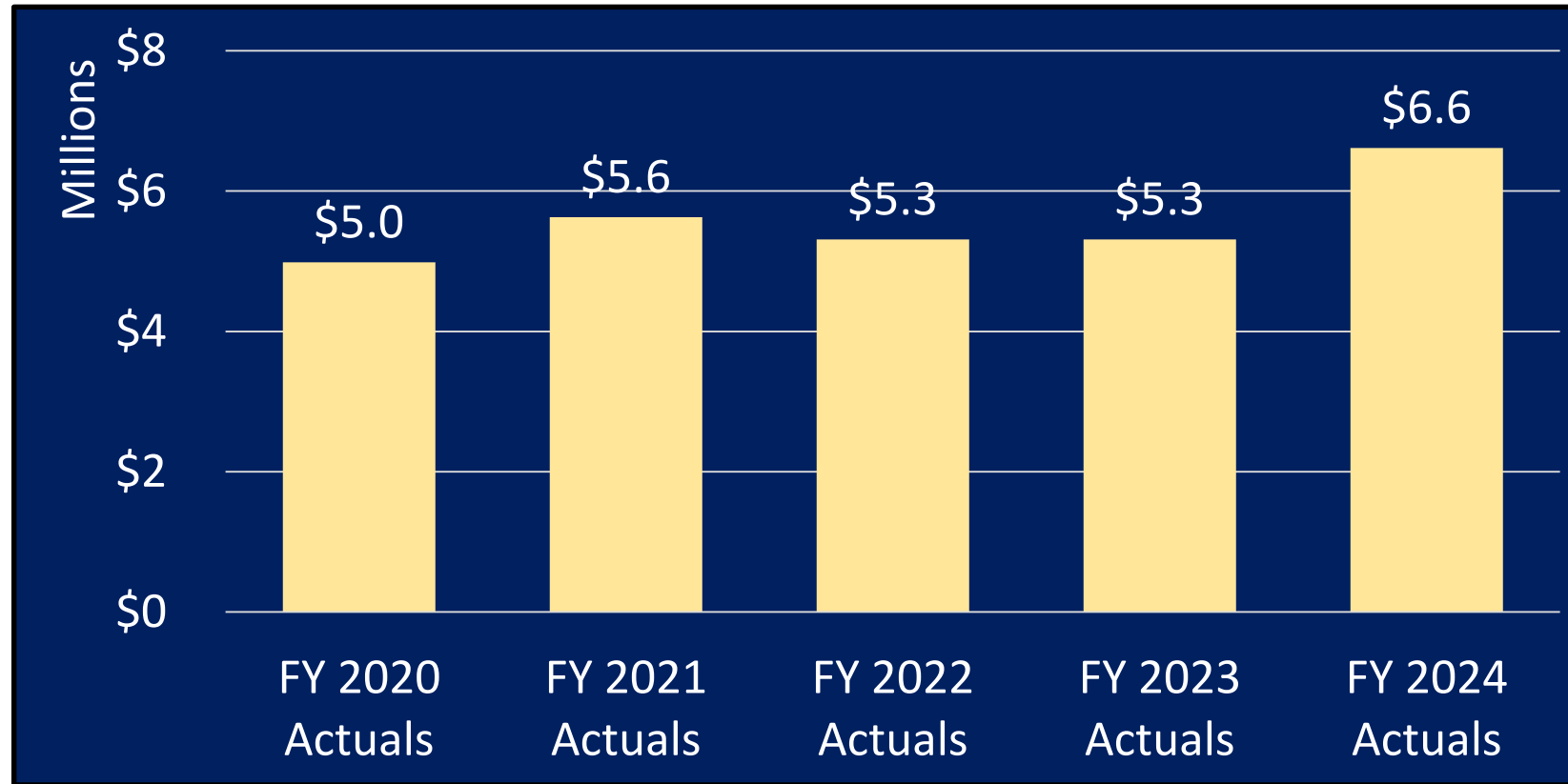
# Texas Gas Franchise Fee



# EP Electric Franchise Fee

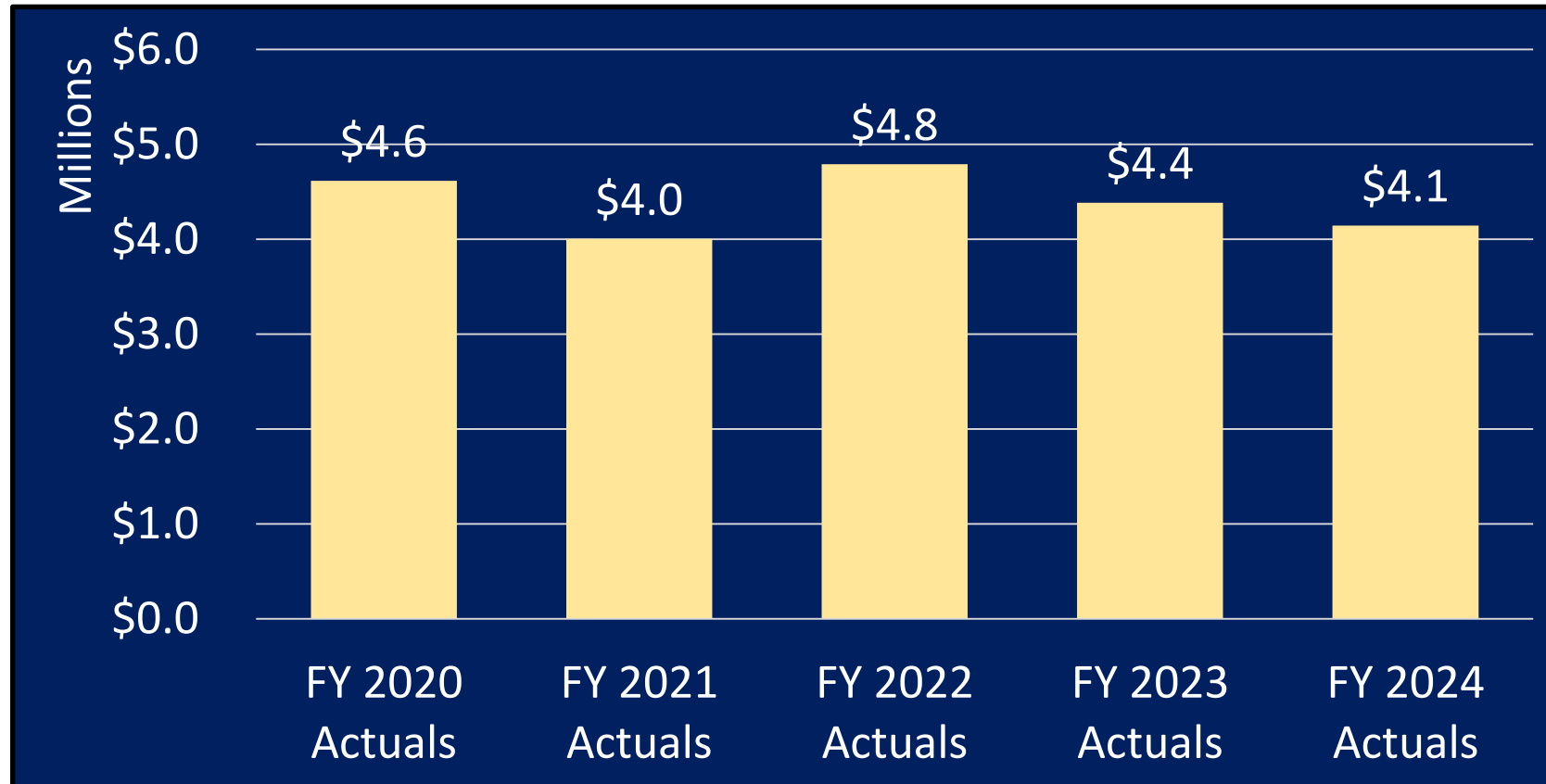


# EP Water Franchise Fee

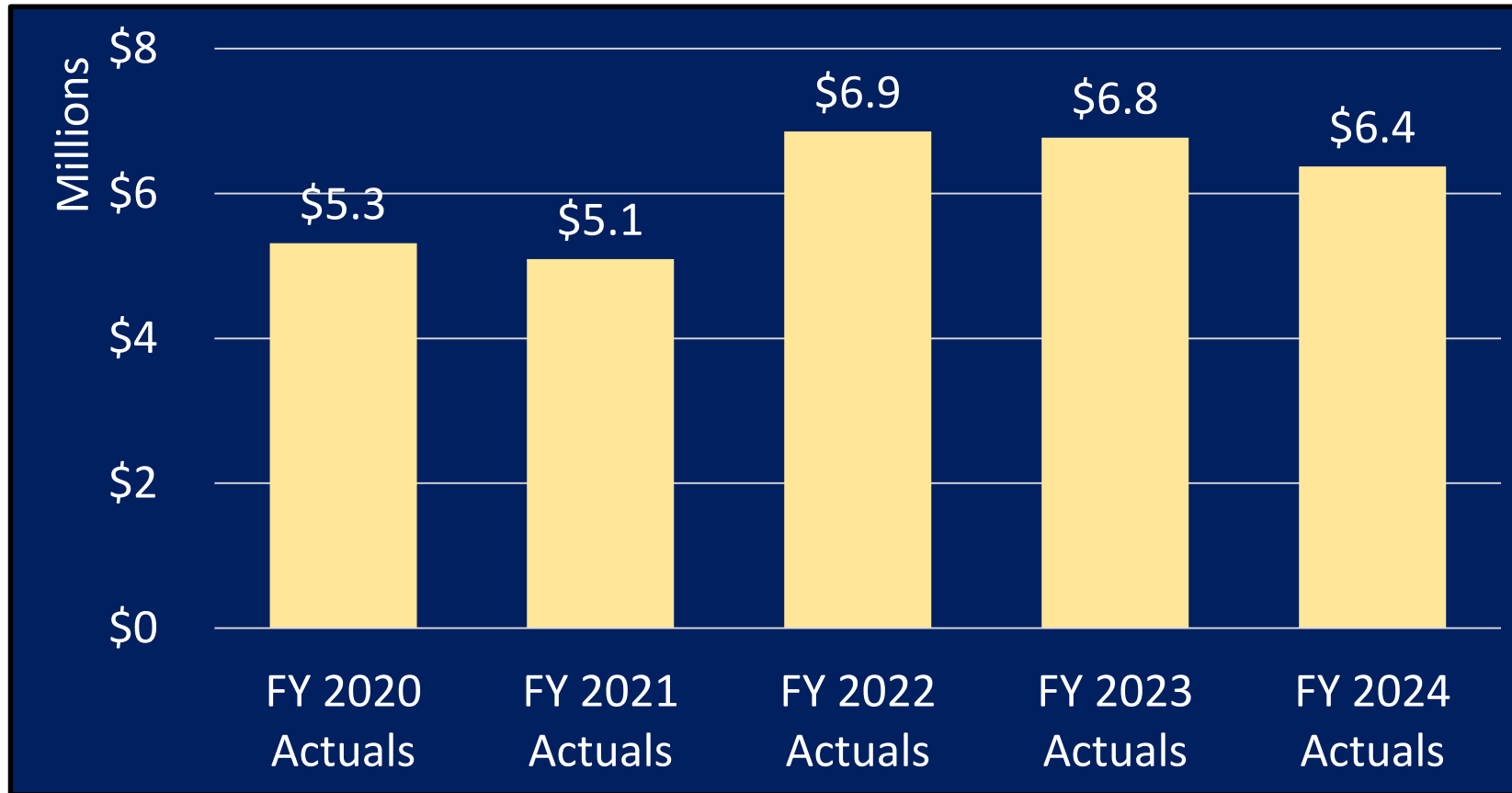


# Licenses and Permits

## Planning & Inspections Dept



# Bridges Transfer to General Fund



# General Fund Expenses Year-To-Date Comparison

Category	FY 2024 Budget	FY 2024 Actuals (Sep-Jan)	FY 2024 % Budget Expensed	FY 2023 Actuals (Sep-Jan)	FY 2023 % Total Expensed
Personal Services .....	\$406,790,521	\$153,100,361	37.6%	\$140,186,609	37.5%
Contractual Services.....	54,359,039	20,648,227	38.0%	15,984,747	33.4%
Materials & Supplies.....	30,403,209	8,031,235	26.4%	7,456,632	27.9%
Operating.....	32,873,579	9,948,294	30.3%	10,223,979	34.0%
Non-Operating.....	1,906,437	713,001	37.4%	719,475	40.7%
Intergovernmental.....	1,857,600	189,236	10.2%	336,902	22.4%
Transfers.....	43,926,100	4,381,878	10.0%	4,704,578	16.0%
Capital.....	1,203,938	197,904	16.4%	73,435	4.6%
<b>Total Expenditures.....</b>	<b>\$573,320,424</b>	<b>\$197,210,136</b>	<b>34.4%</b>	<b>\$179,686,357</b>	<b>35.0%</b>

# General Fund Expenses Year-To-Date Comparison

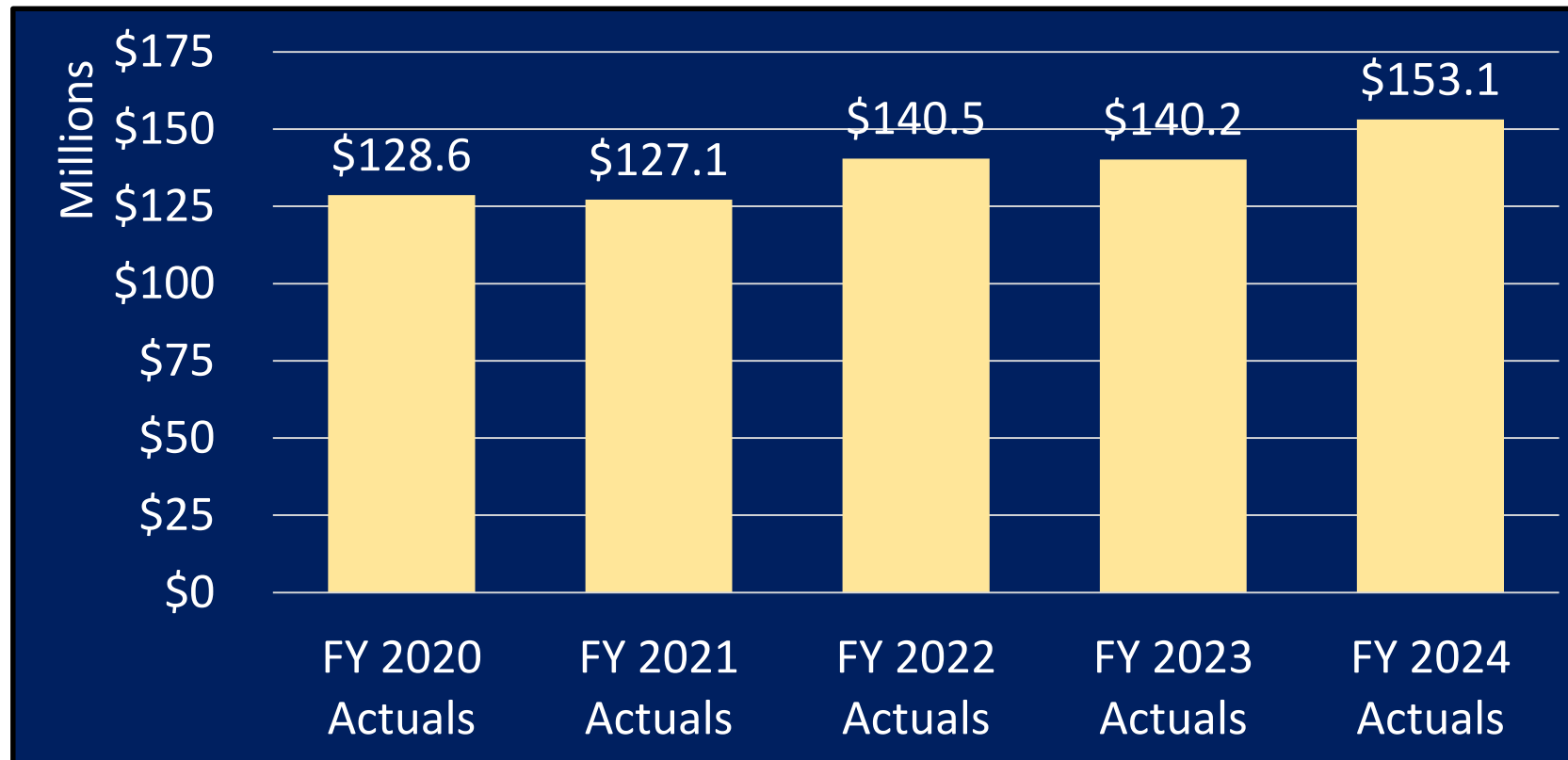
Strategic Goal	FY 2024 Budget	FY 2024 Actuals (Sep-Jan)	FY 2024 % Budget Expensed	FY 2023 Actuals (Sep-Jan)	FY 2023 % Total Expensed
Economic Development...	\$3,219,430	\$1,024,667	31.8%	\$1,167,562	36.5%
Public Safety.....	331,012,750	120,045,076	36.3%	112,145,379	36.7%
Visual Image.....	8,945,379	3,185,151	35.6%	2,876,338	34.4%
Quality of Life.....	70,447,536	21,415,289	30.4%	17,862,714	28.1%
Communication (IT Dept)	24,676,524	11,497,819	46.6%	8,167,335	35.6%
Sound Governance.....	53,628,595	19,485,064	36.3%	17,635,642	38.2%
Infrastructure.....	71,379,091	17,229,190	24.1%	17,246,241	31.5%
Healthy Community.....	10,011,118	3,327,879	33.2%	2,585,148	31.1%
<b>Total Expenditures.....</b>	<b>\$573,320,424</b>	<b>\$197,210,136</b>	<b>34.4%</b>	<b>\$179,686,357</b>	<b>35.0%</b>

# General Fund Expenses Year-End Projections

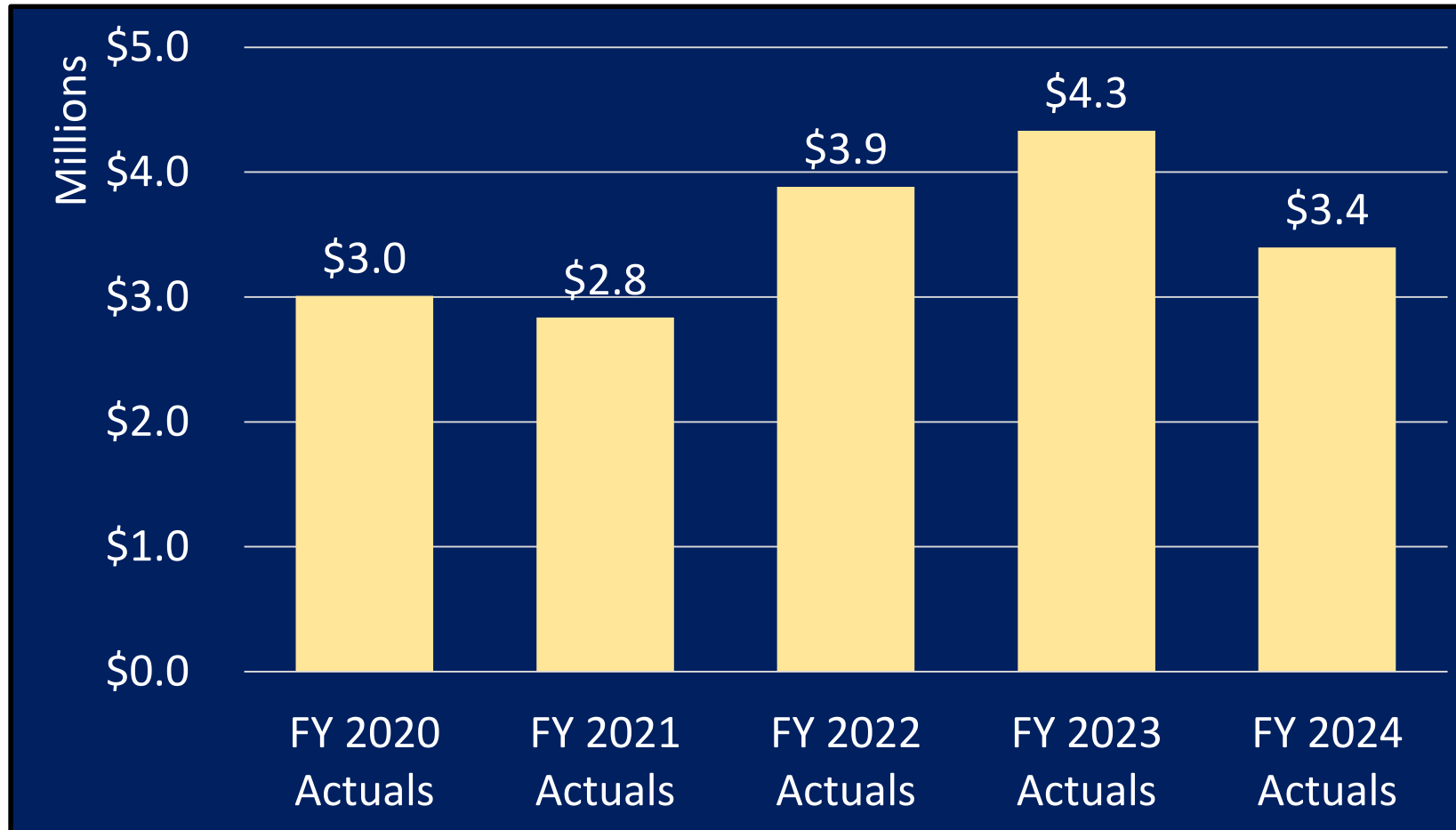
Category	FY 2024 Budget	FY 2024 Actuals (Sep-Jan)	FY 2024 Year-End Projections	Projected (Over)/Under Budget
Personal Services .....	\$406,790,521	\$153,100,361	\$404,402,707	\$2,387,815
Contractual Services.....	54,359,039	20,648,227	54,098,077	260,962
Materials & Supplies.....	30,403,209	8,031,235	29,280,569	1,122,640
Operating.....	32,873,579	9,948,294	32,831,624	41,956
Non-Operating.....	1,906,437	713,001	1,828,047	78,390
Intergovernmental.....	1,857,600	189,236	1,857,600	-
Transfers.....	43,926,100	4,381,878	43,926,100	-
Capital.....	1,203,938	197,904	1,203,938	-
<b>Total Expenditures.....</b>	<b>\$573,320,424</b>	<b>\$197,210,136</b>	<b>\$569,428,662</b>	<b>\$3,891,762</b>

# Personal Services

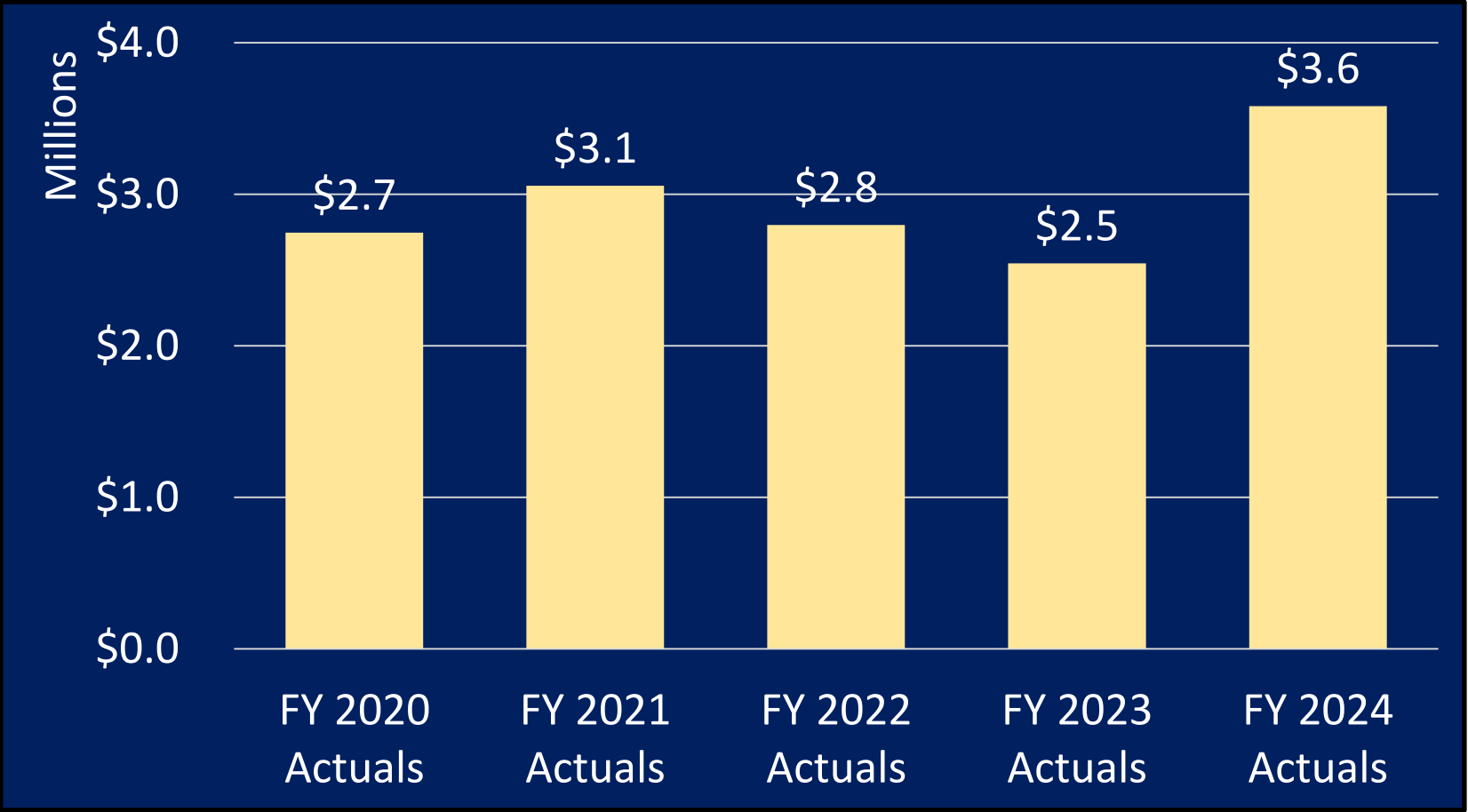
## (Salaries, Benefits, Taxes)



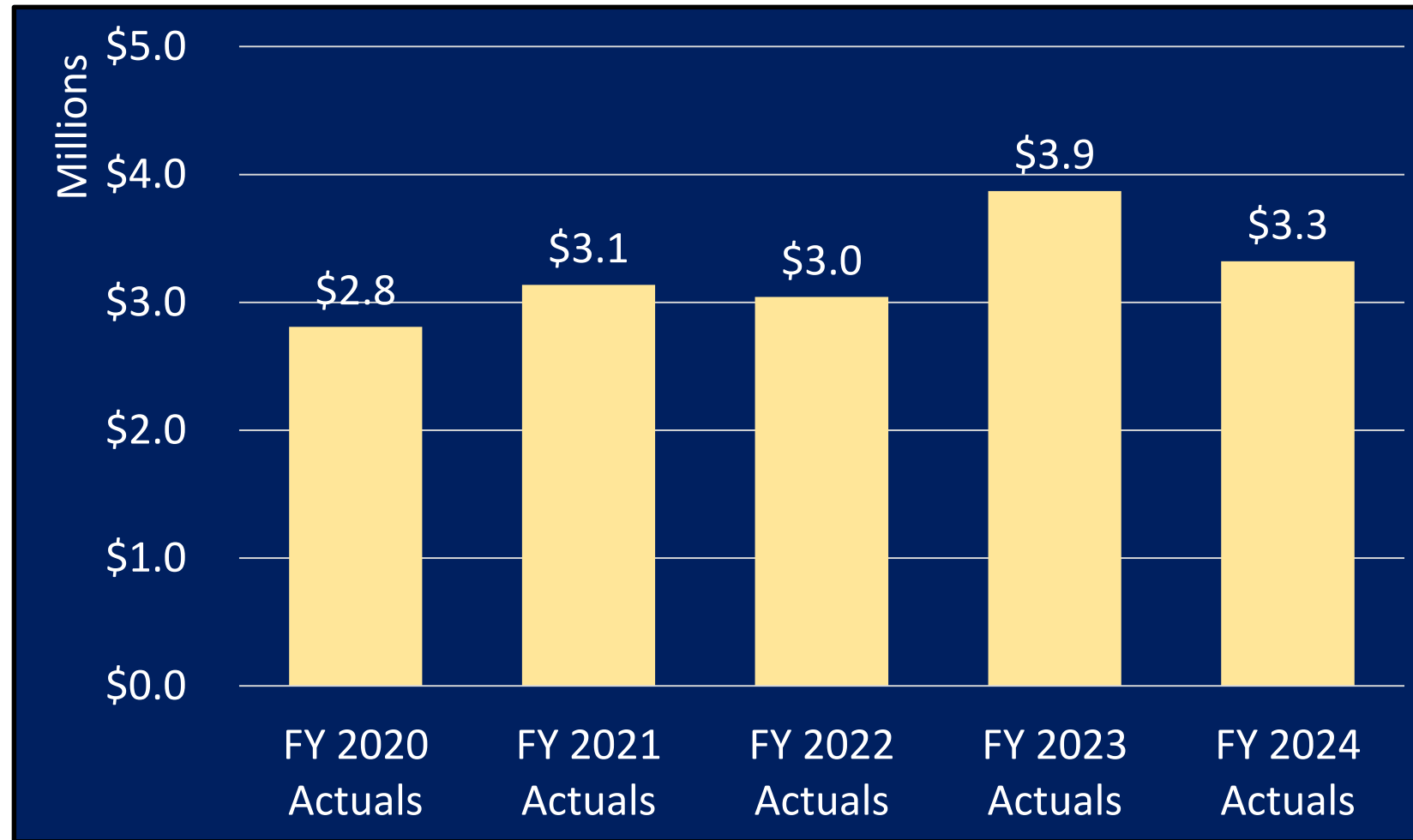
# Electricity Expense



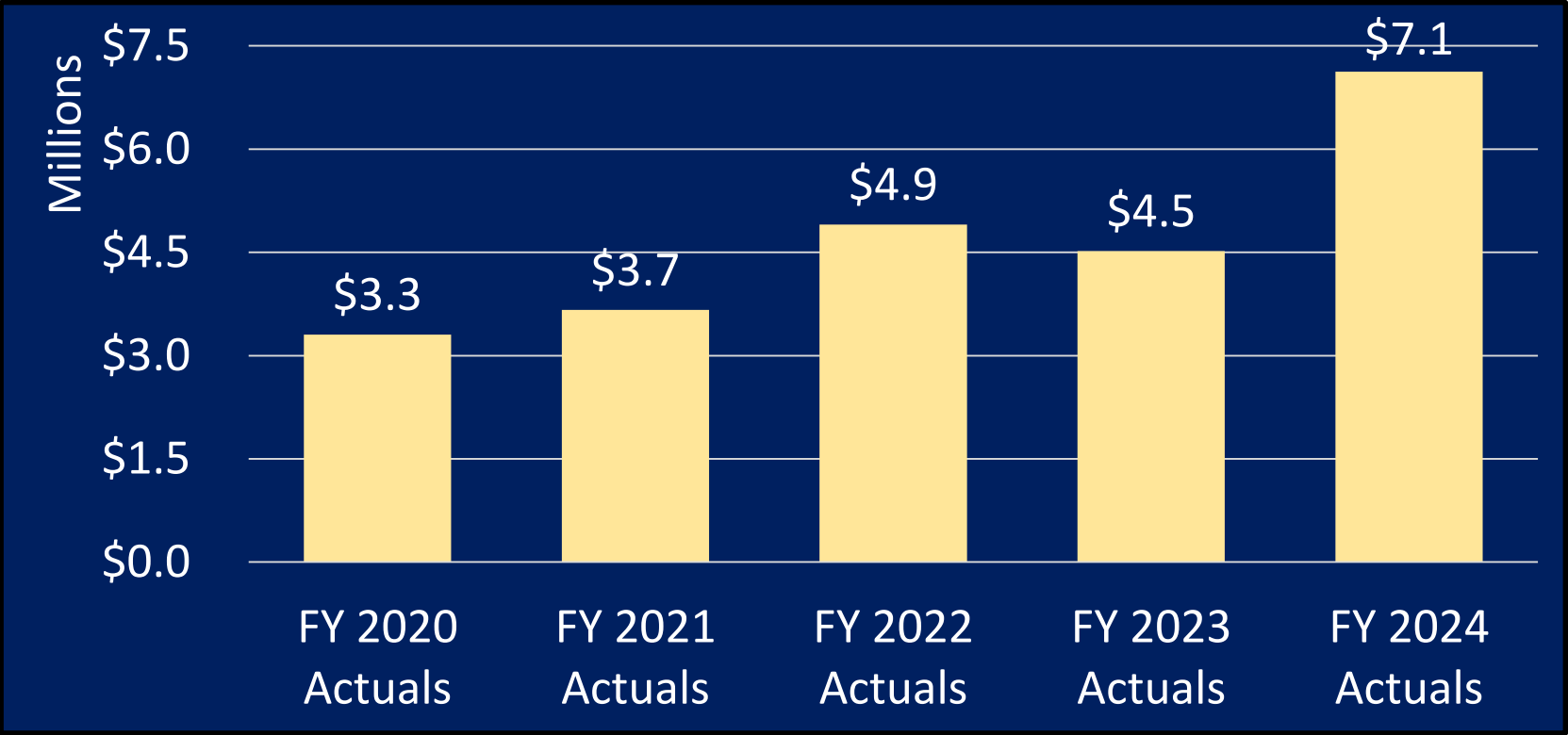
# Water Expense



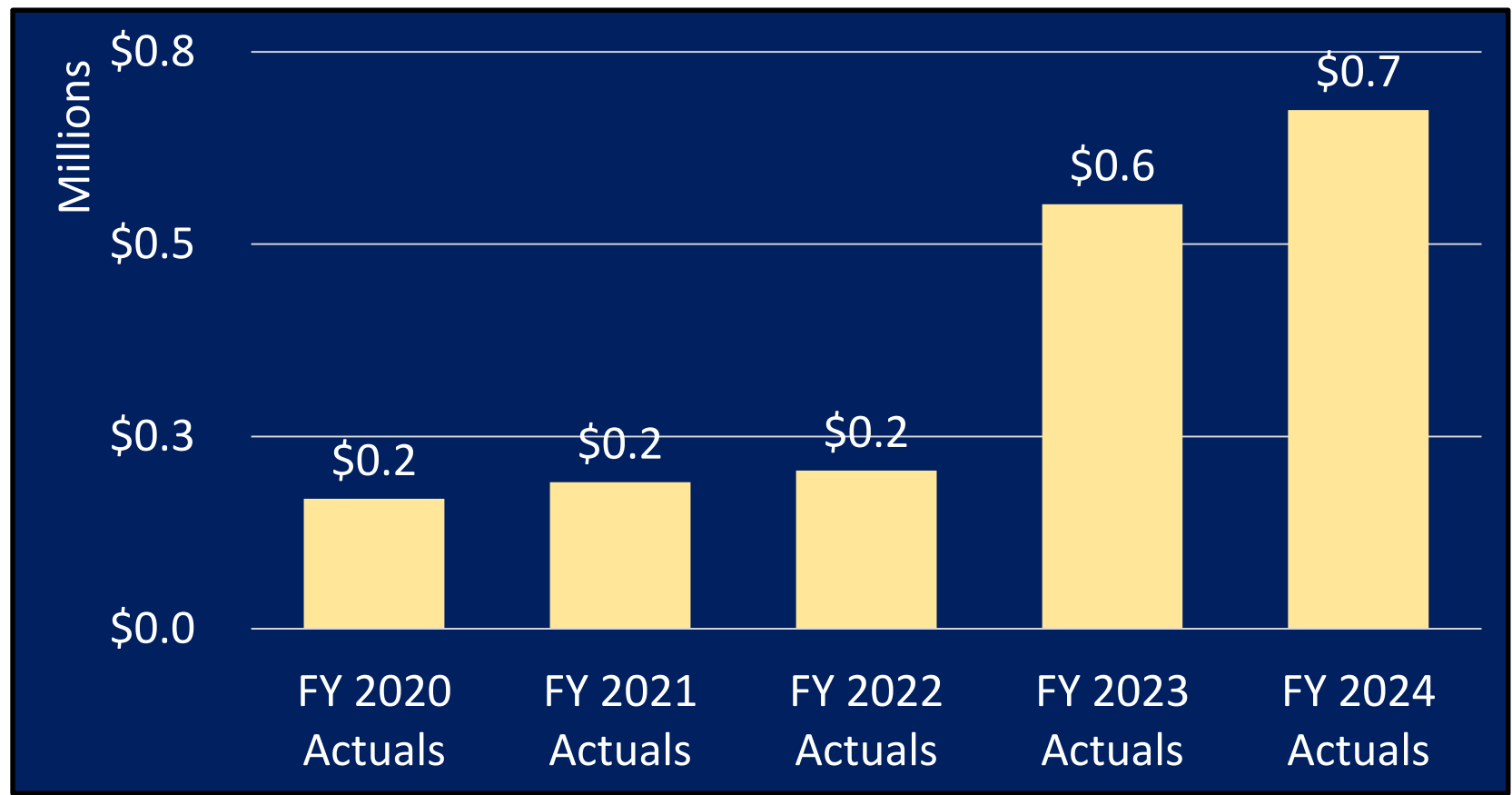
# Fuel & Vehicle Maintenance



# Information Technology Contracts



# Tuition Assistance Program



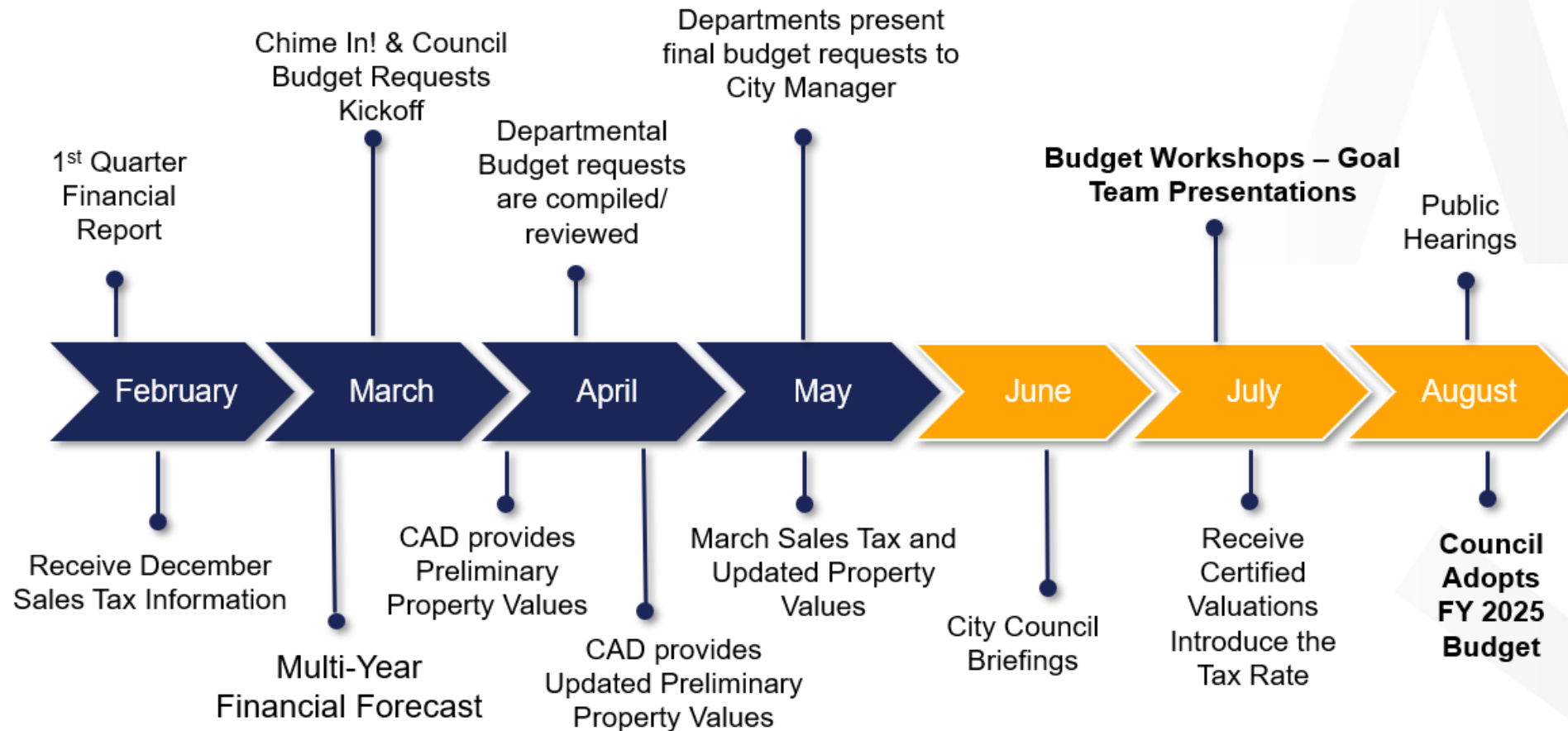
# General Fund Revenue

## Year-End Total and Projection

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Variance			\$1,736,227

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# FY 2025 Timeline



# FY 2025 Look Ahead

- Continue to identify budget balancing strategies, including **new general fund revenue, cost savings, and other financial tools** minimize impact on property tax rate
- Continue to invest in **Public Safety** (Public Safety Bond Operations and maintain, academies, collective bargaining obligations and vehicle replacement)
- Continue to invest in our **Workforce** (compensation increases and healthcare benefits)
- Continue to **Target Investment** in our streets, aging facilities, equipment and vehicles.

# FY 2025 Look Ahead

- Civilian pay raises and health care benefits
  - Increasing health care costs
  - Pay increases (Council resolution to achieve \$15 per/hr by 2026)
- Public Safety Bond and Quality of Life new facility operation and maintenance costs
  - La Nube Children's Museum
  - Mexican American Cultural Center
  - Fire Station 36 and 38

# FY 2025 Look Ahead

- Police and Fire Academies and collective bargaining obligations
  - Police - 3 academies
  - Fire 2 - academies
- Other items
  - Citywide election in November 2024
  - Climate Action Plan development efforts
  - Equity Office
  - Municipal ID
  - Department Program Requests

## 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,  
**A**ccountability, **P**eople

## MISIÓN



Brindar servicios excepcionales  
para respaldar una vida y un  
lugar de alta calidad para  
nuestra comunidad

## VISIÓN



Desarrollar una economía regional  
vibrante, vecindarios seguros y  
hermosos y oportunidades  
recreativas, culturales y educativas  
excepcionales impulsadas por un  
gobierno de alto desempeño



## VALORES

Integridad, Respeto, Excelencia,  
Responsabilidad, Personas