

# City of El Paso, Texas

## Comprehensive Annual Financial Report For the Fiscal Year Ended August 31, 2011

Prepared by Financial Services Department

CITY OF EL PASO, TEXAS  
COMPREHENSIVE ANNUAL FINANCIAL REPORT  
YEAR ENDED AUGUST 31, 2011  
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# INTRODUCTORY SECTION



*Dedicated to Outstanding Customer Service for a Better Community*

S E R V I C E   S O L U T I O N S   S U C C E S S



February 29, 2012

Mayor John Cook  
City Council Members and  
Citizens of the City of El Paso

We submit the City of El Paso, Texas (City) Comprehensive Annual Financial Report (CAFR) for the fiscal year ended August 31, 2011. This report was prepared by the City's staff and audited by the firm of BKD LLP. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

Section 7.21 of the City Charter requires an annual audit by an independent certified accountant of all City accounts. The CAFR is the summary of the City's activities for the past fiscal year. We believe this CAFR is accurate in all material aspects; that it presents fairly the financial position and financial activities of the City measured by the financial activity of its various funds; and all disclosures necessary to enable the reader to gain an understanding of the City's financial affairs have been included.

MD&A can be found immediately following the report of the independent accountants on page xiii.

The City's management is responsible for establishing and maintaining internal controls designed to provide reasonable assurance that the assets of the government are protected from loss, theft or misuse, and that reliable accounting data is compiled to allow for preparation of financial statements in conformity with accounting principles generally accepted in the United States of America (GAAP). The concept of reasonable assurance recognizes the cost of a control should not exceed the benefits likely to be derived and the evaluation of costs and benefits requires estimates and judgments by management. A goal of the independent audit is to provide reasonable assurance that the financial statements are free of material misstatements.

Additionally, because the City receives federal awards, it is responsible for ensuring adequate internal control is in place to comply with applicable laws, regulations, contracts and grants related to those programs. A separate report,

Mayor  
John F. Cook

City Council

*District 1*  
Ann Morgan Lilly

*District 2*  
Susie Byrd

*District 3*  
Emma Acosta

*District 4*  
Carl L. Robinson

*District 5*  
Dr. Michiel R. Noe

*District 6*  
Eddie Holguin Jr.

*District 7*  
Steve Ortega

*District 8*  
Cortney Carlisle Niland

City Manager  
Joyce A. Wilson



FINANCIAL SERVICES DEPARTMENT  
2 Civic Center Plaza, 7<sup>th</sup> Floor, City Hall – El Paso, Texas 79901  
(915) 541-4011



including a schedule of expenditures of federal awards, findings and questioned costs and the independent accountants' report on compliance and on internal control over financial reporting are issued.

The City's Internal Auditor's Office reports directly to the City Manager. The internal auditor's primary responsibility is measuring and evaluating the effectiveness of the accounting and administrative controls. We believe that the City's internal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

### **Ensure long-term financial stability and sustainability**

Ensuring the long-term sustainability of City finances is a key strategic policy for City management. City Council adopted revised financial policies, which in part, require the balancing of adopted appropriations with anticipated revenues and no longer permitted the use of the general operating fund reserves in order to balance the budget. General Fund reserves may only be utilized for one-time and/or emergency type capital procurements that would otherwise need debt financing. In fiscal year 2011, the Maintenance and Operating budget is funded with current revenues with special attention given to concerns about residential property tax burden and market trends, the impact of both the national economy and events in Mexico on sales tax and the latter's impact on bridge crossing revenue. The national economy has also impacted building permit and license revenue and even some believe timely payment of other revenue sources, such as municipal court fines. Sustainability of the City's general fund is always the most critical issue that constrains long-term financial goals and directly impacts the City's ability to carry out its strategic initiatives. The FY2011 general fund budget is based on an M&O rate set at this year's effective tax rate. The increase to the tax rate was solely to fund the debt service increase. The latter was required in order to fund the collective bargaining units pension fund, growing infrastructure needs, due in part to the growth of the local army base and finally the construction of quality of life facilities due to open in FY2011. Since most operating costs of the City are anticipated to increase in future budgets, balancing without the use of reserves or tax or fee increases will be a difficult task. However, continued effective budget planning in the short and long term will benefit the City's financial sustainability. Some of the specific accomplishments and areas of continual improvement include:

- Monitor local economy and revenue performance. Act quickly to adjust budget expenses where warranted.



- Continue to look for ways to reduce costs and enhance efficiencies through consolidation, outsourcing, interagency partnerships and technology investments.
- Prepare the 2011 and all future general fund budgets without the use of fund balance.
- Maintain strong bond ratings, S&P's AA; Fitch's AA.
- Proposed financial system upgrade beginning in FY2011.

## **GENERAL INFORMATION**

### **Location**

El Paso is located in far west Texas on the international boundary between the United States and the Republic of Mexico. Situated on the Rio Grande River, the City straddles the lowest altitude all-weather pass through the Rocky Mountains. It is approximately equidistant from the cities of Houston, Texas; Denver, Colorado; and Los Angeles, California. The area comprising the City of El Paso (estimated population – 680,550), the remainder of El Paso County (estimated population – 120,097) and Ciudad Juarez, Mexico (estimated population – 1.5 million) has a population in excess of 2.3 million. El Paso is the sixth largest city in Texas and the largest American city on the border with Mexico. The City's corporate limits encompass approximately 247.4 square miles. The City of El Paso, Texas, incorporated in 1873, operates under a Home Rule Charter with a Council-Manager form of government.

The City provides a full range of services to the general public. These services include police and fire protection; emergency medical and health services; sanitation services; public transportation; construction and maintenance of streets and infrastructure; recreational activities; and cultural events.

### **Financial Reporting Entity**

The financial statements presented in this report conform to the reporting requirements of the Governmental Accounting Standards Board (GASB), which establishes combined statements as the required reporting level for governmental entities that present financial statements in accordance with GAAP.

The basic criterion for determining whether another governmental organization should be included in a primary governmental unit's reporting entity is accountability. Accountability includes the appointment of a voting majority of the organization's governing body and the ability of the primary

government to impose its will on the organization or the existence of a financial benefit/burden relationship (an organization which is fiscally dependent on the primary government should be included as part of the reporting entity).

These financial statements present the City of El Paso (the primary government and its component units). The following component units, although legally separate from the City, are reported as part of the reporting entity:

El Paso Water Utilities

The component unit column in the government-wide financial statements (pages 1 and 2) includes the financial data of the City's component unit, El Paso Water Utilities (EPWU). City Council appoints the majority of the Public Service Board and is accountable for its operation. EPWU is reported discretely in a separate column as "Component Unit – El Paso Water Utilities."

El Paso Housing Finance Corporation

The component unit column in the government-wide financial statements (pages 1 and 2) includes the financial data of the City's component unit, El Paso Housing Finance Corporation (EPHFC). City Council appoints its board consisting of seven directors, and is accountable for its operation. EPHFC is reported discretely in a separate column as "Component Unit – El Paso Housing Finance Corporation."

City Employees' Pension Fund (CEPF)

The City contributes to the City Employees' Pension Fund which is a single-employer defined benefit retirement system established under legal authority of the City Charter and administered by the City. Although not under the direct control of the City, the CEPF serves only City and Public Service Board employees and, because of the scope of service, is included in the City's financial statements as a Pension Trust Fund.

Firemen and Policemen's Pension Fund (FPPF)

Uniformed fire fighters and police officers participate in the FPPF, which is divided into two divisions: the fireman division and policeman division. The plan is a single-employer defined benefit retirement plan established under legal authority of State Statutes and

the City Charter and is administered by a Board of Trustees (FPPF Board). Although not under the direct control of the City, the FPPF serves only City employees and, because of the scope of service, is included in the City's financial statements as a Pension Trust Fund.

### **Debt Administration**

During the fiscal year, the City issued \$85,610,000 in Combination Tax and Revenue Certificates of Obligation Bonds. At August 31, 2011, the City had \$875,245,000 of debt issues outstanding for which property taxes may be levied for principal and interest payments. These issues include \$586,965,000 of general obligation bonds and \$288,280,000 of certificates of obligation. The City has \$37,800,000 in revenue bonds, capital lease obligations and notes payable for which airport, bridge system and solid waste disposal system revenues are pledged to make principal and interest payments. There are \$28,098,842 of notes payable to Banc of America and the State Energy Conservation Office. For more detailed information about the City's general long-term debt, see Note 8 to the financial statements.

Of the City's \$587 million in general obligation bonds, \$211.04 million are pension obligation bonds that were issued by the City in May of 2009 and June of 2007 in order to address the underfunding of the Firemen and Policemen's Pension Fund.

There was an increase of the total tax rate from 2010 to \$0.658404. The debt service property tax rate was increased to \$0.229168 per \$100 of assessed value while the M&O rate was increased to \$0.429236 per \$100 of assessed value. The overall rate has decreased \$0.061429 from the 2002 rate of \$.719833. The 2011 operating tax rate of \$0.429236 remains well within the \$1.85 tax rate limit established by the City Charter and the overall tax rate remains well within the \$2.50 maximum ad valorem tax rate pursuant to Article XI, Section 5, of the Texas Constitution.

The City has obtained, without insurance, an "AA" rating from Standard and Poor's and "AA" rating from Fitch Ratings in its last bond issuance.

### **Pension Trust Funds Operations**

Two pension and retirement funds exist for the employees of the City. They are the City Employees' Pension Plan (CEPF) and the Firemen and Policemen's Pension Fund (FPPF), which is comprised of two divisions - Fireman Division and Policeman Division. Mellon Trust Company is the

custodian for all pension plan assets. An independent audit of each of the pension funds has been completed and separate reports have been issued.

The CEPF's most recent actuarial study is dated September 1, 2010 and indicates the actuarially computed value of benefits exceed fund assets by \$140,274,000.

The FPPF's most recent actuarial study is dated January 1, 2010 and states the actuarially computed value of benefits exceeded fund assets by \$216,624,678.

More detailed pension information is available in Note 13 to the financial statements and pension schedules in the Required Supplementary Information other than MD&A.

### **Risk Management**

The City retains the risk for its general liability, police officers' liability, workers' compensation, unemployment compensation, group health, and auto liability. The City's liability for causes of action based on tort is limited by the Texas Tort Claims Act to \$250,000 per person injured or \$500,000 per incident and \$100,000 for property damage. Generally, however, there is no liability limit for causes of action based on claims for Civil Rights violations or claims arising from a breach of contract. Excluded from self-insurance are Mass Transit vehicles, liability insurance for the Airport, police auto liability and certain other catastrophic liability occurrences. Property, casualty, boiler and machinery insurance is provided by a commercial carrier.

## **FINANCIAL CONDITION**

As the sixth largest city in Texas, El Paso's estimated 2010 population of 680,550 has grown by over 17.8% from its 2000 census level. Population growth will also be impacted as a result of the Defense Base Realignment and Closure (BRAC) process completed in late 2005. At that time, it was anticipated that over 20,000 new troops and 30,000 accompanying family members would become part of the City population during the next seven years. About two-thirds of the additional troops are expected to live off-base, spurring citywide residential development with an emphasis on affordable housing although other higher value master planned developments are underway or in the planning stages.

The City's large \$30 billion tax base is diverse and starting to grow beyond the typically modest rates of the past, increasing by nearly 27% over the past

four fiscal years. Furthermore, the relocation of air cavalry and armored aviation units to Fort Bliss is attracting high-technology companies for both services and research and development. Major additions to the City's retail, commercial and healthcare sectors helped unemployment rates trend downward to record lows in 2007. In December 2008, the City's unemployment rate fell below the national average for the first time in thirty-five years. In December 2009, the City's unemployment rate was 9.2% while the national average was 9.7%. Employment numbers at the end of December 2011 reflected a positive change of 3,886 jobs from December 2010.

The City's financial position has stabilized in recent years under a Council-City Manager form of government approved by voters in February 2004. The City's 2011 general fund activities reflect a \$1,693,414 increase in fund balance. General Fund unassigned fund balance plus the \$16 million cash reserve restricted by the City charter, totaled \$37.2 million as of August 31, 2011 or 12.1% of spending in fiscal year 2011. In fiscal year 2010, the general fund reflected a \$2.4 million increase in fund balance, with undesignated general fund reserves of \$37.3 million at August 31, 2010, or approximately 12.2% of spending.

As the 2011 year unfolded with the continued nationwide economic downturn, City management continued to exercise conservative fiscal practices including active management of position vacancies and carefully monitoring departmental spending. This resulted in a positive change in its general fund balance by the end of the fiscal year.

Strategic planning efforts continue underway within the City and the region in an effort to appropriately focus economic development and workforce efforts to expand and retain the current business base while attracting new businesses. The City of El Paso's Economic Development Department has launched new initiatives in order to bring in new businesses to the City. The City's 2010 Downtown Revitalization Plan continues to be implemented as a way to draw in new businesses and revitalize the current businesses in Downtown El Paso.

Given the population growth attributable to the Base Realignment and Closure process, continued steady normal population growth patterns and focused business attraction and expansion efforts, the economic outlook is stable. The City has an abundance of natural, cultural, educational and recreational attributes, in addition to an extremely favorable cost of living and great climate. Through effective strategic planning and management of resources,

the City will be positioned to meet its growing service demands while maintaining a solid financial foundation and achieving its vision of “establishing El Paso as the premier community of the Southwest.”

The Mayor and Council continue to focus on prioritized long-term strategic policy goals and City staff continues to focus on action plans necessary to achieve these goals. Both community resources and improvement in the City’s internal operation and culture have been incorporated in these goals. Goals identified include:

- Fiscal Policies – To ensure long-term financial stability and sustainability of the City Government
- Customer Service – To be a high-performing, customer-focused organization
- Community Development – To become the most livable city in the United States and to be recognized as an “international city”
- Economic Development – To become the city with the lowest unemployment rate and highest per capita wages in the United States
- Citizen Involvement – To facilitate opportunities for citizens to be involved in local government
- Transportation – To establish a comprehensive transportation system.

### **AWARDS AND ACKNOWLEDGEMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City of El Paso for its Comprehensive Annual Financial Report for the fiscal year ended August 31, 2010. This was the thirteenth consecutive year that the City has achieved this prestigious award. In order to be awarded a Certificate of Achievement, a government must publish an easily readable and efficiently organized comprehensive annual financial report. This report must satisfy both GAAP and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current Comprehensive Annual Financial Report continues to meet the Certificate of Achievement Program’s requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

The preparation of this Comprehensive Annual Financial Report was made possible by the dedicated service of the employees of the Financial Services Department. Each member of the department has our sincere appreciation for the contributions made in the preparation of this report. Additionally, the effort of the City's component units (El Paso Water Utilities, CEPF and FPPF) and their external auditors is appreciated.

We would also like to thank the Mayor, City Council and City Department Directors for their interest and support in planning and conducting the financial operation of the City in a responsible and progressive manner.

Respectfully submitted,



Joyce Wilson  
*City Manager*



William F. Studer  
*Deputy City Manager - Administrative Services*



Carmen Arrieta-Candelaria  
*Chief Financial Officer*



Mark Sutter, Ph.D.  
*Comptroller*

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of El Paso  
Texas

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
August 31, 2010

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



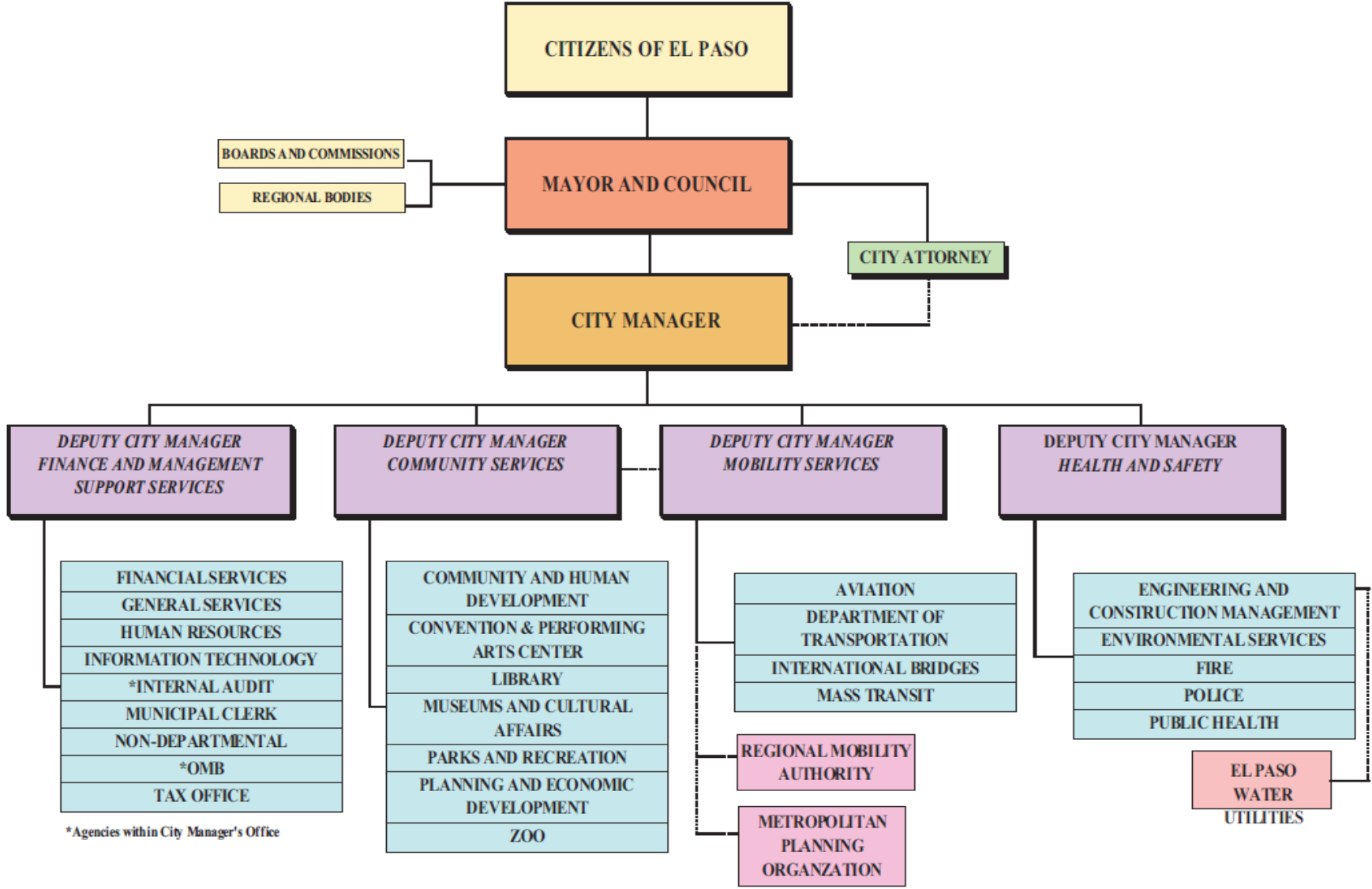
*Linda C. Davison*

President

*Jeffrey R. Emer*

Executive Director





LIST OF PRINCIPAL OFFICIALS

***JOHN F. COOK***

Mayor

***ANN MORGAN LILLY***

DISTRICT 1

***RACHEL QUINTANA***

DISTRICT 5

***SUSIE BYRD***

DISTRICT 2

***EDDIE HOLGUIN JR.***

DISTRICT 6

***EMMA ACOSTA***

DISTRICT 3

***STEVE ORTEGA***

DISTRICT 7

***CARL L. ROBINSON***

DISTRICT 4

***BETO O'ROURKE***

DISTRICT 8

***JOYCE A. WILSON***

CITY MANAGER

***DEBORAH G. HAMLYN***

DEPUTY CITY MANAGER - COMMUNITY SERVICES

***WILLIAM F. STUDER JR.***

DEPUTY CITY MANAGER - FINANCE & MANAGEMENT SUPPORT SERVICES

***DAVID ALMONTE***

DEPUTY CITY MANAGER - HEALTH & SAFETY

***JANE K. SHANG***

DEPUTY CITY MANAGER - MOBILITY SERVICES

## Department Directors

<b>Gregory K. Allen</b>	El Paso Police Department
<b>David Almonte</b>	Office of Management & Budget
<b>Miguel Gamino, Jr.</b>	Information Technology
<b>Carmen Arrieta-Candelaria</b>	Chief Financial Officer
<b>Jay Banasiak</b>	Mass Transit (Sun Metro)
<b>Bill Blaziek</b>	Convention & Visitors Bureau
<b>Dionne Mack-Harvin</b>	El Paso Public Library System
<b>Edmundo S. Calderon</b>	Internal Auditor
<b>Daryl W. Cole</b>	Department of Transportation
<b>Vacant</b>	Planning & Economic Development
<b>Otto Drozd</b>	El Paso Fire Department
<b>Richarda Duffy-Momsen</b>	Municipal Clerk
<b>Stuart Ed</b>	General Services
<b>Michael Hill</b>	Public Health
<b>Said Larbi-Cherif</b>	International Bridges
<b>William Lilly</b>	Community & Human Development
<b>Monica Lombraña</b>	Aviation (El Paso International)
<b>Juliet Lozano</b>	Communications & Public Affairs
<b>Steve Marshall</b>	Zoo
<b>Sean McGlynn</b>	Museums & Cultural Affairs
<b>Charlie McNabb</b>	City Attorney
<b>Juan Sandoval</b>	Consolidated Tax Office
<b>R. Alan Shubert</b>	Engineering & Construction
<b>Nanette Smejkal</b>	Parks & Recreation
<b>Ellen A. Smyth</b>	Environmental Services
<b>Linda Ball Thomas</b>	Human Resources

**FINANCIAL SECTION**



## Independent Accountants' Report on Financial Statements and Supplementary Information

The Honorable Mayor and  
Members of the City Council  
City of El Paso, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of El Paso, Texas (the City), as of and for the year ended August 31, 2011, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City's management. Our responsibility is to express opinions on these financial statements based on our audit. We did not audit the financial statements of the El Paso Water Utilities and the El Paso Housing Finance Corporation, the discretely presented component units of the City. We also did not audit the El Paso Firemen and Policemen's Pension Fund, a component unit of the City, which statements reflect total assets and net additions of \$1,088,220,062 and \$143,358,869 respectively, and represent 60.3% and 37.2% of the aggregate remaining fund information's total assets and revenues/net additions, respectively, at August 31, 2011 and for the year then ended. The financial statements of these entities were audited by other accountants whose reports thereon have been furnished to us, and our opinions, insofar as they relate to the amounts included for such entities, are based solely on the reports of the other accountants.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. The financial statements of the El Paso Firemen and Policemen's Pension Fund, a component unit of the City, were not audited in accordance with *Government Auditing Standards*. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit and the reports of the other accountants provide a reasonable basis for our opinions.

In our opinion, based on our audit and the reports of the other accountants, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of El Paso, Texas, as of August 31, 2011, and the respective changes in financial position and cash flows, where applicable, thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Honorable Mayor and  
Members of the City Council  
City of El Paso, Texas

As discussed in Note 1.T., in 2011, the City changed its method of accounting for fund balances under Governmental Accounting Standards Board Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*.

In accordance with *Government Auditing Standards*, we have also issued our report dated February 29, 2012, on our consideration of the City's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

The accompanying management's discussion and analysis, budgetary, pension and other post employment benefits information as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by the Governmental Accounting Standards Board. We and the other accountants have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The accompanying supplementary information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied by us and the other accountants in the audit of the basic financial statements and, in our opinion, based on our audit and the reports of other accountants, is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

The accompanying information in the introductory and statistical sections as listed in the table of contents has not been subjected to the auditing procedures applied by us and the other accountants in the audit of the basic financial statements and, accordingly, we express no opinion on it.

*BKD, LLP*

February 29, 2012

CITY OF EL PASO, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
August 31, 2011

As management of the City of El Paso (City), we offer readers of the City's financial statements this overview and analysis of the financial activities of the City for the fiscal year ended August 31, 2011. This document is designed to:

- Provide a concise overview of the City's financial activity, comparing current year to prior year and identifying specific economic factors contributing to changes;
- Help users of the financial statements understand the relationship of the results reported in the government-wide financial statements related to governmental activities and the results reported in the major governmental funds financial statements;
- Help the reader focus on the City's financial condition as a whole, describing currently known facts, decisions or conditions expected to impact the City's financial condition and the availability of fund resources for future years; and
- Identify significant variances between the adopted budget, final budget and actual expenditures, discussing the impact of these variances on future liquidity.

Since Management's Discussion and Analysis (MD&A) is designed to focus on the current year's activities and resulting changes, it should be considered in conjunction with the letter of transmittal and the City's financial statements. The information contained in these three sections of the Comprehensive Annual Financial Report (CAFR) complement each other.

### **FINANCIAL HIGHLIGHTS**

- ◆ On a government-wide basis, the Primary Government total assets exceeded its liabilities at August 31, 2011 by \$396.6 million. There is a \$167 million unrestricted net asset deficit.
- ◆ The Primary Government's total net assets increased by \$21.4 million. Governmental activities increased net assets by \$4.7 million while increases from business-type activities totaled \$16.7 million. The Primary Government's total expenses were \$21.4 million less than the \$651.8 million generated in charges for services, grants, taxes and other revenues.
- ◆ The cost of the Primary Government's governmental activities was \$482.8 million for the 2011 fiscal year.
- ◆ As of August 31, 2011, the City's governmental funds reported combined ending fund balances of \$93.9 million, an increase of \$13.1 million compared with the prior year. Approximately 22.5% of the combined fund balances or \$21.2 million is unassigned and available for the discrete purposes for which these funds are collected.
- ◆ The unassigned fund balance in the General Fund was \$21.2 million or 6.88% of total General Fund current year expenditures.
- ◆ In fiscal year 2011, the City issued \$92.7 million in debt to finance capital projects. There was an increase of \$73.3 million in long-term liabilities from the prior year.

CITY OF EL PASO, TEXAS  
 MANAGEMENT'S DISCUSSION AND ANALYSIS  
 August 31, 2011

**OVERVIEW OF THE FINANCIAL STATEMENTS**

The CAFR includes introductory, financial and statistical sections. The financial section of the CAFR consists of three components: this discussion and analysis, the basic “lifttable” financial statements and related notes to the financial statements, and the unaudited required supplementary information.

These components of the Comprehensive Annual Financial Report are graphically illustrated below:

<b>CAFR</b>	Introductory Section	Letter of Transmittal, Organization Chart, Other Introductory Information			
	Financial Section	Management's Discussion and Analysis			
		Government-Wide Financial Statements	Fund Financial Statements		
		Statement of Net Assets	Governmental Funds	Proprietary Funds	Fiduciary Funds
			Balance Sheet	Balance Sheet	Statement of Fiduciary Net Assets
			Statement of Revenues	Statement of Revenues, Expenses and Changes in Fund Net Assets (Deficit)	Statement of Changes in Fiduciary Net Assets
		Statement of Activities	Expenditures and Changes in Fund Balances	Statement of Cash Flows	
	Notes to the Financial Statements				
	Required Supplementary Information Other Than MD&A				
	Statistical Section	Other Statistical Information			

The basic financial statements include both government-wide and fund financial statements. These statements differ in scope, measurement focus and basis of accounting, as well as in the information provided. The following chart illustrates these differences:

	Government-Wide Statement	Fund Financial Statements		
		Governmental	Proprietary	Fiduciary
Scope	Entire entity (except fiduciary funds)	The day-to-day operating activities of the City for basic governmental services	The day-to-day operating activities of the City for business-type enterprises	Instances in which the City administers resources on behalf of others, such as property tax and pension
Accounting basis and measurement focus	Accrual accounting and economic resources measurement focus	Modified accrual and current financial resources measurement focus	Accrual accounting and economic resources measurement focus	Accrual accounting and economic resources measurement focus; except agency funds do not have measurement focus
Type of asset and liability information	All assets and liabilities, both financial and capital, short-term and long-term	Current assets and liabilities that come due during the year or soon thereafter	All assets and liabilities, both financial and capital, short-term and long-term	All assets held in a trustee or agency capacity for others and all liabilities
Type of inflow and outflow information	All revenues and expenses during the year, regardless of when cash is received or paid	Revenues for which cash is received during the year or soon thereafter; expenditures when goods or services have been received and the related liability is due and payable	All revenues and expenses during the year, regardless of when cash is received or paid	All additions and deductions during the year, regardless of when cash is received or paid



### **Government-wide Financial Statements**

The government-wide financial statements are designed to resemble those of private-sector entities in that all governmental and business-type activities are consolidated into columns which add to a total for the Primary Government.

The *Statement of Net Assets* is designed to provide asset and liability information with the difference between the two presented as Net Assets. This statement combines governmental fund's current financial resources (short-term spendable resources) with capital assets and long-term obligations.

Component Units, which are other governmental units over which City Council, acting as a group, can exercise influence and/or may be obligated to provide financial subsidy, are presented as a separate column in the government-wide statements and as individual activities in the Fund Financial Statements. The focus of the statements is clearly on the Primary Government and the presentation allows the user to address the relative relationship with the Component Units.

The *Statement of Activities* is focused on both the gross and net cost of various functions (including governmental, business-type and component unit) supported by the government's general tax and other revenues. This is intended to summarize and simplify the user's analysis of the costs of various governmental services and/or subsidies to various business-type activities and/or component units.

Governmental Activities reflect the City's basic services, including police, fire, public works and community services. Property and sales taxes finance the majority of these services.

Business-type Activities reflect private sector type operations (Solid waste disposal, Airport, International Bridges and Mass Transit), where fees for services typically cover all or most of the cost of operations, including depreciation.

### **Fund Financial Statements**

A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is based upon compliance with finance-related legal requirements underlying each fund. Traditional users of governmental financial statements will find the fund financial statements presentation more familiar. The focus is now on major funds, rather than fund types.

#### *Governmental Funds*

Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on how cash and other financial assets can readily be converted as available resources, as well as on the balances at the end of the fiscal year that are available for spending. Such information may be useful in determining what financial resources are available in the near future to finance the City's operations.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the Governmental Funds Balance Sheet and the Governmental Funds

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Statement of Revenues, Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The City maintains numerous governmental funds, as needed, to insure proper accountability. Information is presented separately in the Governmental Funds Balance Sheet and in the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, Community Development Block Grants Fund, Debt Service Fund and Capital Projects Fund, all of which are considered to be major funds. Data from the remaining Special Revenue funds are combined into a single column, titled Nonmajor Governmental Funds. Individual fund data for each of these nonmajor governmental funds is provided following the required supplementary information in the form of combining financial statements and schedules. These fund financial statements follow the basic financial statements in this CAFR.

*Proprietary Funds*

Proprietary funds are generally used to account for services for which the City charges customers—either outside customers or internal cost centers of the City. Proprietary funds provide a more detailed report of the same type of information as shown in the government-wide financial statements. The City maintains two types of proprietary funds:

- Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its airport, mass transit, solid waste disposal and international bridges operations.
- Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for its employee health benefits and welfare programs, risk management, fleet services, printing and mail services. As these internal services predominantly benefit governmental rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

The proprietary funds financial statements provide separate information for the enterprise funds (i.e., El Paso International Airport, Solid Waste Management (Environmental Services), Sun Metro (Mass Transit) and International Bridges) since they are considered major funds of the City. All internal service funds are combined into a single aggregated presentation on the proprietary fund financial statements. Individual fund data for the internal service funds are provided in the form of combining statements and schedules.

While the total column on the business-type fund financial statements for enterprise funds is the same as the business-type column on the government-wide financial statement, the governmental major funds total column requires a reconciliation because of the different measurement focus which is reflected on the page following each statement. The flow of current financial resources will reflect bond proceeds and inter-fund transfers as other financial sources as well as capital expenditures and bond principal payments as expenditures. The reconciliation will eliminate these transactions and incorporate the capital assets and long-term obligations into the Governmental Activities column in the government-wide statements.

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*Fiduciary Funds*

Fiduciary funds are used to account for resources held by the City in a trustee capacity or as an agent for the benefit of parties outside the City, individuals, private organizations or other governmental entities. Fiduciary funds include both trust and agency type funds. Trust fund statements allow the City to present its blended component units, the City's employee pension trust funds, as well as other private purpose trusts. Agency funds include tax office collections on behalf of the other taxing entities. While these funds represent a trust responsibility, these assets are restricted in purpose and do not represent discretionary resources of the government. Therefore, these assets are not presented as part of the government-wide financial statements.

*Notes to the Financial Statements*

The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes immediately follow the financial statements.

*Required Supplementary Information*

In addition to the basic financial statements and accompanying notes, the CAFR also presents certain required supplementary information. These schedules include a budgetary comparison and information concerning the City's funding of its pension obligations and other postemployment benefits.

*Other Information*

Following the required supplementary information are additional schedules such as the combining statements referred to above in connection with nonmajor governmental funds, internal service funds and fiduciary funds and schedules of expenditures for capital projects.

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

Comparative information for the current and preceding year is presented below:

Condensed Schedule of Net Assets  
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Current and other assets	\$ 290,213	\$ 273,821	135,041	102,315	425,254	376,136
Capital assets	785,321	741,945	345,117	335,183	1,130,438	1,077,128
Total assets	1,075,534	1,015,766	480,158	437,498	1,555,692	1,453,264
Other liabilities	38,840	33,462	14,075	11,929	52,915	45,391
Long-term liabilities	987,626	937,934	118,579	94,810	1,106,205	1,032,744
Total liabilities	1,026,466	971,396	132,654	106,739	1,159,120	1,078,135
Net assets:						
Invested in capital assets, net of related debt	124,745	140,704	287,678	291,226	412,423	431,930
Restricted	117,560	83,730	33,667	28,676	151,227	112,406
Unrestricted	(193,238)	(180,064)	26,158	10,856	(167,080)	(169,208)
Total net assets	\$ 49,067	\$ 44,370	347,503	330,758	396,570	375,128

**Analysis of the City's Net Assets**

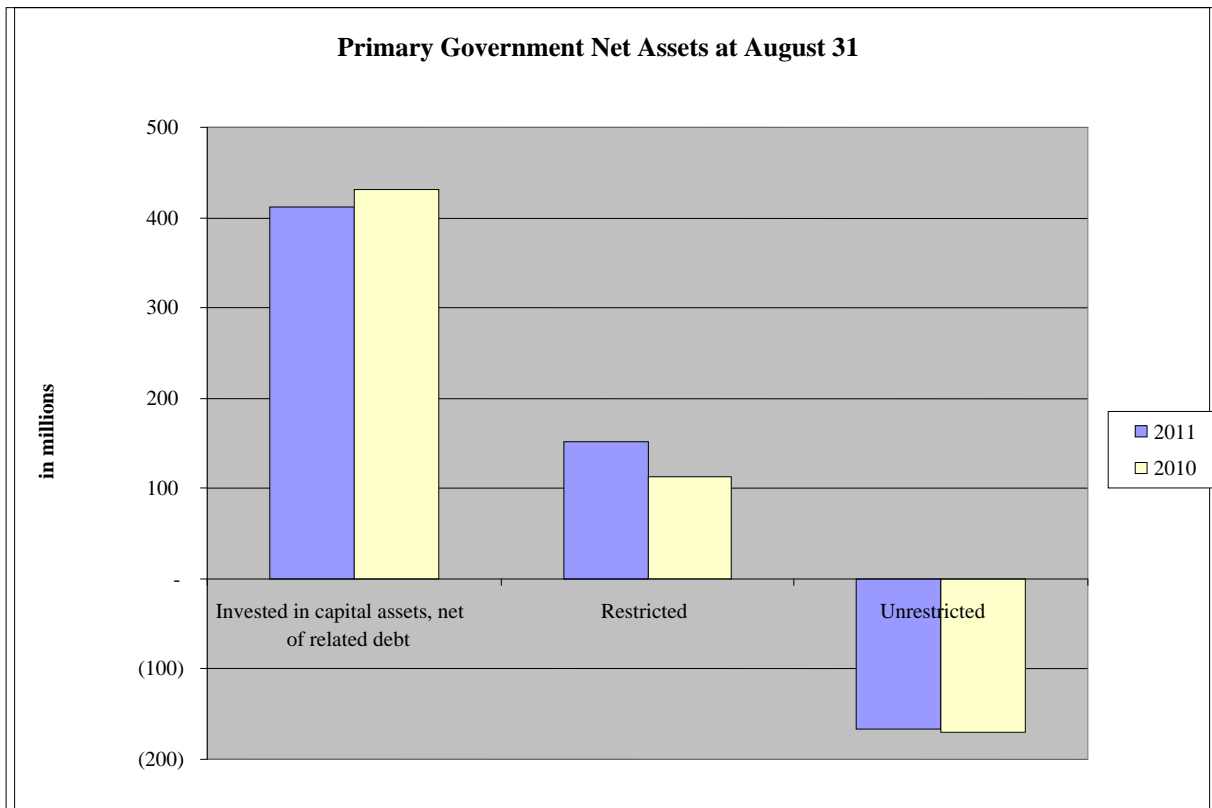
As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the City of El Paso, assets exceeded liabilities by \$396.6 million at August 31, 2011.

The largest portion of the City's net assets, \$412.4 million, reflects its investments in capital assets (e.g. land, buildings, equipment, improvements, construction in progress and infrastructure), less any outstanding debt used to acquire those assets. The City uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the City's net assets, \$151.2 million, represents resources that are subject to external restrictions on how they may be used. These restricted net assets include net assets for debt service, amounts restricted by other funding agencies, as well as a \$16 million cash reserve required by the City Charter. Restricted net assets increased \$38.8 (35%) over the prior year.

Generally, all net assets generated by governmental activities are either externally restricted or invested in capital assets. Unrestricted governmental activities net assets showed a \$193.2 million deficit at the end of this year. This deficit indicates that the City has long-term commitments that exceed its related assets.

Unrestricted net assets in business-type activities totaled \$26.2 million, increasing \$15.3 million from 2010.



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**Analysis of the City's Operations**

The following table provides a summary of the City's activities for the years ended August 31, 2011 and 2010. Governmental activities increased the City of El Paso's net assets by \$4.7 million accompanied by an increase in the business-type activities of the City of \$16.7 million resulting in a net asset increase of \$21.4 million.

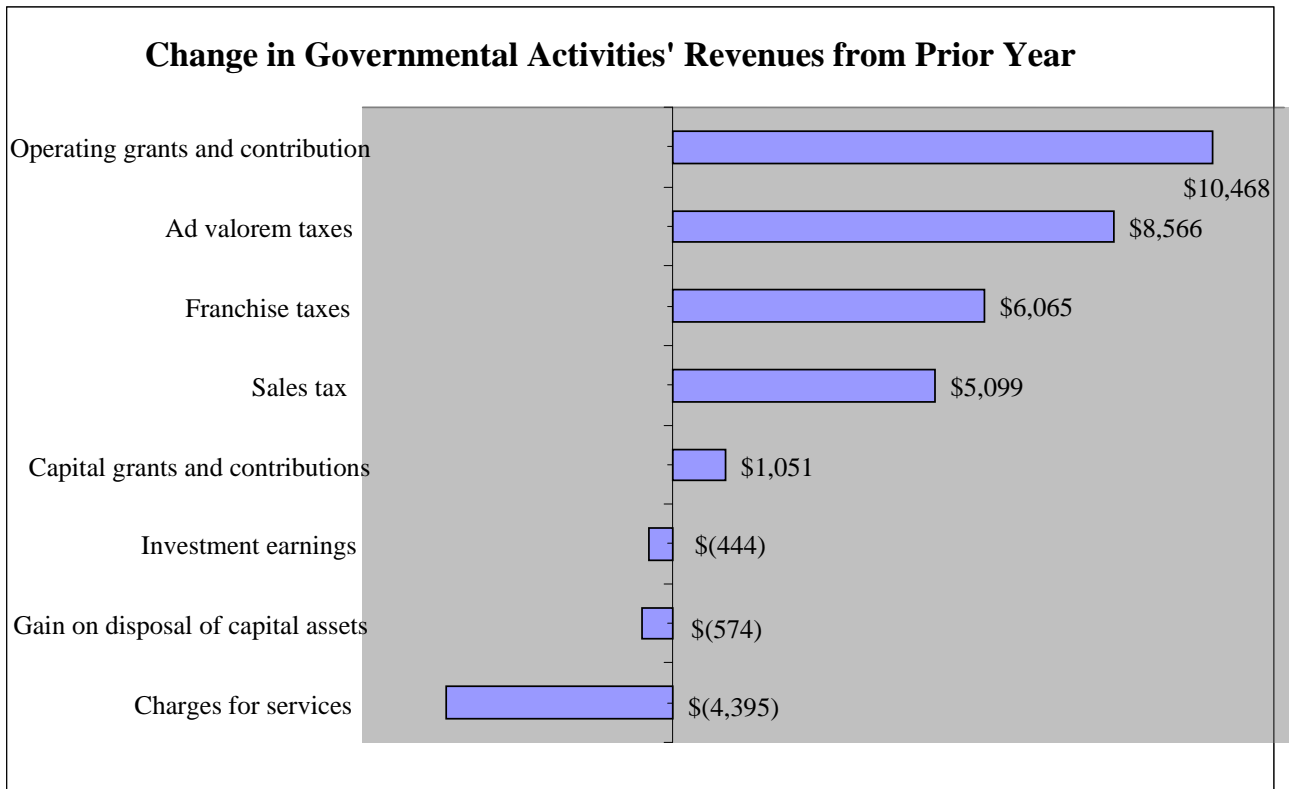
Condensed Schedule of Changes in Net Assets  
For the Year Ended August 31  
(in thousands)

	Governmental Activities		Business-type Activities		Total	
	2011	2010	2011	2010	2011	2010
Revenues:						
Program revenues:						
Charges for services	\$ 66,146	70,541	111,012	104,302	177,158	174,843
Operating grants and contributions	66,902	56,434	11,021	11,175	77,923	67,609
Capital grants and contributions	7,369	6,317	24,671	19,773	32,040	26,090
General revenues:						
Ad valorem taxes	197,182	188,616	-	-	197,182	188,616
Sales taxes	82,896	77,797	35,812	33,388	118,708	111,185
Franchise taxes	47,708	41,643	-	-	47,708	41,643
Investment earnings	252	696	236	262	488	958
Gain on disposal of capital assets	474	1,048	122	14	596	1,062
Total revenues	<u>468,929</u>	<u>443,092</u>	<u>182,874</u>	<u>168,914</u>	<u>651,803</u>	<u>612,006</u>
Expenses:						
Governmental activities:						
General government	40,877	43,628	-	-	40,877	43,628
Public safety	225,797	224,675	-	-	225,797	224,675
Public works	66,517	67,168	-	-	66,517	67,168
Public health	22,133	23,265	-	-	22,133	23,265
Parks	14,894	23,981	-	-	14,894	23,981
Library	12,407	9,588	-	-	12,407	9,588
Culture and recreation	24,846	23,421	-	-	24,846	23,421
Community and economic development	34,084	26,577	-	-	34,084	26,577
Interest on long-term debt	41,211	37,328	-	-	41,211	37,328
Business-type activities:						
International airport operations	-	-	36,311	34,239	36,311	34,239
Industrial park and other operations	-	-	5,927	6,963	5,927	6,963
International bridges	-	-	4,559	4,170	4,559	4,170
Solid waste disposal	-	-	37,255	31,821	37,255	31,821
Mass Transit	-	-	63,543	61,977	63,543	61,977
Total expenses	<u>482,766</u>	<u>479,631</u>	<u>147,595</u>	<u>139,170</u>	<u>630,361</u>	<u>618,801</u>
Excess (deficiency) before transfers	(13,837)	(36,539)	35,279	29,744	21,442	(6,795)
Transfers	18,534	20,759	(18,534)	(20,759)	-	-
Increase (decrease) in net assets	<u>4,697</u>	<u>(15,780)</u>	<u>16,745</u>	<u>8,985</u>	<u>21,442</u>	<u>(6,795)</u>
Net assets - September 1	<u>44,370</u>	<u>60,150</u>	<u>330,758</u>	<u>321,773</u>	<u>375,128</u>	<u>381,923</u>
Net assets - August 31	<u>\$ 49,067</u>	<u>44,370</u>	<u>347,503</u>	<u>330,758</u>	<u>396,570</u>	<u>375,128</u>

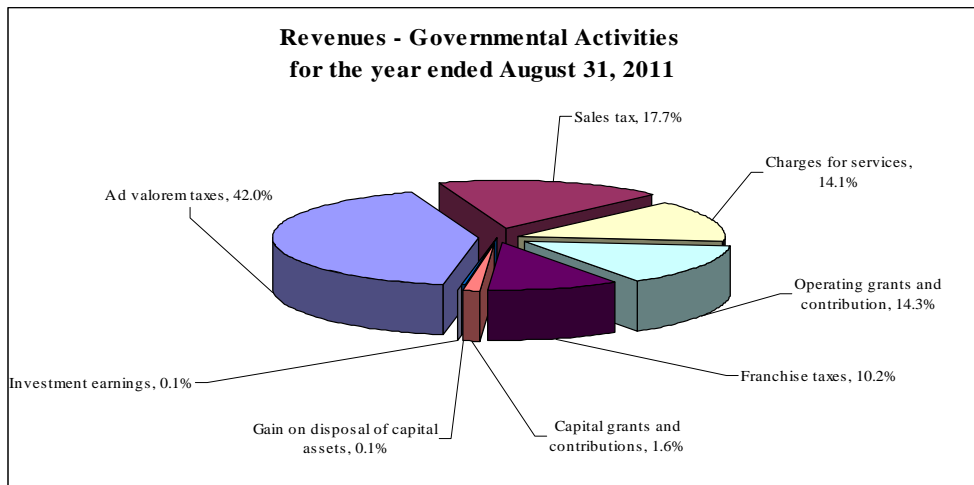
**Program Revenues and Expenses – Governmental Activities**

Governmental activities cover a range of typical City services and are directly supported by charges for these services, grants and contributions. In general, revenues generated by charges for services are inadequate to support the cost of the services with public safety creating the greatest burden on the taxpayer. Consequently, general revenues cover any net expense after program-specific revenues are applied. These general revenues include taxes, investment earnings and gains on sales of capital assets.

The following chart (in thousands) shows the change in governmental activities' revenues from the previous year:



Revenues for governmental activities totaled \$468.9 million, an increase of \$25.8 million or 5.8% from 2010.

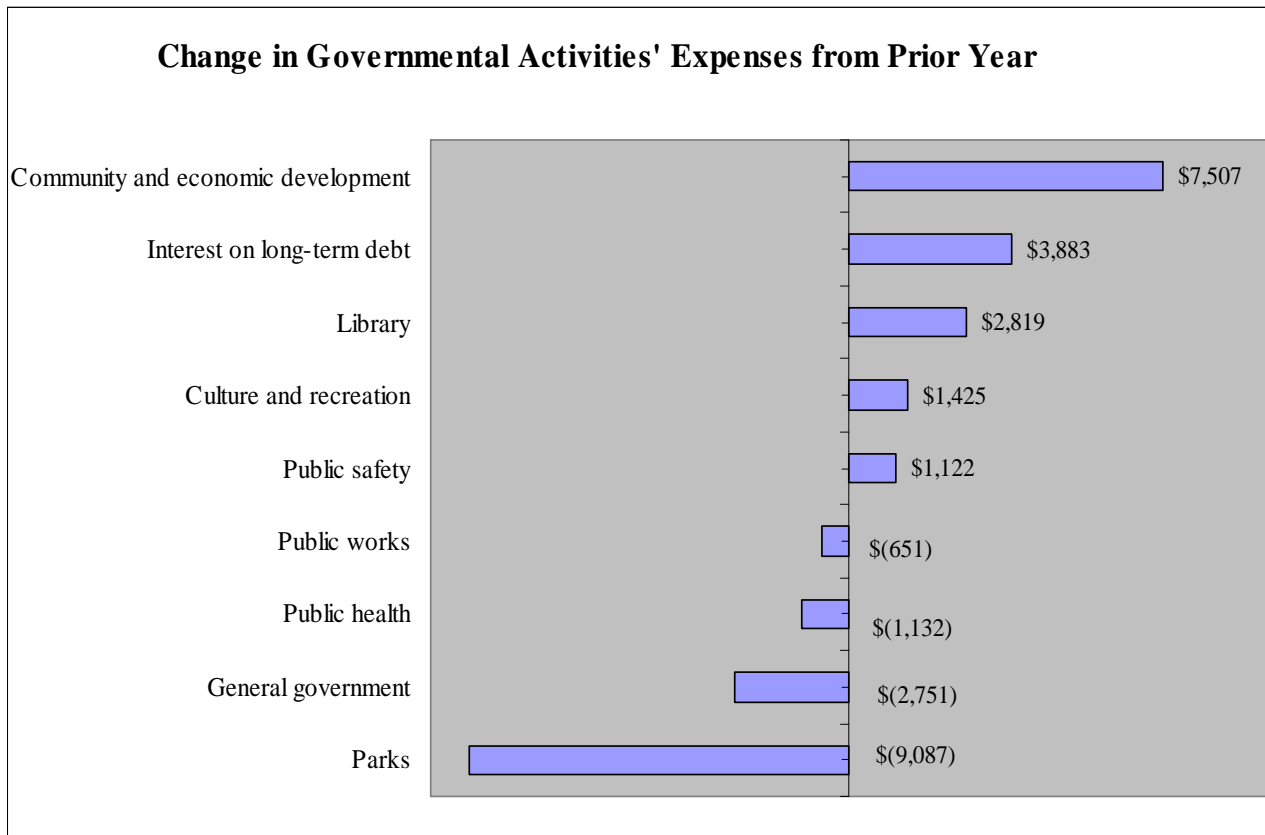


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The ad valorem taxable valuation increased 0.8% while the tax rate increased 3.3% (from .633/\$100 to .6584/\$100) in 2011. Ad valorem property tax revenues increased \$8.6 million (4.5%). Sales taxes increased \$5.1 million (6.5%), franchise taxes increased \$6.1 million (14.5%), operating and capital grants and contributions increased \$11.5 million (35.2%).

The cost of programs and services was \$482.8 million, an increase of \$3.1 million (.65%) from 2010. Expenses related to grants and contributions increased \$11.5 million. The net pension obligation expense increased \$5.3 million, other post-employment benefits expense increased \$8.3 million, compensated absence expense increased \$3.8 million and interest on long-term debt increased \$3.9 million.

The following chart (in thousands) shows changes in governmental activities' expenses from 2010:



**Program Revenues and Expenses – Business-type Activities**

Operating revenues increased \$6.7 million (8.3%) to \$111.012 million. Operating expenses, net of depreciation, increased \$5.6 million to \$112.162 million (5.2%) and depreciation expense increased \$2.6 million to \$32.058 million (8.9%). The increase in operating expenses includes \$2.9 million in Other Post-employment Benefits (OPEB) expenses and Net Pension Obligation (NPO) expenses. Nonoperating revenues increased \$4.238 million to \$51.99 million and nonoperating expenses decreased \$286 thousand to \$3.168 million. Capital contributions increased \$3.037 million to \$19.670 million. Transfers out decreased \$2.2 million to \$18.534 million.

### **El Paso International Airport**

This fund accounts for the operations of the El Paso International Airport, industrial parks and golf courses located on Airport property.

Operating revenues decreased \$0.2 million to \$34.7 million. There was an increase in operating expenses of \$1 million to \$41.7 million even though OPEB and NPO expense increased by \$0.72 million and depreciation increased by \$24 thousand. Nonoperating revenues increased \$1.628 million to \$6 million and nonoperating expenses decreased \$50 thousand to \$490 thousand. Capital contributions increased \$0.726 million to \$3.244 million and transfers out decreased \$0.482 million to \$1.612 million.

Other significant changes were:

- Increase in personnel services of \$366 thousand.
- Increase in outside contracts of \$387 thousand.
- All other operating expenses, excluding depreciation, increased \$0.224 million.
- Depreciation expense increased \$24 thousand
- Investment interest decreased \$50 thousand.
- Passenger facility charge revenue increased \$1.609 million.

### **Environmental Services**

This fund accounts for the solid waste collection and disposal activities of the City.

Operating revenues increased \$5.738 million (12.8%) to \$50.529 million. No changes were made to the fee schedule.

Operating expenses increased \$5.653 million to \$36.019 million and includes \$721 thousand in NPO and OPEB expenses. Other significant changes were:

- Personnel expense increased by \$1.76 million
- Fuel increased \$757 thousand.
- Outside contracts increased by \$1.21 million.
- Materials and supplies increased by \$564 thousand
- Depreciation expense increased \$762 thousand

### **Mass transit**

Mass Transit operating revenues increased \$820 thousand reflecting an increase in ridership with no increase in fees.

Operating expenses increased \$1.265 to \$62.507 million including \$1.319 million in expenses to record OPEB and NPO and \$1.827 million increase in depreciation expense. Other significant changes were:

- Personnel expenses increased \$2.012 million as a result of expanding service hours and routes.
- Fuel expense increased \$131 thousand as fuel cost slightly climbed during the year.



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- Outside contracts decreased by \$746 thousand.
- FTA subsidy (entitlement grant) decreased \$19 thousand.
- Capital contributions, from the FTA, increased \$4.045 million as both new facilities and vehicles were purchased. Generally, FTA funds only a portion (usually 80%) of the cost of these assets with the difference funded with transportation sales tax revenue.

**International Bridges**

This fund represents activity related to the City's international bridges. There was no fee increase from 2010. Operating revenues increased \$350 thousand due to an increase in vehicular and pedestrian traffic crossing the City's bridges.

Operating expenses increased \$243 thousand including NPO and OPEB expenses of \$114 thousand. Other significant changes were:

- Maintenance and repair expense increased \$37 thousand as the City began necessary repairs on the bridges.
- Outside contracts increased by \$103 thousand.

**FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUND LEVEL STATEMENTS**

**Governmental funds**

At the end of the current fiscal year, the City of El Paso's governmental funds reported total fund balance of \$93.9 million, an increase of \$13.1 million from 2010. Approximately 22.6% of this total amount or \$21.2 million constitutes unassigned fund balance. Nonspendable fund balance of \$2.9 million indicates that inventory is not available to liquidate liabilities. Restricted fund balance of \$59.2 million indicates there are legal restrictions on how these funds may be expended. Committed fund balance of \$9.4 million indicates City Council has restricted how these funds may be expended. Assigned fund balance of \$1.2 million indicates that City Management has planned to expend this amount in fiscal year 2012.

**General Fund**

The General Fund is the general operating fund of the City. The fund balance for the General Fund totaled \$42.3 million, increasing \$1.7 million from the prior year. There was no change in restricted and committed fund balances from the prior year.

There were no changes in sales tax/franchise fee rates and no material changes to the City's revenue fee schedules from 2010.

Revenues increased \$8.4 million and Transfers In decreased \$2.3 million or a net \$6.1 million (2%) from 2010.

Property tax revenues increased \$1.8 million or 1.44%. The adjusted assessed taxable valuation increased 0.8% and the general fund property tax rate increased 1.5%.

Sales taxes increased \$5.3 million. Franchise taxes increased \$4.3 million while Charges for services decreased \$2.7 million.

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Investment earnings decreased \$92 thousand as the yield on securities continued to decrease during fiscal 2011. Amounts invested during 2011 were comparable to 2010.

Revenue from the County of El Paso, relating to providing health services to County residents, decreased \$30 thousand to \$439 thousand.

Overall, expenditures increased \$3.8 million while transfers out increased \$3.1 million for a net increase of \$6.9 million or 2.25%.

Personnel expenditures increased \$3.9 million (1.8%). There was a net \$319 thousand (0.39%) increase in civilian workforce expenditures however there was a decrease of \$600 thousand in overtime. The City continues to closely monitor the need to fill positions vacated through attrition. The net \$3.6 million (2.68%) increase for public safety uniformed personnel expenditures includes an increase in overtime of \$1.39 million.

Self Insurance Fund charges, including Retiree health benefits expenditures, increased \$536 thousand.

Expenditures for utilities decreased \$530 thousand. As a result of the City's energy conservation contract with Johnson Controls, electricity expenditures decreased \$263 thousand from 2010 even though the number of City facilities in operation increased in 2011. This saving was used to fund the \$513 thousand increase in the debt service requirement for the Energy Conservation Notes. Future savings are expected to continue. Electricity expenditures will increase in the future due to growth in City facilities.

### **Community Development Block Grants**

The Community Development Block Grants Fund is the only Special Revenue Fund designated as a major fund for reporting purposes. These activities are funded by the U. S. Department of Housing and Urban Development (HUD) and program revenues of the revolving loan funds (RLF) that were initially funded by HUD. Recognition of these revenues is dependent upon the City expending these funds in accordance with the entitlement grants and is earned as expended. Expenditures decreased \$1.05 million from 2010 to \$18.1 million. The City utilized \$3 million in program revenues in 2011.

### **Debt Service Fund**

Ad valorem property tax revenues increased \$4.2 million (6.8%) as a result of an increase of 6.8% in the debt service ad valorem property tax rate combined with a 0.8% increase in taxable assessed value for real and personal property. Principal and interest payments increased \$3.3 million. \$2.6 million was transferred in from the Capital Projects Fund to close capital projects, as required by debt covenants. Fund balance for the debt service fund increased \$870 thousand from 2010.

The City's debt management policy requires the fund balance remain in excess of the debt service portion of the largest taxpayer's tax levy or \$838,236, for fiscal year 2011. The policy also requires that a plan, without causing large variances in the tax rate, should be adopted to reduce the fund balance should it exceed 25% of the current year's expenditure budget.

### **Capital Projects Fund**

Capital Projects Fund expenditures totaled \$76.6 million. Net proceeds of debt issued in 2011 were \$68.63 million while other funding sources (Hotel/Motel Tax, Interest and other) were \$13.8 million. Transfers from other funds were \$4.5 million and included \$3 million from the General

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Fund for vehicle replacement and \$1.52 million from Nonmajor governmental funds for technology improvements. Transfers to the Debt Service Fund (to close capital projects as required by bond covenants), were \$215 thousand. This resulted in an increase in fund balance of \$8.3 million to \$22.5 million.

**Nonmajor Governmental Funds**

Revenues in these funds were \$70.3 million and expenditures were \$66.8 million. Fund balance increased \$2.2 million to \$22.7 million.

**Federal Grants**

Funding for these activities is program specific and is provided by the U. S. Congress. Expenditures totaled \$16.2 million as follows:

- Public Safety – Police Department \$5.9 million
- Public Safety – Fire Department \$6.8 million
- Library \$356 thousand
- Metropolitan Planning \$1.3 million
- Neighborhood Stabilization \$372 thousand
- Planning and economic development \$2.6 million

**American Recovery and Reinvestment Act Grants**

Funding for these activities is program specific and is part of the Federal Stimulus program. Expenditures, by program, totaled \$13.8 million as follows:

- Strengthening Communities \$154 thousand
- CDBG-R \$295 thousand
- Energy Conservation \$4.1 million
- Fire Station Construction \$889 thousand
- HOPWA \$27 thousand
- HPRP \$1.9 million
- Public Safety TPA \$149 thousand
- Weatherization \$3.6 million
- BTOP Virtual Village \$2.6 million

**State Grants**

Expenditures for these activities is program specific and is provided by State Agencies or Departments. Expenditures, by City Department, totaled \$4.3 million as follows:

- Community Development - TDHCA \$1.1 million
- MCAD - Arts \$55 thousand
- Library \$97 thousand

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- Museums \$40 thousand
- Parks \$505 thousand
- Police Department \$2.5 million
- MPO \$31 thousand

**Other Grants**

Expenditures, funded by local and/or nonpublic sources, totaled \$407 thousand.

**Public Health**

Expenditures, totaling \$12.3 million, and funding, provided by DSHS, for these activities is program specific.

**Nongrants**

Funding for these activities comes from a variety of sources including property taxes, sales taxes, fines and forfeitures and charges for services. Generally, funding for these activities occurs over several fiscal years and expenditures are made as accumulated funding allows. Revenues totaled \$23.4 million and expenditures were \$19.7 million resulting in a total fund balance of \$22.7 million.

Fund balances as of August 31, 2011 include the following:

- PEG \$2.6 million
- Municipal Court Technology and Security \$3.2 million
- Convention and Visitors Bureau \$3.2 million
- Zoo \$567 thousand
- Parkland Dedication \$1.7 million
- Police Department \$5.5 million
- Economic Development \$3.7 million

**Proprietary funds**

The City's proprietary fund statements provide the same type of information found in the government-wide financial statements but in more detail.

Net assets of the respective proprietary funds are shown on the Statement of Net Assets for these funds. These funds had net asset increases/decreases as follows:

	2011	2010
El Paso International Airport	\$ 110,336	(1,475,593)
Environmental Services	11,653,003	10,645,228
Mass Transit	4,078,176	(250,092)
International Bridges	903,462	65,965
Net asset increase	<u>\$ 16,744,977</u>	<u>8,985,508</u>

Factors that contributed to the increase in net assets are discussed in the business-type activities section of the government-wide section.

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**GENERAL FUND BUDGETARY HIGHLIGHTS**

The City originally budgeted for no change in fund balance. City Council voted to increase the overall tax rate 0.7% to \$.658404 per \$100 in taxable value. The General Fund property tax rate increased 0.2% to \$.429236 and the Debt Service property tax rate increased 1.7% to \$.229168. The taxable assessed valuation of real and personal property increased approximately 0.8% from 2010.

During 2011, appropriations were increased a net total of \$4,592,347. Appropriation increases included \$3,000,000 to fund vehicle replacement, \$1,270,785 to fund fiscal year 2010 activities not completed by year end and \$500,000 to provide for outside legal counsel.

**CAPITAL ASSETS**

The City of El Paso’s investment in capital assets for its governmental and business-type activities as of August 31, 2011 amounts to \$1,130 million (net of accumulated depreciation).

*Infrastructure Assets*

General capital assets include land, improvements to land, easements, buildings, vehicles, machinery and equipment, infrastructure and all other tangible assets that are used in operations and that have initial useful lives greater than one year and exceed the government’s capitalization threshold (see Note 5). The City has capitalized assets with a cost of \$5,000 or more.

Historically, a government’s largest group of assets (infrastructure – roads, bridges, traffic signals) have not been reported nor depreciated in governmental financial statements. GASB 34 requires these assets be valued and reported within the Governmental column of the Government-wide Statements. Additionally, the government must elect to either (a) depreciate these assets over their estimated useful life or (b) develop a system of asset management designed to maintain the service delivery potential to near perpetuity. The City chooses to depreciate infrastructure assets over their estimated useful lives.

CAPITAL ASSETS AT YEAR-END  
(NET OF ACCUMULATED DEPRECIATION)

	Governmental Activities	Business-Type Activities	Total
Land	\$ 160,941,779	15,308,086	176,249,865
Artwork	-	979,637	979,637
Buildings	174,272,290	119,776,872	294,049,162
Equipment	34,351,413	58,975,459	93,326,872
Improvements	1,047,555	120,492,208	121,539,763
Infrastructure	314,990,439	-	314,990,439
Construction in Progress	99,717,158	29,584,476	129,301,634
Total	<u>\$ 785,320,634</u>	<u>345,116,738</u>	<u>1,130,437,372</u>

CITY OF EL PASO, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
August 31, 2011

This year's major additions included:

Vehicles, Equipment, Other	\$	9,442,664
Land		8,012,824
Streets		7,882,281
Convention and Visitors Bureau		7,537,975
Data Processing equipment and softwar		3,381,736
Drainage		3,219,412
Parks		675,692

**DEBT ADMINISTRATION**

At the end of the fiscal year, the City of El Paso had total debt payable of \$948,098,707. Of this amount, \$875,245,000 is bonded debt backed by the full faith and credit of the government. Revenue Bonds of \$37,800,000 and Notes Payable of \$15,104,627 are secured solely by fees for services rendered. The Notes Payable pertains to financing agreements between the City of El Paso and the State Infrastructure Bank, as well as the Federal Highway Administration to provide funding for design, construction, and improvement of the International Bridges. This debt also includes Capital Lease obligations of \$12,439,190 to acquire buses and \$3,036,072 to acquire software and licenses is payable to the Banc of America Leasing & Capital LLC.

**OUTSTANDING DEBT AT YEAR-END  
BONDS, NOTES PAYABLE AND MASTER EQUIPMENT LEASE/PURCHASE  
AGREEMENTS**

	Governmental Activities	Business-Type Activities	Total
General Obligations	\$ 586,965,000	-	586,965,000
Certificate of Obligations	263,632,227	24,647,773	288,280,000
Revenue Bonds Payable	-	37,800,000	37,800,000
Capital Lease Obligations	-	6,954,865	6,954,865
Notes Payable	12,994,215	15,104,627	28,098,842
Unamortized (Discount) premium, net	15,194,822	664,556	15,859,378
Deferred Amount on Refunding	(2,444,432)	-	(2,444,432)
Total	<u>\$ 876,341,832</u>	<u>85,171,821</u>	<u>961,513,653</u>

During the fiscal year, the City issued \$76,350,000 in certificates of obligation bonds.

The City's General Obligation, Revenue Bonds, and Certificate of Obligations ratings are listed below:

	Standard & Poor's	Fitch Ratings
General Obligations	AA	AA
Certificate of Obligations	AA	AA
Revenue Bonds Payable-El Paso International Airport	A+	A+
Revenue Bonds Payable-El Paso International Airport	AA-	A2

CITY OF EL PASO, TEXAS  
MANAGEMENT’S DISCUSSION AND ANALYSIS  
August 31, 2011

Additional information on the City of El Paso’s long-term debt can be found in Note 8 of this CAFR.

**ECONOMIC FACTORS AND NEXT YEAR’S BUDGET AND RATES**

**Economic Factors**

As the sixth largest city in Texas, El Paso’s estimated 2011 population of 675,324 has grown by over 19.8% from its 2000 census level. Population growth continues to grow in part from the result of the Defense Base Realignment and Closure (BRAC) process completed in late 2005. At that time, it was anticipated that over 20,000 new troops and 30,000 accompanying family members would become part of the City population during the next seven years. About two-thirds of the additional troops are expected to live off-base, spurring citywide residential development with an emphasis on affordable housing although other higher value master planned developments are underway or in the planning stages.

The City’s \$30 billion tax base is diverse and continues to grow beyond the typically modest rates of the past, increasing by nearly 27% over the past five years. The relocation of air cavalry and armored aviation units to Fort Bliss is attracting high-technology companies for both services and research and development. Major additions to the City’s retail, commercial and healthcare sectors helped unemployment rates trend downward to record lows in 2007.

In December 2011, the City’s projected unemployment rate fell to 9.3% with a projected labor force of 325,199 compared to the December 2006 unemployment rate of 6% with a labor force of 290,712. Employment numbers at the end of December 2011 reflected a positive change of 3,874 jobs from December 2010.

**General Fund Budget**

Fiscal year 2012 appropriations increased \$10.2 million (3.3%) to \$322.2 million from 2011 actual expenditures and transfers. Appropriations, by function, increased (decreased) as follows:

Function:	Change
Public safety	\$ 7,771,365
Nondepartmental	2,705,086
Public works	2,441,859
Parks department	1,161,536
Library	558,556
Culture and recreation	134,784
Community and human development	32,373
Economic development	(171,600)
Public Health	(607,358)
General government	(830,175)
Transfers to other funds	(3,026,116)
	\$ 10,170,310

CITY OF EL PASO, TEXAS  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
August 31, 2011

Estimated revenue and transfers increased \$8.5 million (2.7%) from 2011 actual revenues and transfers. Revenues and transfers increased (decreased) as follows:

<u>Revenue and transfers in:</u>	<u>Change</u>
Property taxes	\$ 4,650,205
Charges for services	3,903,697
Sales taxes	1,117,691
Fines and forfeits	1,081,163
Transfers In	902,040
Interest	128,972
County Participation	31,342
Intergovernmental revenues	(126,658)
Rents and other	(182,218)
Licenses and permits	(1,413,974)
Franchise fees	(1,615,963)
	<u>\$ 8,476,297</u>

The City's certified taxable assessed valuation for real and personal property increased 1.9% for the fiscal year 2012 tax levy. City Council increased the tax rate 0.7% to \$.658404/per hundred. The General Fund and Debt Service tax rates increased 0.2% and 1.7%, respectively.

### **REQUEST FOR INFORMATION**

The City of El Paso's Comprehensive Annual Financial Report is designed to provide citizens, customers, investors and creditors with a general overview of the City's finances. It is available at the following website: [http://www.elpasotexas.gov/financial\\_services/financial\\_afr.aspp](http://www.elpasotexas.gov/financial_services/financial_afr.aspp). If you have questions about this report or need any additional information, contact:

Financial Services  
Attention: Financial Accounting and Reporting Division  
2 Civic Center Plaza – 7<sup>th</sup> Floor  
El Paso, Texas 79901-1196  
(915) 541-4436  
e-mail: [ketonfw@ci.el-paso.tx.us](mailto:ketonfw@ci.el-paso.tx.us)



# CITY OF EL PASO, TEXAS

## STATEMENT OF NET ASSETS

August 31, 2011

	Primary Government			Component Units	
	Governmental Activities	Business-type Activities	Total	El Paso Water Utilities - February 28, 2011	El Paso Housing Finance Corporation - December 31, 2010
<b>ASSETS</b>					
Cash and Cash Equivalents	\$ 97,193,233	85,587,065	182,780,298	18,293,603	829,906
Investments	12,025,480	-	12,025,480	3,000,424	1,559,774
Receivables, net of allowances	97,137,470	22,561,494	119,698,964	18,308,508	-
Other Current Assets	-	-	-	106,080	71,850
Prepaid Items	-	453,056	453,056	1,901,731	1,609
Internal Balances	(1,415,163)	1,415,163	-	-	-
Due from Component Unit	2,456,798	3,950,596	6,407,394	-	-
Inventory	3,756,164	4,179,655	7,935,819	2,170,297	-
Restricted Cash and Cash Equivalents	-	16,182,572	16,182,572	122,022,910	9,535
Restricted Investments	-	-	-	58,545,406	-
Restricted Trade and Other Receivables	-	-	-	1,613,192	-
Unamortized Bond Issue Costs	8,013,917	711,519	8,725,436	7,043,783	-
Net Pension Asset	71,045,085	-	71,045,085	-	-
Capital Assets, not being depreciated	262,291,937	46,064,390	308,356,327	120,601,495	-
Capital Assets being depreciated, Net	523,028,697	299,052,348	822,081,045	1,037,422,646	523
<b>TOTAL ASSETS</b>	<b>1,075,533,618</b>	<b>480,157,858</b>	<b>1,555,691,476</b>	<b>1,391,030,075</b>	<b>2,473,197</b>
<b>LIABILITIES</b>					
Liabilities:					
Accounts Payable	11,383,686	7,647,164	19,030,850	16,143,294	26,924
Accrued Payroll	12,703,075	2,866,874	15,569,949	-	-
Due to Primary Government	-	-	-	4,482,800	-
Taxes and Fees Payable	1,567,429	357,441	1,924,870	-	-
Accrued Interest Payable	1,785,002	532,833	2,317,835	12,375,779	-
Unearned Revenue	-	1,752,906	1,752,906	546,248	-
Construction Contracts and Retainage Payable	11,401,115	917,655	12,318,770	1,566,513	-
Long-term Liabilities-Current	99,624,428	14,844,108	114,468,536	29,083,801	71,850
Long-term Liabilities-Non-current	888,001,392	103,735,430	991,736,822	576,156,051	-
<b>TOTAL LIABILITIES</b>	<b>1,026,466,127</b>	<b>132,654,411</b>	<b>1,159,120,538</b>	<b>640,354,486</b>	<b>98,774</b>
<b>NET ASSETS</b>					
Invested in Capital Assets, net of related debt	124,744,895	287,678,085	412,422,980	651,543,461	523
Restricted for:					
Debt Service	8,722,841	11,413,172	20,136,013	58,422,831	-
Cash Reserve	16,000,000	-	16,000,000	-	-
Claims and legal counsel	1,000,000	-	1,000,000	-	-
Municipal Court	3,363,327	-	3,363,327	-	-
PEG	2,646,692	-	2,646,692	-	-
Civic Center	3,240,509	-	3,240,509	-	-
Zoo	566,985	-	566,985	-	-
Library	232,880	-	232,880	-	-
Art Museum	431,646	-	431,646	-	-
Parks	2,014,914	-	2,014,914	-	-
Police	5,952,344	-	5,952,344	-	-
Public Works	92,575	-	92,575	-	-
Economic Development	5,240,143	-	5,240,143	-	-
Community Development	45,360,327	-	45,360,327	-	-
Mayor and City Council	111,735	-	111,735	-	-
Public Health	33,502	-	33,502	-	-
Airport Operations	-	4,990,272	4,990,272	-	-
Passenger Facilities	-	17,263,226	17,263,226	-	-
Facilities, infrastructure and equipment	22,550,387	-	22,550,387	-	-
Construction and improvements	-	-	-	19,313,514	-
Unrestricted	(193,238,211)	26,158,692	(167,079,519)	21,395,783	2,373,900
<b>TOTAL NET ASSETS</b>	<b>\$ 49,067,491</b>	<b>347,503,447</b>	<b>396,570,938</b>	<b>750,675,589</b>	<b>2,374,423</b>

CITY OF EL PASO, TEXAS  
STATEMENT OF ACTIVITIES  
For the Year Ended August 31, 2011

Functions/Programs	Expenses	Program Revenues			Net (Expense) Revenue and Changes in Net Assets			El Paso Water Utilities - February 28, 2011	El Paso Housing Finance Corporation December 31, 2010
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total		
<b>Primary Government:</b>									
<b>Governmental Activities:</b>									
General government	\$ 40,876,977	4,656,824	185,410	2,572,010	(33,462,733)	-	(33,462,733)	-	-
Public safety	225,797,408	27,117,960	15,186,245	1,037,776	(182,455,427)	-	(182,455,427)	-	-
Public works	66,517,227	15,095,949	13,247,074	896,611	(37,277,593)	-	(37,277,593)	-	-
Public health	22,132,789	5,201,141	13,046,743	-	(3,884,905)	-	(3,884,905)	-	-
Parks	14,893,992	4,079,600	748,919	-	(10,065,473)	-	(10,065,473)	-	-
Library	12,407,171	432,440	453,225	2,621,856	(8,899,650)	-	(8,899,650)	-	-
Culture and recreation	24,845,626	6,711,987	(133,608)	240,169	(18,027,078)	-	(18,027,078)	-	-
Community and economic development	34,084,029	2,850,308	22,282,701	-	(8,951,020)	-	(8,951,020)	-	-
Interest on long-term debt	41,210,972	-	1,885,064	-	(39,325,908)	-	(39,325,908)	-	-
Total governmental activities	482,766,191	66,146,209	66,901,773	7,368,422	(342,349,787)	-	(342,349,787)	-	-
<b>Business-type Activities:</b>									
International airport operations	36,311,679	26,190,812	-	9,090,721	-	(1,030,146)	(1,030,146)	-	-
Industrial park and other operations	5,927,445	8,518,450	-	-	-	2,591,005	2,591,005	-	-
Solid waste disposal operations	37,255,384	50,528,757	845,165	-	-	14,118,538	14,118,538	-	-
Mass transit operations	63,542,737	9,298,950	10,176,530	15,580,636	-	(28,486,621)	(28,486,621)	-	-
International bridges operations	4,559,555	16,475,270	-	-	-	11,915,715	11,915,715	-	-
Total business-type activities	147,596,800	111,012,239	11,021,695	24,671,357	-	(891,509)	(891,509)	-	-
<b>Total Primary Government</b>	<b>\$ 630,362,991</b>	<b>177,158,448</b>	<b>77,923,468</b>	<b>32,039,779</b>	<b>(342,349,787)</b>	<b>(891,509)</b>	<b>(343,241,296)</b>	<b>-</b>	<b>-</b>
<b>Component Units:</b>									
Water and reclaimed water	\$ 101,745,696	112,778,088	137,878	11,254,641	-	-	-	22,424,911	-
Wastewater	61,981,255	54,619,476	-	7,105,733	-	-	-	(256,046)	-
Stormwater district	11,145,884	15,290,074	997,990	508,814	-	-	-	5,650,994	-
Low/moderate income housing	125,102	1,071,361	-	-	-	-	-	-	946,259
<b>Total Component Units</b>	<b>\$ 174,997,937</b>	<b>183,758,999</b>	<b>1,135,868</b>	<b>18,869,188</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>27,819,859</b>	<b>946,259</b>
<b>General revenues:</b>									
<b>Taxes:</b>									
Property taxes, levied for general purposes					129,916,504	-	129,916,504	-	-
Property taxes, levied for debt service					67,265,418	-	67,265,418	-	-
Franchise taxes					47,708,179	-	47,708,179	-	-
Sales taxes					82,895,661	35,812,504	118,708,165	-	-
Investment earnings					252,460	236,058	488,518	814,550	5,334
Gain on disposal of capital assets					474,204	122,328	596,532	821,709	-
Transfers					18,534,404	(18,534,404)	-	-	-
Total general revenues and transfers					347,046,830	17,636,486	364,683,316	1,636,259	5,334
Change in net assets					4,697,043	16,744,977	21,442,020	29,456,118	951,593
Net assets - beginning					44,370,448	330,758,470	375,128,918	721,219,471	-
Prior period adjustment					-	-	-	-	1,422,830
Net assets - beginning, restated					44,370,448	330,758,470	375,128,918	721,219,471	1,422,830
Net assets - ending					\$ 49,067,491	347,503,447	396,570,938	750,675,589	2,374,423

CITY OF EL PASO, TEXAS

BALANCE SHEET

GOVERNMENTAL FUNDS

August 31, 2011

	General	Community Development Block Grants	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>						
Cash and Cash Equivalents	\$ 20,206,737	3,608,706	5,851,334	32,010,916	12,125,320	73,803,013
Investments	12,025,480	-	-	-	-	12,025,480
Receivables - Net of Allowances						
Taxes	17,641,356	-	2,871,714	-	-	20,513,070
Interest	39,006	403,462	-	-	-	442,468
Trade	894,583	-	-	64,693	262,880	1,222,156
Notes	-	39,802,516	-	-	23,069	39,825,585
Other	8,843,020	-	-	-	2,506,950	11,349,970
Due from Other Government Agencies	17,147	2,658,928	-	6,552,636	14,551,017	23,779,728
Due from Other Funds	4,497,771	-	-	-	11,355,626	15,853,397
Due from Component Unit	1,116,157	-	-	1,340,641	-	2,456,798
Inventory	2,878,463	-	-	-	-	2,878,463
<b>TOTAL ASSETS</b>	<b>\$ 68,159,720</b>	<b>46,473,612</b>	<b>8,723,048</b>	<b>39,968,886</b>	<b>40,824,862</b>	<b>204,150,128</b>
<b>LIABILITIES</b>						
Accounts Payable	\$ 5,578,564	583,568	1	-	3,791,159	9,953,292
Accrued Payroll	11,403,439	115,915	-	12,686	936,638	12,468,678
Due to Other Funds	-	-	-	5,912,934	11,355,626	17,268,560
Taxes Payable	1,567,223	-	206	-	-	1,567,429
Unearned Revenue	1,587,201	45,774,129	-	91,764	1,878,218	49,331,312
Deferred Ad Valorem Taxes	5,690,149	-	2,523,223	-	-	8,213,372
Due to Other Government Agencies	-	-	-	-	75,609	75,609
Construction Contracts and Retainage Payable	-	-	-	11,401,115	-	11,401,115
<b>Total Liabilities</b>	<b>25,826,576</b>	<b>46,473,612</b>	<b>2,523,430</b>	<b>17,418,499</b>	<b>18,037,250</b>	<b>110,279,367</b>
<b>FUND BALANCES:</b>						
Nonspendable	2,878,463	-	-	-	-	2,878,463
Restricted	16,000,000	-	6,199,618	22,550,387	13,241,405	57,991,410
Committed	1,000,000	-	-	-	9,624,521	10,624,521
Assigned	1,206,409	-	-	-	-	1,206,409
Unassigned	21,248,272	-	-	-	(78,314)	21,169,958
<b>Total Fund Balances</b>	<b>42,333,144</b>	<b>-</b>	<b>6,199,618</b>	<b>22,550,387</b>	<b>22,787,612</b>	<b>93,870,761</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 68,159,720</b>	<b>46,473,612</b>	<b>8,723,048</b>	<b>39,968,886</b>	<b>40,824,862</b>	<b>204,150,128</b>

CITY OF EL PASO, TEXAS  
RECONCILIATION OF THE BALANCE SHEET TO THE STATEMENT OF NET ASSETS  
GOVERNMENTAL FUNDS  
August 31, 2011

Fund balances - total governmental funds balance sheet \$ 93,870,761

Amounts reported for governmental activities in the statement of net assets are different because:

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

Governmental capital assets (excluding internal service funds)	1,538,500,077	
Accumulated depreciation	(753,255,325)	
		785,244,752

Other long-term assets are not available to pay for current period expenditures and therefore are omitted or deferred in the funds.

Unamortized bond issuance costs	8,013,917	
Unearned revenue	3,010,523	
Unearned revenue from franchise fees	546,660	
Property taxes	8,213,372	
Net pension asset - FPPF	71,045,085	
Unearned revenue from low income housing loans	45,774,129	
		136,603,686

Internal service funds are used to charge the costs of certain activities, such as health insurance, workers' compensation, unemployment, postage, copy center and equipment maintenance to individual funds. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets. 5,236,791

Long-term liabilities (excluding internal service funds), including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Accrued interest payable	(1,785,002)	
Arbitrage rebate payable	(30,227)	
Claims and judgments	(2,650,000)	
Compensated absences	(58,137,125)	
Net pension obligation - CEPF	(327,204)	
Other postemployment benefits	(32,617,109)	
Deferred amount on refunding	2,444,432	
Unamortized bond issuance premium	(15,194,822)	
Bonds and notes payable	(863,591,442)	
		(971,888,499)

Net assets of governmental activities \$ 49,067,491

**CITY OF EL PASO, TEXAS**  
**STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES**  
**GOVERNMENTAL FUNDS**  
For the Year Ended August 31, 2011

	General Fund	Community Development Block Grants	Debt Service	Capital Projects	Nonmajor Governmental Funds	Total Governmental Funds
<b>REVENUES</b>						
Property Taxes	\$ 127,264,779	-	66,139,094	-	449,634	193,853,507
Penalties and Interest-Delinquent taxes	1,240,645	-	598,145	-	-	1,838,790
Sales Taxes	74,284,237	-	-	3,078,949	5,532,475	82,895,661
Franchise Fees	44,248,798	-	-	-	4,543,826	48,792,624
Charges for Services	19,888,110	3,050,187	1,321,060	716,820	7,731,417	32,707,594
Fines and Forfeitures	12,409,494	-	-	-	2,078,608	14,488,102
Licenses and Permits	13,367,297	-	-	-	17,792	13,385,089
Intergovernmental Revenues	729,857	15,052,528	-	9,994,534	46,169,554	71,946,473
County Participation	438,658	-	-	-	-	438,658
Interest	121,028	-	54,583	73,677	3,172	252,460
Rents and Other	1,165,077	-	-	-	3,797,238	4,962,315
<b>TOTAL REVENUES</b>	<b>295,157,980</b>	<b>18,102,715</b>	<b>68,112,882</b>	<b>13,863,980</b>	<b>70,323,716</b>	<b>465,561,273</b>
<b>EXPENDITURES</b>						
Current:						
General Government	28,090,271	-	-	-	1,671,533	29,761,804
Public Safety	194,109,169	-	-	-	11,785,337	205,894,506
Public Works	19,549,097	-	-	-	560,014	20,109,111
Facilities Maintenance	22,578,339	-	-	-	-	22,578,339
Public Health	8,418,981	-	-	-	12,403,404	20,822,385
Parks Department	10,605,808	288,051	-	-	66,801	10,960,660
Library	7,970,984	-	-	-	542,794	8,513,778
Non Departmental	5,441,674	-	-	-	-	5,441,674
Culture and Recreation	5,702,875	-	-	-	12,273,548	17,976,423
Economic Development	3,242,582	-	-	-	4,578,092	7,820,674
Environmental Code Compliance	453,977	52,894	-	-	896,611	1,403,482
Community and Human Development	495,025	17,761,770	-	-	7,752,687	26,009,482
Debt Service:						
Principal	1,081,915	-	29,483,928	-	-	30,565,843
Interest Expense	728,484	-	42,243,471	-	-	42,971,955
Fiscal Fees	-	-	3,476	702,335	-	705,811
Capital Outlay	288,927	-	-	76,641,688	14,276,775	91,207,390
<b>TOTAL EXPENDITURES</b>	<b>308,758,108</b>	<b>18,102,715</b>	<b>71,730,875</b>	<b>77,344,023</b>	<b>66,807,596</b>	<b>542,743,317</b>
Excess(Deficiency) of revenues over expenditures	(13,600,128)	-	(3,617,993)	(63,480,043)	3,516,120	(77,182,044)
<b>OTHER FINANCING SOURCES(USES):</b>						
Transfers In	18,534,404	-	2,603,564	4,546,116	214,746	25,898,830
Transfers Out	(3,240,862)	-	-	(2,603,564)	(1,520,000)	(7,364,426)
Federal Tax Credit - Build America Bonds	-	-	1,885,064	-	-	1,885,064
Face Amount of Bonds Issued	-	-	-	69,280,000	-	69,280,000
Premium on Issuance of Bonds	-	-	-	57,868	-	57,868
Proceeds from Sale of Capital Assets	-	-	-	547,063	8,714	555,777
<b>TOTAL OTHER FINANCING SOURCES(USES)</b>	<b>15,293,542</b>	<b>-</b>	<b>4,488,628</b>	<b>71,827,483</b>	<b>(1,296,540)</b>	<b>90,313,113</b>
Net change in fund balances	1,693,414	-	870,635	8,347,440	2,219,580	13,131,069
Fund balances - beginning of year	40,639,730	-	5,328,983	14,202,947	20,568,032	80,739,692
Fund balances - end of year	\$ 42,333,144	-	6,199,618	22,550,387	22,787,612	93,870,761

**CITY OF EL PASO, TEXAS**  
**RECONCILIATION OF THE STATEMENTS OF REVENUES, EXPENDITURES AND CHANGES IN FUND**  
**BALANCES TO THE STATEMENT OF ACTIVITIES**  
**GOVERNMENTAL FUNDS**  
For the Year Ended August 31, 2011

Change in net assets reported for governmental activities in the statement of activities are different because:

Net change in fund balances - total governmental funds \$ 13,131,069

Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.

Capital acquisitions	74,414,065	
Depreciation	<u>(30,940,691)</u>	43,473,374
Cost of disposed assets	(2,786,204)	
Accumulated depreciation on disposed assets	<u>2,704,631</u>	(81,573)

Revenues in the statement of activities that do not provide current financial resources are not reported as

Unearned revenue from franchise fees	(1,084,445)	
Unearned revenue from low income housing loans	(483,253)	
Unearned revenue	1,086,362	
Property taxes	<u>1,489,625</u>	1,008,289

The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets.

Issuance of long-term debt	(69,280,000)	
Repayments	30,565,843	
Amount deferred on refunding	(564,302)	
Unamortized bond issuance costs	(207,365)	
Premium on issuance of bonded debt	<u>(57,868)</u>	(39,543,692)

Some expenses (excluding internal service fund activity) reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.

Increase in compensated absences	(3,764,522)	
Increase in accrued interest payable	(198,382)	
Increase in net pension obligation-CEPF	(61,088)	
Decrease in net pension asset	(5,249,368)	
Increase in other postemployment benefits	(8,343,579)	
Amortization of premiums on bonds issued	<u>2,731,032</u>	(14,885,907)

Internal service funds are used by management to charge the costs of health insurance, worker's compensation, unemployment benefits, postage, copy center and equipment maintenance to individual funds. The net revenue of the internal service funds is reported by function within governmental activities. 1,595,483

Change in net assets of governmental activities \$ 4,697,043

CITY OF EL PASO, TEXAS

BALANCE SHEET

PROPRIETARY FUNDS

August 31, 2011

Business-type Activities - Enterprise Funds

	El Paso International Airport	Environmental Services	Mass Transit	International Bridges	Totals	Governmental Activities - Internal Service Funds
<b>ASSETS</b>						
Current assets:						
Cash and Cash Equivalents	\$ 62,794,340	12,838,048	16,077	9,938,600	85,587,065	23,390,220
Receivables - Net of Allowances:						
Taxes	-	-	5,581,773	-	5,581,773	-
Trade	2,264,216	1,630,971	673,288	58,542	4,627,017	4,493
Due from Other Government Agencies	199,585	392,183	11,760,936	-	12,352,704	-
Due From Component Unit	-	3,950,596	-	-	3,950,596	-
Prepaid Items	363,373	21,565	68,118	-	453,056	-
Due From Other Funds	-	-	5,912,934	-	5,912,934	318,053
Inventory	1,246,074	5,185	2,928,396	-	4,179,655	877,701
Total current assets	66,867,588	18,838,548	26,941,522	9,997,142	122,644,800	24,590,467
Noncurrent assets:						
Restricted Cash and Cash Equivalents	-	16,182,572	-	-	16,182,572	-
Unamortized Bond Issue Costs	711,519	-	-	-	711,519	-
Capital Assets:						
Land	1,382,217	-	11,456,338	2,469,531	15,308,086	-
Buildings, Improvements & Equipment, Net	176,641,143	30,956,429	90,016,802	2,609,802	300,224,176	56,756
Construction in Progress	10,684,453	1,392,668	9,675,432	7,831,923	29,584,476	19,126
Total noncurrent assets	189,419,332	48,531,669	111,148,572	12,911,256	362,010,829	75,882
<b>TOTAL ASSETS</b>	<b>\$ 256,286,920</b>	<b>67,370,217</b>	<b>138,090,094</b>	<b>22,908,398</b>	<b>484,655,629</b>	<b>24,666,349</b>
<b>LIABILITIES</b>						
Current liabilities:						
Accounts Payable	\$ 3,394,467	1,390,136	1,726,188	1,136,373	7,647,164	1,354,785
Accrued Payroll	675,974	651,176	1,448,231	91,493	2,866,874	234,397
Current Portion - Bonds, Notes and Capital						
Lease Obligations Payable	1,000,798	2,808,806	3,047,210	1,840,889	8,697,703	-
Due to Other Funds	-	-	4,497,771	-	4,497,771	318,053
Taxes Payable	53,796	303,661	(16)	-	357,441	-
Interest Payable on Bonds and Notes	93,650	61,009	96,641	281,533	532,833	-
Unearned Revenue	1,749,602	-	804	2,500	1,752,906	-
Construction Contracts and Retainage Payable	884,215	-	33,440	-	917,655	-
Compensated Absences - Current	2,172,741	836,027	1,453,099	137,702	4,599,569	273,438
Landfill Closure Costs - Current	-	1,200,000	-	-	1,200,000	-
Claims and Judgments - Current	-	-	346,836	-	346,836	16,433,229
Total current liabilities	10,025,243	7,250,815	12,650,204	3,490,490	33,416,752	18,613,902
Noncurrent liabilities:						
Certificates of Obligation Bonds	-	5,876,546	17,021,554	-	22,898,100	-
Revenue Bonds	20,858,015	15,150,021	-	-	36,008,036	-
Capital Lease Obligations	-	-	3,944,429	-	3,944,429	-
Notes Payable	-	-	-	13,263,738	13,263,738	-
Compensated Absences	612,825	235,803	409,848	38,839	1,297,315	77,124
Landfill Closure Costs	-	14,868,822	-	-	14,868,822	-
Delta Transfer Station Closure Costs	-	113,750	-	-	113,750	-
Net Pension Obligation	1,093,764	42,227	97,348	7,046	1,240,385	13,380
Other Postemployment Benefits	2,210,990	2,561,402	4,896,642	431,821	10,100,855	725,152
Total noncurrent liabilities	24,775,594	38,848,571	26,369,821	13,741,444	103,735,430	815,656
<b>TOTAL LIABILITIES</b>	<b>34,800,837</b>	<b>46,099,386</b>	<b>39,020,025</b>	<b>17,231,934</b>	<b>137,152,182</b>	<b>19,429,558</b>
<b>NET ASSETS</b>						
Invested in capital assets, net of related debt	180,614,584	8,513,724	93,048,313	5,501,464	287,678,085	75,882
Restricted for:						
Debt Service	11,413,172	-	-	-	11,413,172	-
Airport Operations	4,990,272	-	-	-	4,990,272	-
Passenger Facilities	17,263,226	-	-	-	17,263,226	-
Unrestricted	7,204,829	12,757,107	6,021,756	175,000	26,158,692	5,160,909
<b>TOTAL NET ASSETS</b>	<b>221,486,083</b>	<b>21,270,831</b>	<b>99,070,069</b>	<b>5,676,464</b>	<b>347,503,447</b>	<b>5,236,791</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>256,286,920</b>	<b>67,370,217</b>	<b>138,090,094</b>	<b>22,908,398</b>	<b>484,655,629</b>	<b>24,666,349</b>

**CITY OF EL PASO, TEXAS**  
**STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS(DEFICIT)**  
**PROPRIETARY FUNDS**  
For the Year Ended August 31, 2011

Business-type Activities - Enterprise Funds						
	El Paso International Airport	Environmental Services	Mass Transit	International Bridges	Total	Governmental Activities - Internal Service Funds
<b>OPERATING REVENUES:</b>						
Charges of Rentals and Fees	\$ 34,388,300	50,349,179	24,064	32,634	84,794,177	-
Charges of Tolls	-	-	-	16,431,696	16,431,696	-
Charges of Fares and Fees	297,426	-	9,253,890	-	9,551,316	-
Sales to Departments	-	-	-	-	-	16,202,567
Premium Contributions	-	-	-	-	-	51,758,705
General Revenues	23,536	179,578	20,996	10,940	235,050	1,475,220
<b>Total Operating Revenues</b>	<b>34,709,262</b>	<b>50,528,757</b>	<b>9,298,950</b>	<b>16,475,270</b>	<b>111,012,239</b>	<b>69,436,492</b>
Personnel Services	16,204,181	15,705,535	35,278,093	2,264,573	69,452,382	5,001,669
Contractual Services	10,050	94,489	-	-	104,539	-
Professional Services	639,586	39,585	500,356	4,976	1,184,503	1,075,825
Outside Contracts	5,878,069	2,825,371	4,202,836	865,137	13,771,413	3,583,195
Fuel and Lubricants	311,469	3,108,802	3,919,967	11,143	7,351,381	8,298,064
Materials and Supplies	675,297	4,835,139	3,883,537	55,002	9,448,975	3,407,848
Communications	219,209	185,751	173,848	20,813	599,621	15,845
Utilities	1,852,751	38,000	598,058	32,384	2,521,193	22,478
Operating Leases	35,068	38,177	496,586	-	569,831	94,437
Travel and Entertainment	127,746	61,607	32,322	9,663	231,338	892
Benefits Provided	177	-	30,076	-	30,253	45,313,292
Maintenance and Repairs	832,537	380,598	535,368	39,773	1,788,276	1,008,368
Landfill and Transfer Station Utilization	-	(1,538,159)	-	-	(1,538,159)	-
Other Operating Expenses	381,151	3,953,023	2,245,563	67,045	6,646,782	21,595
Depreciation	14,581,757	6,291,789	10,610,981	574,264	32,058,791	35,698
<b>Total Operating Expenses</b>	<b>41,749,048</b>	<b>36,019,707</b>	<b>62,507,591</b>	<b>3,944,773</b>	<b>144,221,119</b>	<b>67,879,206</b>
<b>Operating Income (Loss)</b>	<b>(7,039,786)</b>	<b>14,509,050</b>	<b>(53,208,641)</b>	<b>12,530,497</b>	<b>(33,208,880)</b>	<b>1,557,286</b>
<b>NONOPERATING REVENUES (EXPENSES):</b>						
Interest Revenue	145,858	68,842	-	21,358	236,058	38,197
Interest Expense	(490,076)	(1,235,677)	(1,035,146)	(614,782)	(3,375,681)	-
Federal Tax Credit - Build America Bonds	-	-	206,950	-	206,950	-
Gain(Loss) on Sale of Equipment and Land	16,027	104,008	2,293	-	122,328	-
Passenger Facility Charge	5,846,384	-	-	-	5,846,384	-
Sales Tax	-	-	35,812,504	-	35,812,504	-
FTA Subsidy	-	-	9,969,580	-	9,969,580	-
<b>Total NonOperating Revenues (Expenses)</b>	<b>5,518,193</b>	<b>(1,062,827)</b>	<b>44,956,181</b>	<b>(593,424)</b>	<b>48,818,123</b>	<b>38,197</b>
Income (Loss) Before Capital Contributions and Transfers	(1,521,593)	13,446,223	(8,252,460)	11,937,073	15,609,243	1,595,483
Capital Contributions	3,244,337	845,165	9,695,901	-	13,785,403	-
Capital Contributions-ARRA Stimulus Grants	-	-	5,884,735	-	5,884,735	-
Transfers Out	(1,612,408)	(2,638,385)	(3,250,000)	(11,033,611)	(18,534,404)	-
Change in net assets	110,336	11,653,003	4,078,176	903,462	16,744,977	1,595,483
Total Net Assets(Deficit)-beginning	221,375,747	9,617,828	94,991,893	4,773,002	330,758,470	3,641,308
<b>Total Net Assets-ending</b>	<b>\$ 221,486,083</b>	<b>21,270,831</b>	<b>99,070,069</b>	<b>5,676,464</b>	<b>347,503,447</b>	<b>5,236,791</b>



# CITY OF EL PASO, TEXAS

## STATEMENT OF CASH FLOWS

### PROPRIETARY FUNDS

For the Year Ended August 31, 2011

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	El Paso International Airport	Environmental Services	Mass Transit	International Bridges	Totals	
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>						
Receipts from Customers	\$ 34,990,388	50,400,757	9,331,378	16,416,728	111,139,251	69,432,089
Payments to Suppliers	(9,266,776)	(15,083,596)	(26,014,829)	(58,965)	(50,424,166)	(62,046,091)
Payments to Employees	(15,218,906)	(14,907,731)	(33,678,899)	(2,144,774)	(65,950,310)	(4,731,041)
Proceeds from Other Funds	-	-	4,497,771	-	4,497,771	(318,053)
Proceeds to Other Funds	-	-	-	-	-	318,053
Net cash provided (used) by operating activities	10,504,706	20,409,430	(45,864,579)	14,212,989	(737,454)	2,654,957
<b>CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES</b>						
Transfers to Other Funds	(1,612,408)	(2,638,385)	(3,250,000)	(11,033,611)	(18,534,404)	-
Sales Tax	-	-	35,393,104	-	35,393,104	-
FTA Subsidy	-	-	3,968,244	-	3,968,244	-
Net cash provided (used) by noncapital financing activities	(1,612,408)	(2,638,385)	36,111,348	(11,033,611)	20,826,944	-
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>						
Passenger Facility Charge	5,846,384	-	-	-	5,846,384	-
Capital Contributions from Federal Government	3,244,337	-	17,327,790	-	20,572,127	-
Purchases of Capital Assets	(12,964,466)	(5,937,333)	(4,468,913)	(6,864,964)	(30,235,676)	(19,125)
Payment of Landfill Closure and Transfer Station cost	-	(49,991)	-	-	(49,991)	-
Proceeds from Capital Deb	16,365,916	-	-	6,356,000	22,721,916	-
Principal Paid on Capital Debt	(1,059,727)	(2,697,241)	(2,280,029)	(1,828,950)	(7,865,947)	-
Interest Paid on Capital Debt	(310,216)	(1,251,227)	(825,021)	(602,597)	(2,989,061)	-
Unamortized Bond Issue Expense	(711,519)	-	-	-	(711,519)	-
Proceeds from Sale of Capital Assets	16,027	104,008	2,293	-	122,328	-
Net cash provided (used) by capital and related financing activities	10,426,736	(9,831,784)	9,756,120	(2,940,511)	7,410,561	(19,125)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>						
Interest	145,858	68,842	-	21,358	236,058	38,197
Net cash provided (used) by investing activities	145,858	68,842	-	21,358	236,058	38,197
Net increase (decrease) in cash and cash equivalents	19,464,892	8,008,103	2,889	260,225	27,736,109	2,674,029
Cash and Cash Equivalents - beginning of the year	43,329,448	21,012,517	13,188	9,678,375	74,033,528	20,716,191
Cash and Cash Equivalents - end of the year	62,794,340	29,020,620	16,077	9,938,600	101,769,637	23,390,220

CITY OF EL PASO, TEXAS

STATEMENT OF CASH FLOWS

PROPRIETARY FUNDS

For the Year Ended August 31, 2011

	Business-type Activities - Enterprise Funds					Governmental Activities - Internal Service Funds
	El Paso International Airport	Environmental Services	Mass Transit	International Bridges	Totals	
<b>RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES:</b>						
Operating Income (Loss)	\$ (7,039,786)	14,509,050	(53,208,641)	12,530,497	(33,208,880)	1,557,286
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:						
Landfill and Transfer Station Utilization	-	(1,538,159)	-	-	(1,538,159)	-
Depreciation Expense	14,581,757	6,291,789	10,610,981	574,264	32,058,791	35,698
Compensated Absences	219,047	(39,415)	137,229	(1,064)	315,797	26,137
Other Post Employment Benefits	565,986	712,183	1,299,054	1,227	2,578,450	2,828
Net Pension Obligation	151,767	8,704	19,734	112,779	292,984	202,585
Change in Assets and Liabilities:						
Receivables, Net	53,175	(162,918)	1,051,906	(58,542)	883,621	(4,403)
Inventories	6,777	288,998	(133,344)	-	162,431	(81,329)
Other Assets	(46,228)	(8,047)	(11,642)	-	(65,917)	(318,053)
Accounts and other payables	1,963,736	230,913	(5,918,468)	1,046,971	(2,676,848)	509,451
Accrued Expenses	48,475	116,332	288,612	6,857	460,276	724,757
Net cash provided by operating activities	<u>\$ 10,504,706</u>	<u>20,409,430</u>	<u>(45,864,579)</u>	<u>14,212,989</u>	<u>(737,454)</u>	<u>2,654,957</u>
<b>SCHEDULE OF NONCASH INVESTING, CAPITAL AND FINANCING ACTIVITIES</b>						
Proceeds from Capital Debt, retained in Capital Projects Fund	\$ -	-	7,070,000	-	7,070,000	-
Purchases of Capital Assets made from Capital Projects Fund	-	-	(9,833,856)	-	(9,833,856)	-
	<u>\$ -</u>	<u>-</u>	<u>(2,763,856)</u>	<u>-</u>	<u>(2,763,856)</u>	<u>-</u>

**CITY OF EL PASO, TEXAS**  
**STATEMENT OF FIDUCIARY NET ASSETS**  
**FIDUCIARY FUNDS**  
August 31, 2011

	Pension Trust Funds	Private-Purpose Trusts	Agency Funds
<b>ASSETS</b>			
Cash and Cash Equivalents	\$ 23,638,857	6,600,123	24,922,060
Investments:			
Commingled Funds	143,207,686	-	-
High-yield Bond Obligations	37,621,256	-	-
Mutual Funds	40,439,112		
Corporate Stocks	158,986,714	-	-
Bank Collective Investment Funds	137,232,705	-	-
Private Equities	6,073,257	-	-
Real estate investment funds	30,908,897	-	-
Fixed Income Securities	325,587,608		
Domestic Equities	337,312,254	-	-
International Equities	331,914,497	-	-
Invested securities lending collateral	64,028,944		
Receivables - Net of Allowances			
Commission Credits Receivable	113,600	-	-
Due from Brokers For Securities Sold	252,033	-	-
Employer Contributions	1,710,082	-	-
Employee Contributions	1,260,937	-	-
Special Assessment PID #1	-	-	381,319
Other	856,024	-	-
Delinquent Property Taxes-Other Taxing Entities	-	-	60,253,840
Prepaid Items	27,663	-	-
Other assets, net	20,915	-	3,562,096
Capital Assets:			
Buildings, Improvements & Equipment, Net	994,411	-	-
<b>Total Assets</b>	<b>\$ 1,642,187,452</b>	<b>6,600,123</b>	<b>89,119,315</b>
<b>LIABILITIES</b>			
Accounts Payable	\$ 66,495,227	44,709	23,339,039
Accrued Payroll	-	4,620	-
Payable to Bondholders - PID #1	-	-	381,319
Amount Available to Pay Bonds - PID #1	-	-	19,692
Due to Other Funds	-	3,562,096	-
Prepaid Property Taxes-Other Taxing Entities	-	-	1,402,951
Deferred Revenue - Commission Credits	113,600	-	-
Property Taxes Subject to Refund-Other Taxing Entities	-	-	3,722,474
Uncollected Property Taxes-Other Taxing Entities	-	-	60,253,840
<b>Total liabilities</b>	<b>66,608,827</b>	<b>3,611,425</b>	<b>89,119,315</b>
<b>NET ASSETS:</b>			
Held in Trust for Pension Benefits and Other Purposes	<b>\$ 1,575,578,625</b>	<b>2,988,698</b>	

CITY OF EL PASO, TEXAS  
STATEMENT OF CHANGES IN FIDUCIARY NET ASSETS  
FIDUCIARY FUNDS  
For the Year Ended August 31, 2011

	Pension Trust Funds	Private- Purpose Trusts
ADDITIONS:		
Contributions:		
Employer	\$ 40,621,351	-
Employee	29,706,228	-
Total contributions	70,327,579	-
Rental vehicle sales tax	-	2,818,986
Miscellaneous	-	329,826
Investment income:		
Net appreciation in fair value of investments	154,406,633	-
Interest	11,710,864	5,985
Dividends	12,710,494	-
Securities lending income	307,977	-
Securities lending fees	-	-
Investment advisor fees	(7,431,809)	-
Net investment income	171,704,159	5,985
Other Income:		
Rental and Other Income	168,411	-
Total other income	168,411	-
 Total additions	 242,200,149	 3,154,797
DEDUCTIONS:		
Benefits paid to participants	87,605,343	-
Refunds	5,607,643	-
Administrative expenses	2,180,219	-
Depreciation and amortization expense	126,606	-
Expended for other purposes	-	3,346,450
Total deductions	95,519,811	3,346,450
Change in net assets	146,680,338	(191,653)
Net assets - beginning of the year	1,428,898,287	3,180,351
Net assets - end of the year	\$ 1,575,578,625	2,988,698

**NOTES TO THE FINANCIAL STATEMENTS**  
**Year Ended August 31, 2011**  
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The City of El Paso, Texas (City) was incorporated in 1873. The government of the City is operated by authority of its charter exercising all powers conferred upon constitutional home rule cities in the State of Texas and exercises these powers as a municipal corporation, subject to the Constitution and the laws of the State of Texas. The city charter was amended in February 2004 to adopt a Council/City Manager form of government.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accompanying financial statements have been prepared in conformity with U.S. generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles.

The following is a summary of significant accounting policies of the City.

**A. Reporting Entity**

The accompanying financial statements include the City and its component units, collectively referred to as “the financial reporting entity.” In accordance with GASB Statement Number 14, as amended by GASB Statement Number 39, the component units discussed below have been included in the City’s reporting entity because of the significance of their operational or financial relationship with the City.

**City Employees’ Pension Fund (CEPF)**

Substantially all full-time employees of the City are eligible to participate in the CEPF, except for uniformed fire fighters and police officers who are covered under separate plans. The plan is a single-employer defined benefit retirement plan established under legal authority of the City Charter and administered by a Board of Trustees (CEPF Board). The CEPF Board is comprised of the Mayor, two citizens designated by the Mayor who are not officers or employees of the City, four elected City employees, a retiree and two City district representatives. The CEPF is included in the accompanying financial statements as a Pension Trust Fund and the financial information included in these statements is as of August 31, 2011.

**Firemen and Policemen’s Pension Fund (FPPF)**

Uniformed fire fighters and police officers participate in the FPPF, which is divided into two divisions: the firemen division and policemen division. The plan is a single-employer defined benefit retirement plan established under legal authority of State Statutes and the City Charter and is administered by a Board of Trustees (FPPF Board). The FPPF Board is comprised of the Mayor, two citizens designated by the Mayor, the Chief of Police (or his designee), the Fire Chief (or his designee) and three policemen and three firemen elected by the membership of their respective divisions. The FPPF is included in the accompanying financial statements under Pension Trust Funds and the financial information included in these statements is as of December 31, 2010.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****A. Reporting Entity (Continued)****El Paso Water Utilities (EPWU)**

As specified by City Ordinance No. 752, adopted May 22, 1952, complete management and control of EPWU is vested in a five-member board of trustees known as the Public Service Board (PSB). EPWU is financially accountable to the City.

The PSB consists of the Mayor and four residents of El Paso County, Texas. With the exception of the Mayor, all other trustees are appointed by the City Council. EPWU is reported discretely as a component unit in the accompanying financial statements and the financial information included in these statements is as of EPWU's latest fiscal year end, February 28, 2011.

**El Paso Housing Finance Corporation (EPHFC)**

EPHFC was incorporated September 10, 1979, under Chapter 394 of the Texas Local Government Code, for the purpose of providing a means of financing the costs of residential ownership and development that will provide decent, safe, affordable and sanitary housing for persons of low and moderate income. Its board consists of seven directors, appointed by the City Council, who serve six-year terms of office. EPHFC is reported discretely as a component unit in the accompanying financial statements and the financial information included in these statements is as of EPHFC's latest fiscal year end, December 31, 2010. The EPHFC has not been previously reported as a discretely presented component unit in the financial statements, therefore beginning fund balance will be restated to reflect net assets as on December 31, 2009. Conduit debt outstanding, net of unamortized premium and discount, was \$19 million as of December 31, 2010.

Financial statements for CEPF, FPPF, EPWU and EPHFC may be requested from the respective entity's administrative offices:

CEPF - City Employees' Pension Fund	City of El Paso Employees' Pension Fund Two Civic Center Plaza El Paso, Texas 79901
FPPF - Firemen and Policemen's Pension Fund	El Paso Firemen & Policemen's Pension Fund 1155 Westmoreland, Suite 223 El Paso, Texas 79925
EPWU - El Paso Water Utilities	El Paso Water Utilitas P. O. Box 511 El Paso, Texas 79961
EPHFC - El Paso Housing Finance Corporation	El Paso Housing Finance Corporation 2 Civic Center Plaza- 8 <sup>th</sup> floor El Paso, Texas 79901

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****A. Reporting Entity (Continued)****Related Organizations**

Related organizations and jointly governed organizations provide services within the City that are administered by separate boards or commissions, but the City is not financially accountable, and such organizations are therefore, not component units of the City, even though the City Council may appoint a voting majority of an organization's board. Consequently, financial information for the following entities is not included in these financial statements:

***El Paso Housing Authority***

The El Paso Housing Authority (Authority) is an independent organization that has a scope of public service within the geographic boundaries of the City of El Paso. Under Texas State Statutes, the responsibility for the administration and operations of the Authority is vested solely with the Authority's Board. The Authority is dependent on federal funds from the Department of Housing and Urban Development and, as a result, is not financially dependent on the City of El Paso. In addition, the City is not responsible for any deficits incurred and has no fiscal management control.

***El Paso County 911 District***

The El Paso County 911 District (District) is a special communications district authorized by the 911 Emergency Act of 1983. The responsibility for the administration and operation of the District is vested solely with the District's Board of Managers. The City appoints two of the six board members. The District is not a component unit because the City has no significant influence over the management, budget or policies of the District. The District is dependent on service fees levied by the District on telephone customers within the participating jurisdictions.

**Not-for-profit Corporations**

The directors of each corporation below are appointed by the City Council and all activity must be approved from time to time by ordinance or resolution duly adopted by the City Council. Approval is solely for the purpose of satisfying the conditions and requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended. Certain of the corporations have authorized and issued bonds for projects. The bonds specifically provide they are not a debt of the City and the City is not responsible for payment of these bonds, therefore there is no financial benefit/obligation to the City resulting from these projects and no amounts related to these bonds have been reported in these financial statements.



**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****A. Reporting Entity (Continued)****Not-for-profit Corporations (Continued)*****El Paso Health Facilities Development Corporation***

Incorporated September 2, 1981, under Chapter 221 of the Texas Health and Safety Code, for the purpose of acquiring, constructing, providing, improving, financing and refinancing health facilities in order to assist the maintenance of public health and public welfare. Its board consists of six directors who serve six-year terms of office.

***El Paso Property Finance Authority, Inc.***

Incorporated March 12, 1987, pursuant to the Texas Non-Profit Corporation Act, for the purpose of establishing a Permanent Public Improvements Program. Its board consists of six directors who serve two-year terms or until a successor is appointed. This corporation had no assets or liabilities and had no financial transactions during fiscal year 2011.

***City of El Paso Industrial Development Authority***

Incorporated October 10, 1979, under Article 5190.6 of the Texas Revised Civil Statutes, for the purpose of promoting and developing commercial, industrial, manufacturing and medical research enterprises to promote and encourage employment, public health and public welfare. Its board consists of nine directors who serve six-year terms of office.

**B. Basic Financial Statements**

The government-wide financial statements report on the City and its component units as a whole, excluding fiduciary activities. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. All activities, both governmental and business-type, are reported in the government-wide financial statements using the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets and receivables as well as long-term debt and obligations. The government-wide financial statements focus more on the sustainability of the City as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

Generally, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions are made when the elimination would distort the measurement of the cost of individual functional activities. Net interfund activity and balances between governmental activities and business-type activities are shown in the government-wide financial statements.

Services performed by one function for another are credited as operating revenue to the performing department and an operating charge to the receiving department to reflect the accurate costs of programs. The rates used are intended to reflect full costs.

Certain indirect costs have been included as part of program expenses reported for the various functional activities.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****B. Basic Financial Statements (Continued)**

The government-wide Statement of Net Assets reports all financial and capital resources of the government (excluding fiduciary funds). It is displayed in a format of assets less liabilities equals net assets, with the assets and liabilities shown in order of their relative liquidity. Net assets are required to be displayed in three components: 1) invested in capital assets, net of related debt, 2) restricted and 3) unrestricted. Invested in capital assets, net of related debt consists of capital assets net of accumulated depreciation reduced by the outstanding balance of any bonds, notes or other borrowings (excluding unspent proceeds) that are attributable to the acquisition, construction or improvements of capital assets. Restricted net assets are those with external constraints placed on their use by either: 1) creditors (such as through debt covenants), grantors, contributors or law or regulations of other governments or 2) by law through constitutional provisions or enabling legislation. All net assets not otherwise classified as invested in capital assets, net of related debt or restricted, are shown as unrestricted. Generally, the City would first apply restricted resources when an expense is incurred for purposes for which both restricted and unrestricted net assets are available.

Restrictions of net assets imposed by the reporting government by administrative policy are not shown as restricted net assets on the government-wide financial statements.

The government-wide Statement of Activities demonstrates the degree to which the direct expenses of the various functions and segments of the City are offset by program revenues. Direct expenses are those that are easily identifiable with a specific function or segment. Interest on long-term debt is not allocated to the various functions. Program revenues include: 1) charges to customers or users who purchase, use or directly benefit from goods, services or privileges provided by a particular function or segment such as licenses, permits, park user fees, etc. and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment.

Taxes, investment income and other revenues not identifiable with particular functions or segments are included as general revenues. The general revenues support the net costs of the functions and segments not covered by program revenues.

Also, part of the basic financial statements are fund financial statements for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. The focus of the fund financial statements is on major funds, as defined by GASB Statement Number 34. Criteria for determination of major funds are percentage of assets, liabilities, revenues or expenditures/expenses of the fund category and of the governmental and enterprise funds combined. Nonmajor funds are combined in a single column on the fund financial statements.

The governmental fund financial statements are prepared on a current financial resources measurement focus and modified accrual basis of accounting. This is the traditional basis of accounting for governmental funds. This presentation is deemed most appropriate to: 1) demonstrate legal and covenant compliance; 2) demonstrate the sources and uses of liquid resources; and 3) demonstrate how the City's actual revenues and expenditures conform to the annual budget. Since the governmental fund financial statements are presented on a different basis than the governmental activities column of the government-wide financial statements, a reconciliation is provided immediately following each fund statement.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**B. Basic Financial Statements (Continued)**

These reconciliations explain the adjustments necessary to transform the fund financial statements into the governmental activities column of the government-wide financial statements.

The proprietary (enterprise and internal service) funds and fiduciary fund financial statements are prepared on the same basis (economic resources measurement focus and accrual basis of accounting) as the government-wide financial statements. Therefore, most lines for the total enterprise funds on the proprietary fund financial statements will directly reconcile to the business-type activities column on the government-wide financial statements. Because the enterprise funds are combined into a single business-type activities column on the government-wide financial statements, certain interfund activities between these funds may be eliminated in the consolidation for the government-wide financial statements but are included in the fund columns in the proprietary fund financial statements.

**C. Fund Accounting**

The City uses funds to report its financial position and the activities. Fund accounting segregates funds according to their intended purpose and is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain governmental functions or activities. A fund is a separate accounting entity with a self-balancing set of accounts, which includes assets, liabilities, fund balances, revenues and expenditures.

The City uses the following fund categories:

**Governmental Funds**

Governmental funds are those through which most of the governmental functions of the City are financed. The measurement focus is based upon determination of changes in financial position rather than upon net income determination.

The City reports the following major governmental funds:

***General Fund***

The General Fund is the City's primary operating fund. It accounts for all financial resources except those required to be accounted for in another fund. The General Fund is always a major fund in the basic financial statements.

***Community Development Block Grants Fund (CDBG)***

This fund accounts for the proceeds of federal grants approved by the Department of Housing and Urban Development (HUD) for community development projects.

***Debt Service Fund***

This fund accounts for the resources accumulated for and the payment of long-term debt principal, interest and related costs of governmental funds.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**C. Fund Accounting (Continued)**

**Governmental Funds (Continued)**

***Capital Projects Fund***

This fund accounts for the proceeds of debt issuances, private donations and internal funding for the completion of capital construction projects and equipment purchases outside the scope of general operations.

The City reports the following nonmajor governmental funds:

***Special Revenue Funds (excluding CDBG)***

Special revenue funds are used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specified purposes.

**Proprietary Funds**

Proprietary funds are used to account for the City's ongoing organizations and activities, which are similar to those found in the private sector and where cost recovery and the determination of net income is useful or necessary for sound fiscal management. The measurement focus is based upon determination of net income, changes in net assets, financial position and cash flows.

**Enterprise Funds**

Enterprise funds are used to account for operations that provide services to the general public for a fee. Under GASB Statement Number 34, enterprise funds are also required for any activity whose principal revenue sources meet any of the following criteria: 1) any activity that has issued debt backed solely by the fees and charges of the activity, 2) if the cost of providing services for an activity, including capital costs such as depreciation or debt service, must legally be recovered through fees and charges or 3) it is the policy of the City to establish activity fees or charges to recover the cost of providing services, including capital costs.

The City reports on the following major enterprise funds:

***El Paso International Airport (Airport)***

This fund accounts for the activities of the Airport including aviation operations and leasing activities on Airport properties.

***Environmental Services***

This fund accounts for the activities of the City-operated refuse collection, transfer and storage operations.

***Mass Transit***

This fund accounts for the activities of the City-operated bus and para-transit operations (Sun Metro).

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****C. Fund Accounting (Continued)****Enterprise Funds (Continued)*****International Bridges***

This fund accounts for the operations and maintenance activities of the three international bridges it controls.

**Internal Service Funds**

These funds account for photocopying, postage and fleet management services provided to other departments of the City and to other governments and organizations on a cost reimbursement basis and for the risk management activities of the self-insured health, workers' compensation and unemployment compensation programs.

**Fiduciary Funds**

Fiduciary funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations or other governmental units. The reporting focus is upon net assets and changes in net assets and employs accounting principles similar to proprietary funds. Fiduciary funds are not included in the government-wide financial statements since they do not represent assets of the City to support City programs.

**Pension Trust Funds**

Pension trust funds are used to report resources that are required to be held in trust for the members and beneficiaries of defined benefit pension plans, defined contribution plans, other post-employment benefit plans or other employee benefit plans. The City has two pension trust funds to account for the activities of the CEPF and FPPF.

**Private Purpose Trust Funds**

This fund is used to account for resources of various trusts, the most significant of which is the car rental tax collections used for supporting the funding of the Sun Bowl Association. All resources of this fund, including any earnings on invested resources, may be used to support activities. There is no requirement that any portion of these resources be preserved as capital.

**Agency Funds**

Agency funds are used to account for assets held by a governmental unit as an agent for individuals, private organizations, and other governmental units. Agency funds include property taxes collected for other taxing entities, a special assessment for the payment of bonds issued for the Public Improvement District #1 and the Camino Real Regional Mobility Authority.

**D. Measurement Focus and Basis of Accounting**

In the government-wide statements, revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenue in the year for which they are levied. Other taxes and fees are recognized as revenue in the year they are earned. Revenue from most grants and similar items are recognized in the fiscal year the qualifying expenditure is made, if applicable, and all other eligibility requirements are satisfied.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****D. Measurement Focus and Basis of Accounting (Continued)**

Governmental funds are accounted for using the current financial resources measurement focus and the modified accrual basis of accounting. This means that only current assets and current liabilities are generally included on their balance sheet. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers grant revenues to be available if they are collected within one year after year-end and all other revenues to be available if they are collected within 60 days after year-end except for franchise fee revenues collected within 75 days after year-end. Expenditures are recorded when the related fund liability is incurred. However, compensated absences, debt service expenditures, claims and judgments and arbitrage liabilities are recorded only when the liability has matured.

Revenues susceptible to accrual include property taxes, sales taxes, franchise taxes, fines and forfeits and interest earned on investments. Charges for services, licenses and permits and miscellaneous revenues are recorded when received in cash since they are generally not measurable until actually received which is the same as the date the services are rendered or the license or permits are issued.

In applying the susceptible to accrual concept to intergovernmental revenues, the legal and contractual requirements of the numerous individual programs are used as guidance. There are essentially two types of these revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the City; therefore, revenues are recognized based upon the expenditures recorded. In the other, monies are virtually unrestricted as to purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The reported fund balance for each fund is considered a measure of "current financial resources." Governmental fund operating statements present increases (revenues and other financing sources) and decreases (expenditures and other financing uses) in net current assets. Accordingly, they present a summary of sources and uses of "current financial resources" during the period.

Special reporting treatments are applied to governmental fund inventories and prepaid expenditures to indicate that they do not represent "current financial resources," since they do not represent net expendable current assets. Such amounts are reported as nonspendable fund balance.

Proprietary and fiduciary funds are accounted for using the accrual basis of accounting. Revenues are recognized when they are earned and expenses are recognized when incurred. These funds are accounted for on a flow of economic resources measurement focus whereby all assets and all liabilities associated with the operation of these funds are included on the balance sheet. Operating statements present increases (i.e., revenues) and decreases (i.e., expenses) in net total assets.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with the fund's principal ongoing operations. Operating expenses for proprietary funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating items.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****D. Measurement Focus and Basis of Accounting (Continued)**

GASB Statement Number 20 requires that governments' proprietary activities apply all applicable GASB pronouncements as well as the following pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements: Financial Accounting Standards Board (FASB) Statements and Interpretations, Accounting Principles Board Opinions and Accounting Research Bulletins. Governments are given the option whether or not to apply all FASB Statements and Interpretations issued after November 30, 1989, except for those that conflict with or contradict GASB pronouncements. The City has elected not to implement FASB Statements and Interpretations issued after November 30, 1989. However, EPWU has elected to implement such pronouncements.

Agency funds are custodial in nature and do not measure results of operations or have a measurement focus.

**E. Cash, Cash Equivalents and Investments**

Cash balances of City funds, except for all Component Units, Pension Trust Funds, a portion of the Airport relating to passenger facility charge revenue and certain agency funds, are pooled and invested. Earnings from pooled investments are allocated to funds based upon their share of pooled cash. Each fund's equity in the pooled cash and investments is proportionately presented as "Cash and Cash Equivalents" and "Investments." Negative balances have been reclassified to due to/from other funds. The City reports cash in demand deposit accounts and investment pools as "Cash and Cash Equivalents."

Capital projects funded through bonds with future debt service requirements transfer all investment interest earned during the year to the Debt Service Fund if the debt covenants require the transfer. When projects are completed, any remaining cash is transferred to the debt service fund as prescribed by the debt covenants.

**Primary Government**

All investments are stated at fair value based on quoted market prices as of year-end. Investments in external investment pools that meet the criteria of GASB 31 are reported at cost.

**Component Unit – EPWU**

All investments with an original maturity greater than one year from date of purchase are stated at fair value based on quoted market prices as of year-end. Investments with an original maturity of less than one year are reported at amortized cost. For investments carried at amortized cost, premiums and discounts on the investments are amortized or accreted using the straight-line method, which approximates the interest method, over the terms of the related securities. Investments in external investment pools that meet the criteria of GASB 31 are reported at cost.

**Component Unit – EPHFC**

Cash accounts and certificates of deposits are considered to be cash equivalents.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**F. Inventories and Prepaid Items**

Inventories of materials and supplies consist primarily of expendable items held for consumption. They are stated at the lower of cost (based on a first-in, first-out method) or market for all governmental and proprietary funds and on the statement of net assets for governmental activities and business-type activities. Inventories of the Component Unit – El Paso Water Utilities are stated at the lower of average cost or market. The “consumption” method is used to account for inventories. Under the consumption method, inventory acquisitions are recorded in inventory accounts and charged as expenditures (governmental fund types) or expenses (proprietary fund types and Component Unit – El Paso Water Utilities) when used. On the government-wide statement of activities, consumption of inventory is recorded as an expense.

Prepaid items, recorded in both government-wide (including Component Unit – El Paso Water Utilities) and fund financial statements are goods or services that are paid for in advance and are applicable to future accounting periods. Using the consumption method, prepaid items are recorded as expenditures (governmental fund types) or expenses (proprietary fund types) as the goods or services are used. On the government-wide statement of activities, consumption of prepaid items is recorded as an expense.

**G. Capital Assets**

GASB Statement Number 34 requires that all capital assets, whether owned by governmental activities or business-type activities, be recorded and depreciated in the government-wide financial statements. In the governmental fund statements, capital assets are not reported as they do not fit in the current financial resources measurement focus.

Capital assets, including public domain infrastructure (e.g., roads, bridges, sidewalks and other assets that are immovable and of value only to the City) are defined as assets with an initial, individual cost of more than \$5,000 and an estimated useful life greater than one year. Capital assets are recorded at cost (if purchased or constructed) or estimated historical cost. Donated capital assets are recorded at estimated fair value at the date of donation.

Major outlays for capital assets and improvements are capitalized as the projects are constructed. Interest incurred during the construction phase of projects is reflected in the capitalized value of the asset constructed for the enterprise funds. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major improvements are capitalized and depreciated over the estimated remaining useful lives of the related capital assets.

Capital assets of the primary government (including Airport, International Bridges, Department of Environmental Services and Mass Transit funds) are depreciated or amortized using the straight-line method and the following estimated useful lives:

Land improvements	15 to 20 years
Buildings and improvements	5 to 50 years
Vehicles and major equipment	3 to 12 years
Data processing	3 to 5 years
Infrastructure	12 to 100 years
Other capital assets	5 to 15 years



**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**G. Capital Assets (Continued)**

When capital assets are retired from service or otherwise disposed of, a gain or loss, if any, on disposal of assets is recognized. Capital assets transferred between funds are transferred at their net book value (cost less accumulated depreciation) or net realizable value, if lower, as of the date of the transfer.

**Component Unit – EPWU**

EPWU utility plant in service is recorded on the basis of cost. Assets acquired through contributions are capitalized and recorded in the plant accounts at estimated fair value at date of donation. Maintenance, repairs and minor renewals are charged to operating expense, while major plant replacements are capitalized. It is the policy of EPWU to capitalize infrastructure fixed assets.

EPWU provides for depreciation of the utility plant on the straight-line method applied to individual assets. The following estimated average useful lives are used in providing for depreciation of EPWU utility plant:

Buildings and shops	25 to 33 years
Vehicles and heavy equipment	5 years
Equipment and tools	3 to 33 years
Water plant	10 to 50 years
Sewer plant	5 to 50 years

**Component Unit – EPHFC**

Capital assets which only include equipment in service are recorded at cost. Depreciation is calculated using the straight-line method and a useful life of 7 years.

**H. Insurance**

Activity for certain self-insurance programs is recorded in the City's Internal Service Self-Insurance Fund. Assets and obligations related to employee health benefits, workers' compensation and unemployment compensation are included in the Self-Insurance Fund.

The City is self-insured for general liability (excluding the Mass Transit Department's fleet of vehicles and liability insurance for the Airport). Expenditures for these liabilities are accounted for in the General Fund, which will pay any liabilities incurred.

Additionally, the City maintains insurance policies acquired from independent insurance carriers for property insurance, errors and omissions insurance and auto liability insurance coverage for some of the City's fleet of vehicles.

The City provides employee health and workers' compensation benefits under its self-insurance programs. Employee health and workers' compensation benefit liabilities are accrued in the Internal Service Funds based upon actuarially determined estimates of the aggregate liability for unpaid benefits. The City records all health and workers' compensation claims liabilities, including an estimate for claims incurred but not reported. In addition, the City has a stop loss policy for health claims.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****H. Insurance (Continued)**

The City is subject to the State of Texas Employment Commission Act. Under this act, the City's method for providing unemployment compensation is to reimburse the State of Texas (State) for claims paid by the State.

**I. Unearned Revenue**

In the governmental and proprietary funds, unearned revenue represents amounts reported in accordance with the City's revenue recognition criteria. In the General Fund unearned revenue consists primarily of \$1,520,079 that was not collected in the 60 days subsequent to the fiscal year end. \$1,418,658 in customer deposits and \$446,434 related to low-income housing loans reported in Special Revenue Funds. Unearned revenue of \$45,774,129, related to low-income housing loans, is reported in Community Development Block Grants Funds. Unearned revenue of \$1,749,602, related to a long-term right of way, is reported in the El Paso International Airport Fund.

**J. Interfund Transactions****1. Interfund Receivables and Payables**

During the course of operations, numerous transactions occur between individual funds for goods provided or services rendered. Resulting receivables and payables are classified as "due from other funds" or "due to other funds."

**2. Transactions Between Funds**

Transactions between funds, which would have been treated as revenues, expenditures or expenses if they involved organizations external to the governmental unit, are accounted for as revenues, expenditures or expenses in the funds involved. Transactions which constitute reimbursements of a fund for expenditures or expenses initially made from that fund which are properly applicable to another fund are recorded as expenditures or expenses in the reimbursing fund and as reductions of the expenditure or expense in the fund reimbursed. All other transfers are included in the results of operations of both Governmental and Proprietary Funds.

**K. Federal and State Grants**

Grants and entitlements received for purposes normally financed through the general government are accounted for within the Special Revenue Funds. Revenues are recognized when the expenditures of Federal and State grant funds are made and all eligibility requirements have been met. Amounts owed to the City at August 31, 2011 for grants and entitlements are reflected as "Due from Other Government Agencies." The City expects to collect these balances during the subsequent fiscal year.

Grants received by Proprietary Funds are reported in the applicable Proprietary Fund.

**L. Compensated Absences**

City employees, excluding uniformed Police Department and Fire Department employees, earn vacation leave, which may either be taken or accumulated (up to a maximum of 400 hours) until paid upon termination or retirement. For uniformed Police Department and Fire Department employees only, all unused leave and holiday hours are accumulated and paid upon termination, retirement or death.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)****L. Compensated Absences (Continued)**

Leave benefits are accrued as a liability as the benefits are earned by employees, but only to the extent that it is probable that the City will compensate the employees through paid time off or cash payments conditioned on the employee's termination or retirement. For governmental funds, a liability for these amounts is reported only if they have matured as a result of termination or retirement. For the government-wide financial statements and enterprise fund financial statements, all of the outstanding compensated absences are recorded as a liability.

**M. Long-Term Obligations, Bond Premiums, Discounts and Issue Costs**

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities or proprietary fund type statement of net assets. In these statements, bond premiums and discounts are deferred and amortized over the life of the bonds using the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issue costs in governmental activities are reported as deferred charges and amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issue costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issue costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

**N. Classification of Fund Equity**

Fund balances are classified as nonspendable, restricted, committed, assigned or unassigned in governmental funds. Nonspendable fund balance cannot be spent because it is not in spendable form or because of legal or contractual requirements. Restricted fund balance have constraints for specific purposes which are either imposed externally (by creditors, grantors or other governments) or by enabling legislation of the City Council. Committed fund balance can only be used for specific purposes pursuant to constraints imposed by the City Council through an ordinance or resolution. Assigned fund balances are constrained by intent made by City management, but are neither restricted nor committed. Unassigned fund balance include residual positive fund balance within the General Fund that have not been classified within the other mentioned categories and may also include negative balances for any governmental fund if expenditures exceed amounts restricted, committed or assigned for those specific purposes.

The City designates restricted amounts to be spent first if both restricted and unrestricted fund balance is available unless there are legal constraints that prohibit this, such as in grant agreements requiring the City to share in amounts spent. Additionally, the City would first use committed, followed by assigned, and lastly unassigned balances when expenditures are incurred for purposes for which balances in any of those unrestricted fund balance classifications could be used.

Pursuant to Article VII, Section 7.4 of the City's Charter, a cash reserve fund shall be maintained in an amount equal to its existing balance at the date of adoption of the charter. A reservation of \$16,000,000 is presented in the General Fund to fulfill this requirement.

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**N. Classification of Fund Equity (Continued)**

Proprietary funds have three classifications of equity: 1) net assets invested in capital assets, net of related debt; 2) restricted net assets; and 3) unrestricted net assets. In the first category, net capital assets are netted with bonded, note payable and capital lease debt. Restricted net assets include debt service, grantor and other government restrictions.

**O. Statement of Cash Flows**

For purposes of the statement of cash flows, the City considers cash and cash equivalents to be currency on hand, cash held by trustee, demand deposits with banks and all amounts included in pooled cash and investment pools. The City considers all highly liquid investments with an original maturity of approximately ninety days or less to be cash equivalents.

**P. Claims and Judgments**

Claims and judgments are accrued as expenditures in governmental funds for the amount expected to be liquidated with expendable available financial resources to the extent they mature each period. The entire liability for claims and judgments is reported in the government-wide financial statements and in the enterprise fund financial statements when it is probable that a liability has been incurred.

**Q. Solid Waste Landfill Closure and Post-closure Cost**

Solid waste landfill closure and postclosure costs are accounted for in accordance with guidelines recommended by GASB Statement Number 18, *Accounting for Municipal Solid Waste Landfill Closure and Postclosure Costs*. The liability, based upon landfill capacity used to date, is recorded in the Department of Environmental Services Enterprise Fund. An explanation of the liability and its calculation is in Note 8.

**R. Fiscal-year Inconsistencies**

The City's component unit, EPWU, operates on a fiscal year ending on the last day of February. Therefore, the following amounts reported by the primary government are inconsistent with amounts reported by EPWU:

Primary Government - Due From Component Unit	
Governmental funds:	
General Fund	\$ 1,116,157
Capital Projects	1,340,641
Proprietary funds:	
Environmental Services	<u>3,950,596</u>
Due From Component Unit at August 31, 2011	<u><u>\$ 6,407,394</u></u>
Component unit - EPWU - Due To Primary	
Government - at February 28, 2011	<u><u>\$ 4,482,800</u></u>

**CITY OF EL PASO, TEXAS**

**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)**

**R. Fiscal-year Inconsistencies (Continued)**

A component of the Pension Trust Funds, FPPF, operates on a fiscal year ending on December 31. Therefore, the amounts reported by the primary government are inconsistent with amounts reported by FPPF. As a fiduciary fund, the amounts reported by the FPPF are excluded from the government-wide financial statements. The following amounts are reported in these statements:

	Fireman Division	Policeman Division
Primary Government:		
Employer Contributions to FPPF:		
General Fund	\$ 9,189,238	11,994,638
Nonmajor Governmental Funds	69,019	702,311
El Paso International Airport	376,159	323,621
Employer Contributions to FPPF	<u>\$ 9,634,416</u>	<u>13,020,570</u>
 Fiduciary Funds - FPPF		
Employer Contribution from City	<u>\$ 9,523,180</u>	<u>13,149,372</u>

**S. Use of Estimates**

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires the City's management to make estimates and assumptions that effect reported amounts of assets and liabilities at the date of the financial statements and the reported changes in net assets during the reporting period. Actual results may differ from those estimates.

**T. New Pronouncements**

Effective September 1, 2010, the City implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions." This statement established new categories for reporting fund balance, revised the definitions for governmental fund types and changes the presentation of fund balance. There was no significant effect on the financial statements as a result of the implementation.

**NOTE 2. CASH AND INVESTMENTS**

A summary of cash and cash equivalents and investments is presented below:

	Primary Government	Private-Purpose Trusts	Agency Funds	Subtotal - City Treasury	Component Unit - EPWU (1)	Component Unit- EPHFC	Pension Trust Funds
Cash and Cash Equivalents	\$ 182,780,298	6,600,123	24,922,060	214,302,481	18,293,603	829,906	24,419,358
Restricted Cash and Cash Equivalents	<u>16,182,572</u>	-	-	<u>16,182,572</u>	<u>122,022,910</u>	<u>9,535</u>	<u>-</u>
Cash and Cash Equivalents	<u>198,962,870</u>	<u>6,600,123</u>	<u>24,922,060</u>	<u>230,485,053</u>	<u>140,316,513</u>	<u>839,441</u>	<u>24,419,358</u>
Investments	12,025,480	-	-	12,025,480	3,000,424	1,559,774	1,645,035,510
Restricted Investments	-	-	-	-	58,545,406	-	-
Investments	<u>12,025,480</u>	<u>-</u>	<u>-</u>	<u>12,025,480</u>	<u>61,545,830</u>	<u>1,559,774</u>	<u>1,645,035,510</u>
	<u>\$ 210,988,350</u>	<u>6,600,123</u>	<u>24,922,060</u>	<u>242,510,533</u>	<u>201,862,343</u>	<u>2,399,215</u>	<u>1,669,454,868</u>

(1) Carrying amount of cash at February 28, 2011 was \$2,452,802. The bank balance was \$2,783,947 secured by \$250,000 FDIC Insurance and government securities with a fair market value of \$6,922,477.

**CITY OF EL PASO, TEXAS**

**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 2. CASH AND INVESTMENTS (Continued)**

**Pooled Cash and Investments**

The City maintains a cash and investment pool (Pool) that is available for use by the Primary Government and Private-Purpose Trusts. Each fund's portion of the Pool is proportionately reported in these statements as "Cash and cash equivalents" and "Investments." Participation in the Pool is restricted and does not include cash on hand (petty cash and change funds) and other funds that are restricted because of statutory or contractual considerations. A fund may overdraw its account in the Pool, with the overdraft reported as a liability (Due to other funds) on the balance sheet. Earnings from the Pool are allocated to the funds based upon each fund's daily balance in the Pool in accordance with the City's investment policy. Cash and Cash Equivalents and Investments of the City Treasury at August 31, 2011 were:

	Cash and Cash Equivalents	Investments	City Treasury	Non-Pooled	Pooled
<b>Governmental Funds:</b>					
General Community	\$ 20,206,737	12,025,480	32,232,217	36,361	32,195,856
Development Block	3,608,706	-	3,608,706	100	3,608,606
Debt Service	5,851,334	-	5,851,334	-	5,851,334
Capital Projects	32,010,916	-	32,010,916	-	32,010,916
Nonmajor Governmental Funds	12,125,320	-	12,125,320	2,616,695	9,508,625
Internal Service Funds	23,390,220	-	23,390,220	-	23,390,220
<b>Enterprise Funds:</b>					
El Paso International Airport	62,794,340	-	62,794,340	16,387,276	46,407,064
Environmental Services	29,020,620	-	29,020,620	1,000	29,019,620
Mass Transit	16,077	-	16,077	16,077	-
International Bridges	9,938,600	-	9,938,600	63,500	9,875,100
<b>Fiduciary Funds:</b>					
Private Purpose Trusts	6,600,123	-	6,600,123	-	6,600,123
Agency Funds	24,922,060	-	24,922,060	2,325,511	22,596,549
	<u>\$ 230,485,053</u>	<u>12,025,480</u>	<u>242,510,533</u>	<u>21,446,520</u>	<u>221,064,013</u>

**CITY OF EL PASO, TEXAS****NOTES TO FINANCIAL STATEMENTS****Year Ended August 31, 2011****NOTE 2. CASH AND INVESTMENTS (Continued)****Cash and cash equivalents and investments of the City Treasury:**

	Pooled Cash and Investments	Non-Pooled Cash and Investments	Total	Bank Balance
Cash in bank (1)	\$ 2,840,844	5,012,712	7,853,556	6,668,695
Cash on hand	-	119,038	119,038	
External investment pools:				
TexPool	60,088,113	-	60,088,113	60,088,113
LOGIC	60,050,038	10,089,053	70,139,091	70,139,091
TexasTERM	18,071,003	-	18,071,003	18,071,003
TexSTAR	22,046,001	-	22,046,001	22,046,001
Wells Fargo Government Investment Fund	55,897	6,225,717	6,281,614	6,281,614
FHLB	4,007,000	-	4,007,000	
FHLMC Bond	4,008,280	-	4,008,280	
FNMA Bond	4,010,200	-	4,010,200	
Repurchase agreement	45,886,637	-	45,886,637	
Cash and cash equivalents	<u>\$ 221,064,013</u>	<u>21,446,520</u>	<u>242,510,533</u>	

(1) Held by financial institution. Fully insured by FDIC insurance. No collateral required. Pursuant to legislation enacted in October 2008, each Public Funds customer is separately insured in the interim for up to \$250,000 in the aggregate for all time and savings deposits and unlimited protection for the aggregate of all non-interest-bearing deposits until December 31, 2013. All City accounts are presently non-interest-bearing deposits.

**Investments – City Treasury**

The City follows GASB Statement Number 31, *Accounting and Financial Reporting for Certain Investments and for External Investment Pools*. This statement requires that governmental entities report investments at fair value and that all investment income, including changes in the fair value of investments, be reported as revenue in the statement of activities. The City reports the change in fair value as “Net Increase (Decrease) in Fair Value of Investments.”

The City has adopted an investment policy to minimize the inherent risks associated with deposits and investments. The primary objective of the City’s investment policy is to invest funds to provide for the maximum safety of principal. After consideration of the City’s safety and liquidity requirements, this policy seeks the highest possible investment return. The policy defines:

- The requirements for authorized financial institutions, depositories and broker/dealers.
- Investments authorized and prohibited.
- The maximum maturity for any single investment as three years.
- The maximum dollar-weighted average maturity for investment pools as two years.

The City’s investment policy requires that financial institutions, broker/dealers, intermediaries and advisers must meet certain conditions and provide certain information prior to entering into investment activities with the City.

**NOTE 2. CASH AND INVESTMENTS (Continued)****Investments – City Treasury (Continued)**

The City participates in TEXPOOL, LOGIC, Texas Term, TexSTAR and Wells Fargo Government Investment Fund, which are external investment pools. The State Comptroller of Public Accounts maintains oversight responsibility for TEXPOOL. This responsibility includes the ability to influence operations, designation of management and accountability for fiscal matters. LOGIC, Texas Term and TexSTAR are public funds investment pools organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code and are privately managed. Although TEXPOOL, LOGIC, Texas Term, TexSTAR and Wells Fargo Government are not registered with the SEC as investment companies, they operate in a manner consistent with the SEC's Rule 2(a)7 of the Investment Company Act of 1940. GASB Statement 31 allows 2(a)7-like pools to use amortized cost (which excludes unrealized gains and losses) rather than fair value to report net assets to compute share price. The fair value of the City's position in TEXPOOL, LOGIC, Texas Term, TexSTAR and Wells Fargo Government is the same as the value of TEXPOOL, LOGIC, Texas Term, TexSTAR and Wells Fargo Government shares.

Custodial Credit Risk (Deposits) - Collateralization is required for deposits in demand deposit accounts, certificates of deposit and repurchase agreements. The collateralization level is 105% (the level at August 31, 2011 was only 100%) of principal and accrued interest. Collateral is held in the City's name by an independent third party with whom the City has a current custodial agreement and collateral instruments are limited to those instruments authorized by the City's investment policy.

Custodial Credit Risk (Investments) - Securities are held by the City's agent in the City's name.

Credit Risk – The investment policy authorizes the following securities:

- obligations of the United States or its agencies and instrumentalities
- direct obligations of the State of Texas or its agencies and instrumentalities
- collateralized mortgage obligations directly issued by a federal agency or instrumentality of the United States, the underlying security for which is guaranteed by the agency or instrumentality of the United States
- other obligations, the principal and interest of which are unconditionally guaranteed or insured by, or backed by the full faith and credit of this state or the United States or their respective agencies and instrumentalities
- obligations of states, agencies, counties, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than A or its equivalent
- certificates of deposit and share certificates
- repurchase agreements
- mutual funds that invest in securities described above
- investment pools that invest in securities described above



**NOTE 2. CASH AND INVESTMENTS (Continued)****Investments – City Treasury (Continued)**

Concentration of Credit Risk – While the investment policy does not limit the percentage of authorized investment in the portfolio, investment diversification is required.

Interest Rate Risk – The City will minimize interest rate risk, which is the risk that the market value of securities will fall due to changes in market interest rates, by structuring the investment portfolio so that securities mature in a manner consistent with projected cash requirements, thereby avoiding the need to sell securities on the open market prior to maturity.

At August 31, 2011, investments of the City Treasury are as follows:

Investment type	Fair Value	Maturity in years		Rating / Agency
		Less than 1	1 - 5	
FHLB	\$ 4,007,000	-	4,007,000	AA+ / S&P
FHLMC Bond	4,008,280	-	4,008,280	AA+ / S&P
FNMA Bond	4,010,200	-	4,010,200	AA+ / S&P
Repurchase agreements	45,886,637	45,886,637	-	AA+ / S&P
External investment pools	176,625,822	176,625,822	-	AAAm / S&P

**Cash, Investments, and Security Lending – CEPF**

The CEPF's investments are managed by various investment managers who have discretionary authority over the assets managed by them, within the investment guidelines established by the Board, under contracts with the CEPF. The investments are held by the CEPF's custodian in the CEPF's name. The investments are uninsured and generally consist of short-term securities, U.S. and foreign government securities, and domestic and foreign corporate debt and equity securities. Certain investment managers have invested in certain bank collective investment funds, which invest primarily in U.S. corporate stocks and government bonds. The bank collective funds may also invest in foreign exchange contracts, stock index futures, and temporary collective investment funds and may enter into collateralized securities lending transactions.

Through adherence to the CEPF's Investment Rules and Regulations, management attempts to limit or mitigate certain risks. Certain of these requirements are listed below.

**Bonds** – The CEPF's current policies only allow for investment-grade bonds. In the corporate bond portfolio, the CEPF has a minimum rating of BBB or Baa2 as minimum ratings for 80% of the bond portfolio. There is a provision for an immediate sell should the quality of the bonds dip below BBB or Baa2 for 80% of the portfolio. The remainder of the bond portfolio may be invested in BBB- or Baa3 bonds. Should these bonds fall below this grade, it triggers an immediate sale.

**Mortgage-backed securities** – The CEPF has adopted special investment rules with regard to mortgage-backed securities. These rules limit the duration of the purchased mortgage-related securities. Each security must satisfy a FLUX score of 15 or lower. This test must be satisfied at the time of purchase and quarterly thereafter. The average FLUX score for the portfolio's aggregate Collateralized Mortgage Obligation position shall not exceed the FLUX score of the current coupon mortgage pass-throughs or exceed seven years in duration. Mortgage-backed derivatives are prohibited.

**NOTE 2. CASH AND INVESTMENTS (Continued)****Cash, Investments, and Security Lending – CEPF (Continued)**

**Fixed-income portfolios** – The annual standard deviation of returns for the CEPF’s domestic fixed-income portfolio shall not exceed 1.33% of the annual standard deviation of the Barclay’s Capital Aggregate Index.

**Index bond portfolios** – The index must maintain a risk level, as measured by the standard deviation of quarterly returns that equals the risk of Barclay’s Capital Aggregate Index if longer duration bonds are included in the portfolio.

**Equity managers** – Under current policies, equity managers cannot invest in Bank and/or insurance companies rated less than A- by S&P, cannot invest in the stock of nonpublic corporations, cannot invest in short sales of any type, cannot invest in letter or restricted stock, cannot invest in the use of margin, cannot invest in the entity in which the manager is employed, cannot invest more than 25% in any one industry, cannot hold more than 10% of the portfolio in any one company, and cannot hold more than 20% of the managed portfolio in American Depository Receipts.

**Real Estate** – The annual standard deviation of returns for the CEPF’s real estate investment portfolios is not expected to exceed 1.5 times the annual standard deviation of the returns of the NARETT Index for the Real Estate Investment Trust Portfolio, and 1.5 times the annual standard deviation of the returns of the NCREIF Index for the Private Real Estate Portfolio.

**High Yield Fixed Income** – The annual standard deviation of returns for the CEPF’s high yield fixed income portfolio is not expected to exceed 1.5 times the annual standard deviation of the returns for the Merrill Lynch High Yield Index.

**Emerging Markets Equity** – The annual standard deviation of returns for the CEPF’s emerging markets equity portfolio is not expected to exceed 1.5 times the annual standard deviation of the returns for the Emerging Markets Equity Benchmark Index.

**(a) Deposits**

Custodial credit risk is the risk that in the event of a bank failure, a government’s deposits may not be returned to it. The CEPF’s investment policy does not specifically address custodial credit risk for deposits. As of August 31, 2011, the CEPF’s deposit balances were not exposed to custodial credit risk due to uninsured deposits.

**(b) Investments**

As of August 31, 2011 the CEPF had the following investments held in various bond instruments.

Investment type	Fair value	Weighted Average Maturity (in Years)
Money market funds	\$10,707,332	0.08
High-yield bond obligations	37,974,162	9.52
Bank collective investment bond funds	103,990,535	7.92
Commingled funds	29,133,379	9.84
Total fair value	\$181,805,408	
Portfolio weighted average maturity		8.10

**NOTE 2. CASH AND INVESTMENTS (Continued)****Cash, Investments, and Security Lending – CEPF (Continued)**

Interest rate risk is the risk that the market value of securities will fall due to changes in market interest rates. The CEPF's policy is to minimize interest rate risk by structuring the investment portfolio so that the duration securities are held and the coupon rates of such are appropriately diversified.

Credit risk is the risk that the issuer or other counterparty to an investment will not fulfill its obligations. The CEPF's investment policy maintains that corporate obligations be rated at least BBB by Standard and Poor's or equivalent rating by a recognized rating agency. However, up to 20% of the corporate bond portfolio may be invested in corporate obligations rated BBB – by Standard and Poor's or an equivalent rating by a recognized agency. Additionally, the Fund may invest in high-yield bonds that must carry a rating of CCC by Standard & Poor's as determined at the date of purchase. At August 31, 2011 the Fund held various bond instruments in the aggregate fair value of \$181,805,408 with a rating of at least CCC or better by Standard & Poor's.

Custodial credit risk is the risk that in the event of the failure of the counterparty to a transaction, the CEPF will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party. The CEPF's investment policy does not specifically address this type of risk. As of August 31, 2011 CEPF's deposit balances were not exposed to custodial credit risk due to uninsured deposits.

Concentration of credit risk is the risk of loss attributed to the magnitude of the CEPF's investment in a single issuer. The CEPF's investment policy does not allow for the investment portfolio to hold more than 10% in any one company. The following table presents the fair value of investments that represents 5% or more of the CEPF's net assets available for benefits at August 31, 2011.

	<u>Shares</u>	<u>Fair Value</u>
EB MCM Aggregate Bond Index Fund		
Mellon Capital Management Corporation	163,703.8720	\$70,929,106
Winslow Large Capital Growth Fund		
Wilmington Trust Company	2,022,614.8000	40,755,688
Touchstone Emerging Markets Equity Fund		
AGF Emerging Markets	3,237,719.1110	40,439,112
MCM EB Daily Valued Treasury		
Mellon Capital Management Corporation	37,579.5510	33,242,171
EB Daily Valued Treasury		
Mellon Capital Management Corporation	199,340.4380	33,061,428
Shenkman CAP Convertible Bonds		
Shenkman Capital Management, Inc.	29,133,379.0000	29,133,379

**NOTE 2. CASH AND INVESTMENTS (Continued)****Cash, Investments, and Security Lending – CEPF (Continued)**

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. The CEPF's investment policy allows 10% to 20% of equity securities be invested in foreign markets. The CEPF's exposure to foreign currency risk at August 31, 2011 was as follows:

<u>Investment Type (at Fair Value)</u>		
Mutual Fund		<u>\$ 17,005</u>
	<b>Percentage of</b>	
	<b>Foreign</b>	
<u>Currency Type</u>	<u>Portfolio</u>	<u>Fair Value</u>
Austrailian Dollar	4.00%	\$ 696
Euro Currency Unit	55.00%	9,412
Japanese Yen	41.00%	6,897
	<u>100.00%</u>	<u>\$ 17,005</u>

**Security Lending Transactions**

State statutes and board of trustees' policies permit the CEPF to lend its securities to broker/dealers and other entities with a simultaneous agreement to return the collateral for the same securities in the future. The CEPF's custodian lends securities of the type on loan at year-end for collateral in the form of U.S. issuer securities of 102% and non U.S. issuer securities of 105%. All securities loans can be terminated on demand by either the CEPF or the borrower, although the average term of the loans is one week. The relationship between the maturities of the investment pool and the system's loans is affected by the maturities of the securities loans made by other entities that can use the agent's pool, which the CEPF cannot determine. The CEPF cannot pledge or sell collateral securities received unless the borrower defaults.

Custodial credit risk for securities lending transactions is the risk that, in the event of the failure of the counterparty, the system will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. For the year ended August 31, 2011 the CEPF had no credit risk exposure to borrowers because the amounts the CEPF owes borrowers exceeds amounts borrowers owe the CEPF. At August 31, 2011, the fair value of securities loaned was \$38,721,884 and was comprised of corporate stocks.

**Cash, Investments, and Security Lending – FPPF**

The FPPF's investments are managed by various investment managers who have discretionary authority over the assets managed by them, within the investment guidelines established by the Board under contracts with the Fund. The Investments of the Fund are held by the Fund's custodians and various investment managers. The investments generally consist of short-term securities, U.S. and foreign government securities, and domestic and foreign corporate debt and equity securities. Certain investment managers have invested in certain bank collective investments funds which invest primarily in U.S. corporate stocks and government bonds. The bank collective funds may also invest in foreign exchange contracts, stock index futures, and temporary collective investment funds and may enter into collateralized securities lending transactions.

**NOTE 2. CASH AND INVESTMENTS (Continued)****Cash, Investments, and Security Lending – FPPF (Continued)**

Through adherence to the Fund's Investment Policy, management attempts to limit or mitigate certain risks. Certain of these requirements are listed below.

**Domestic Large Cap Equity Portfolio** – The annual standard deviation of returns for the FPPF's domestic large cap equity portfolio, if actively managed, is not expected to exceed 1.25 times the annual standard deviation of the S & P 500 Index. If passively managed, it is not expected to exceed 1.1 times the annual standard deviation of the S & P 500 Index.

**Domestic Small Cap Equity Portfolio** – The annual standard deviation of returns for the FPPF's domestic small cap equity portfolio, if actively managed, is not expected to exceed 1.50 times the annual standard deviation of the Russell 2000 Index.

**International Equity Portfolio** – The annual standard deviation of returns for the Fund's international equity portfolio, if actively managed, is not expected to exceed 1.5 times the annual standard deviation of the returns for the International Equity Benchmark Index.

**Emerging Markets Equity Portfolio** – The annual standard deviation of returns for the FPPF's emerging markets equity portfolio, if actively managed, is not expected to exceed the 1.5 times the annual standard deviation of the returns for the Emerging Markets Equity Benchmark Index.

**Domestic Fixed Income Portfolio** – The annual standard deviation of returns for the FPPF's domestic fixed income portfolio, if actively managed, is not expected to exceed 1.3 times the annual standard deviation of the returns for the Lehman Brothers Aggregate Bond Index. If passively managed, the portfolio is not expected to exceed 1.2 times the annual standard deviation of the returns for the Lehman Brothers Aggregate Bond Index.

**Domestic Core-Real Estate Portfolio** – The annual standard deviation of returns for the FPPF's domestic core – plus fixed income portfolio, if actively managed, is not expected to exceed 1.5 times the annual standard deviation of the returns for the NCREIF Index.

**Domestic Cash Equivalents Investments** – The risk objective shall be to stay within an acceptable risk level, as measured by standard deviations, which is equal to that of the 91-day Treasury Bill rate.

**Investments**

As of December 31, 2010, the FPPF had the following investments:

Investment type	Fair value
Fixed Income -	
Corporate, Government & Municipal/Provincial Bonds	\$ 325,587,608
Domestic Equities	337,312,254
International Equities	331,914,497
Private Equities	6,073,257
Limited Partnerships	8,313,112
Total	<u>\$ 1,009,200,728</u>

**CITY OF EL PASO, TEXAS****NOTES TO FINANCIAL STATEMENTS****Year Ended August 31, 2011****NOTE 2. CASH AND INVESTMENTS (Continued)****Cash, Investments, and Security Lending – FPPF (Continued)**

As of December 31, 2010, the FPPF fixed income portfolio had the following ratings and maturities:

<u>Rating</u>	<u>Amount</u>	<u>Maturity</u>
AAA	\$ 222,754,240	< 1 year
AA	24,578,191	1 - 3 years
A	39,285,442	3 - 5 years
BBB	25,557,192	5 - 7 years
BB	6,706,272	7 - 10 years
B	4,470,848	10 - 20 years
Below B	2,235,423	20 - 30 years
	<u>\$ 325,587,608</u>	

The FPPF's exposure to foreign currency risk at December 31, 2010 was as follows:

<u>Investment</u>	<u>Currency</u>	<u>Fair Value</u>
Cash and equivalents	European Union Euro	\$ 372,366
Cash and equivalents	Japanese Yen	29,702
		<u>\$ 402,068</u>

**Securities Lending** – The Fund has entered into an agreement with its custodian bank, the Northern Trust Company (the Lending Agent), under which Fund owned investments are lent to one or more borrowers for a fee. The types of securities that governments lend include U.S. government and agency securities, domestic and foreign corporate equity and fixed-income securities, and foreign government fixed-income securities. Parameters are established by the Fund's Investment guidelines for securities lending transactions along with the Securities Lending Authorization Agreement. The Lending Agent is responsible for collecting all required collateral in the form of U.S. dollars, securities issued or guaranteed by the United States Government or its agencies or instrumentalities or irrevocable letters of credit issued by banks independent of the borrowers. The Lending Agent may invest on behalf of the FPPF any and all cash collateral as agreed upon by both parties. The Fund's policy is to match the maturities of the collateral investments and the securities loans and at year-end all securities loans could be terminated on demand by either the entity or the borrower and substantially all cash collateral is invested in overnight or on-demand investments

Concurrently with the delivery of the FPPF's securities to a borrower, the Lending Agent shall obtain from such borrower collateral in an amount equal, as of such date, to the required percentage, of the market value of any security loaned, including any accrued interest. The required percentage is 102% with respect to U.S. securities and 105% with respect to foreign securities except in the case of loans of foreign securities which are denominated and payable in U.S. dollars, in which event the required percentage is 102%. If at the close of trading on any business day, the market value of the Collateral delivered by the Borrower is less than the minimum percentage (100%) of the market value of such loaned securities, the Lending Agent shall require that the Borrower deliver an amount of additional collateral by the close of the next business day. Because of this, the Fund believes there is minimal credit risk associated with securities lending transactions. There is no loss indemnification provided to the Fund by the investment managers or broker/dealers.

**NOTE 2. CASH AND INVESTMENTS (Continued)****Cash, Investments, and Security Lending – FPPF (Continued)**

As of December 31, 2010, \$63,640,698 of Fund owned investments were loaned to borrowers respectively. These loans were fully collateralized per the requirements of the lending agreements described above. There were no losses from securities lending transactions during the year ended December 31, 2010 resulting from a default of a borrower or the lending agent.

**Cash, Investments, and Security Lending – EPWU**

EPWU has adopted an investment policy to minimize the inherent risks associated with deposits and investments. The Public Funds Investment Act (Texas Government Code Chapter 2256) contains specific provisions in the areas of investment practices, management reports and establishment of appropriate policies. Among other things, it requires EPWU to adopt, implement, and publicize an investment policy. That policy must address the following areas: (1) safety of principal and liquidity, (2) portfolio diversification, (3) allowable investments, (4) acceptable risk levels, (5) expected rates of return, (6) maximum allowable stated maturity of portfolio investments, (7) maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, (8) investment staff quality and capabilities, and (9) bid solicitation preferences for certificates of deposit. Texas statutes and ordinances of the City of El Paso authorize EPWU to expend funds for the operation of EPWU, including the purchase of investments. EPWU is permitted to invest available funds in (1) obligations of the U.S. Treasury, certain U.S. agencies, and the State of Texas; (2) certificates of deposit, (3) certain municipal securities, (4) money market mutual funds, (5) investment pools, (6) other obligations, the principal of and interest on which are unconditionally guaranteed or insured by the State of Texas or the United States; obligations of states, agencies, counties, cities, and other political subdivisions of any state having a rating of not less than A or its equivalent, and (7) fully collateralized repurchase agreements having a defined termination date and secured by obligations of the United States or its agencies and instrumentalities. The Act also requires EPWU to have independent auditors perform test procedures related to investment practices as provided by the Act. EPWU is in substantial compliance with the requirements of the Act and with local policies.

EPWU participates in TEXPOOL, which is a government investment pool in the State of Texas. The State Comptroller of Public Accounts maintains oversight responsibility for TEXPOOL. This responsibility includes the ability to influence operations, designation of management and accountability for fiscal matters. Federated Investors manage the daily operations of the pool under a contract with the State Comptroller. Although TEXPOOL is not registered with the SEC as an investment company, it operates in a manner consistent with the SEC's Rule 2(a) of the Investment Company Act of 1940. GASB Statement 31 allows 2(a)7-like pools to use amortized cost (which excludes unrealized gains and losses) rather than fair value to report net assets to compute share price. The fair value of EPWU's position in TEXPOOL is the same as the value of TEXPOOL shares.

EPWU also participates in TexSTAR, which is an investment service created by local governments for local governments. TexSTAR was organized in conformity with the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. These acts provide for the creation of public funds investment pools such as TexSTAR and authorize eligible governmental entities to invest their public funds in investment pools.

**NOTE 2. CASH AND INVESTMENTS (Continued)****Cash, Investments, and Security Lending – EPWU (Continued)**

State statutes permit EPWU to enter into certain repurchase agreements, that is, a sale of securities with a simultaneous agreement to repurchase them in the future at the same price plus a contract rate of interest. All sales of investments under reverse repurchase agreements must be for fixed terms. In investing the proceeds of reverse repurchase agreements, the term to maturity of the investments is the same as the term of reverse repurchase agreement. During fiscal year 2011, EPWU did not enter into any reverse repurchase agreements.

Credit risk is the risk of loss due to failure of an issuer not fulfilling its obligations. EPWU minimizes credit risk by limiting investments to the safest types of securities as authorized by its investment policy and by pre-qualifying the financial institutions and broker/dealers with which the EPWU will do business.

EPWU minimizes concentration of credit risk by diversifying the investment portfolio so that potential losses on individual securities will be minimized. In addition, they also invest in securities with varying maturities, and are continuously investing a portion of the portfolio in readily available funds such as local government investment pools (LGIPs) and money market funds. Diversification by investment type shall be established by the following maximum percentages of investment type to the total EPWU portfolio:

U.S. Government Securities	100%
State, Agencies, Counties, Cities and other	50%
Certificates of Deposit	50%
Money Market Mutual Funds	80%
Eligible Investment Pools	100%

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, EPWU will not be able to recover deposits or collateral securities that are in the possession of an outside party. For investments, the custodial credit risk is the risk that, in the event of the failure of the counterparty to a transaction, EPWU will not be able to recover the value of investment or collateral securities that are in the possession of an outside party.

EPWU minimizes depository custodial credit risk by depositing and investing under the terms of a contract, contents of which are set out in the depository contract. The depository bank places approved pledged securities for safekeeping and trust with EPWU's agent bank in an amount sufficient to protect EPWU funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the depository bank's dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance. Effective January 14, 2004, EPWU approved the use of surety bonds as collateral for deposits; currently, the surety bond amounts to \$30,000,000.

EPWU minimizes investment custodial credit risk by requiring that all collateral securities be held by a third party institution. The EPWU requires full collateralization of all EPWU investments, other than investments which are obligations of the U.S. government and its agencies and instrumentalities, or by the Federal Reserve Bank, except the collateral for certificates of deposits in banks. The collateral for certificates of deposits in banks will be registered in EPWU's name in the bank's trust department or, alternatively, in a Federal Reserve Bank account in EPWU's name.



**CITY OF EL PASO, TEXAS**

**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 2. CASH AND INVESTMENTS (Continued)**

**Investments – Component Unit – EPWU (Continued)**

Interest rate risk is the risk that changes in the interest rates will adversely affect the fair value of investments. EPWU minimizes interest rate risk by structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity. It is also minimized by investing operating funds primarily in shorter-term securities, money market mutual funds or similar investment pools. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. The operating funds portfolio should have a weighted average maturity less than 270 days with a maximum of two years for any investment.

Foreign currency risk is the risk that changes in exchange rates will adversely affect the fair value of an investment or a deposit. EPWU does not directly invest in foreign securities; however, the escrow accounts money market fund might invest a minimal amount of the fund’s portfolio in foreign securities.

At February 28, 2011 investments of EPWU are as follows:

Investment type	Fair Value	Maturity in years		Rating / Agency
		Less than 1	1 - 5	
U.S. agencies	\$ 61,545,830	45,156,761	16,389,069	AAAm / S&P
Investment pools	76,536,774	76,536,774	-	AAAm / S&P
Mutual Funds:				
Fidelity Treasury Money				
Market Fund	34,691,845	34,691,845	-	AAA / S&P
Government Money Market				
Fund	23,559,527	23,559,527	-	AAA / S&P
Advantage Fd #008	3,075,565	3,075,565	-	
	<u>\$ 199,409,541</u>	<u>183,020,472</u>	<u>16,389,069</u>	

EPHFC maintains cash in two financial institutions, Bank of the West and Inter National Bank. Collateral is held in safekeeping at the Federal Reserve Bank or member bank other than the depository bank, in the name of the respective depository bank and pledged as a pool of collateral against all of the public deposits it holds, with the exception of deposit insurance by the Federal Deposit Insurance Corporation.

At December 31, 2010 Cash collateral of EPHFC is as follows:

Deposit type	Inter National	
	Bank of the West	Bank
Cash account	\$ 386,582	-
Certificates of deposit	227,859	225,000
FDIC coverage	(250,000)	(250,000)
Total uninsured Public Funds	364,441	(25,000)
Pledged securities	4,168,575	—
collateral requirement (100% of uninsured public funds)	(364,441)	—
	<u>\$ 3,804,134</u>	<u>\$ -</u>

**NOTE 2. CASH AND INVESTMENTS (Continued)**

**Investments – Component Unit – EPHFC**

Custodial credit risk is the risk that, in the event of a bank failure EPHFC deposits may not be returned to it. It requires financial institutions that hold Corporation deposits in excess of the federal depository insurance (FDIC) insured amount will be required to sign a depository agreement with EPHFC and the Corporation’s safekeeping agent. Bank balances of 250,000 are covered by the FDIC. As of December 31, 2010, none of the EPHFC bank balances were exposed to custodial credit risk.

EPHFC had the following investments at December 31, 2010:

<u>Investment type</u>	<u>Fair market value</u>	<u>Maturity</u>
TexSTAR/ Investment pool	<u>\$ 1,559,774</u>	47 days

**NOTE 3. PROPERTY TAXES**

The City’s property tax is levied each October 1 on the assessed value listed as of January 1 for all real and personal property located in the City. A receivable for property taxes is recognized and recorded at the levy date. The adjusted assessed value for the roll as of January 1, 2010, upon which the 2011 levy was based, was \$29,705,294,076.

Taxes are due by January 31 following the October 1 levy date. During the fiscal year, 97.9% of the current tax levy (October 2010) was collected. The statutory lien date is January 1.

The methods of property assessment and tax collection are determined by Texas statute. The statutes provide for a property tax code, countywide appraisal districts and certain exemptions from taxation, such as intangible personal property, household goods and family-owned automobiles.

The appraisal of property within the City is the responsibility of the El Paso Central Appraisal District. The El Paso Central Appraisal District is required under the Property Tax Code to assess all property within the appraisal district on the basis of 100% of its appraised value and is prohibited from applying any assessment ratios. The value of property within the appraisal district must be reviewed every three years; however, the City may require more frequent reviews of appraised values at its own expense. The City may challenge appraised values established by the appraisal district through various appeals and, if necessary, legal action.

The City is authorized to set tax rates on property within the City limits. However, if the adopted tax rate for operations exceeds the effective operating rate as calculated pursuant to the property tax code for the previous year by more than 8%, qualified voters of the City may petition for an election to determine whether to limit the tax rate increase to no more than 8%.

Through a contractual arrangement, the City of El Paso bills and collects property taxes for several other governmental entities as well as the City. The City is permitted by Article II, Section 5 of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services, including the payment of principal and interest on general obligation long-term debt. Under the City Charter, a limit on taxes levied for general governmental services, exclusive of payments of principal and interest on general obligation long-term debt, has been established at \$1.85 per \$100 assessed valuation.

**CITY OF EL PASO, TEXAS**

**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 3. PROPERTY TAXES (Continued)**

The tax rate to finance general governmental purposes, other than the payment of principal and interest on general obligation long-term debt, for the year ended August 31, 2011, was \$.429 per \$100 assessed valuation. The City has a tax margin for general governmental purposes of \$1.421 per \$100 assessed valuation and could levy \$422,290,461 in additional taxes from the assessed valuation of \$29,705,294,076 before the legislative limit is reached.

Property taxes that are measurable and available (receivable within the current period and collected within the current period or within 60 days thereafter to be used to pay liabilities of the current period) are recognized as revenue in the year of levy. Property taxes that are measurable, but not available, are recorded, net of estimated uncollectible amounts, as unearned revenues in the year of levy. Such unearned revenues are recognized as revenue in the fiscal year in which they become available.

The balance of delinquent property taxes receivable and property tax assessments included in unearned revenues at August 31, 2011 is as follows:

	<u>General Fund</u>	<u>Debt Service Fund</u>
Property Taxes Receivable	\$ 8,666,934	3,893,704
Less allowance for uncollectibles	2,274,832	1,021,990
Net property taxes receivable	<u>6,392,102</u>	<u>2,871,714</u>
Deferred Ad Valorem Taxes	<u>\$ 5,690,149</u>	<u>2,523,223</u>

**NOTE 4. RECEIVABLES**

Receivables and due from other government agencies are summarized below:

Governmental activities							
	General Fund	Community Development Block Grants Fund	Debt Service	Capital Projects	Nonmajor Funds	Internal Service Funds	Total
Property Taxes	\$ 8,666,934	-	3,893,704	-	-	-	12,560,638
Sales Taxes	11,249,253	-	-	-	-	-	11,249,253
Trade	1,815,874	-	-	64,693	262,880	4,493	2,147,940
Interest	39,006	403,462	-	-	-	-	442,468
Franchise fees	6,530,364	-	-	-	-	-	6,530,364
Other	2,312,656	-	-	-	2,506,950	-	4,819,606
Due from Other Government Agencies	17,147	2,659,840	-	6,552,636	14,551,017	-	23,780,640
Notes receivable - economic development	-	-	-	-	23,069	-	23,069
Notes receivable - low income housing loans	-	41,369,184	-	-	-	-	41,369,184
Allowance for doubtful accounts	(3,196,122)	(1,567,580)	(1,021,990)	-	-	-	(5,785,692)
Receivables, net of allowances	<u>\$ 27,435,112</u>	<u>42,864,906</u>	<u>2,871,714</u>	<u>6,617,329</u>	<u>17,343,916</u>	<u>4,493</u>	<u>97,137,470</u>
Business-type activities							
	El Paso International Airport	International Bridges	Environmental Services	Mass Transit	Total		
Sales Taxes	\$ -	-	-	5,581,773	5,581,773		
Trade	4,277,649	58,542	1,955,912	20,492	6,312,595		
Federal Fuel Excise Tax Refund	-	-	-	652,796	652,796		
Due from Other Government Agencies	199,585	-	392,183	11,760,936	12,352,704		
Allowance for doubtful accounts	(2,013,433)	-	(324,941)	-	(2,338,374)		
Receivables, net of allowances	<u>\$ 2,463,801</u>	<u>58,542</u>	<u>2,023,154</u>	<u>18,015,997</u>	<u>22,561,494</u>		

**CITY OF EL PASO, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 5. CAPITAL ASSETS**

Capital asset activity for the government-wide financial statements was as follows:

	Balances August 31, 2010	Transfers	Increases	Decreases	Balances August 31, 2011
<b>Governmental Activities:</b> <sup>1</sup>					
Land	\$ 152,970,749	30,000	\$ 8,012,824	(71,794)	160,941,779
Buildings not in use	1,633,000	-	-	-	1,633,000
Construction in progress	65,524,782	(19,403,590)	53,595,966	-	99,717,158
Total capital assets not being depreciated	<u>220,128,531</u>	<u>(19,373,590)</u>	<u>61,608,790</u>	<u>(71,794)</u>	<u>262,291,937</u>
Capital assets being depreciated					
Buildings	299,263,689	7,537,975	-	-	306,801,664
Improvements other than buildings	20,178,552	-	-	-	20,178,552
Vehicles and major equipment	100,075,719	-	9,442,664	(2,714,410)	106,803,973
Data processing equipment and software	20,479,729	-	3,381,736	-	23,861,465
Other capital assets	2,845,308	-	-	-	2,845,308
Infrastructure	805,688,135	11,835,615	-	-	817,523,750
Total capital assets, being depreciated	<u>1,248,531,132</u>	<u>19,373,590</u>	<u>12,824,400</u>	<u>(2,714,410)</u>	<u>1,278,014,712</u>
Less accumulated depreciation for:					
Buildings	125,410,834	-	8,751,540	-	134,162,374
Improvements other than buildings	18,981,598	-	149,399	-	19,130,997
Vehicles and major equipment	73,423,171	-	7,467,984	(2,704,631)	78,186,524
Data processing equipment and software	15,760,248	-	2,367,253	-	18,127,501
Other capital assets	2,845,308	-	-	-	2,845,308
Infrastructure	490,293,098	-	12,240,213	-	502,533,311
Total accumulated depreciation	<u>726,714,257</u>	<u>-</u>	<u>30,976,389</u>	<u>(2,704,631)</u>	<u>754,986,015</u>
Total capital assets, being depreciated, net	<u>521,816,875</u>	<u>19,373,590</u>	<u>(18,151,989)</u>	<u>(9,779)</u>	<u>523,028,697</u>
Governmental activities capital assets, net	<u>\$ 741,945,406</u>	<u>-</u>	<u>43,456,801</u>	<u>(81,573)</u>	<u>785,320,634</u>

Depreciation expense was charged to governmental functions/programs in the government-wide financial statements as follows:

<b>Governmental Activities</b> <sup>1</sup>	
General government	\$ 1,092,026
Public safety	5,884,728
Public Works	13,573,856
Public health	695,531
Parks	3,175,213
Library	910,684
Culture and recreation	5,569,367
Community and economic development	39,286
Total depreciation expense - governmental activities	<u>30,940,691</u>
Internal service funds	35,698
Depreciation Expense	<u>\$ 30,976,389</u>

<sup>1</sup> The capital assets of Internal Service Funds are included in governmental activities. In fiscal year 2011, Internal Service Funds capital asset additions were \$19,126 resulting in a total cost of \$1,806,572. Depreciation expense of \$35,698 resulted in an ending accumulated depreciation balance of \$1,730,690 to arrive at a net book value of \$75,882.

**CITY OF EL PASO, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 5. CAPITAL ASSETS (Continued)**

	Balance August 31, 2010	Transfers	Increases	Decreases	Balance August 31, 2011
Business-type activities:					
<b>El Paso International Airport</b>					
Capital assets not being depreciated:					
Land	\$ 1,382,217	-	-	-	1,382,217
Artwork	965,317	-	14,320	-	979,637
Construction in progress	14,508,629	(16,644,984)	12,820,808	-	10,684,453
Total capital assets not being depreciated	16,856,163	(16,644,984)	12,835,128	-	13,046,307
Capital assets being depreciated:					
Buildings	120,212,837	14,213,814	-	-	134,426,651
Improvements other than buildings	212,740,450	2,118,187	-	-	214,858,637
Vehicles and major equipment	14,801,287	312,985	471,927	422,651	15,163,548
Total capital assets being depreciated	347,754,575	16,644,986	471,927	422,651	364,448,836
Less accumulated depreciation for:					
Buildings	54,390,292	-	4,069,135	-	58,459,427
Improvements other than buildings	108,318,245	2	9,608,850	-	117,927,097
Vehicles and major equipment	11,919,685	-	903,772	422,651	12,400,806
Total accumulated depreciation	174,628,222	2	14,581,757	422,651	188,787,330
Total capital assets, being depreciated, net	173,126,353	16,644,984	(14,109,830)	-	175,661,506
El Paso International Airport capital assets, net	\$ 189,982,516	-	(1,274,702)	-	188,707,813
<b>Environmental Services</b>					
Capital assets not being depreciated:					
Vehicles not in service	\$ -	192,191	-	-	192,191
Construction in progress	13,933,969	(13,832,968)	1,291,667.00	-	1,392,668
Total capital assets not being depreciated	13,933,969	(13,640,777)	1,291,667.00	-	1,584,859
Capital assets being depreciated:					
Buildings	1,062,085	4,350,975	50,189	-	5,463,249
Improvements other than buildings	14,166,541	6,445,920	709,627	-	21,322,088
Vehicles and major equipment	50,555,565	2,843,882	4,338,833	812,909	56,925,371
Total capital assets being depreciated	65,784,191	13,640,777	5,098,649	812,909	83,710,708
Less accumulated depreciation for:					
Buildings	413,839	-	76,297	-	490,136
Improvements other than buildings	13,025,888	-	1,693,659	-	14,719,547
Vehicles and major equipment	34,027,863	-	4,521,833	812,909	37,736,787
Total accumulated depreciation	47,467,590	-	6,291,789	812,909	52,946,470
Total capital assets, being depreciated, net	18,316,601	13,640,777	(1,193,140.00)	-	30,764,238
Environmental Services capital assets, net	\$ 32,250,570	-	98,527.00	-	32,349,097
<b>Mass Transit</b>					
Capital assets not being depreciated:					
Land	\$ 10,890,002	566,336	-	-	11,456,338
Construction in progress	17,696,974	(14,002,507)	5,980,965	-	9,675,432
Total capital assets not being depreciated	28,586,976	(13,436,171)	5,980,965	-	21,131,770
Capital assets being depreciated:					
Buildings	34,623,398	13,529,798	3,779,270	-	51,932,466
Improvements other than buildings	32,832,911	152,711	101,517	-	33,087,139
Vehicles and major equipment	82,089,666	(5,981)	3,970,257	294,997	85,758,945
Total capital assets being depreciated	149,545,975	13,676,528	7,851,044	294,997	170,778,550
Less accumulated depreciation for:					
Buildings	11,473,069	(299,441)	1,922,303	-	13,095,931
Improvements other than buildings	17,339,875	(495,148)	1,923,288	-	18,768,015
Vehicles and major equipment	41,392,463	1,034,946	6,765,390	294,997	48,897,802
Total accumulated depreciation	70,205,407	240,357	10,610,981	294,997	80,761,748
Total capital assets, being depreciated, net	79,340,570	13,436,171	(2,759,937)	-	90,016,802
Mass Transit capital assets, net	\$ 107,927,542	-	3,221,028	-	111,148,572

**CITY OF EL PASO, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 5. CAPITAL ASSETS (Continued)**

	Balance August 31, 2010	Transfers	Increases	Decreases	Balance August 31, 2011
<b>International Bridges</b>					
Capital assets not being depreciated:					
Land	\$ 2,469,531	-	-	-	2,469,531
Construction in progress	966,958	1	6,864,964	-	7,831,923
Total capital assets not being depreciated	3,436,489	1	6,864,964	-	10,301,454
Capital assets being depreciated:					
Buildings	-	-	-	-	-
Improvements other than buildings	11,130,729	-	-	-	11,130,729
Vehicles and major equipment	3,013,196	(4)	-	-	3,013,192
Total capital assets being depreciated	14,143,925	(4)	-	-	14,143,921
Less accumulated depreciation for:					
Buildings	-	-	-	-	-
Improvements other than buildings	8,023,431	(57,106)	554,602	-	8,520,927
Vehicles and major equipment	2,936,427	57,103	19,662	-	3,013,192
Total accumulated depreciation	10,959,858	(3)	574,264	-	11,534,119
Total capital assets, being depreciated, net	3,184,067	(1)	(574,264)	-	2,609,802
<b>International Bridges capital assets, net</b>	<b>\$ 6,620,556</b>	<b>-</b>	<b>6,290,700</b>	<b>-</b>	<b>12,911,256</b>
<b>All business-type activities:</b>					
Capital assets not being depreciated:					
Land	\$ 14,741,750	566,336	-	-	15,308,086
Artwork	965,317	-	14,320	-	979,637
Vehicles not in service	-	192,191	-	-	192,191
Construction in progress	47,106,526	(44,480,458)	26,958,404	-	29,584,476
Total capital assets not being depreciated	62,813,593	(43,721,931)	26,972,724	-	46,064,390
Capital assets being depreciated:					
Buildings	167,029,048	32,094,587	3,829,459	-	191,822,366
Improvements other than buildings	259,739,902	8,716,818	811,144	-	280,398,593
Vehicles and major equipment	150,459,715	3,150,882	8,781,017	1,530,557	160,861,056
Total capital assets being depreciated	577,228,667	43,962,287	13,421,620	1,530,557	633,082,015
Less accumulated depreciation for:					
Buildings	74,300,630	(299,441)	6,067,735	-	72,045,494
Improvements other than buildings	138,684,008	(552,252)	13,751,198	-	159,906,385
Vehicles and major equipment	90,276,438	1,092,049	12,239,858	1,530,557	102,077,788
Total accumulated depreciation	303,261,076	240,356	32,058,791	1,530,557	334,029,667
Total capital assets, being depreciated, net	273,967,591	43,721,931	(18,637,171)	-	299,052,348
All business-type activities capital assets, net	\$ 336,781,184	-	8,335,553	-	345,116,738

Depreciation expense was charged to business-type activities as follows:

International airport operations	\$ 14,581,757
Solid waste operations	6,291,789
Mass transit operations	10,610,981
International bridges operations	574,264
	<u>\$ 32,058,791</u>

**CITY OF EL PASO, TEXAS**

**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 5. CAPITAL ASSETS (Continued)**

Interest expense for business-type activities in 2011 is \$3,375,681. Interest cost as a component of the cost of construction in progress, is reported in accordance with FASB Accounting Standards Codification (ASC) 835-20. No interest was capitalized in 2011.

**Construction Commitments**

As of August 31, 2011:	Fund Equity and Other Sources Available	Remaining Commitment
Governmental funds	\$ 43,542,969	35,471,117
Proprietary funds	70,800,859	17,342,423
<b>Total</b>	<b>114,343,828</b>	<b>52,813,540</b>

**Component Unit – EPWU**

Capital asset activity for EPWU was as follows:

	Balance February 28, 2010	Additions	Reductions	Balance February 28, 2011
Capital assets, not being depreciated:				
Land and right-of-way	\$ 6,169,109	4,398,467		10,567,576
Land not in service	57,942,084	471,476	207,830	58,205,730
Construction work in progress	45,864,003	47,773,534	41,809,348	51,828,189
<b>Total capital assets, not being depreciated</b>	<b>109,975,196</b>	<b>52,643,477</b>	<b>42,017,178</b>	<b>120,601,495</b>
Capital assets, being depreciated				
Wastewater plant	639,085,317	30,432,939	157,297	669,360,959
Water plant	913,917,825	26,930,313	1,655,251	939,192,887
Drainage system	23,962,840	1,576,079		25,538,919
Irrigation water rights contracts	8,676,289	224,100		8,900,389
Equipment and tools	31,302,090	1,516,354	401,906	32,416,538
Vehicles	17,305,206	877,985	42,173	18,141,018
Buildings and shops	13,911,808	298,131		14,209,939
<b>Total capital assets, being depreciated</b>	<b>1,648,161,375</b>	<b>61,855,901</b>	<b>2,256,627</b>	<b>1,707,760,649</b>
Less accumulated depreciation for:				
Wastewater plant	274,025,462	18,142,119	157,297	292,010,284
Water plant	299,947,986	26,568,465	1,655,251	324,861,200
Drainage system	1,091,150	596,992		1,688,142
Irrigation water rights contracts	521,022	116,885		637,907
Equipment and tools	28,551,241	1,089,568	401,906	29,238,903
Vehicles	13,521,791	1,456,527	42,173	14,936,145
Buildings and shops	6,329,871	635,551		6,965,422
<b>Total accumulated depreciation</b>	<b>623,988,523</b>	<b>48,606,107</b>	<b>2,256,627</b>	<b>670,338,003</b>
<b>Total capital assets, being depreciated, net</b>	<b>1,024,172,852</b>	<b>13,249,794</b>	<b>-</b>	<b>1,037,422,646</b>
Utility Plant	\$ 1,134,148,048	65,893,271	42,017,178	1,158,024,141

Total depreciation charged to operations was \$48,606,107. Interest incurred on revenue bonds was \$25,332,484 of which \$554,750 was capitalized on construction projects.

Land not in service is essentially unimproved land that EPWU has purchased for its surface and ground water rights. EPWU owns a total of 102,158.761 acres of land which includes 28,008.431 acres in El Paso County, 73,281.88 acres in Hudspeth, Presidio, Jeff Davis and Culberson counties and 868.45 acres in New Mexico.

EPWU was committed to open contracts related to construction projects totaling \$162,112,408.

**CITY OF EL PASO, TEXAS**

**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 5. CAPITAL ASSETS (Continued)**

**Component Unit – EPHFC**

Capital asset activity for EPHFC was as follows:

	Balance December 31, 2009	Addition s	Reduction s	Balance December 31, 2010
Capital assets, being depreciated				
Furniture and equipment	\$ 8,306	-	-	8,306
Total capital assets, being depreciated	8,306	-	-	8,306
Less accumulated depreciation for:				
Furniture and equipment	7,021	762	-	7,783
Total accumulated depreciation	7,021	762	-	7,783
Total capital assets, being depreciated, net	1,285	(762)	-	523
Total	\$ 1,285	(762)	-	523

Depreciation expense for the year ended December 31, 2010 was \$762.

**NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS**

**A. Interfund Receivables and Payables**

Interfund receivable and payable balances at August 31, 2011 were as follows:

Receivable Fund	Payable Fund	Amount
General Fund	Mass Transit	\$ 4,497,771 (1)
Nongrants	Other Federal Grants	7,393,176 (1)
	American Recovery and Reinvestment	1,226,391 (1)
	State Grants	1,390,831 (1)
	Public Health	1,345,228 (1)
Mass Transit	Capital Projects	5,912,934 (2)
Total		<u>\$ 21,766,331</u>

(1) Overdraft in Pooled Cash

(2) Unspent proceeds from issuance of debt



**CITY OF EL PASO, TEXAS**

**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 6. INTERFUND RECEIVABLES, PAYABLES AND TRANSFERS (Continued)**

**B. Transfers**

Transfers are made as required by the annual budget resolution or subsequent City Council action. Interfund transfers made during the year were as follows:

<b>Transfer Out:</b>	<b>Transfer In:</b>				<b>Total</b>
	<b>Governmental Activities</b>				
	<b>General Fund</b>	<b>Debt Service</b>	<b>Capital Projects</b>	<b>Non-Major Governmental Funds</b>	
<b>Governmental Activities:</b>					
General Fund	\$ -	-	3,026,116 (6)	214,746 (4)	3,240,862
Capital Projects	-	2,603,564 (5)	-	-	2,603,564
Nonmajor Governmental Funds	-	-	1,520,000 (7)	-	1,520,000
<b>Total Governmental Activities</b>	<b>-</b>	<b>2,603,564</b>	<b>4,546,116</b>	<b>214,746</b>	<b>7,364,426</b>
<b>Business-type Activities:</b>					
El Paso International Airport	1,612,408 (1)	-	-	-	1,612,408
International Bridges	11,033,611 (2)	-	-	-	11,033,611
Environmental Services	2,638,385 (3)	-	-	-	2,638,385
Mass Transit	3,250,000 (1)	-	-	-	3,250,000
<b>Total Business-type Activities</b>	<b>18,534,404</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>18,534,404</b>
<b>Total</b>	<b>\$ 18,534,404</b>	<b>2,603,564</b>	<b>4,546,116</b>	<b>214,746</b>	<b>25,898,830</b>

(1) Indirect cost (PILOT):

Airport	\$ 1,612,408
Mass Transit	\$ 3,250,000

(2) Unrestricted net assets

\$ 11,033,611

(3) Cost recovery for street usage

\$ 2,638,385

(4) Council Special Projects

To fund Dia de los Niños - from Council discretionary funds	\$ 735
To fund Lobbyist	71,081
To fund Economic Development - Centro Mayapan	142,930
	\$ 214,746

(5) Convention and Visitors Bureau share of debt

\$ 2,388,870

Transfer unexpended debt issuance proceeds

214,694

\$ 2,603,564

(6) Interest earnings on \$16mm cash reserve

\$ 26,116

Transfer from GF - Vehicle replacement

3,000,000

\$ 3,026,116

(7) To fund Municipal Court software

\$ 1,500,000

To fund Southside Park Improvements

20,000

\$ 1,520,000

**NOTE 7. OPERATING LEASES****A. Primary Government**

The City, as lessee, leases buildings, office space and equipment under various lease agreements. Generally, these lease agreements provide for cancellation in the event the City Council does not appropriate funding in subsequent fiscal years. Therefore, the City is not obligated beyond each fiscal year. Management expects the leases to continue. These leases are treated as operating leases for accounting purposes. Operating lease expenditures for the year ended August 31, 2011 amounted to \$3,640,739.

Additionally, the City, as lessor, leases certain buildings and equipment under various monthly lease agreements, which are cancelable.

A substantial portion of the airport terminal building and other areas are leased to third parties through operating leases. The majority of these include certified passenger airline leases, commercial and noncommercial aviation ground leases, industrial site leases, auto rental concession leases and food and beverage concession leases. These leases are for varying periods and require the payment of minimum annual rentals. Leases with concessionaires also require payment of percentage rents based on sales in excess of stipulated amounts. Rental income in connection with these operating leases and various other monthly rental agreements for the year ended August 31, 2011 was \$14,936,586 including percentage contingent rents of \$3,200,637.

The following is a schedule of airport revenue from future minimum rentals on non-cancelable operating leases as of August 31, 2011:

<u>YEAR ENDING</u>	
2012	\$ 9,424,447
2013	8,303,710
2014	8,159,545
2015	7,745,514
2016	7,643,396
2017 - 2021	35,007,939
2022 - 2026	22,398,213
2027 - 2031	14,370,188
2032 - 2036	8,462,521
2037 - 2041	3,362,531
2042 - 2046	2,249,804
2047 - 2050	1,204,561
TOTAL	<u>\$ 128,332,370</u>

Historical costs of these leased assets and related accumulated depreciation were \$134,040,587 and \$70,165,090, respectively, as of August 31, 2011.

**NOTE 7. OPERATING LEASES (Continued)**

**B. Component Unit - EPWU**

**1. Leasing Arrangements with EPWU as Lessor**

EPWU, as lessor, leases real properties under various long-term lease agreements under the operating method of accounting for leases. Minimum future rentals to be received on non-cancelable leases as of February 28, 2011 for each of the next five years and for each of the five-year periods thereafter:

<u>Year Ended the last day of February</u>	<u>Amount</u>
2012	\$ 1,920,813
2013	1,754,756
2014	1,677,501
2015	1,644,012
2016	1,577,720
2017-2021	6,426,113
2022-2026	4,758,947
2027-2031	2,168,726
2032-2036	1,046,243
2037	8,080
Total Minimum Future Rentals	<u><u>\$ 22,982,911</u></u>

**2. Leasing Arrangements with EPWU as Lessee**

EPWU leases buildings, land, computer equipment and copiers under various long-term lease agreements under the operating method of accounting for leases. Rental expense for the year ended February 28, 2011 was \$1,112,169. Minimum future payments as of February 28, 2011 for each of the next five years and for each of the five-year periods thereafter are:

<u>Year Ended the last day of February</u>	<u>Amount</u>
2012	\$ 1,015,875
2013	653,257
2014	639,827
2015	599,712
2016	477,160
2017-2021	2,048,258
2022-2026	2,047,500
2027-2031	2,047,500
2032-2036	2,047,500
2037-2041	2,047,500
2042-2046	2,047,500
2047-2051	2,047,500
2052-2056	2,047,500
2057-2059	921,375
Total Minimum Future Rentals	<u><u>\$ 20,687,964</u></u>

**NOTE 8. LONG-TERM OBLIGATIONS****A. Primary Government****1. General Obligation Debt - Capital Projects Funding**

The Capital Projects Fund is used to account for the acquisition and construction of general government capital assets. Capital projects are funded primarily by the issuance of general obligation debt, other tax supported debt and intergovernmental revenues.

General obligation debt, which includes general obligation bonds, certificates of obligation and contractual obligations, is collateralized by the full faith and credit of the City and is reported as an obligation in the Statements of Net Assets, Governmental and Business-type Activities. The City intends to retire its general obligation debt, plus interest, from future ad valorem tax levies and is required by ordinance to create from such tax revenues a sinking fund sufficient to pay the current interest due thereon and each installment of principal as it becomes due. The tax rate to finance the payment of principal and interest on general obligation long-term debt for the year ended was \$.2253 per \$100 assessed valuation.

The City Charter states that all indebtedness of the City that is supported by property tax shall not exceed ten percent of the total assessed valuation of the City's tax rolls. Ten percent of the fiscal year 2011 total assessed valuation base equals approximately \$2,970,529,408. The City's legal debt margin was \$2,101,492,722. General obligation debt sold to fund fixed assets of proprietary funds is reported as an obligation of those proprietary funds, although they are not obligated by the applicable bond indentures to repay any portion of principal and interest on outstanding general obligation debt. However, the City intends for the proprietary funds to meet the debt service requirements.

There are a number of limitations and restrictions contained in the various general obligation bond indentures. The City believes it is in compliance with all significant limitations and restrictions of its general obligation bond indentures.

**2. Revenue Bonds**

The City issues revenue bonds for which income derived from the assets acquired or constructed with the debt proceeds are pledged to repay the principal and interest on bonds. The bond ordinance for the Plaza Theatre combination tax and revenue certificates of obligation bonds pledges revenues of the International Bridges Fund. The City believes it is in compliance with all significant limitations and restrictions of its revenue bond ordinances

**3. Notes Payable**

The City has obtained loans in the International Bridges Fund for which income derived from the assets acquired or constructed with the loan proceeds are pledged to repay the principal and interest on loans. These loans are repayable from bridge tolls collected by the City and are not repayable from general revenues of the City.

**NOTE 8. LONG-TERM OBLIGATIONS (Continued)**

**A. Primary Government (Continued)**

**4. Long-Term Debt**

The following summarizes significant facts about general obligation bonds, certificates of obligation, revenue bonds, notes payable and capital lease obligations:

	Interest Rates		Balance
	at Issue date	August 31, 2011	
Governmental activities	3.00 - 6.70%	3.00 - 6.163%	\$ 863,591,442
Business-type activities	3.00 - 5.30%	3.625 - 5.00%	84,507,265
			<u>\$ 948,098,707</u>

**5. Indebtedness Incurred during Fiscal Year Ended August 31, 2011**

On November 1, 2010 the City issued \$74,340,000 of Direct Subsidy- Build America Certificate of Obligation Bonds and \$2,010,000 Combination Tax and Revenue Certificates of Obligation Bonds. These bonds were issued at a premium of \$57,868, issuance costs were \$773,502 and interest rates ranged between 3% and 6.7%. Interest payments begin February 15, 2012 and principal payments begin August 15, 2015. The last payment is due on August 15, 2025. These bonds were issued to pay for construction of public facilities, infrastructure and acquisition of capital equipment.

On October 22, 2010 the City received a state infrastructure bank loan in the amount of \$6,356,000 to fund improvements and repairs at the International Bridges. The interest rate is 3.25%. The first payment was due February 1, 2011 and final payment is due February 1, 2020. Repayment of this loan will be made from bridge operations.

On June 1, 2011 the City issued \$16,330,000 of airport revenue bonds. These bonds were issued at a premium of \$36,463, issuance costs were \$407,459 and interest rates are from 3.25% to 5.25%. The first payment is due on February 15, 2012 and the last payment is due August 15, 2028. These bonds were issued to improve Airport infrastructure.

**6. Bonds Authorized and Unissued**

There were no authorized, unissued bonds at August 31, 2011.

**CITY OF EL PASO, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 8. LONG-TERM OBLIGATIONS (Continued)**

**A. Primary Government (Continued)**

**7. Debt Service Requirements**

**Bonded Debt Requirements (General Obligation Bonds and Certificate of Obligation Bonds)**

Year Ending August 31	Governmental Activities		Business-Type Activities		Total	
	Principal	Interest	Principal	Interest	Principal	Interest
2012	\$ 33,728,773	42,194,403	2,216,227	1,055,903	35,945,000	43,250,306
2013	35,013,754	40,599,219	1,381,246	947,563	36,395,000	41,546,782
2014	145,060,939	38,973,067	1,314,061	876,315	146,375,000	39,849,382
2015	34,143,145	33,320,878	1,351,855	804,441	35,495,000	34,125,319
2016	32,775,017	31,683,964	1,649,983	729,863	34,425,000	32,413,827
2017-2021	149,350,402	136,013,903	4,914,598	2,872,042	154,265,000	138,885,945
2022-2026	165,380,197	96,451,716	4,714,803	1,951,113	170,095,000	98,402,829
2027-2031	164,610,000	53,535,349	3,715,000	1,189,033	168,325,000	54,724,382
2032-2036	90,535,000	12,544,709	3,390,000	384,228	93,925,000	12,928,937
Total	<u>\$ 850,597,227</u>	<u>485,317,208</u>	<u>24,647,773</u>	<u>10,810,501</u>	<u>875,245,000</u>	<u>496,127,709</u>

**Revenue Bond Requirements**

	August 31	Principal	Interest
2012		1,700,000	1,888,917
2013		1,775,000	1,730,838
2014		1,855,000	1,650,675
2015		1,940,000	1,565,394
2016		2,035,000	1,474,619
2017-2021		7,895,000	6,227,688
2022-2026		9,860,000	4,266,325
2027-2031		8,210,000	1,774,869
2032-2033		2,530,000	196,611
Total		<u>\$ 37,800,000</u>	<u>20,775,936</u>

**Capital Leases**

Year Ending August 31	Business-type Activities	
	Principal	Interest
2012	3,010,435	253,484
2013	2,334,976	131,793
2014	1,609,454	40,583
Total	<u>\$ 6,954,865</u>	<u>425,860</u>

**CITY OF EL PASO, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 8. LONG-TERM OBLIGATIONS (Continued)**

**A. Primary Government (Continued)**

**7. Debt Service Requirements (Continued)**

**Notes Payable**

Year Ending August 31	Governmental Activities		Business-type Activities	
	Principal	Interest	Principal	Interest
2012	\$ 1,035,045	411,141	\$ 1,840,890	575,169
2013	1,292,646	460,716	1,897,798	502,601
2014	1,391,094	408,719	1,956,845	427,722
2015	1,495,226	352,424	2,018,116	350,441
2016	1,605,346	291,578	1,189,550	270,668
2017-2021	6,174,858	472,670	5,109,688	709,658
2022-2023	-	-	1,091,740	65,746
	<u>\$ 12,994,215</u>	<u>2,397,248</u>	<u>\$ 15,104,627</u>	<u>2,902,005</u>

In prior years, the City legally defeased certain outstanding general obligation bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments of the old bonds. Accordingly, the trust accounts and the legally defeased bonds are not included in the City's financial statements.

At August 31, 2011, the remaining outstanding balance of legally defeased bonds is \$102,005,000.

**8. Long-Term Obligations and Amounts Due Within One Year**

**Governmental Activities:**

	Balance August 31, 2010	Additions	Reductions	Balance August 31, 2011	Due Within One Year
Bonds Payable:					
General Obligation Bonds	\$ 612,835,000	-	25,870,000	586,965,000	28,755,000
Certificates of Obligation	197,966,155	69,280,000	3,613,928	263,632,227	4,973,773
Add: Unamortized Premium	17,867,986	57,868	2,731,032	15,194,822	2,731,032
Less: Deferred Amount on Refunding	(3,008,734)	-	(564,302)	(2,444,432)	(454,274)
Total Bonds (1)	<u>825,660,407</u>	<u>69,337,868</u>	<u>31,650,658</u>	<u>863,347,617</u>	<u>36,005,531</u>
Energy Conservation Notes Payable (2)	14,076,130		1,081,915	12,994,215	1,035,045
Compensated Absences (4)	54,697,028	46,454,341	42,663,682	58,487,687	45,620,396
Arbitrage Rebate Liability (1)	30,227	-	-	30,227	30,227
Accrued Self- Insurance Claims (3)	15,747,550	44,690,463	44,004,784	16,433,229	16,433,229
Net Pension Obligation - CEPF (1)	276,668	11,465,642	11,401,726	340,584	-
Other Postemployment Benefits (3)	24,796,097	11,315,805	2,769,641	33,342,261	-
Claims and Judgements (2)	500,000	2,150,000	-	2,650,000	500,000
Governmental Activities long-term liabilities	<u>\$ 937,934,107</u>	<u>183,264,119</u>	<u>133,572,406</u>	<u>987,625,820</u>	<u>99,624,428</u>

The City estimates payment of long-term liabilities from funds as follows:

- (1) Debt Service Fund
- (2) General Fund
- (3) Internal Service Funds
- (4) General Fund, Community Development Block Grants, Federal Grants, State Grants and Internal Service Funds

**CITY OF EL PASO, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 8. LONG-TERM OBLIGATIONS (Continued)**

**A. Primary Government (Continued)**

**8. Long-Term Obligations and Amounts Due Within One Year (Continued)**

**Business-type Activities:**

	August 31, 2010	Additions	Reductions	August 31, 2011	Due Within One Year
<b>El Paso International Airport:</b>					
Revenue Bonds	\$ 7,050,000	16,330,000	1,060,000	22,320,000	1,100,000
Add: Unamortized Premium	-	36,464	275	36,189	273
Less: Unamortized Discount	(596,851)	-	(99,475)	(497,376)	(99,475)
<b>Total Bonds Payable</b>	<b>6,453,149</b>	<b>16,366,464</b>	<b>960,800</b>	<b>21,858,813</b>	<b>1,000,798</b>
Compensated Absences	2,566,519	2,220,932	2,001,885	2,785,566	2,172,741
Net Pension Obligation - CEPF	35,550	1,129,634	1,123,337	41,847	-
Net Pension Obligation - FPPF	906,447	845,250	699,780	1,051,917	-
Other Post Employment Benefits	1,645,004	752,711	186,725	2,210,990	-
<b>Total El Paso International Airport</b>	<b>11,606,669</b>	<b>21,314,991</b>	<b>4,972,527</b>	<b>27,949,133</b>	<b>3,173,539</b>
<b>Environmental Services:</b>					
Certificates of Obligation	8,658,845	-	1,366,072	7,292,773	1,416,227
Master Equipment Lease/Purchase Agreements	1,493,970	-	730,744	763,226	763,226
Revenue Bonds	16,050,000	-	570,000	15,480,000	600,000
Add: Unamortized Premium	329,799	-	30,425	299,374	29,353
<b>Total Bonds/Notes Payable</b>	<b>26,532,614</b>	<b>-</b>	<b>2,697,241</b>	<b>23,835,373</b>	<b>2,808,806</b>
Landfill Closure and Post-Closure	17,657,317	-	1,588,495	16,068,822	1,200,000
Delta Transfer Station Post-Closure	113,405	345	-	113,750	-
Compensated Absences	1,111,245	827,356	866,771	1,071,830	836,027
Net Pension Obligation - CEPF	33,523	1,561,413	1,552,709	42,227	-
Other Post Employment Benefits	1,849,219	945,080	232,897	2,561,402	-
<b>Total Environmental Services</b>	<b>47,297,323</b>	<b>3,334,194</b>	<b>6,938,113</b>	<b>43,693,404</b>	<b>4,844,833</b>
<b>Mass Transit:</b>					
Certificates of Obligation	10,285,000	7,070,000	-	17,355,000	800,000
Capital Lease Obligation	8,354,398	-	2,162,759	6,191,639	2,247,210
Add: Unamortized Premium	583,824	-	117,270	466,554	-
<b>Total Bonds/Notes Payable</b>	<b>19,223,222</b>	<b>7,070,000</b>	<b>2,280,029</b>	<b>24,013,193</b>	<b>3,047,210</b>
Compensated Absences	1,725,718	1,483,289	1,346,060	1,862,947	1,453,099
Claims and Judgements	201,401	145,435	-	346,836	346,836
Net Pension Obligation - CEPF	77,615	3,540,190	3,520,457	97,348	-
Other Post Employment Benefits	3,597,588	1,724,787	425,733	4,896,642	-
<b>Total Mass Transit</b>	<b>24,825,544</b>	<b>13,963,701</b>	<b>7,572,279</b>	<b>31,216,966</b>	<b>4,847,145</b>
<b>International Bridges:</b>					
Notes Payable	10,577,577	6,356,000	1,828,950	15,104,627	1,840,889
<b>Total Bonds/Notes Payable</b>	<b>10,577,577</b>	<b>6,356,000</b>	<b>1,828,950</b>	<b>15,104,627</b>	<b>1,840,889</b>
Compensated Absences	177,605	137,468	138,532	176,541	137,702
Net Pension Obligation - CEPF	5,819	220,177	218,950	7,046	-
Other Post Employment Benefits	319,042	149,445	36,666	431,821	-
<b>Total International Bridges</b>	<b>11,080,043</b>	<b>6,863,090</b>	<b>2,223,098</b>	<b>15,720,035</b>	<b>1,978,591</b>
Business-type activities long-term liabilities	\$ 94,809,579	45,475,976	21,706,017	118,579,538	14,844,108



**CITY OF EL PASO, TEXAS**  
**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 8. LONG-TERM OBLIGATIONS (Continued)**

**A. Primary Government (Continued)**

**9. Long-Term-Debt Outstanding**

	Date Issued	Amount (000's omitted)	Interest Rate Range	September 1, 2010	Issued	Reduction	August 31, 2011
<b>Certificate of Obligation Bonds:</b>							
SERIES 2001-A	12/01/01	33,970	3.25 - 5.25%	\$ 8,165,000	-	\$ 1,355,000	\$ 6,810,000
SERIES 2003	04/03/03	44,010	3 - 5%	26,400,000	-	1,445,000	24,955,000
SERIES 2005 - Plaza Theatre (1)	08/15/05	17,315	2.95 - 4.97%	14,840,000	-	670,000	14,170,000
SERIES 2007	05/01/07	35,000	4 - 5%	34,270,000	-	795,000	33,475,000
SERIES 2009	01/15/09	57,615	3 - 5.5%	57,055,000	-	715,000	56,340,000
SERIES 2009 A	09/15/09	27,210	4 - 5%	27,210,000	-	-	27,210,000
SERIES 2009 B	09/15/09	45,740	4.78 - 6.16%	45,740,000	-	-	45,740,000
SERIES 2009 C	09/15/09	3,230	6.16 - 6.16%	3,230,000	-	-	3,230,000
SERIES 2010A	11/01/10	2,010	3 - 3%	-	2,010,000	-	2,010,000
SERIES 2010B	11/01/10	74,340	3.22 - 6.7%	-	74,340,000	-	74,340,000
<b>Total Certificate of Obligation Bonds</b>				<b>216,910,000</b>	<b>76,350,000</b>	<b>4,980,000</b>	<b>288,280,000</b>
<b>General Obligation Bonds:</b>							
SERIES 2002 REFUNDING BONDS	05/15/02	55,090	3.5 - 5.75%	11,125,000	-	5,470,000	5,655,000
SERIES 2003	08/15/03	29,265	2.5 - 5%	7,090,000	-	3,870,000	3,220,000
SERIES 2005 REFUNDING BONDS	04/01/05	152,190	3.5 - 5.25%	129,530,000	-	10,205,000	119,325,000
SERIES 2006	04/15/06	56,350	3.625 - 5%	51,940,000	-	1,455,000	50,485,000
SERIES 2007 REFUNDING	02/15/07	95,190	4 - 5%	95,190,000	-	-	95,190,000
SERIES 2007A	05/01/07	40,000	4 - 5%	38,945,000	-	1,100,000	37,845,000
SERIES 2007 PENSION BONDS	06/15/07	101,240	5.512 - 6%	99,495,000	-	1,845,000	97,650,000
SERIES 2008	02/15/08	56,455	3.5 - 5%	55,455,000	-	1,415,000	54,040,000
SERIES 2009 PENSION BONDS	05/15/09	111,545	3.11 - 3.61%	111,545,000	-	-	111,545,000
SERIES 2009 REFUNDING BONDS	06/01/09	16,020	3 - 5%	12,520,000	-	510,000	12,010,000
<b>Total General Obligation Bonds</b>				<b>612,835,000</b>	<b>-</b>	<b>25,870,000</b>	<b>586,965,000</b>
<b>TOTAL TAX SUPPORTED DEBT</b>				<b>\$ 829,745,000</b>	<b>76,350,000</b>	<b>30,850,000</b>	<b>875,245,000</b>
<b>ENERGY CONSERVATION NOTES</b>							
State Infrastructure Bank		5,318,499		\$ 4,832,501	-	492,835	4,339,666
Banc of America Public Capital Corp.		9,767,074		9,243,629	-	589,080	8,654,549
<b>TOTAL ENERGY CONSERVATION NOTES</b>				<b>\$ 14,076,130</b>	<b>-</b>	<b>1,081,915</b>	<b>12,994,215</b>
<b>NOTES PAYABLE</b>							
FED LOAN-International Bridges	12/01/91	3,000	variable	\$ 1,150,000	-	100,000	1,050,000
SIB LOAN-International Bridges	10/04/99	3,634	4.30%	3,938,450	-	722,799	3,215,651
SIB LOAN-International Bridges	01/01/08	6,107	4.10%	5,489,127	-	328,064	5,161,063
SIB LOAN-International Bridges	10/22/10	6,356	3.25%	-	6,356,000	678,087	5,677,913
<b>TOTAL NOTES PAYABLE</b>				<b>\$ 10,577,577</b>	<b>6,356,000</b>	<b>1,828,950</b>	<b>15,104,627</b>
<b>CAPITAL LEASE OBLIGATIONS PAYABLE:</b>							
Environmental Services		38,333	1.99%	\$ 1,493,970	-	730,744	763,226
Mass Transit		15,000	3.679 - 4.25%	8,354,398	-	2,162,759	6,191,639
<b>TOTAL CAPITAL LEASE OBLIGATIONS PAYABLE</b>				<b>\$ 9,848,368</b>	<b>-</b>	<b>2,893,503</b>	<b>6,954,865</b>
<b>REVENUE BONDS:</b>							
RB 2003 - El Paso International Airport	09/15/03	18,000	3 - 4.625%	\$ 7,050,000	-	1,060,000	5,990,000
RB 2004 - Solid Waste Management	07/14/04	22,120	3 - 5.125%	16,050,000	-	570,000	15,480,000
RB 2011 - El Paso International Airport	07/06/11	16,330	3.25-5.25%	-	16,330,000	-	16,330,000
<b>TOTAL REVENUE BONDS</b>				<b>\$ 23,100,000</b>	<b>\$ 16,330,000</b>	<b>\$ 1,630,000</b>	<b>\$ 37,800,000</b>

**CITY OF EL PASO, TEXAS**

**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 8. LONG-TERM OBLIGATIONS (Continued)**

**B. Component Unit – EPWU**

**1. Revenue Bonds**

Water and Sewer Revenue Bonds, in the amount of \$497,720,000 at February 28, 2011, are equally and ratably secured by and payable from an irrevocable first lien on and pledge of the net revenue of EPWU.

**2. Changes in Long-Term-Debt**

Revenue Bonds changes during fiscal year 2011 and balances, excluding deferred gains and losses, include the following individual issues:

	Dated	Original Amount	Interest Rates	Balance Outstanding March 1	Issued/ Additions	Retired/ Refunded/ Reductions	Balance Outstanding February 28	Due Within One Year
Revenue Bonds:								
1990-B	12/01/90	\$ 8,000,000	no interest	\$ 8,000,000	-	-	8,000,000	-
1999-A	09/23/99	211,000	4.84 to 5.89%	11,000	-	11,000	-	-
1999-B	09/23/99	106,000	4.84 to 5.89%	5,000	-	5,000	-	-
1999-C	12/02/99	15,480,000	4.30 to 5.75%	770,000	-	770,000	-	-
1999-D	12/20/99	15,190,000	3.20%	705,000	-	705,000	-	-
2000	12/19/00	13,210,000	4.875 to 5.750%	585,000	-	585,000	-	-
2001	08/01/01	16,265,000	2.45 to 4.50%	11,920,000	-	10,410,000	1,510,000	740,000
2001-A	12/15/01	88,780,000	4.00 to 6.00%	45,780,000	-	35,840,000	9,940,000	2,890,000
2002	01/01/02	7,520,000	0.15 to 3.35%	5,310,000	-	340,000	4,970,000	350,000
2003 Refunding	08/15/03	89,745,000	4.99%	67,120,000	-	5,305,000	61,815,000	5,600,000
2003-A	08/15/03	1,000,000	no interest	750,000	-	50,000	700,000	50,000
2003-B	12/01/03	10,000,000	0 to 4.19%	9,980,000	-	5,000	9,975,000	5,000
2004 Refunding	02/01/04	36,070,000	2.50 to 5.00%	31,690,000	-	1,070,000	30,620,000	1,135,000
2004 A Refunding	11/15/04	14,360,000	2.5 to 5.25%	12,420,000	-	525,000	11,895,000	545,000
2005-A	03/01/05	45,660,000	3.00 to 5.00%	44,605,000	-	385,000	44,220,000	400,000
2005-B	04/01/05	36,515,000	4.00 to 5.25%	36,515,000	-	-	36,515,000	930,000
2005 -C	04/01/05	10,000,000	1.95 to 3.8%	8,840,000	-	405,000	8,435,000	415,000
2006	12/15/06	37,745,000	3.75 to 5%	27,280,000	-	3,160,000	24,120,000	2,810,000
2006-A	11/15/06	45,200,000	4 to 5%	38,840,000	-	2,630,000	36,210,000	2,760,000
2007	08/02/08	35,500,000	4 to 5%	35,500,000	-	-	35,500,000	-
2008	02/20/08	30,520,000	3.5 to 5%	25,230,000	-	2,620,000	22,610,000	3,855,000
2008-A	08/15/08	14,000,000	1.5 to 3.95%	14,000,000	-	5,000	13,995,000	5,000
2008-B	08/15/08	22,000,000	1.5 to 3.95%	22,000,000	-	5,000	21,995,000	5,000
2008-C	11/15/08	35,000,000	2.38 to 5.50%	35,000,000	-	-	35,000,000	-
2010 Refunding	02/19/10	22,115,000	2.00 to 4.50%	22,115,000	-	-	22,115,000	1,220,000
2009 Drainage Bond:	09/29/09	53,000,000	5.38%	53,000,000	-	-	53,000,000	1,645,000
2009A Drainage Bon	02/04/10	2,163,000	no interest	2,163,000	-	-	2,163,000	-
2010	08/12/10	15,000,000	4.75%	-	15,000,000	-	15,000,000	-
2010-A	11/02/10	42,580,000	3.0 to 5.0%	-	42,580,000	-	42,580,000	-
Total Revenue Bonds				560,134,000	57,580,000	64,831,000	552,883,000	25,360,000
Deferred premium net of loss on refunding bonds				12,548,195	4,010,151	834,659	15,723,687	1,020,784
Land Notes Payable	02/29/04	10,372,878	3.95 to 5.00%	7,007,635	-	661,552	6,346,083	694,186
Commercial Paper Payable				9,000,000	10,000,000	-	19,000,000	-
Other governments payable				3,222,320	-	107,728	3,114,592	112,678
Other Post Employment Benefits				3,559,411	938,379	-	4,497,790	-
Self Insurance Claims				1,145,689	4,320,768	4,405,662	1,060,795	314,844
Accrued Vacation				2,358,271	1,815,694	1,560,060	2,613,905	1,581,309
Total Component Unit - EPWU				\$ 598,975,521	78,664,992	72,349,684	605,239,852	29,083,801

**CITY OF EL PASO, TEXAS**

**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 8. LONG-TERM OBLIGATIONS (Continued)**

**B. Component Unit – EPWU (Continued)**

**2. Changes in Long-Term-Debt (Continued)**

Interest costs incurred on revenue bonds totaled \$28,183,884 of which \$554,750 was capitalized.

**3. Annual Revenue Bond, Land Notes and Other Government Payable Debt Service Requirements**

Year Ending last day of February	Principal				Interest				Total Principal and Interest
	Revenue Bonds	Land Note	Other Government Payable	Total	Revenue Bonds	Other Government Payable	Land Note	Total	
2012	\$ 25,360,000	694,186	112,678	26,166,864	21,369,529	137,851	315,863	21,823,243	47,990,107
2013	24,675,000	728,434	117,854	25,521,288	20,642,130	132,675	281,616	21,056,421	46,577,709
2014	25,540,000	764,375	123,268	26,427,643	19,714,939	127,261	245,674	20,087,874	46,515,517
2015	26,094,000	752,694	128,931	26,975,625	18,758,965	121,598	207,954	19,088,517	46,064,142
2016	28,784,000	790,328	134,854	29,709,182	17,680,508	115,675	170,320	17,966,503	47,675,685
2017-2021	154,990,000	2,616,066	773,091	158,379,157	70,091,594	479,555	265,859	70,837,008	229,216,165
2022-2026	154,561,000	-	967,752	155,528,752	37,949,148	284,894	-	38,234,042	193,762,794
2027-2031	105,865,000	-	756,164	106,621,164	9,933,266	58,056	-	9,991,322	116,612,486
2032-2034	7,014,000	-	-	7,014,000	302,913	-	-	302,913	7,316,913
Totals	\$ 552,883,000	6,346,083	3,114,592	562,343,675	216,442,992	1,457,565	1,487,286	219,387,843	781,731,518

**4. Debt Covenants**

The bond ordinances require EPWU to maintain revenues in each fiscal year, after deduction for maintenance and operation expenses, in the amount of at least 1.5 times the debt service requirements in such year. EPWU believes it is in compliance with this covenant.

**5. Commercial Paper**

In October 1997, the EPWU and the City approved a Commercial Paper Program in the amount of \$50,000,000. The purpose of the Commercial Paper Program is to provide funds for the interim financing of a portion of the costs of capital improvements to the system.

The borrowings under the Commercial Paper Program are equally and ratably secured by and are payable from (i) the proceeds from the sale of bonds or additional borrowing under the Commercial Paper Program and (ii) borrowing under and pursuant to the revolving credit agreement.

EPWU and JP Morgan Chase Bank (Bank) entered into a revolving credit agreement (Credit Agreement), amended in February 2009, pursuant to which the Bank is obligated under the Credit Agreement to loan to the City amounts not to exceed \$40,000,000 for the purpose of paying amounts due on the Commercial Paper Program. Borrowing under the Credit Agreement is equally and ratably secured by and payable from the above-described sources pledged for payment of the Commercial Paper Program and from a pledge of the net revenues of the system, such pledge being subordinate to the pledge of net revenues securing all senior lien obligations. Management plans to continue the remarketing of the tax-exempt commercial paper notes as it intends to maintain a portion of its debt in variable rates. Since the commercial paper represents activity that is the result of EPWU's long-term financing plan, the amounts outstanding are presented as long term. The commercial paper can be sold in \$100,000 increments and matures from 1 to 270 days.

**NOTE 8. LONG-TERM OBLIGATIONS (Continued)****B. Component Unit – EPWU (Continued)****5. Commercial Paper (Continued)**

As of February 28, 2011, the following amounts were outstanding:

Amount	Maturity Date	Coupon Rate
\$ 11,000,000	April 4, 2011	0.33%
3,000,000	June 6, 2011	0.30%
5,000,000	July 8, 2011	0.32%
<u>\$ 19,000,000</u>		

**6. Indebtedness Incurred during Fiscal Year**

On August 12, 2010, EPWU issued \$15,000,000 in Water and Sewer Revenue Bonds, Taxable Series 2010 (Direct-Subsidy – Build America Bonds) with an average interest rate of 3.09%. The funds will be used for the construction of the Paisano (Racetrack to Sunset) water line replacement project.

On November 2, 2010 the EPWU issued \$42,580,000 in Water and Sewer Revenue Refunding Bonds, Series 2010A with an average interest rate of 4.43% to advance refund the following outstanding bonds:

Series	Amount	Average Coupon
2001	\$ 9,695,000	4.40%
2001A	33,105,000	5.29%

The liabilities associated with these bonds were removed from the related payables. As of February 28, 2011, \$42,580,000 of the bonds remained outstanding with an estimated escrow balance of \$45,941,476. The 2010A refunding resulted in an economic gain (difference between the present values of the old and new debt service payments) of \$3,257,169.

**C. Solid Waste Landfill Closure and Postclosure Care Cost**

The City owns and operates two landfills located in the East (Clint) and Northeast (McCombs) areas of the City of El Paso. Closure and postclosure care of the landfills are subject to the requirements of Subtitle D of the Resource Conservation and Recovery Act (P.L. 94/580) and Sections 330.250-256 of Title 30 of the *Texas Administrative Code* administered by the Texas Commission on Environmental Quality (TCEQ), formerly the Texas Natural Resource Conservation Commission (TNRCC). These regulations require the City to place a final cover on each landfill when it ceases to accept waste and to perform certain maintenance and monitoring functions for 30 years after the closure of each landfill.

During fiscal year 2004, the City hired independent consultants to prepare a revised estimate of the total closure and postclosure costs for the landfills. The estimated total closure and postclosure costs, adjusted by an inflation factor specified by the TCEQ, is \$68.1 million at August 31, 2011. The recognized portion of the total liability, \$16.1 million, is computed based on the percentage of landfill capacity used, approximately 32.3%, as of August 31, 2011. The remaining estimated total current cost of closure and postclosure care remaining to be recognized is \$52 million.

**NOTE 8. LONG-TERM OBLIGATIONS (Continued)****C. Solid Waste Landfill Closure and Postclosure Care Cost (Continued)**

Clint Landfill (TCEQ Permit 1482) – The City closed this facility in fiscal year 2010. Closure and postclosure costs are estimated at \$11 million. Approximately \$7.9 million has been expended with \$1.3 million expended in 2011, resulting in the recorded liability of \$3.1 million.

Clint Landfill (TCEQ Permit 2284) – This landfill is currently accepting solid waste and capacity used is 18.32% at August 31, 2011. The estimated closure and postclosure cost liability of \$5 million is included in the recorded liability.

McCombs Landfill (TCEQ Permit 729A) – This landfill is currently accepting solid waste and capacity used is 26.7% at August 31, 2011. The estimated closure and postclosure cost liability of \$8 million is included in the recorded liability. TCEQ's review of the revised closure and postclosure cost estimate is pending. Management believes TCEQ will accept the estimate.

Actual costs may be higher due to inflation, changes in technology or changes in regulations. The Department of Environmental Services, an enterprise fund and part of the City will meet closure and postclosure care financial requirements.

Sections 330.280-286 of Title 30 of the *Texas Administrative Code* requires landfill owners to demonstrate financial assurance that they will have sufficient financial resources to satisfy closure and postclosure care expenses at such time as these become payable. The regulations provide various means by which a municipality may demonstrate financial assurance. For the year ended August 31, 2011, the City met all of the financial tests required by the TCEQ and will demonstrate financial assurance to the TCEQ by way of the City's most recent bond rating and/or financial ratios computed using 2011 audited financial statements.

**D. Solid Waste Transfer Station**

The City owns and operates a transfer process facility for solid waste near Delta Street in El Paso (Delta Transfer Station – TCEQ Permit 728). Beginning in March 2000, Section 330.282 of Title 30, the *Texas Administrative Code*, administered by the TCEQ, required “a detailed written cost estimate, in current dollars, showing the cost of hiring a third party to close the process facility by cleaning up the litter and debris from the site and the equipment, hauling the litter and debris to an approved landfill and to render the facility closed by dismantling vital operational parts and locking up the facility.” At August 31, 2011, the estimated total cost of closure of the Delta Transfer Station is \$113,750 and is recognized as a liability in these financial statements. The TCEQ, pending review and acceptance of this estimate, utilizes the previous estimate of \$275,705.

**E. Arbitrage Rebate Payable**

The City's financial advisor has determined that the City may have earned interest revenue on unused bond proceeds in excess of amounts allowed by applicable Federal regulations that may be subject to rebate to the Federal government. This estimated amount, \$30,227 at August 31, 2011, is recorded as a liability in the statement of net assets.

**CITY OF EL PASO, TEXAS**

**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 9. FUND EQUITY**

Fund balance components of Governmental Funds are as follows:

	General Fund	Community Development Block Grants	Debt Service	Capital Projects	Nonmajor Governmental Funds
<b>Fund balances:</b>					
<b>Nonspendable:</b>					
Inventory	\$ 2,878,463	-	-	-	-
<b>Restricted for:</b>					
Cash reserve	16,000,000	-	-	-	-
Municipal Court	-	-	-	-	3,157,612
PEG	-	-	-	-	2,646,692
Civic Center	-	-	-	-	2,073,723
Library	-	-	-	-	142,275
Art Museum	-	-	-	-	431,646
Police	-	-	-	-	4,687,035
Public Works	-	-	-	-	6,269
Economic Development	-	-	-	-	30,019
Community Development	-	-	-	-	32,632
Public Health	-	-	-	-	33,502
Debt Service	-	-	6,199,618	-	-
Capital Projects	-	-	-	22,550,387	-
<b>Committed to:</b>					
Claims and legal counsel	1,000,000	-	-	-	-
Civic Center	-	-	-	-	1,166,786
Zoo	-	-	-	-	566,985
Parks	-	-	-	-	1,968,545
Police	-	-	-	-	1,202,094
Public Works	-	-	-	-	33,841
Economic Development	-	-	-	-	4,574,535
Mayor and City Council	-	-	-	-	111,735
<b>Assigned to:</b>					
General Government	494,582	-	-	-	-
Municipal Court	205,715	-	-	-	-
Library	90,605	-	-	-	-
Police	63,215	-	-	-	-
Parks	46,369	-	-	-	-
Fire	64,303	-	-	-	-
Public Works	52,465	-	-	-	-
Economic Development	189,155	-	-	-	-
<b>Unassigned</b>	21,248,272	-	-	-	(78,314)
<b>Total fund balances</b>	<u>\$ 42,333,144</u>	<u>\$ -</u>	<u>\$ 6,199,618</u>	<u>\$ 22,550,387</u>	<u>\$ 22,787,612</u>

**NOTE 9. FUND EQUITY (Continued)**

**El Paso International Airport**

The Airport has various assets that are restricted for specific use in accordance with an agreement with the United States Government entered into in 1950 whereby 1,907 acres of land were donated to the Airport. Any revenues derived from the sale, lease or other use of this land must be utilized for the development, improvement, operation and maintenance of the Airport subject to the approval of the Federal Aviation Administration. Earnings from invested funds may be used for the purposes previously described. Under this agreement, advances to other Airport funds for development and improvement of Airport facilities are permitted, subject to approval from the Federal Aviation Administration.

**Business-type Activities**

The balances of the restricted net assets accounts in the enterprise funds are as follows:

Restricted for debt service:		
El Paso International Airport	\$	11,413,172
Restricted by Federal Aviation Administration:		
El Paso International Airport		4,990,272
Restricted for passenger facilities:		
El Paso International Airport		17,263,226
Total restricted net assets	\$	<u>33,666,670</u>

**Component Unit - EPWU**

Based upon certain bond covenants and other requirements, EPWU is required to establish and maintain prescribed amounts of resources (consisting of cash and temporary investments) that can be used only to service outstanding debt and other specifically restricted activities (construction, improvements and customer deposits).

**NOTE 10. RISK MANAGEMENT**

The City is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters.

Claim liabilities are estimated considering the effects of inflation, recent claim settlement trends (including frequency and amounts of payouts) and other economic and social factors (including the effects of specific, incremental claim adjustment expense, salvage and subrogation).

**A. Internal Service Funds**

Provisions under various types of risk are presented below:

Internal Service Funds account for certain self-insured activities. These include Workers' Compensation, Group Health and Unemployment Compensation. The premiums are recognized as revenues in the Internal Service Funds and as expenditures or expenses in the Governmental and Proprietary fund types, as appropriate. Accruals for unpaid claims and claims incurred but not reported are reflected in the accompanying proprietary funds balance sheet as Claims and Judgments. This provision is based upon City experience, including recoveries, since the inception of the insurance programs and represents the loss and an allocated loss expense.

**NOTE 10. RISK MANAGEMENT (Continued)****A. Internal Service Funds (Continued)**

The total estimated claims payable at August 31, 2011 is \$16,433,229 of which \$13,301,793 represents workers' compensation claims reserve losses. Employees of EPWU (the proprietary component unit) also participate in the group health plan that is managed by the City. The total claims liability reported in the Internal Service Funds at August 31, 2011, is based on the requirements of GASB Statement Number 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. No settlements in excess of insurance coverage were made in any of the prior three fiscal years.

Changes in the Funds' claims liability amount in fiscal 2010 and 2011 were:

	Workers' Compensation	Group Health	Unemployment Compensation	Total
Claims liability at August 31, 2009	\$ 12,925,724	5,244,169	-	17,407,672
Incurred claims	6,943,857	33,423,478	341,126	41,294,591
Payment on claims	(7,429,388)	(35,360,290)	(341,126)	(40,532,370)
Claims liability at August 31, 2010	12,440,193	3,307,357	-	15,747,550
Incurred claims	7,742,522	36,562,189	385,752	44,690,463
Payment on claims	(6,880,922)	(36,738,110)	(385,752)	(44,004,784)
Claims liability at August 31, 2011	\$ 13,301,793	3,131,436	-	16,433,229

**B. General Liability Insurance**

The City is self-insured for general, police officers and certain automobile liability, with the exception of the Mass Transit Department's fleet of vehicles, liability for the Airport, certain automobile liability and certain other catastrophic liability for which the City is insured. Expenditures for self-insured liabilities are accounted for in the General Fund, which will pay any liabilities incurred.

The City has joined together with other governments in the Texas Municipal League Intergovernmental Risk Pool (TML). The City pays an annual premium to TML for auto vehicle insurance coverage. The agreement with TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims in excess of \$500,000 to \$1,000,000 for each insurance event. The City anticipates no contingent losses.

TML has published its own financial report that can be obtained from the Texas Municipal League Intergovernmental Risk Pool, Austin, Texas.

The City continues to carry commercial fidelity bonds for elected officials and for management.

**C. Property and Casualty Insurance**

Property, casualty, boiler and machinery insurance is provided by a commercial carrier.

**D. Workers' Compensation Insurance**

The City self-insures against workers' compensation claims.



**NOTE 10. RISK MANAGEMENT (Continued)****E. Group Health and Life Insurance**

The City maintains a group health insurance plan for active and retired employees and their eligible dependents through a self-insured plan of benefits. Aetna Inc. administers the plan. Reinsurance coverage limits the annual liability. Contributions to the fund are provided by both the City and participating employees. A commercial carrier provides the group life insurance plan. Costs are recorded in the fund from which the employees' compensation is paid.

**F. Unemployment Compensation Insurance**

The City self-insures for unemployment compensation claims through an agreement with the Texas Workforce Commission (TWC). Under the agreement, TWC administers all claims and is reimbursed by the City for claims incurred plus administrative charges.

**G. Component Unit - EPWU**

EPWU is exposed to various risks of loss related to torts; theft of, damage to and destruction of assets; errors and omissions; injuries to employees; and natural disasters. EPWU, through the City, maintains insurance policies acquired from independent insurance carriers covering all structural property.

EPWU provides health benefits, life insurance and worker's compensation benefits under the City's self-insurance plan. Contributions to the plans are provided by both EPWU and participating employees. A commercial carrier provides the group life insurance plan.

The total estimated claims payable at February 28, 2011 is \$1,060,795 of which \$868,645 and \$192,150 represents workers' compensation claims and health benefits claims, respectively.

Changes in accrued liabilities for these claims follow:

Claims liability at February 28, 2009	\$ 1,534,382
Incurred claims	4,057,333
Payment on claims	(4,446,026)
Claims liability at February 29, 2010	<u>1,145,689</u>
Incurred claims	4,320,768
Payment on claims	(4,405,662)
Claims liability at February 28, 2011	<u><u>\$ 1,060,795</u></u>

**NOTE 11. COMMITMENTS AND CONTINGENCIES****A. Litigation and Claims**

Various claims and lawsuits are pending against the City in addition to those accrued at August 31, 2011. Accruals have not been made for these lawsuits because of the remote possibility the plaintiff's will prevail. The City estimates this exposure to be between \$2,332,000 and \$2,707,000. The City believes that resolution of these matters will not have a material adverse effect on the financial condition of the City.

**NOTE 11. COMMITMENTS AND CONTINGENCIES (Continued)****B. Environmental**

Effective September 1, 2008, the City implemented GASB Statement No. 49 *Accounting and Financial Reporting for Pollution Remediation Obligations*. The implementation had no financial impact on the City during the current year.

**C. Grants**

The City has received Federal and State financial assistance in the form of grants and entitlements that are subject to review and audit by the grantor agencies. Such audits could result in requests for reimbursement by the grantor agency for expenditures disallowed under terms and conditions specified in the grant agreements. In the opinion of City management, such disallowances, if any, will not be significant.

**D. Other Bond Issues**

The City has, in prior years, participated in several issues of Industrial Revenue Bonds and International Airport Special Facilities Revenue and Refunding Bonds, issued for the purposes of constructing privately owned manufacturing, commercial and other related facilities within the City. These bonds are neither direct nor contingent liabilities of the City, as the revenue from the lease agreements and property purchased with the bond proceeds are pledged for the total payment of the principal and interest on the bonds and the bondholders can look only to these sources for repayment.

At August 31, 2011, no Industrial Revenue Bonds issued by the City were outstanding.

On April 15, 2007, the City issued \$400,000 in Public Improvement District #1 special assessment revenue bonds. This bond is not a general obligation of the City and does not give rise to a charge against the general credit or taxing powers of the City. At August 31, 2011, the outstanding liability of these bonds is \$305,000.

On November 19, 1991, the City issued \$13,975,000 in City of El Paso International Airport Special Facilities Revenue Refunding Bonds (Marriott Corporation Project). These bonds refunded a 1981 issue and extended principal payments to March 1, 2016 with interest at 7.75% per annum. At August 31, 2011, all of these bonds remained outstanding (the first principal payment is not scheduled until March 1, 2012).

**E. Unfunded Pension Liabilities**

In February 2004, the voters of the City authorized the City to contract with the FPPF to make contributions to the FPPF solely for the purpose of addressing the unfunded liabilities of the FPPF, subject to receipt of certain agreements between the City and the FPPF. As of January 1, 2010, the latest actuarial valuation reflected unfunded liabilities of \$89,572,311 for the FPPF-Fireman Division and \$127,052,367 for the FPPF-Policeman Division.

In September 2003, the voters of Texas ratified an amendment to the Texas Constitution, Article 16, Sec. 66 which provides: "The political subdivision or subdivisions and the retirement system that finance benefits under the retirement system are jointly responsible for ensuring that benefits under this section are not reduced or otherwise impaired." In the event of a conflict between a City Charter provision and a provision of the Constitution, the Constitution provision would likely prevail, in which case the City could be obligated to make additional contributions to the FPPF. The nature and amount of underfunding of the FPPF and the amount the City may be required to contribute is unknown at this time.

**NOTE 11. COMMITMENTS AND CONTINGENCIES (Continued)****F. Component Unit - EPWU**

Through the ordinary course of its operations, EPWU becomes subject to various claims and litigation. As of February 28, 2011, EPWU was named in a number of legal actions with aggregate estimated possible damages to be less than \$120,000, which have not been accrued. Management and legal counsel are of the opinion that settlement of these claims and pending litigation will not have a materially adverse effect on the financial condition of EPWU.

EPWU has received federal and state financial assistance for specific purposes that are subject to review and audit by the grantor agencies. Although management believes compliance with grant guidelines is adhered to, grantor audits could result in requests for reimbursement of expenditures determined to be disallowed. Management believes such disallowances, if any, will be immaterial.

**NOTE 12. POSTEMPLOYMENT HEALTH CARE BENEFITS**

*Plan Description:* The City sponsors and administers an informal single-employer defined benefit healthcare plan. Texas statute provides that retirees from a municipality with a population of 25,000 or more and that receive retirement benefits from a municipal retirement plan are entitled to purchase continued health benefits coverage for the retiree and the retiree's dependents unless the retiree is eligible for group health benefits coverage through another employer. The State of Texas has the authority to establish and amend the requirements of this statute. The City does not issue standalone financial statements of the healthcare plan but all required information is presented in this report.

*Funding Policy:* The contribution requirements of plan members are established by City ordinance and may be amended as needed. Retiree coverage is the same as the coverage provided to active City employees. Retirees pay premiums ranging from \$171.56 per month to \$1,249.79 per month depending on the coverage elected. The City's adopted budget policy maintains that retirees must pay 45% of the cost of premiums and the City will fund the remaining 55%. Retirees are responsible for the full cost of coverage for their dependents who participate in the plan. The cost of retiree healthcare benefits is recognized on a pay-as-you-go financing method and is recorded as an expense in the Internal Service Self-Insurance Fund as liabilities are incurred. Of 2,421 retirees eligible, there were 920 retirees covered under this plan at August 31, 2011. Dependent coverage was provided for 347 of the retirees. Total benefits paid by the City for retirees during the fiscal year were \$6,135,654. Retirees contributed \$2,625,357 or 45% of the total current year cost.

*Annual OPEB Cost and Net OPEB Obligation:* The City's annual other postemployment benefit (OPEB) expense is calculated based on the annual required contribution of the employer (ARC), an amount actuarially determined in accordance with the parameters of GASB Statement 45. The ARC represents a level of funding that, if paid on an ongoing basis, is projected to cover normal cost each year and amortize any unfunded actuarial liabilities (or funding excess) over a period not to exceed thirty years.

**CITY OF EL PASO, TEXAS**

**NOTES TO FINANCIAL STATEMENTS**

**Year Ended August 31, 2011**

**NOTE 12. POSTEMPLOYMENT HEALTH CARE BENEFITS (Continued)**

The following table shows the components of the City’s annual OPEB cost for the year, the amount actually contributed to the plan, and changes in the City’s net OPEB obligation:

Annual required contribution	\$ 15,101,458
Interest on net OPEB obligation	1,449,313
Adjustment to annual required contribution	<u>(1,977,099)</u>
Annual OPEB cost	14,573,672
Total annual employer contribution (pay-as-you-go)	<u>(3,337,506)</u>
Increase in net OPEB obligation	11,236,166
Net OPEB Obligation - September 1, 2010	<u>32,206,950</u>
Net OPEB Obligation - August 31, 2011	<u><u>\$ 43,443,116</u></u>

The components of the annual required contribution (ARC) calculation reflecting a 30-year amortization period is as follows:

Normal cost	\$ 5,602,685
Interest	252,121
Amortization cost	<u>9,246,652</u>
Annual required contribution (ARC)	<u><u>\$ 15,101,458</u></u>

The City’s annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation as of August 31 is as follows:

Fiscal Year Ended August 31	Annual OPEB Cost	Percentage of Annual OPEB Cost Contributed	Net OPEB Obligation
2011	\$14,573,672	22.9%	\$43,443,116
2010	\$14,464,994	25.2%	\$32,206,950
2009	\$13,567,807	20.6%	\$21,394,214

*Funded Status and Funding Progress:* As of September 1, 2010, the most recent actuarial valuation date, the plan was not funded. The actuarial accrued liability for benefits was \$147,776,597, and the actuarial value of assets was \$0, resulting in an unfunded actuarial accrued liability (UAAL) of \$147,776,597. The covered payroll (annual payroll of active employees covered by the plan) was \$253,818,000 and the ratio of the UAAL to the covered payroll was 58.2%.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Examples include assumptions about future employment, mortality, and the healthcare cost trend. Amounts determined regarding the funded status of the plan and the annual required contributions of the employer are subject to continual revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, will present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

**NOTE 12. POSTEMPLOYMENT HEALTH CARE BENEFITS (Continued)**

*Actuarial Methods and Assumptions:* Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

In the September 1, 2010, actuarial valuation, the projected unit credit cost method was used. The actuarial assumptions included a 4.5% investment rate of return based on the City's rate of return on investments for 2007, and an annual healthcare cost trend rate of 10% for 2009 and then reduced by decrements of one percent annually to an ultimate rate of 5% after five years. Both rates included a 4.5% inflation assumption. The UAAL is being amortized as a level dollar of projected payroll on an open basis. The remaining amortization period at August 31, 2010, was thirty years.

**NOTE 13. PENSION PLANS**

The employees of City of El Paso and EPWU participate in one of two single-employer defined benefit pension plans: the City Employees' Pension Fund (CEPF) and the Firemen and Policemen's Pension Funds (FPPF), which consists of separate divisions for firemen (FPPF-Firemen Division) and policemen (FPPF-Policemen Division). Separate boards of trustees administer these pension plans as described in Note 1 (CEPF Board and FPPF Board, respectively). The CEPF was established in accordance with authority granted by Chapter 2.64 of the El Paso City Code and is a component unit (fiduciary fund type) of the City. The FPPF was established in accordance with authority granted by Article 6243b of *Vernon's Annotated Texas Statutes* and is a component unit (fiduciary fund type) of the City. Each pension plan issues stand-alone financial statements that may be obtained from the respective funds' administrative offices.

Firemen and Policemen's Pension Funds	201 E. Main Suite 1616 El Paso, TX 79901
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City Employees' Pension Fund	City of El Paso Two Civic Center Plaza El Paso, TX 79901
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**NOTE 13. PENSION PLANS (Continued)**

**A. Membership**

Membership of each plan consisted of the following:

	August 31, 2011	December 31, 2010	
	CEPF	FPPF-Firemen Division	FPPF-Police Division
Retirees and beneficiaries receiving benefits	2,357	642	862
Terminated plan members entitled to but not yet receiving benefits	57	9	8
Active plan members	4,113	806	870
Total	6,527	1,457	1,740

**B. City Employees' Pension Fund**

**1. Plan Description**

Substantially all full-time employees of the City are eligible to participate in the retirement plan, except for uniformed firefighters and police officers who are covered under separate plans. Nonemployer contributions are limited to participating employees of the CEPF.

The designated purpose of the CEPF is to provide retirement, death, and disability benefits to participants or their beneficiaries. The CEPF is administered by the CEPF Board, which is comprised of two citizens designated by the Mayor who are not officers or employees of the City, four elected City employees, a retiree, and two district representatives. The CEPF Board contracts with an independent pension custodian, investment managers, a pension consultant and an actuary to assist in managing the CEPF.

Through August 31, 2011, the City is the only contributing employer. The CEPF pays direct administrative costs. The City provides indirect administrative support such as office space, utilities, and payroll processing at no charge to the CEPF. The CEPF reimburses the City for various direct costs of processing pension checks, such as postage and supplies.

The CEPF is not required to maintain any legally required reserves.

Participation is mandatory for classified employees (except permanent part-time employees). For nonclassified employees, participation is mandatory for employees hired after July 1997. Classified employees include all persons who are permanent, full-time employees and are not otherwise excluded from the CEPF. Participants who leave the plan before completion of five years of service receive a refund of their contributions. Participants leaving the plan with more than five years of service may receive a refund of their contributions plus interest at 5.5% compounded annually.

Participants become vested after reaching 40 years of age and 10 years of service. Normal retirement is the earlier of: (i) 55 years of age with 10 years of service, or (ii) 30 years of service, regardless of age. Participants who have both completed 10 years of service and attained age 40 may retire, but defer receiving pension payments until they reach normal retirement age. Alternatively, such vested participants may elect an early retirement, which will provide an actuarially reduced pension benefit payment upon termination.

**NOTE 13. PENSION PLANS (Continued)****B. City Employees' Pension Fund (Continued)****1. Plan Description (Continued)**

Persons retiring and eligible to receive benefits receive monthly pension payments in the amount of 2.5% of average monthly gross earnings received by the employee during the three years immediately prior to retirement, or 2.5% of the average monthly base salary and longevity pay received by the employee during the year immediately prior to retirement, or 2.5% of the monthly base salary and longevity pay for the month immediately prior to retirement, whichever is greater, multiplied by the number of completed years of service, plus .2083 of 1% of such average for each additional completed or fractional part of a month of service. A reduced pension benefit is available to surviving spouses and dependents. The plan includes no automatic increase in retirement benefits; however, the Board, at its discretion after consideration of a recent actuarial review of the funding status, may provide ad hoc cost of living or other increases in retirement benefits.

**2. Basis of Accounting**

The accounting policies of the CEPF have been established to conform to GAAP for state and local governments as promulgated by authoritative pronouncements issued by the Governmental Accounting Standards Board. The CEPF is accounted for on an economic resources measurement focus using the accrual basis of accounting.

The preparation of financial statements in conformity with GAAP requires the CEPF's management to make estimates and assumptions that affect reported amounts of assets and liabilities at the date of the financial statements and the reported changes in net assets during the reporting period. Actual results may differ from those estimates.

**3. Method Used to Value Investments**

Investments are stated at fair value in the accompanying statements of net assets available for benefits. The fair value of marketable investments, including U.S. government securities and corporate bonds and stocks, is determined by the latest bid price or by the closing exchange price at balance sheet dates (fair value). The fair value of investments in bank collective investment funds is determined by the investment funds based on the market values of the underlying securities in the funds. Bank collective investment funds are governed by Section 9.18 of Regulation 9 issued by the Office of Comptroller of the Currency and by other applicable regulations as defined by the Mellon Bank, N.A. Employee Benefit Collective Investment Fund Plan.

Purchases and sales of securities are recorded on a trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

Net appreciation (depreciation) in fair value of investments reflected in the statements of changes in net assets available for benefits represents gains or losses realized during the year plus or minus the change in the net unrealized gains or losses on investments. Net unrealized gains or losses on investments represent the change in the difference between the cost and market value of investments at the beginning versus the end of the year.

**NOTE 13. PENSION PLANS (Continued)****B. City Employees' Pension Fund (Continued)****4. Concentration of Investments**

The following table presents the fair value of investments that represent 5% or more of the CEPF's net assets available for benefits at August 31, 2011. These investments are in bank collective investment funds which consist of diversified portfolios of investments as described above.

	<u>Shares</u>	<u>Fair Value</u>
EB MCM Aggregate Bond Index Fund		
Mellon Capital Management Corporation	163,703.872	\$70,929,106
Winslow Large Capital Growth Fund		
Wilmington Trust Company	2,022,614.800	40,755,688
Touchstone Emerging Markets Equity Fund		
AGF Emerging Markets	3,237,719.111	40,439,119
MCM EB Daily Valued Treasury		
Mellon Capital Management Corporation	37,579.551	33,242,171
EB Daily Valued Treasury		
Mellon Capital Management Corporation	199,340.438	33,061,428
Shenkman Capital Convertible Bonds		
Shenkman Capital Management, Inc.	29,133,379.000	29,133,379

**5. Contributions Required and Contributions Made**

Contribution rates for the CEPF are based upon local statutes and are not actuarially determined. However, each time a new actuarial valuation is performed, contribution requirements are compared to the actuarially determined amount necessary to fund service costs and amortize the unfunded actuarial accrued liability (using entry-age-normal cost method) over 40 years. As of the most recent actuarial valuation, the contribution rate was 17% of annual covered payroll.

Contributions for the year ended August 31, 2011 were made as follows:

	<u>Amount</u>	<u>Stated percentage of covered payroll</u>
Employer contribution	\$ 17,948,799	11.65%
Employee contributions	11,938,545	7.75%
Total contributions	\$ 29,887,344	19.40%



**NOTE 13. PENSION PLANS (Continued)****B. City Employees' Pension Fund (Continued)****6. Securities Lending**

The CEPF enters into securities lending transactions with broker/dealers for which fees are paid to the CEPF. The Board may legally and contractually authorize the use of the CEPF's securities for lending transactions. Parameters are established by the CEPF's investment guidelines for securities lending transactions. These guidelines require that all securities lending occur with specified broker/dealers and that securities be collateralized using U.S. issuer securities at 102% and non U.S. issuer securities at 105% of the fair value of the securities. U.S. issuer securities used as collateral are marked to market on a daily basis to ensure that the collateralization requirements of the fair value of investments is always maintained. The CEPF may not pledge or sell the collateral securities except on default of the borrower. Because of this, the CEPF administration believes there is minimal credit risk associated with securities lending transactions. There is no loss indemnification provided to the CEPF by the investment managers or broker/dealers.

At August 31 the fair value of securities loaned to others was \$38,721,884 consisting of corporate stocks.

**7. Annual Pension Cost and Net Pension Obligation**

The City's annual pension cost and net pension obligation to CEPF for the current year were as follows:

Annual required contribution	\$ 17,904,542
Interest on net pension obligation	34,334
Adjustment to annual required contribution	<u>(23,936)</u>
Annual pension cost	17,914,940
Contributions made	<u>17,817,179</u>
Increase in net pension obligation	97,761
Net pension obligation - August 31, 2010	429,175
Net pension obligation - August 31, 2011	<u><u>\$ 526,936</u></u>

The City's annual pension cost, the percentage of annual pension cost contributed to the plan, and the net pension obligation for 2010 is as follows:

Fiscal Year Ended August 31	Annual Pension Cost	Percentage of Annual Pension Cost Contributed	Net Pension Obligation
2011	\$ 17,917,056	99.9%	\$ 529,052
2010	\$ 16,970,907	100.0%	\$ 429,175
2009	\$ 17,153,736	100.5%	\$ 432,214

**NOTE 13. PENSION PLANS (Continued)**

**B. City Employees' Pension Fund (Continued)**

**8. Funded Status and Funding Progress:**

The funded status of the plan as of September 1, 2010, the most recent actuarial valuation date, was as follows:

Actuarial accrued liability (AAL)	\$ 709,997,366
Actuarial value of plan assets	569,723,124
Unfunded AAL	\$ 140,274,242
Funded Ratio (actuarial value of plan assets/AAL)	80.2%
Covered payroll (active plan members)	\$ 143,907,477
Unfunded AAL as a percentage of covered payroll	97.5%

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to revision as actual results are compared with past expectations

**9. Actuarial Methods and Assumptions:**

and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, will present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For the September 1, 2010 actuarial valuation, the entry age normal cost method was used. The actuarial value of pension benefit assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The actuarial assumptions included an 8.0% investment rate of return (net of administrative expenses), projected salary increases of 4.5% to 7.75%, which includes an inflation rate of 4.0% and no costs of living increases. The remaining amortization period at September 1, 2010, was 30 years using a level percent, open basis, amortization period. There were no factors that significantly affected the identification of trends such as changes in benefits, actuarial methods or assumptions.

**C. Firemen and Policemen's Pension Fund**

**1. Plan Description**

The designated purpose of the FPPF is to provide retirement, death and disability benefits to participants or their beneficiaries.

**NOTE 13. PENSION PLANS (Continued)****C. Firemen and Policemen's Pension Fund (Continued)****1. Plan Description (Continued)**

The FPPF is a defined benefit pension plan covering uniformed firefighters and police officers employed by the City of El Paso. Non-employer contributions are limited to participating employees. The City of El Paso is the only participating employer. The City's contributions to the FPPF are limited to 18% of compensation as provided by the City Charter. The projection of benefits for financial reporting purposes does not explicitly incorporate the potential effects of the legal funding limitations.

The FPPF – Fireman Division is a defined benefit, contributory retirement plan covering uniformed employees of the Fire Department. Participants are required to contribute 15.28% of their compensation to the FPPF.

The FPPF – Policeman Division is a defined benefit, contributory retirement plan covering uniformed employees of the Police Department. Participants are required to contribute 13.89% of their compensation to the FPPF.

Under both divisions, membership is mandatory and effective upon commencement of the probationary period. Participant contributions are not refunded if a participant terminates with less than five years of service and all benefits under the FPPF are terminated. Participant contributions (without interest) are refunded upon request if a participant terminates with five or more years of service but less than twenty years of service. All benefits under the FPPF are terminated if contributions are refunded.

Upon completion of ten or more years of service, a participant may terminate his service for reasons other than disability or death and receive a pension commencing at age fifty or immediately upon date of termination of service if at least fifty years of age at the time of termination. The pension benefit is equal to 2.75% times final compensation, times the number of years of service, not to exceed 28 years. Normal retirement occurs when employees reach age forty-five and have twenty years of service. Retirement benefits are computed based upon 2.75% of the participant's final compensation times the number of years of service, not to exceed 77% of a participant's final compensation. A reduced pension benefit is permitted with twenty years of service and before age forty-five. The pension benefit is equal to 2.75% times final compensation times the number of years of service, not to exceed twenty-eight, multiplied by the appropriate actuarial reduction factor.

Final compensation is based upon the participant's highest wages in any calendar month within the 12 months preceding retirement excluding overtime pay. Except for disability pensions, a participant's final rank must have been held for at least six months in order to use the monthly pay at the higher rank. A surviving spouse receives 100% of the retiree's pension subject to certain provisions. A participant may receive disability benefits resulting from a total and permanent disability from an injury in the line of duty or any injury not due to the member's own fault. The disability benefit is equal to 2.75% of final compensation times the number of years of service, not to exceed twenty-eight years, with a minimum benefit of 50% of final compensation. Cost-of-living adjustments are granted to individuals retiring after March 23, 1980, subject to applicable waiting periods, except for deferred retirees. Participants who are fifty years old and have twenty and one-half years of service may elect the Back Deferred Retirement Option Program (Back DROP).

**NOTE 13. PENSION PLANS (Continued)****C. Firemen and Policemen's Pension Fund (Continued)****1. Plan Description (Continued)**

The Back DROP benefit is a lump sum payment and a reduced monthly benefit. The Back DROP period must be at least six months and not more than 36 months.

**2. Basis of Accounting**

The FPPF is maintained under the provisions of Article 6243b of *Vernon's Annotated Texas Statutes*. All current FPPF provisions are set forth in a resolution entitled "City of El Paso, Texas Firemen and Policemen's Pension Fund" effective October 16, 1996 and amended July 17, 2002, as well as state statute. Benefit provisions, contribution obligations and funding policy of the FPPF are established and amended in accordance with authority granted by Article 6243b of *Vernon's Annotated Texas Statutes*. The costs of administering the FPPF are paid out of the Fund's assets.

The FPPF financial statements are prepared using the accrual basis of accounting. Employer and participant contributions are recognized in the period in which employees provide services to the entity. Benefits and refunds are recognized when paid in accordance with the terms of each plan.

**3. Method Used to Value Investments**

Investments are reported at fair value. The fair value of investments is determined by the latest bid price or by the closing exchange price at balance sheet dates (market value). Purchases and sales of securities are recorded on trade-date basis. Interest income is recorded on the accrual basis. Dividends are recorded on the ex-dividend date.

**4. Contributions Required and Contributions Made**

Funding policies provide for periodic employer and participant contributions as established by the City Charter, the Board of Trustees and a vote of active participants in accordance with Article 6243b of *Vernon's Annotated Texas Statutes*. Actuarial valuations are prepared biennially for the FPPF. The FPPF's actuary has indicated that, under the current contribution rate, the FPPF will never accumulate sufficient assets to cover the Unfunded Actuarial Accrued Liability (UAAL). Based upon the results of the actuarial evaluations, if present contribution requirements are insufficient to accumulate sufficient assets to amortize the unfunded actuarial accrued liability, the FPPF's Board of Trustees, after approval by secret ballot of the rank and file policemen or firemen, could increase participant contributions or decrease participant benefits to maintain the actuarial integrity of the system. The City's contribution is determined by a formula set forth in the City Charter.

**5. Securities Lending**

The FPPF entered into securities lending transactions with its custodian bank, Mellon Bank, N.A. (the Lending Agent), under which FPPF-owned investments are loaned to one or more borrowers for a fee. The Lending Agent is responsible for collecting all required collateral in the form of U.S. dollar cash, securities issued or guaranteed by the United States Government or its agencies or instrumentalities, or irrevocable letters of credit issued by banks independent of the borrowers.

**NOTE 13. PENSION PLANS (Continued)****C. Firemen and Policemen's Pension Fund (Continued)****5. Securities Lending (Continued)**

Concurrent with the delivery of the FPPF's securities to a borrower, the Lending Agent obtains from the borrower collateral in an amount equal, as of such date, to the required percentage, of the market value of any security loaned, including accrued interest. The required percentage is 102% with respect to U.S. securities and 105% with respect to foreign securities except in the case of loans of foreign securities which are denominated and payable in U.S. dollars, in which event the required percentage is 102%.

At December 31, 2010, \$63,640,698 of FPPF owned investments were loaned to others.

**6. Annual Pension Cost and Net Pension Obligation**

The City's annual pension cost and net pension obligation to FPPF for the current year were as follows:

*Fireman Division:*

Annual required contribution	\$ 11,747,947
Interest on net pension obligation	(4,289,096)
Adjustment to annual required contribution	<u>3,232,662</u>
Annual pension cost	10,691,513
Contributions made	<u>9,634,416</u>
Increase in net pension obligation	1,057,097
Net pension asset - August 31, 2010	<u>(55,446,607)</u>
Net pension asset - August 31, 2011	<u>\$ (54,389,510)</u>

*Policeman Division:*

Annual required contribution	\$ 17,595,473
Interest on net pension obligation	(1,553,475)
Adjustment to annual required contribution	<u>1,170,843</u>
Annual pension cost	17,212,841
Contributions made	<u>13,020,570</u>
Increase in net pension obligation	4,192,271
Net pension asset - August 31, 2010	<u>(20,847,846)</u>
Net pension asset - August 31, 2011	<u>\$ (16,655,575)</u>

**NOTE 13. PENSION PLANS (Continued)****C. Firemen and Policemen's Pension Fund (Continued)****6. Annual Pension Cost and Net Pension Obligation (Continued)**

The City's annual pension cost, the percentage of annual pension cost contributed to the plan, and the net pension obligation for 2011 is as follows:

*Fireman Division*

Fiscal Year Ended August 31,	Annual Pension Cost	Percentage of Annual Pension Cost Contributed	Net Pension Obligation(Asset)
2011	\$ 10,691,513	90.1%	\$ (54,389,510)
2010	15,167,718	511.0%	(55,446,607)
2009	13,310,426	64.7%	6,990,462

*Policeman Division*

Fiscal Year Ended August 31,	Annual Pension Cost	Percentage of Annual Pension Cost Contributed	Net Pension Obligation(Asset)
2011	\$ 17,212,841	75.6%	\$ (16,655,575)
2010	18,057,960	304.6%	(20,847,846)
2009	17,043,925	72.9%	16,910,248

**7. Funded Status and Funding Progress:***Fireman Division:*

As of January 1, 2010, the most recent actuarial valuation date, the plan was 81.8% funded. The actuarial accrued liability for benefits was \$493,320,462 and the actuarial value of assets was \$403,748,151, resulting in an unfunded actuarial accrued liability (UAAL) of \$89,572,311. The covered payroll (annual payroll of active employees covered by the plan) was \$48,172,561 and the ratio of the UAAL to the covered payroll was 185.9%.

*Policeman Division:*

As of January 1, 2010, the most recent actuarial valuation date, the plan was 82.2% funded. The actuarial accrued liability for benefits was \$715,715,343 and the actuarial value of assets was \$588,662,976, resulting in an unfunded actuarial accrued liability (UAAL) of \$127,052,367. The covered payroll (annual payroll of active employees covered by the plan) was \$62,537,734 and the ratio of the UAAL to the covered payroll was 203.2%.

**NOTE 13. PENSION PLANS (Continued)**

**C. Firemen and Policemen's Pension Fund (Continued)**

**8. Actuarial Methods and Assumptions**

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. Actuarially determined amounts are subject to revision as actual results are compared with past expectations and new estimates are made about the future. The schedule of funding progress, presented as required supplementary information following the notes to the financial statements, will present multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liabilities for benefits.

Projections of benefits for financial reporting purposes are based on the substantive plan (the plan as understood by the employer and the plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce the effects of short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations.

For the January 1, 2010 actuarial valuation, the entry age normal cost method was used. The actuarial value of pension benefit assets was determined using techniques that spread the effects of short-term volatility in the market value of investments over a five-year period. The actuarial assumptions included an 8.0% investment rate of return (net of administrative expenses), projected salary increases of 5.5% to 10.5%, which includes an inflation rate of 4.0% and a cost of living adjustment of 3%. The remaining amortization period at January 1, 2008, was 30 years using a level percent, open basis, amortization period. Factors that significantly affected the identification of trends were changes in contribution rates for the Policeman Division employees from 11.89% to 13.89% effective July 1, 2007.

**NOTE 14. EXCESS OF EXPENDITURES OVER APPROPRIATIONS**

A summary, by department, of expenditures exceeding appropriations at the legal level of budgetary control is as follows:

	<u>General Fund</u>
Department:	
City Attorney	\$ 80,401

Expenditures exceeding appropriations were funded through revenue sources in excess of the budget.

**NOTE 15. SUBSEQUENT EVENTS**

On September 29, 2011 the City closed on the issuance of \$32,775,000 of Combination Tax and Revenue Certificate of Obligation Bonds and \$5,860,000 General Obligation Refunding Bonds. These bonds were issued at a premium of \$2,870,404 and \$292,444, respectively. Issuance costs were \$460,528 and \$62,186, respectively.

**REQUIRED SUPPLEMENTARY  
INFORMATION OTHER THAN  
MD&A**





**CITY OF EL PASO, TEXAS**  
**REQUIRED SUPPLEMENTARY INFORMATION**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**  
**GENERAL FUND**  
For the Year Ended August 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget Positive	
	Original	Final		(Negative)	% of Budget
<b>Resources (inflows):</b>					
Property taxes	\$ 129,543,666	130,570,134	127,264,779	(3,305,355)	97.47%
Penalties and Interest-Delinquent taxes	1,041,979	1,041,979	1,240,645	198,666	119.07%
Sales taxes	72,619,575	72,619,575	74,284,237	1,664,662	102.29%
Franchise fees	43,937,625	43,937,625	44,248,798	311,173	100.71%
Licenses and permits	11,210,883	11,210,883	13,367,297	2,156,414	119.24%
Fines and forfeitures	12,751,660	12,751,660	12,409,494	(342,166)	97.32%
Charges for services	23,159,288	23,159,288	19,888,110	(3,271,178)	85.88%
Intergovernmental revenues	567,064	567,064	729,857	162,793	128.71%
County Participation	470,000	470,000	438,658	(31,342)	93.33%
Rents and other	1,128,838	1,128,838	1,165,077	36,239	103.21%
Interest	750,000	750,000	121,028	(628,972)	16.14%
Transfers In	18,368,887	18,368,887	18,534,404	165,517	100.90%
Amounts available for appropriation from current year resources	315,549,465	316,575,933	313,692,384	(2,883,549)	99.09%
<b>Charges to appropriations (outflows):</b>					
<b>General government:</b>					
Mayor and Council	1,293,165	1,272,398	1,215,230	57,168	95.51%
City Manager	2,789,482	2,779,938	2,675,927	104,011	96.26%
Municipal Clerk	751,115	747,215	723,263	23,952	96.79%
Financial Services	2,900,274	3,040,067	3,005,056	35,011	98.85%
Information Technology	10,393,075	10,325,845	10,063,150	262,695	97.46%
Radio Communications	-	-	-	-	-
City Records	181,996	431,073	191,651	239,422	44.46%
City Attorney	4,041,961	4,457,619	4,538,020	(80,401)	101.80%
Office of Management and Budget Planning	-	600	600	-	100.00%
Human Resources	1,819,270	1,871,925	1,814,699	57,226	96.94%
Tax Office	4,377,609	4,344,525	3,929,059	415,466	90.44%
<b>Public safety:</b>					
Police Department	107,934,125	106,057,183	104,932,588	1,124,595	98.94%
Fire Department	85,020,432	85,686,312	85,039,346	646,966	99.24%
Municipal Court	4,246,346	4,229,637	4,160,972	68,665	98.38%
<b>Public works:</b>					
Environmental Code Compliance	475,791	453,977	453,977	-	100.00%
Facilities Maintenance	23,600,139	22,988,934	22,578,989	409,945	98.22%
Engineering	6,980,148	7,142,543	7,097,144	45,399	99.36%
Building Permits and Inspections	-	152	152	-	100.00%
Street Department	12,787,409	12,697,822	12,451,801	246,021	98.06%
Public Health	8,335,493	8,596,615	8,418,981	177,634	97.93%
Parks department	11,483,595	11,329,513	10,628,935	700,578	93.82%
Library	8,131,724	8,065,153	7,970,984	94,169	98.83%
<b>Culture and recreation:</b>					
Art Museum	1,216,330	1,186,382	1,183,060	3,322	99.72%
History Museum	578,898	579,616	577,830	1,786	99.69%
Archeology Museum	169,187	153,712	153,631	81	99.95%
Cultural Affairs	237,369	229,442	227,189	2,253	99.02%
Zoo	3,513,012	3,561,165	3,561,165	-	100.00%
Economic development	3,745,043	3,816,185	3,489,427	326,758	91.44%
Community and human development	537,090	512,918	495,025	17,893	96.51%
<b>Nondepartmental:</b>					
Operating contingency	1,200,000	1,150,000	614,291	535,709	53.42%
Debt service	1,297,006	1,810,399	1,810,399	-	100.00%
Salary reserve	1,553,025	3,429,326	-	3,429,326	-
Non Departmental	3,959,356	5,177,089	4,970,313	206,776	96.01%
Transfers to other funds	-	3,043,000	3,026,116	16,884	99.45%
Total charges to appropriations	315,549,465	321,168,280	311,998,970	9,169,310	97.15%
Increase (Decrease) in fund balance:	-	(4,592,347)	1,693,414	6,285,761	
Fund balance, September 1	40,639,730	40,639,730	40,639,730	-	
Fund balance, August 31	\$ 40,639,730	36,047,383	42,333,144	6,285,761	

This budget and this schedule are prepared on a basis consistent with accounting principles generally accepted in the United States.

**CITY OF EL PASO, TEXAS**  
 REQUIRED SUPPLEMENTARY INFORMATION  
 Schedules of Funding Progress (in thousands) (Unaudited)  
 August 31, 2011

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) - Entry Age Normal Cost Method (b)	Unfunded (Overfunded) AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll (b-a) / (c)
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**Other Postemployment Benefits:**

9/1/2010	\$ -	147,777	147,777	-	\$ 253,818	58.2%
9/1/2007	-	138,637	138,637	-	234,513	59.1%

**City Employee Pension Fund (CEPF) <sup>(1)</sup>:**

9/1/2010	\$ 569,723	709,997 <sup>(2)</sup>	140,274	80.2%	\$ 143,107	98.0%
9/1/2008	552,815	631,591	78,776	87.5%	136,508	57.7%
9/1/2006	471,232	568,602	97,370	82.9%	123,982	78.5%

**Firemen and Policemen's Pension Fund (FPPF)**

*Firemen Division:*

1/1/2010	\$ 403,748	493,320	89,572	81.8%	\$ 48,173	185.9%
1/1/2008	317,925	431,939	114,014	73.6%	41,165	277.0%
1/1/2006	215,036	374,484	159,448	57.4%	38,326	416.0%

*Policemen Division:*

1/1/2010	\$ 588,663	715,715	\$ 127,052	82.2%	\$ 62,538	203.2%
1/1/2008	515,354	613,942 <sup>(3)</sup>	98,588	83.9%	56,840	173.4%
1/1/2006	388,533	547,072	158,539	71.0%	53,275	297.6%

<sup>(1)</sup> Funding progress is evaluated by the Fund's enrolled actuary every other year.

<sup>(2)</sup> Factors that significantly affected the identification of trends were changes in contribution rates for employee and employer contributions from 6.75% to 7.75% and 10.25% and 11.65%, respectively.

<sup>(3)</sup> Factors that significantly affected the identification of trends were changes in contribution rates for employees from 11.89% to 13.89%.

CITY OF EL PASO, TEXAS  
 REQUIRED SUPPLEMENTARY INFORMATION  
 Schedules of Employer Contributions (in thousands) (Unaudited)  
 August 31, 2011

<u>Year Ended</u>	<u>Annual Required Contribution</u>	<u>Percentage Contribution</u>
<i>Other Postemployment Benefits:</i>		
8/31/2011	\$ 15,101	22.1%
8/31/2010	14,815	24.7%
8/31/2009	13,742	20.4%
<i>City Employee Pension Fund (CEPF):</i>		
8/31/2011	17,904	100%
8/31/2010	16,974	100%
8/31/2009	17,245	100%
<i>Firemen and Policemen's Pension Fund (FPPF)</i>		
<i>Firemen Division:</i>		
8/31/2011	11,748	82%
8/31/2010	14,998	517%
8/31/2009	13,255	65%
<i>Policemen Division:</i>		
8/31/2011	\$ 17,595	60%
8/31/2010	17,648	312%
8/31/2009	16,746	74%

**COMBINING AND INDIVIDUAL  
FUND STATEMENTS AND  
SCHEDULES**



**GENERAL FUND**



CITY OF EL PASO, TEXAS  
 General Fund  
 Schedule of Expenditures - Budget and Actual  
 Legal Level of Budgetary Control  
 For the Year Ended August 31, 2011

Function/Activity	Adopted Budget	Adjusted Budget	Actuals	Variance with Final Budget Positive (Negative)	% Budget Utilized
COUNCIL DISTRICT 01-WAGES	\$ 102,879	98,853	98,853		100.00%
COUNCIL DISTRICT 01-OTHER OPERATING EXPENDITURES	23,810	23,788	22,955	833	96.50%
COUNCIL DISTRICT 02-WAGES	102,879	86,282	86,282		100.00%
COUNCIL DISTRICT 02-OTHER OPERATING EXPENDITURES	23,810	23,810	23,613	197	99.17%
COUNCIL DISTRICT 03-WAGES	102,879	95,040	95,040		100.00%
COUNCIL DISTRICT 03-OTHER OPERATING EXPENDITURES	23,810	23,810	23,810		100.00%
COUNCIL DISTRICT 04-WAGES	102,879	99,768	99,768		100.00%
COUNCIL DISTRICT 04-OTHER OPERATING EXPENDITURES	23,810	26,921	23,810	3,111	88.44%
COUNCIL DISTRICT 05-WAGES	102,879	83,639	83,639		100.00%
COUNCIL DISTRICT 05-OTHER OPERATING EXPENDITURES	23,810	33,810	23,103	10,707	68.33%
COUNCIL DISTRICT 06-WAGES	102,879	107,231	107,231		100.00%
COUNCIL DISTRICT 06-OTHER OPERATING EXPENDITURES	23,810	23,810	23,810		100.00%
COUNCIL DISTRICT 07-WAGES	102,879	95,405	95,405		100.00%
COUNCIL DISTRICT 07-OTHER OPERATING EXPENDITURES	23,810	31,284	23,810	7,474	76.11%
COUNCIL DISTRICT 08-WAGES	102,879	95,279	95,279		100.00%
COUNCIL DISTRICT 08-OTHER OPERATING EXPENDITURES	23,810	31,410	20,408	11,002	64.97%
OFFICE OF THE MAYOR-WAGES	180,882	193,487	193,487		100.00%
OFFICE OF THE MAYOR-OTHER OPERATING EXPENDITURES	98,771	98,771	74,927	23,844	75.86%
ATTORNEYS AND PARALEGALS-WAGES	2,337,022	2,245,269	2,245,269		100.00%
ATTORNEYS AND PARALEGALS-OTHER OPERATING EXPENDITURES	61,409	61,409	61,409		100.00%
LEGAL SECRETARIAL STAFF-WAGES	335,770	342,172	342,172		100.00%
LEGAL SECRETARIAL STAFF-OTHER OPERATING EXPENDITURES	18,353	18,353	18,353		100.00%
LEGAL SUPPORT STAFF-WAGES	78,329	79,338	79,338		100.00%
LEGAL SUPPORT STAFF-OTHER OPERATING EXPENDITURES	3,317	3,317	3,317		100.00%
LEGAL OPERATING EXPENSE-OTHER OPERATING EXPENDITURES	80,442	48,443	48,443		100.00%
LEGAL OPERATING EXPENSE-CAPITAL EXPENDITURES	-	13,898	13,898		100.00%
TRIAL OPER EXP & DAMAGES SETT-OTHER OPERATING EXPENDITURES	614,419	650,911	657,895	(6,984)	101.07%
OUTSIDE COUNSEL SERVICES-OTHER OPERATING EXPENDITURES	512,900	994,509	1,067,926	(73,417)	107.38%
TAX OFFICE COLLECTIONS-WAGES	1,081,640	1,048,556	1,048,556		100.00%
TAX OFFICE COLLECTIONS-OTHER OPERATING EXPENDITURES	3,295,969	3,295,969	2,899,866	396,103	87.98%
TAX OFFICE COLLECTIONS-CAPITAL EXPENDITURES	-	-	(19,363)	19,363	
PLANNING DATA MGMNT_SUPPORT-OTHER OPERATING EXPENDITURES	-	600	600		100.00%
HUMAN RESOURCES ADMIN-WAGES	242,056	340,821	340,821		100.00%
HUMAN RESOURCES ADMIN-OTHER OPERATING EXPENDITURES	55,668	58,668	57,169	1,499	97.44%
RECRUITMENT & EXAMINATIONS-WAGES	473,003	448,521	448,521		100.00%
RECRUITMENT & EXAMINATIONS-OTHER OPERATING EXPENDITURES	84,562	81,562	81,332	230	99.72%

CITY OF EL PASO, TEXAS  
 General Fund  
 Schedule of Expenditures - Budget and Actual  
 Legal Level of Budgetary Control  
 For the Year Ended August 31, 2011

Function/Activity	Adopted Budget	Adjusted Budget	Actuals	Variance with Final Budget Positive (Negative)	% Budget Utilized
ORGANIZATIONAL DEVELOPMENT-WAGES	155,580	170,121	170,121		100.00%
ORGANIZATIONAL DEVELOPMENT-OTHER OPERATING EXPENDITURES	308,244	308,244	252,999	55,245	82.08%
PAYROLL AND RECORDS-WAGES	453,687	417,518	417,518		100.00%
PAYROLL AND RECORDS-OTHER OPERATING EXPENDITURES	46,470	46,447	46,195	252	99.46%
RISK MANAGEMENT-OTHER OPERATING EXPENDITURES	-	23	23		100.00%
FINANCIAL ACCT & REPORTING-WAGES	427,013	367,316	367,316		100.00%
FINANCIAL ACCT & REPORTING-OTHER OPERATING EXPENDITURES	54,530	53,130	50,444	2,686	94.94%
TREASURY SERVICES-WAGES	192,695	192,092	192,092		100.00%
TREASURY SERVICES-OTHER OPERATING EXPENDITURES	13,617	13,617	13,617		100.00%
FISCAL OPERATIONS-WAGES	479,812	463,764	463,764		100.00%
FISCAL OPERATIONS-OTHER OPERATING EXPENDITURES	30,421	30,421	30,421		100.00%
PURCHASING ADMINISTRATION-WAGES	646,308	710,609	710,609		100.00%
PURCHASING ADMINISTRATION-OTHER OPERATING EXPENDITURES	51,613	51,173	50,456	717	98.60%
GRANTS ADMINISTRATION-WAGES	67,843	87,612	87,612		100.00%
GRANTS ADMINISTRATION-OTHER OPERATING EXPENDITURES	4,502	4,002	3,958	44	98.90%
CAPITAL ASSETS MANAGEMENT-WAGES	204,256	208,410	208,410		100.00%
CAPITAL ASSETS MANAGEMENT-OTHER OPERATING EXPENDITURES	34,002	26,992	26,296	696	97.42%
FINANCIAL & ADMIN SRVCS DEPT-OTHER OPERATING EXPENDITURES	-	-	(47)	47	
FINANCIAL SVCS CFO-WAGES	422,209	524,066	524,066		100.00%
FINANCIAL SVCS CFO-OTHER OPERATING EXPENDITURES	271,453	284,863	276,042	8,821	96.90%
FINANCIAL SVCS CFO-CAPITAL EXPENDITURES	-	22,000		22,000	
MUNICIPAL CLERK-CITY CLERK-WAGES	301,264	297,364	297,364		100.00%
MUNICIPAL CLERK-CITY CLERK-OTHER OPERATING EXPENDITURES	449,851	449,851	425,899	23,952	94.68%
MUNICIPAL CLERK ADMIN-WAGES	2,644,395	2,613,712	2,613,712		100.00%
MUNICIPAL CLERK ADMIN-OTHER OPERATING EXPENDITURES	879,529	879,529	811,986	67,543	92.32%
MUNICIPAL CLERK JUDICIARY-WAGES	644,153	658,127	658,127		100.00%
MUNICIPAL CLERK JUDICIARY-OTHER OPERATING EXPENDITURES	78,269	78,269	77,147	1,122	98.57%
OFFICE OF MANAGEMENT AND BUDGET-WAGES	921,121	890,645	890,645		100.00%
OFFICE OF MANAGEMENT AND BUDGET-OTHER OPERATING EXPENDITURES	161,609	173,209	109,511	63,698	63.22%
CITY MANAGER-WAGES	1,003,153	1,021,854	1,021,854		100.00%
CITY MANAGER-OTHER OPERATING EXPENDITURES	125,932	125,932	89,114	36,818	70.76%
PUBLIC INFORMATION OFFICE-WAGES	171,426	174,247	174,247		100.00%
PUBLIC INFORMATION OFFICE-OTHER OPERATING EXPENDITURES	23,511	23,511	22,415	1,096	95.34%
INTERNAL AUDIT-WAGES	325,367	313,177	313,177		100.00%
INTERNAL AUDIT-OTHER OPERATING EXPENDITURES	57,363	57,363	54,964	2,399	95.82%
CHIEF'S OFFICE-WAGES	80,733,241	79,678,835	79,678,835		100.00%
CHIEF'S OFFICE-OTHER OPERATING EXPENDITURES	11,072,897	11,182,952	11,143,990	38,962	99.65%
INTERNAL AFFAIRS-WAGES	204,342	181,341	181,341		100.00%
INTERNAL AFFAIRS-OTHER OPERATING EXPENDITURES	112,807	112,632	109,434	3,198	97.16%
TRAINING-WAGES	1,154,282	883,982	883,982		100.00%
TRAINING-OTHER OPERATING EXPENDITURES	839,832	839,832	711,953	127,879	84.77%

CITY OF EL PASO, TEXAS  
 General Fund  
 Schedule of Expenditures - Budget and Actual  
 Legal Level of Budgetary Control  
 For the Year Ended August 31, 2011

Function/Activity	Adopted Budget	Adjusted Budget	Actuals	Variance with Final Budget Positive (Negative)	% Budget Utilized
PD PERSONNEL-WAGES	170,229	170,694	170,694		100.00%
PD PERSONNEL-OTHER OPERATING EXPENDITURES	101,685	101,685	82,274	19,411	80.91%
PLANNING AND RESEARCH-WAGES	211,373	192,282	192,282		100.00%
PLANNING AND RESEARCH-OTHER OPERATING EXPENDITURES	69,719	69,719	60,854	8,865	87.28%
VEHICLE OPERATIONS-OTHER OPERATING EXPENDITURES	4,165,174	4,165,174	3,713,547	451,627	89.16%
GRANT OPERATIONS (PDHQ)-WAGES	124,228	110,659	110,659		100.00%
GRANT OPERATIONS (PDHQ)-OTHER OPERATING EXPENDITURES	21,990	21,990	21,721	269	98.78%
RECORDS-WAGES	2,053,768	1,743,195	1,743,195		100.00%
RECORDS-OTHER OPERATING EXPENDITURES	226,997	226,997	215,842	11,155	95.09%
POLICE SUPPLY-OTHER OPERATING EXPENDITURES	528,750	628,328	282,948	345,380	45.03%
FINANCIAL SERVICES-WAGES	577,354	498,340	498,340		100.00%
FINANCIAL SERVICES-OTHER OPERATING EXPENDITURES	721,914	722,089	689,795	32,294	95.53%
SPECIAL SERVICES-WAGES	109,631	90,827	90,827		100.00%
SPECIAL SERVICES-OTHER OPERATING EXPENDITURES	203,072	203,072	193,494	9,578	95.28%
CENTRAL REGIONAL COMMAND-WAGES	576,030	489,640	489,640		100.00%
CENTRAL REGIONAL COMMAND-OTHER OPERATING EXPENDITURES	183,760	183,760	183,237	523	99.72%
MISSION VALLEY REGIONAL COMMAN-WAGES	266,410	249,477	249,477		100.00%
MISSION VALLEY REGIONAL COMMAN-OTHER OPERATING EXPENDITURES	42,874	42,874	42,846	28	99.93%
NORTHEAST REGIONAL COMMAND-WAGES	208,051	208,072	208,072		100.00%
NORTHEAST REGIONAL COMMAND-OTHER OPERATING EXPENDITURES	33,099	33,099	32,631	468	98.59%
PEBBLE HILLS REGIONAL COMMAND-WAGES	272,665	272,062	272,062		100.00%
PEBBLE HILLS REGIONAL COMMAND-OTHER OPERATING EXPENDITURES	67,991	68,248	66,324	1,924	97.18%
WESTSIDE REGIONAL COMMAND-WAGES	202,726	201,745	201,745		100.00%
WESTSIDE REGIONAL COMMAND-OTHER OPERATING EXPENDITURES	50,818	50,818	49,124	1,694	96.67%
OPERATIONAL SUPPORT-WAGES	1,368,264	1,309,960	1,309,960		100.00%
OPERATIONAL SUPPORT-OTHER OPERATING EXPENDITURES	215,465	215,465	190,220	25,245	88.28%
DIRECTED INVESTIGATIONS-WAGES	403,732	268,860	268,860		100.00%
DIRECTED INVESTIGATIONS-OTHER OPERATING EXPENDITURES	252,157	252,157	236,540	15,617	93.81%
CRIMINAL INVESTIGATIONS-WAGES	165,389	164,912	164,912		100.00%
CRIMINAL INVESTIGATIONS-OTHER OPERATING EXPENDITURES	221,409	221,409	190,931	30,478	86.23%
FIRE DEPARTMENT ADMINISTRATION-WAGES	1,452,207	927,174	927,174		100.00%
FIRE DEPARTMENT ADMINISTRATION-OTHER OPERATING EXPENDITURES	928,351	1,002,709	1,002,709		100.00%
FIRE FIGHTING TRAINING-WAGES	1,385,625	1,402,427	1,402,427		100.00%
FIRE FIGHTING TRAINING-OTHER OPERATING EXPENDITURES	975,468	666,198	483,686	182,512	72.60%
FIRE FIGHTING TRAINING-CAPITAL EXPENDITURES	-	9,270	9,270		100.00%
FIRE MEDICAL SERVICES-WAGES	380,099	392,105	392,105		100.00%
FIRE MEDICAL SERVICES-OTHER OPERATING EXPENDITURES	90,629	87,367	38,717	48,650	44.32%
FD EMERGENCY OPERATIONS-WAGES	54,073,317	55,269,825	55,269,825		100.00%
FD EMERGENCY OPERATIONS-OTHER OPERATING EXPENDITURES	7,848,976	7,817,294	7,672,119	145,175	98.14%



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SPECIAL OPERATIONS-WAGES	274,020	263,426	263,426		100.00%
SPECIAL OPERATIONS-OTHER OPERATING EXPENDITURES	62,599	59,826	52,788	7,038	88.24%
FIRE PREVENTION-WAGES	3,141,603	2,893,175	2,893,175		100.00%
FIRE PREVENTION-OTHER OPERATING EXPENDITURES	406,031	406,031	401,972	4,059	99.00%
FIRE COMMUNICATIONS-WAGES	6,616,433	7,020,284	7,020,284		100.00%
FIRE COMMUNICATIONS-OTHER OPERATING EXPENDITURES	499,333	795,469	783,308	12,161	98.47%
SCBA AND LOGISTIC-OTHER OPERATING EXPENDITURES	43,025	43,025	40,366	2,659	93.82%
LOGISTICS-WAGES	632,184	601,850	601,850		100.00%
LOGISTICS-OTHER OPERATING EXPENDITURES	4,054,280	4,249,780	4,005,068	244,712	94.24%
LOGISTICS-CAPITAL EXPENDITURES	-	14,500	14,500		100.00%
311 CALL CENTER-WAGES	150,222	-			
311 CALL CENTER-OTHER OPERATING EXPENDITURES	56,930	1,344	1,344		100.00%
311 CALL CENTER-CAPITAL EXPENDITURES	63,088	-			
FIRE SUPPORT PERSONNEL-WAGES	1,721,619	1,598,840	1,598,840		100.00%
FIRE SUPPORT PERSONNEL-OTHER OPERATING EXPENDITURES	164,393	164,393	164,393		100.00%
FACILITY MAINTENANCE-OTHER OPERATING EXPENDITURES	1,292,522	1,471,315	1,362,880	108,435	92.63%
FACILITY MAINTENANCE-CAPITAL EXPENDITURES	-	6,300	650	5,650	10.32%
FACILITY PERSONNEL-WAGES	1,538,393	1,547,013	1,547,013		100.00%
FACILITY PERSONNEL-OTHER OPERATING EXPENDITURES	198,653	198,713	198,713		100.00%
FACILITY SUPPORT-OTHER OPERATING EXPENDITURES	1,116,752	1,116,752	1,032,035	84,717	92.41%
CITY RECORDS-WAGES	116,187	116,264	116,264		100.00%
CITY RECORDS-OTHER OPERATING EXPENDITURES	65,809	314,809	75,387	239,422	23.95%
FACILITY UTILITIES-OTHER OPERATING EXPENDITURES	11,198,902	10,818,391	10,749,776	68,615	99.37%
PW-PARKS FACILITIES MAINT-WAGES	1,284,021	1,259,749	1,259,749		100.00%
PW-PARKS FACILITIES MAINT-OTHER OPERATING EXPENDITURES	743,060	763,060	727,627	35,433	95.36%
PW-PARK LAND MANAGEMENT-WAGES	2,577,320	2,489,549	2,489,549		100.00%
PW-PARK LAND MANAGEMENT-OTHER OPERATING EXPENDITURES	4,947,522	5,128,491	5,021,396	107,095	97.91%
ENGINEERING TRAFFIC-STREETS-WAGES	967,545	962,373	962,373		100.00%
ENGINEERING TRAFFIC-STREETS-OTHER OPERATING EXPENDITURES	103,456	103,457	101,210	2,247	97.83%
STREETS EQUIPMENT SUPPORT-WAGES	173,700	158,662	158,662		100.00%
STREETS EQUIPMENT SUPPORT-OTHER OPERATING EXPENDITURES	1,476,992	1,476,992	1,434,188	42,804	97.10%
STREETS CONTRACT MANAGEMENT-WAGES	512,034	436,436	436,436		100.00%
STREETS CONTRACT MANAGEMENT-OTHER OPERATING EXPENDITURES	57,808	57,808	57,808		100.00%
ADMIN SUPPORT AND DATA MGMT-WAGES	944,538	977,897	977,897		100.00%
ADMIN SUPPORT AND DATA MGMT-OTHER OPERATING EXPENDITURES	264,781	264,781	254,177	10,604	96.00%
STREETS & FACILITIES MAINT-WAGES	3,368,682	3,341,424	3,341,424		100.00%
STREETS & FACILITIES MAINT-OTHER OPERATING EXPENDITURES	2,273,312	2,298,172	2,268,496	29,676	98.71%
SIGNS AND MARKINGS-WAGES	783,674	841,988	841,988		100.00%

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SIGNS AND MARKINGS-OTHER OPERATING EXPENDITURES	481,428	481,428	324,969	156,459	67.50%
TRAFFIC SIGNALS-WAGES	1,104,813	1,021,758	1,021,758		100.00%
TRAFFIC SIGNALS-OTHER OPERATING EXPENDITURES	274,646	274,646	270,979	3,667	98.66%
STREET SWEEPING OPERATIONS-OTHER OPERATING EXPENDITURES	-	-	(564)	564	
ENVIRO CODE COMPLIANCE-WAGES	434,357	412,543	412,543		100.00%
ENVIRO CODE COMPLIANCE-OTHER OPERATING EXPENDITURES	41,434	41,434	41,434		100.00%
BUSINESS CENTER-WAGES	645,455	663,374	663,374		100.00%
BUSINESS CENTER-OTHER OPERATING EXPENDITURES	84,016	83,389	83,389		100.00%
ENGINEERING ADMIN-WAGES	475,478	508,268	508,268		100.00%
ENGINEERING ADMIN-OTHER OPERATING EXPENDITURES	83,263	80,657	80,657		100.00%
DESIGN DIVISION-WAGES	217,003	219,677	219,677		100.00%
DESIGN DIVISION-OTHER OPERATING EXPENDITURES	22,985	19,408	19,408		100.00%
CONSTRUCTION INSPECTION-WAGES	354,006	370,671	370,671		100.00%
CONSTRUCTION INSPECTION-OTHER OPERATING EXPENDITURES	133,586	109,113	109,113		100.00%
PROJECT ENGINEERING-WAGES	422,802	423,318	423,318		100.00%
PROJECT ENGINEERING-OTHER OPERATING EXPENDITURES	52,744	44,460	44,460		100.00%
ENGINEERING CIP-WAGES	632,413	635,449	635,449		100.00%
ENGINEERING CIP-OTHER OPERATING EXPENDITURES	60,101	54,411	54,411		100.00%
PROJECT DEVELOPMENT-OTHER OPERATING EXPENDITURES	-	12	12		100.00%
BUILDING PERMITS AND INSPECTION-PLAN REVIEW-WAGES	1,039,953	1,035,933	1,035,933		100.00%
BUILDING PERMITS AND INSPECTION-PLAN REVIEW-OTHER OPERATING EXPENDITURES	80,458	79,899	79,899		100.00%
BUILDING PERMITS AND INSPECTION-COMMERCIAL INSPECTIONS-WAGES	585,537	616,383	616,383		100.00%
BUILDING PERMITS AND INSPECTION-COMMERCIAL INSPECTIONS-OTHER OPERATING EXPENDITURES	126,091	97,865	97,865		100.00%
BUILDING PERMITS AND INSPECTION-RESIDENTIAL INSPECTION-WAGES	718,329	814,834	814,834		100.00%
BUILDING PERMITS AND INSPECTION-RESIDENTIAL INSPECTION-OTHER OPERATING EXPENDITURES	127,572	127,572	113,994	13,578	89.36%
BUILDING PERMITS AND INSPECTION-ADMINISTRATION-WAGES	197,068	210,471	210,471		100.00%
BUILDING PERMITS AND INSPECTION-ADMINISTRATION-OTHER OPERATING EXPENDITURES	148,870	231,425	199,604	31,821	86.25%
LAND DEVELOPMENT-WAGES	682,027	634,232	634,232		100.00%
LAND DEVELOPMENT-OTHER OPERATING EXPENDITURES	90,391	81,722	81,722		100.00%
PLAN REVIEW-OTHER OPERATING EXPENDITURES	-	152	152		100.00%
INFORMATION TECHNOLOGY ADMIN-WAGES	381,339	393,442	393,442		100.00%
INFORMATION TECHNOLOGY ADMIN-OTHER OPERATING EXPENDITURES	45,063	45,063	38,634	6,429	85.73%
MEDIA PRODUCTION-WAGES	112,333	111,796	111,796		100.00%
MEDIA PRODUCTION-OTHER OPERATING EXPENDITURES	9,389	9,389	8,032	1,357	85.55%
INFORMATION SERVICES-WAGES	2,207,279	1,903,778	1,903,778		100.00%

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INFORMATION SERVICES-OTHER OPERATING EXPENDITURES	4,031,721	4,458,001	4,346,103	111,898	97.49%
TELECOMMUNICATIONS-WAGES	384,748	386,173	386,173		100.00%
TELECOMMUNICATIONS-OTHER OPERATING EXPENDITURES	3,221,203	3,018,203	2,875,192	143,011	95.26%
ENVIRONMENT_FOOD-WAGES	972,791	962,208	962,208		100.00%
ENVIRONMENT_FOOD-OTHER OPERATING EXPENDITURES	223,907	229,970	229,970		100.00%
ANIMAL SERVICES-WAGES	2,095,153	1,995,878	1,995,878		100.00%
ANIMAL SERVICES-OTHER OPERATING EXPENDITURES	685,740	784,278	771,850	12,428	98.42%
STD CLINICS-WAGES	200,198	171,977	171,977		100.00%
STD CLINICS-OTHER OPERATING EXPENDITURES	52,800	52,800	46,564	6,236	88.19%
DENTAL-WAGES	333,118	500,805	500,805		100.00%
DENTAL-OTHER OPERATING EXPENDITURES	142,414	139,234	93,323	45,911	67.03%
ADULT IMMUNIZATION SERVICES-WAGES	73,219	69,064	69,064		100.00%
ADULT IMMUNIZATION SERVICES-OTHER OPERATING EXPENDITURES	56,173	56,173	44,630	11,543	79.45%
LABORATORY-WAGES	446,611	419,242	419,242		100.00%
LABORATORY-OTHER OPERATING EXPENDITURES	259,355	291,938	291,938		100.00%
EPIDEMIOLOGY-WAGES	126,776	125,678	125,678		100.00%
EPIDEMIOLOGY-OTHER OPERATING EXPENDITURES	29,004	29,356	16,917	12,439	57.63%
HEALTH ADMINISTRATION-WAGES	418,433	533,060	533,060		100.00%
HEALTH ADMINISTRATION-OTHER OPERATING EXPENDITURES	551,082	588,226	588,226		100.00%
HEALTH SUPPORT SERVICES-WAGES	547,565	533,106	533,106		100.00%
HEALTH SUPPORT SERVICES-OTHER OPERATING EXPENDITURES	891,970	891,178	804,053	87,125	90.22%
HEALTH EDUCATION PROGRAM-WAGES	206,171	193,503	193,503		100.00%
HEALTH EDUCATION PROGRAM-OTHER OPERATING EXPENDITURES	23,013	28,941	26,989	1,952	93.26%
PARKS & RECREATION ADMIN-WAGES	866,607	820,116	820,116		100.00%
PARKS & RECREATION ADMIN-OTHER OPERATING EXPENDITURES	387,345	446,595	316,608	129,987	70.89%
PARKS & RECREATION ADMIN-CAPITAL EXPENDITURES	-	17,666	17,445	221	98.75%
RECREATION & SENIOR CTRS-WAGES	2,760,261	2,727,060	2,727,060		100.00%
RECREATION & SENIOR CTRS-OTHER OPERATING EXPENDITURES	1,211,978	1,197,817	1,123,312	74,505	93.78%
AQUATICS-WAGES	1,829,844	1,737,983	1,737,983		100.00%
AQUATICS-OTHER OPERATING EXPENDITURES	428,907	428,907	372,749	56,158	86.91%
FACILITIES MAINTENANCE-OTHER OPERATING EXPENDITURES	-	-	(80)	80	
PARK MAINTENANCE-OTHER OPERATING EXPENDITURES	-	55,549	55,458	91	99.84%
ATHLETICS & SPORTS CTRS-WAGES	1,135,072	1,129,879	1,129,879		100.00%
ATHLETICS & SPORTS CTRS-OTHER OPERATING EXPENDITURES	1,220,064	1,215,229	901,528	313,701	74.19%
ATHLETICS & SPORTS CTRS-CAPITAL EXPENDITURES	-	7,000	5,682	1,318	81.17%
PARK PLANNING & DEVELOPMENT-WAGES	424,517	373,561	373,561		100.00%
PARK PLANNING & DEVELOPMENT-OTHER OPERATING EXPENDITURES	65,586	65,586	58,278	7,308	88.86%
AFTER SCHOOL & SCHOOL SITES-WAGES	299,633	297,106	297,106		100.00%
AFTER SCHOOL & SCHOOL SITES-OTHER OPERATING EXPENDITURES	49,699	53,410	42,408	11,002	79.40%
SPECIAL EVENTS-WAGES	97,532	97,757	97,757		100.00%

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SPECIAL EVENTS-OTHER OPERATING EXPENDITURES	34,956	37,707	32,181	5,526	85.34%
LEISURE INSTRUCTION-WAGES	79,709	83,182	83,182		100.00%
LEISURE INSTRUCTION-OTHER OPERATING EXPENDITURES	240,780	243,530	143,449	100,081	58.90%
DAYCARE OPERATIONS-WAGES	292,701	232,684	232,684		100.00%
DAYCARE OPERATIONS-OTHER OPERATING EXPENDITURES	58,404	61,189	60,589	600	99.02%
ZOO GENERAL OPERATIONS-WAGES	3,124,036	3,172,189	3,172,189		100.00%
ZOO GENERAL OPERATIONS-OTHER OPERATING EXPENDITURES	388,976	388,976	388,976		100.00%
LIBRARY ADMINISTRATION-WAGES	990,212	1,191,986	1,191,986		100.00%
LIBRARY ADMINISTRATION-OTHER OPERATING EXPENDITURES	432,105	472,037	472,037		100.00%
CATALOGING ORDERING & PROCESS-WAGES	490,780	439,322	439,322		100.00%
CATALOGING ORDERING & PROCESS-OTHER OPERATING EXPENDITURES	758,614	783,573	689,405	94,168	87.98%
MEMORIAL BRANCH OPERATIONS-WAGES	207,776	192,035	192,035		100.00%
MEMORIAL BRANCH OPERATIONS-OTHER OPERATING EXPENDITURES	25,886	23,878	23,878		100.00%
ARMIJO BRANCH OPERATIONS-WAGES	155,722	162,341	162,341		100.00%
ARMIJO BRANCH OPERATIONS-OTHER OPERATING EXPENDITURES	10,066	7,553	7,553		100.00%
RICHARD BURGESS BRANCH OPER-WAGES	408,558	435,335	435,335		100.00%
RICHARD BURGESS BRANCH OPER-OTHER OPERATING EXPENDITURES	36,975	33,833	33,833		100.00%
CIELO VISTA BRANCH OPER-WAGES	206,055	210,086	210,086		100.00%
CIELO VISTA BRANCH OPER-OTHER OPERATING EXPENDITURES	15,335	15,231	15,231		100.00%
CLARDY FOX BRANCH OPER-WAGES	206,890	224,366	224,366		100.00%
CLARDY FOX BRANCH OPER-OTHER OPERATING EXPENDITURES	25,598	23,772	23,772		100.00%
IRVING SCHWARTZ BRANCH OPER-WAGES	274,717	218,333	218,333		100.00%
IRVING SCHWARTZ BRANCH OPER-OTHER OPERATING EXPENDITURES	18,649	17,218	17,217	1	99.99%
MARQUEZ MISSION VALLEY LIB-WAGES	353,476	311,189	311,189		100.00%
MARQUEZ MISSION VALLEY LIB-OTHER OPERATING EXPENDITURES	32,550	31,161	31,161		100.00%
WESTSIDE BRANCH OPERATIONS-WAGES	251,807	217,966	217,966		100.00%
WESTSIDE BRANCH OPERATIONS-OTHER OPERATING EXPENDITURES	21,574	19,343	19,343		100.00%
YSLETA BRANCH OPERATIONS-WAGES	257,668	260,452	260,452		100.00%
YSLETA BRANCH OPERATIONS-OTHER OPERATING EXPENDITURES	26,634	26,576	26,576		100.00%
EASTSIDE REGIONAL BRANCH-WAGES	332,618	333,415	333,415		100.00%
EASTSIDE REGIONAL BRANCH-OTHER OPERATING EXPENDITURES	33,656	32,310	32,310		100.00%
MAIN LIBRARY-WAGES	1,908,997	1,782,199	1,782,199		100.00%
MAIN LIBRARY-OTHER OPERATING EXPENDITURES	146,454	140,349	140,349		100.00%
WESTSIDE REGIONAL LIBRARY-WAGES	455,121	415,379	415,379		100.00%
WESTSIDE REGIONAL LIBRARY-OTHER OPERATING EXPENDITURES	47,231	43,915	43,915		100.00%
ART MUSEUM ADMINISTRATION-WAGES	592,640	596,270	596,270		100.00%
ART MUSEUM ADMINISTRATION-OTHER OPERATING EXPENDITURES	183,386	183,386	180,697	2,689	98.53%
ART MUSEUM EDUCATION-WAGES	127,058	126,785	126,785		100.00%
ART MUSEUM EDUCATION-OTHER OPERATING EXPENDITURES	19,664	19,664	19,033	631	96.79%

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ARCHAEOLOGY MUSEUM-WAGES	125,037	109,562	109,562		100.00%
ARCHAEOLOGY MUSEUM-OTHER OPERATING EXPENDITURES	44,150	44,150	44,069	81	99.82%
HISTORY MUSEUM OPERATIONS-WAGES	471,802	472,520	472,520		100.00%
HISTORY MUSEUM OPERATIONS-OTHER OPERATING EXPENDITURES	107,096	106,999	105,213	1,786	98.33%
ART MUSEUM CURATORIAL-WAGES	228,722	195,417	195,417		100.00%
ART MUSEUM CURATORIAL-OTHER OPERATING EXPENDITURES	64,860	64,860	64,858	2	100.00%
HISTORY MUSEUM RESTRICTED FUND-OTHER OPERATING EXPENDITURES	-	97	97		100.00%
ACR ADMIN-WAGES	151,469	151,542	151,542		100.00%
ACR ADMIN-OTHER OPERATING EXPENDITURES	85,900	77,900	75,647	2,253	97.11%
RELOCATION SERVICES_GEN FUND-WAGES	106,712	107,931	107,931		100.00%
RELOCATION SERVICES_GEN FUND-OTHER OPERATING EXPENDITURES	9,988	9,988	9,600	388	96.12%
NEIGH SEVC CONSERVATION PROG-WAGES	238,507	213,116	213,116		100.00%
NEIGH SEVC CONSERVATION PROG-OTHER OPERATING EXPENDITURES	181,883	181,883	164,378	17,505	90.38%
PLANNING AND ADMINISTRATION-WAGES	1,548,402	1,468,917	1,468,917		100.00%
PLANNING AND ADMINISTRATION-OTHER OPERATING EXPENDITURES	426,894	367,133	257,741	109,392	70.20%
PLANNING AND ADMINISTRATION-CAPITAL EXPENDITURES	-	266,000	246,845	19,155	92.80%
ECONOMIC DEV ADMINISTRATION-WAGES	992,366	923,993	923,993		100.00%
ECONOMIC DEV ADMINISTRATION-OTHER OPERATING EXPENDITURES	777,381	790,142	591,931	198,211	74.91%
SPECIAL ITEMS-WAGES	-	61,265	61,265		100.00%
SPECIAL ITEMS-OTHER OPERATING EXPENDITURES	6,712,381	8,618,682	4,496,871	4,121,811	52.18%
SPECIAL ITEMS-CAPITAL EXPENDITURES	-	50,000		50,000	
CASH RESERVE FUND-OTHER OPERATING EXPENDITURES	-	43,000	26,116	16,884	60.73%
GENERAL CITY REVENUES-OTHER OPERATING EXPENDITURES	-	4,026,468	4,026,468		100.00%
TOTAL EXPENDITURES AND TRANSFERS OUT	<u>\$ 315,549,465</u>	<u>321,168,280</u>	<u>311,998,970</u>	<u>9,169,310</u>	97.15%

## SPECIAL REVENUE FUNDS



**Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.**

**OTHER FEDERAL GRANTS** - This fund accounts for grants received by the City from Federal sources, excluding ARRA grants, including the Office of the President, Environmental Protections Agency, National Endowments for the Humanities and the U.S. Departments of Agriculture, Interior, Justice, Education and Transportation.

**AMERICAN RECOVERY AND REINVESTMENT ACT GRANTS** - This fund accounts for grants received under Section 1512 of the Recovery Act. Funding sources include the National Endowment for the Arts, Department of Justice, National Telecommunication and Information Administration, Administration for Children and Families, Department of Housing and Urban Development, Department of Energy, Federal Emergency Management Agency and Assistant Secretary for Community Planning and Development.

**STATE GRANTS** - This fund accounts for grants received by the City from various State of Texas departments and agencies including Texas Department of Transportation, Texas Historical Commission, Texas State Library and Archives, Texas Arts Council, Texas Commission on Environmental Quality and the Governor's Office of Criminal Justice.

**OTHER GRANTS** - This fund accounts for grants received by the City which do not belong in one of the above funds. Granting entities El Paso Community Foundation, Paso del Norte Health Foundation and local school districts.

**HEALTH DEPARTMENT** - This fund accounts for activities of the grants received by the City for public health activities. Funding sources include grants from the Texas Department of Health and Human Services, and . Additional funding sources include participation by the City's Control and U.S. Environmental Protection Agency. Additional General Fund, the County of El Paso and fees charged for services provided.

**NONGRANTS** - This fund accounts for funds received that are restricted by the donor (in the case of donations), City Council action or other legislation. Funds received include donations, Hotel/Motel occupancy tax, proceeds generated from police enforcement activities

# NONMAJOR GOVERNMENTAL FUNDS

## SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for specific revenues that are legally restricted to expenditures for particular purposes.



CITY OF EL PASO, TEXAS  
 COMBINING BALANCE SHEET  
 NONMAJOR GOVERNMENTAL FUNDS  
 August 31, 2011

	Special Revenue Funds						
	Federal Grants		State Grants	Other Grants	Public Health	Nongrants	Total
	Other Federal Grants	American Recovery and Reinvestment Act Grants					
<b>ASSETS</b>							
Cash and Cash Equivalents	\$ -	-	-	46,902	-	12,078,418	12,125,320
Receivables - Net of Allowances							
Trade	-	-	-	-	-	262,880	262,880
Notes	23,069	-	-	-	-	-	23,069
Other	-	-	-	-	-	2,506,950	2,506,950
Due From Other Government Agencies	8,374,509	2,377,700	1,691,502	87,375	2,019,931	-	14,551,017
Due From Other Funds	-	-	-	-	-	11,355,626	11,355,626
<b>TOTAL ASSETS</b>	<b>\$ 8,397,578</b>	<b>2,377,700</b>	<b>1,691,502</b>	<b>134,277</b>	<b>2,019,931</b>	<b>26,203,874</b>	<b>40,824,862</b>
<b>LIABILITIES</b>							
Accounts Payable	\$ 293,435	1,090,315	-	119,852	54,124	252,188	1,981,245
Accrued Payroll	264,533	60,994	-	105,210	4,511	422,515	78,875
Due to Other Funds	7,393,176	1,226,391	-	1,390,831	-	1,345,228	-
Unearned Revenue	446,434	-	-	-	13,126	-	1,418,658
Due To Other Government Agencies	-	-	-	75,609	-	-	-
<b>TOTAL LIABILITIES</b>	<b>\$ 8,397,578</b>	<b>2,377,700</b>	<b>1,691,502</b>	<b>71,761</b>	<b>2,019,931</b>	<b>3,478,778</b>	<b>18,037,250</b>
<b>FUND BALANCES:</b>							
Restricted	-	-	-	71,851	-	13,169,554	13,241,405
Committed	-	-	-	65,480	-	9,559,041	9,624,521
Unassigned	-	-	-	(74,815)	-	(3,499)	(78,314)
<b>TOTAL FUND BALANCES</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>62,516</b>	<b>-</b>	<b>22,725,096</b>	<b>22,787,612</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 8,397,578</b>	<b>2,377,700</b>	<b>1,691,502</b>	<b>134,277</b>	<b>2,019,931</b>	<b>26,203,874</b>	<b>40,824,862</b>



CITY OF EL PASO, TEXAS  
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES  
 NONMAJOR GOVERNMENTAL FUNDS  
 For the Year Ended August 31, 2011

	Special Revenue Funds						Total
	Federal Grants			Other Grants	Public Health	Nongrants	
	Other Federal Grants	American Recovery and Reinvestment Act Grants	State Grants				
<b>Revenues</b>							
Property Taxes	\$ -	-	-	-	-	449,634	449,634
Sales Taxes	-	-	-	-	-	5,532,475	5,532,475
Franchise Fees	-	-	-	-	-	4,543,826	4,543,826
Charges for Services	155,460	-	-	-	595,909	6,980,048	7,731,417
Fines and Forfeitures	-	-	-	-	-	2,078,608	2,078,608
Licenses and Permits	376	-	-	-	-	17,416	17,792
Intergovernmental Revenues	16,074,244	13,825,138	4,303,081	180,005	11,731,223	55,863	46,169,554
Interest	-	-	-	-	-	3,172	3,172
Rents and Other	-	-	21,300	25,941	-	3,749,997	3,797,238
<b>Total revenues</b>	<b>16,230,080</b>	<b>13,825,138</b>	<b>4,324,381</b>	<b>205,946</b>	<b>12,327,132</b>	<b>23,411,039</b>	<b>70,323,716</b>
<b>Expenditures</b>							
Current:							
General Government	1,391,251	-	31,200	60,300	-	188,782	1,671,533
Public Safety	6,817,303	102,215	2,417,920	-	-	2,447,899	11,785,337
Public Works	-	-	(1,835)	(3,582)	-	565,431	560,014
Public Health	-	-	-	133,813	12,269,591	-	12,403,404
Parks Department	7,077	-	-	-	-	59,724	66,801
Library	353,711	-	84,244	-	-	104,839	542,794
Culture and Recreation	-	141,030	75,440	11,140	-	12,045,938	12,273,548
Economic Development	1,236,922	-	-	-	-	769,160	2,006,082
Equipment Maintenance	-	2,572,010	-	-	-	-	2,572,010
Solid Waste	-	896,611	-	-	-	-	896,611
Community and Human Development	631,412	6,015,494	1,098,604	-	-	7,177	7,752,687
Capital Outlay	5,792,404	4,097,778	618,984	205,524	57,541	3,504,544	14,276,775
<b>Total expenditures</b>	<b>16,230,080</b>	<b>13,825,138</b>	<b>4,324,557</b>	<b>407,195</b>	<b>12,327,132</b>	<b>19,693,494</b>	<b>66,807,596</b>
Excess (Deficiency) of revenues over (under) expenditures	-	-	(176)	(201,249)	-	3,717,545	3,516,120
<b>OTHER FINANCING SOURCES(USES):</b>							
Transfers In	-	-	-	-	-	214,746	214,746
Transfers Out	-	-	-	-	-	(1,520,000)	(1,520,000)
Other Sources (Uses)	-	-	176	-	-	8,538	8,714
<b>Total other financing sources (uses):</b>			<b>176</b>			<b>(1,296,716)</b>	<b>(1,296,540)</b>
Net change in fund balances	-	-	-	(201,249)	-	2,420,829	2,219,580
Increase in inventory							-
Fund balances - beginning of year	-	-	-	263,765	-	20,304,267	20,568,032
Fund balances - end of year	\$ -	-	-	62,516	-	22,725,096	22,787,612

**CITY OF EL PASO, TEXAS**  
 Schedule of Expenditures - Special Revenue Funds  
 For the Year Ended August 31, 2011

Nonmajor Governmental Funds

Grant	Description	Community Development Block		American Recovery and Reinvestment Act			Public Health	Nongrants	Total Nonmajor Governmental Funds
		Grants	Other Federal Grants	Grants	State Grants	Other Grants			
6310000887	TEXAS HOMELESS HOUSING SERVICE	-	-	-	1,072,894	-	-	-	1,072,894
2007-GS-H7-0044	2007-GS-H7-0044	-	2,019,669	-	-	-	-	-	2,019,669
2011-038248	MOTHER FRIENDLY WORKSITE INIT	-	-	-	-	-	2,648	-	2,648
48-42-B10570	ARRA-BTOP VIRTUAL VILLAGE CFDA 11.557	-	-	2,621,856	-	-	-	-	2,621,856
582-11-11176	ELP0064 RIDER 8	-	-	-	31,200	-	-	-	31,200
CM1017	ALTERNATIVE FUEL AND HYBRID VE	-	-	-	100,000	-	-	-	100,000
G081002	DSD BRAC OEA	-	113,459	-	-	-	-	-	113,459
G0811001	EDA 08-49-04619 EP Regional Gr	-	1,236,922	-	-	-	-	-	1,236,922
G210614	G210614 COPS AFIS 0432	-	177,677	-	-	-	-	-	177,677
G210621	G210621 OTHER HIDTA-OCDEF-06	-	1,068	-	-	-	-	-	1,068
G210715	G210715 COPS TECHNOLOGY FY06	-	-	-	80,000	-	-	-	80,000
G210720	G210720 CMG-CRIME LAB FY06	-	9,964	-	-	-	-	-	9,964
G210735	2005 CONGRESSL MANDATED GRANT	-	(780)	-	-	-	-	-	(780)
G210821	COPS TECHNOLOGY FY08	-	157,543	-	-	-	-	-	157,543
G210909	CLICK IT OR TICKET 09 (CIOT-09	-	-	-	82	-	-	-	82
G210912	2008 BUFFERZONE PP FY09	-	74,817	-	-	-	-	-	74,817
G210915	G210915 COPS TECHNOLOGY 09	-	177,891	-	-	-	-	-	177,891
G211058	MULTI FY2010	-	162,957	-	-	-	-	-	162,957
G211059	ENTERPRISE FY2010	-	17,871	-	-	-	-	-	17,871
G211060	TRANSPORTATION FY2010	-	16,744	-	-	-	-	-	16,744
G211061	FUGITIVE FY2010	-	20,504	-	-	-	-	-	20,504
G211063	DHE STASH HOUSE FY2010	-	14,299	-	-	-	-	-	14,299
G211065	DHE STING FY2010	-	98,808	-	-	-	-	-	98,808
G211102	ABTPA FY11	-	-	-	1,492,498	-	-	-	1,492,498
G211104	GENERAL VICTIM ASSIST DIR SERV	-	-	-	164,027	-	-	-	164,027
G211108	WEED & SEED FY11	-	61,677	-	-	-	-	-	61,677
G211111	JABG SHOCAP FY11	-	-	-	27,753	-	-	-	27,753
G211119	BJA 2010 Byme JAG FY10	-	-	73,793	-	-	-	-	73,793
G211120	GANG SUPPRESSION	-	-	-	417,466	-	-	-	417,466
G211124	STEP-IMPAIRED DRIVINGMOBILFY11	-	-	-	64,383	-	-	-	64,383
G211134	OPERATION STONEGARDEN 10	-	530,785	-	-	-	-	-	530,785
G211135	OPERATION BORDER SECURITY	-	1,462,867	-	-	-	-	-	1,462,867
G211136	OPERATION BORDER SECURITY FY11	-	300,000	-	-	-	-	-	300,000
G211140	CJD Gang Initiative FY11	-	-	-	176,770	-	-	-	176,770
G211155	STING FY2011	-	332,978	-	-	-	-	-	332,978
G211156	INTELLIGENCE FY2011	-	101,193	-	-	-	-	-	101,193
G211157	STASH HOUSE FY2011	-	206,723	-	-	-	-	-	206,723
G211158	MULTI FY2011	-	50,304	-	-	-	-	-	50,304
G211159	ENTERPRISE FY2011	-	2,397	-	-	-	-	-	2,397
G211160	TRANSPORTATION FY2011	-	546	-	-	-	-	-	546
G211161	FUGITIVE FY2011	-	11,247	-	-	-	-	-	11,247
G211162	CLICK IT OR TICKET FY11	-	-	-	16,927	-	-	-	16,927
G211202	ABTPA FY12	-	-	-	42,062	-	-	-	42,062
G220506	G220506 MMRS'03 CONTRACT	-	11,089	-	-	-	-	-	11,089
G220607	G220607 OPS & SAFETY PROG FY06	-	2,913	-	-	-	-	-	2,913
G220807	G220807 ENH EMERGENCY OPER CTR	-	40,158	-	-	-	-	-	40,158
G220903	SHSP	-	198,577	-	-	-	-	-	198,577
G220904	SHSP - LEAP	-	63,428	-	-	-	-	-	63,428

CITY OF EL PASO, TEXAS  
Schedule of Expenditures - Special Revenue Funds  
For the Year Ended August 31, 2011

Nonmajor Governmental Funds

Grant	Description	Community Development Block		American Recovery and Reinvestment Act				Public Health	Nongrants	Total Nonmajor Governmental Funds
		Grants	Other Federal Grants	Grants	State Grants	Other Grants				
G220905	MMRS	-	130,068	-	-	-	-	-	-	130,068
G220906	ENHANCE RG INFO CTR	-	598,638	-	-	-	-	-	-	598,638
G220907	P25 COMMUNICATIONS PROJ	-	677,398	-	-	-	-	-	-	677,398
G220909	IT INTEROPERABILITY	-	79,632	-	-	-	-	-	-	79,632
G220910	PLAN AND COORDINATE UASI 08	-	181,059	-	-	-	-	-	-	181,059
G220911	REGION SCBA PROJECT	-	109,446	-	-	-	-	-	-	109,446
G220912	MEDICAL OPERATIONS CTR	-	94,849	-	-	-	-	-	-	94,849
G220913	EL PASO VOLUNTEER	-	25,331	-	-	-	-	-	-	25,331
G220914	REGIONAL AHIMT	-	47,855	-	-	-	-	-	-	47,855
G220915	PEER TO PEER	-	6,316	-	-	-	-	-	-	6,316
G220916	ADMIN FY08 HOMELAND SECURITY	-	186,384	-	-	-	-	-	-	186,384
G220917	RIO GRANDE INFO CTR	-	347,076	-	-	-	-	-	-	347,076
G220918	EXPLOSIVE DEVICE DETECTION	-	293,128	-	-	-	-	-	-	293,128
G221001	FIRE EMERGENCY MGT GRANT	-	215	-	-	-	-	-	-	215
G221004	READY EL PASO CITIZEN CORPS CA	-	92,993	-	-	-	-	-	-	92,993
G221005	DEVELOP/ENHANCE PLANS, PROCEDU	-	80,441	-	-	-	-	-	-	80,441
G221006	DEVELOP/ENHANCE INTEROPERABLE	-	273,395	-	-	-	-	-	-	273,395
G221009	PEER TO PEER	-	6,546	-	-	-	-	-	-	6,546
G221010	AHIMT	-	16,896	-	-	-	-	-	-	16,896
G221012	USAR	-	46,527	-	-	-	-	-	-	46,527
G221013	REGIONAL HAZMAT TEAM	-	123,654	-	-	-	-	-	-	123,654
G221014	M&A	-	8,852	-	-	-	-	-	-	8,852
G221015	UASI-LEAP	-	525,643	-	-	-	-	-	-	525,643
G221016	SHSP	-	111,506	-	-	-	-	-	-	111,506
G221017	SHSP-LEAP	-	363	-	-	-	-	-	-	363
G221018	MMRS	-	102,371	-	-	-	-	-	-	102,371
G221101	EPMG FY2011	-	285,761	-	-	-	-	-	-	285,761
G229903	MMRS - MEDICAL RESPONSE SYSTEM	-	1,107	-	-	-	-	-	-	1,107
G320301	TX FOREST SVC. ARBORIST	-	-	-	(1,835)	-	-	-	-	(1,835)
G41001	DSHSBIOTERR 2010035023	-	-	-	-	-	73,816	-	-	73,816
G410904	G410904 TWO SHOULD KNOW	-	-	-	-	-	(17)	-	-	(17)
G410926	G410926 211 AREA INFO CENTER	-	-	-	-	-	21,374	-	-	21,374
G4109AD	G4109AD WIC ADMINISTRATION	-	-	-	-	-	140	-	-	140
G411002	TB PC OUTREACH DSHS	-	-	-	-	-	87,569	-	-	87,569
G411003	MEXICAN CONSULATE	-	-	-	-	-	14,222	-	-	14,222
G411004	PASO DEL NORTE SEXUAL HEALTH	-	-	-	-	-	224,458	-	-	224,458
G411005	H1N1 PREPAREDNESS	-	-	-	-	-	161,178	-	-	161,178
G411006	IMMUNIZATION-LOCAL-DSHS	-	-	-	-	-	3,462	-	-	3,462
G411007	TB PREVENTION AND CONTROL-DSHS	-	-	-	-	-	2,333	-	-	2,333
G411008	CHS-CHILD INJURY PREVENTION	-	-	-	-	-	430	-	-	430
G411009	HIV PREVENTION PROJECTS	-	-	-	-	-	(556)	-	-	(556)
G411011	RLSS-LPHS-DSHS	-	-	-	-	-	2,030	-	-	2,030
G411013	CHS-FEE FOR SERVICE-DSHS	-	-	-	-	-	284	-	-	284
G411015	PUBLIC HEALTH EMERGENCY RESPON	-	-	-	-	-	20,956	-	-	20,956
G411017	FAMILY PLANNINGSRVCSGRANT-FY10	-	-	-	-	-	(48,803)	-	-	(48,803)
G411018	HIV SCREENING	-	-	-	-	-	155,986	-	-	155,986
G411020	STD HIV FEDERAL-DSHS	-	-	-	-	-	63,150	-	-	63,150
G411021	FOCUS AREA III 2010	-	-	-	-	-	84,808	-	-	84,808
G411022	BIO TERRORISM LAB-DSHS	-	-	-	-	-	16,672	-	-	16,672

CITY OF EL PASO, TEXAS  
Schedule of Expenditures - Special Revenue Funds  
For the Year Ended August 31, 2011

Nonmajor Governmental Funds

Grant	Description	Community Development Block		American Recovery and Reinvestment Act			Public Health	Nongrants	Total Nonmajor Governmental Funds
		Grants	Other Federal Grants	Grants	State Grants	Other Grants			
G411023	HIV SURVEILLANCE-FEDERAL-DSHS	-	-	-	-	-	24,673	-	24,673
G411025	OPHP BIOTERRORISM-DSHS	-	-	-	-	-	90,350	-	90,350
G411026	2-1-1 AREA INFO CENTER-HHSC	-	-	-	-	-	31,125	-	31,125
G411029	OFFICE OF BORDER HEALTH	-	-	-	-	-	5,984	-	5,984
G411031	MEDICAL INSTITUTE	-	-	-	-	-	1,723	-	1,723
G4110AD	WIC ADMIN-DSHS	-	-	-	-	-	462,208	-	462,208
G4110BF	WIC BREASTFEEDING-DSHS	-	-	-	-	-	49,534	-	49,534
G4110NE	WIC NUTRITION-DSHS	-	-	-	-	-	125,491	-	125,491
G411102	TB/PC OUTREACH-DSHS	-	-	-	-	-	164,036	-	164,036
G411103	MEXICAN CONSULATE	-	-	-	-	-	18,933	-	18,933
G411106	IMMUNIZATION LOCAL DSHS	-	-	-	-	-	1,654,552	-	1,654,552
G411107	TB PREVENTION AND CONTROL-DSHS	-	-	-	-	-	494,863	-	494,863
G411110	MILK GRANT	-	-	-	-	-	58,260	-	58,260
G411111	RLSS-LPHS-DSHS	-	-	-	-	-	176,814	-	176,814
G411113	CHS-FEE FOR SERVICE-DSHS	-	-	-	-	-	227,253	-	227,253
G411114	LABORATORY RESPONSE NETWORK-CP	-	-	-	-	-	11,493	-	11,493
G411116	INFECTIOUS DISEASE CONTROL UNI	-	-	-	-	-	4,816	-	4,816
G411117	FAMILY PLANNING	-	-	-	-	-	70,194	-	70,194
G411118	HIV/SCREENING	-	-	-	-	-	244,301	-	244,301
G411120	STD/HIV FEDERAL-DSHS (STD PREV	-	-	-	-	-	118,240	-	118,240
G411122	BIO TERRORISM LAB-DSHS	-	-	-	-	-	180,418	-	180,418
G411123	HIV SURVEILLANCE - FEDERAL-DSH	-	-	-	-	-	34,360	-	34,360
G411125	BIO TERRORISM	-	-	-	-	-	550,853	-	550,853
G411126	2-1-1 AREA INFO CENTER-HHSC	-	-	-	-	-	259,441	-	259,441
G411128	EWIDS (OFFICE OF BORDER HEALTH	-	-	-	-	-	103,705	-	103,705
G411132	ZOONOSIS	-	-	-	-	-	19,155	-	19,155
G411134	ADRC	-	-	-	-	-	6,365	-	6,365
G4111AD	WIC ADMIN-DSHS	-	-	-	-	-	4,281,702	-	4,281,702
G4111BF	WIC BREASTFEEDING-DSHS	-	-	-	-	-	540,184	-	540,184
G4111NE	WIC NUTRITION-DSHS	-	-	-	-	-	1,375,794	-	1,375,794
G411222	BIO TERRORISM LAB-DSHS	-	-	-	-	-	17,433	-	17,433
G411225	BIO TERRORISM	-	-	-	-	-	33,035	-	33,035
G411228	EWIDS	-	-	-	-	-	3,704	-	3,704
G510802	G510802 RIVERBEND TRAIL PRJCT	-	-	-	62,769	-	-	-	62,769
G530905	MINOR LIBRARY GRANTS	-	1,996	-	-	-	-	-	1,996
G530911	G530911 BIG READ	-	1,337	-	-	-	-	-	1,337
G531002	LOAN STAR- FY10	-	-	-	11,745	-	-	-	11,745
G531003	TSLAC- FY 10	-	742	-	-	-	-	-	742
G531009	TANG-FY 10	-	765	-	-	-	-	-	765
G531011	BIG READ-FY 10	-	1,335	-	-	-	-	-	1,335
G531102	LOAN STAR LIBRARIES FY11	-	-	-	85,591	-	-	-	85,591
G531103	TSLAC FY 2011	-	269,235	-	-	-	-	-	269,235
G531109	TANG TECH ASSISTANCE FY11	-	80,479	-	-	-	-	-	80,479
G540903	G540903 NEA ART MUSEUM	-	-	861	-	-	-	-	861
G541101	TCA EDUCATION GRANT FY 11	-	-	-	3,000	-	-	-	3,000
G541102	TCA EXHIBITS FY 11	-	-	-	12,643	-	-	-	12,643
G541106	TCA11 32671ARTSRESPOND PUB SAFE	-	-	-	2,000	-	-	-	2,000
G551101	TCA OPERATIONS FY 11	-	-	-	15,499	-	-	-	15,499

CITY OF EL PASO, TEXAS  
Schedule of Expenditures - Special Revenue Funds  
For the Year Ended August 31, 2011

Nonmajor Governmental Funds

Grant	Description	Community	American Recovery and				Total Nonmajor	
		Development Block	Other Federal Grants	Reinvestment Act	State Grants	Other Grants	Public Health	Nongrants
		Grants		Grants				
G551102	TCA SUB-GRANTING FY 11	-	-	-	35,000	-	-	35,000
G551104	TCA CULTURAL TOURISM PROJECT F	-	-	-	4,000	-	-	4,000
G560902	G560902 IMLS LV	-	-	-	18,560	-	-	18,560
G560903	LAS VILLITAS EXHIBIT DONATIONS	-	-	-	(20,000)	-	-	(20,000)
G560904	IMLS CONSERVATION	-	-	-	5,675	-	-	5,675
G561001	HTX EXHIBITS FY 10	-	-	-	5,400	-	-	5,400
G561002	NPS-PRES AM LAS VILLITAS	-	-	-	9,283	-	-	9,283
G581003	Mexico Exhibit	-	-	-	789	-	-	789
G581103	ROTARY CLUB ARCHEOLOGY MUSEUM	-	-	-	1,300	-	-	1,300
G581104	HTX 2011-4107 SETTLEMENT LEGAC	-	-	-	851	-	-	851
G7105HM	7105HM HOME PROGRAM FY'05	82,350	-	-	-	-	-	-
G7106HM	G7106HM HOME PROGRAM FY'06	80,149	-	-	-	-	-	-
G7107HM	G7107HM HOME PROG FY07	1,062,910	-	-	-	-	-	-
G7108HM	G7108HM HOME PROG FY08	1,108,570	-	-	-	-	-	-
G7109HM	G7109HM HOME	1,483,780	-	-	-	-	-	-
G710RLFAD10	FY 10 CD RLF ADMIN	10,161	-	-	-	-	-	-
G710RLFAD11	RLF ADMIN FY11	165,141	-	-	-	-	-	-
G710RLFCDAH	CDA HOUSING REHAB RLF	719,275	-	-	-	-	-	-
G710RLFHOME	HOME PROG INCOME	1,186,834	-	-	-	-	-	-
G711002	ARRA-STRENGTHENING COMMUNITIES	-	-	153,667	-	-	-	153,667
G7110FGCITY	FGP CITY FUNDED	18,485	-	-	-	-	-	-
G7110FGFEDR	FGP FEDERAL FUNDED	39,055	-	-	-	-	-	-
G7110HM	FY10 HOME ENTITLEMENT	411,619	-	-	-	-	-	-
G7110RSCITY	RSVP CITY FUNDED	-	73,479	-	-	-	-	73,479
G7110RSFEDR	RVP FED FY10	-	(933)	-	-	-	-	(933)
G7110RSSTAT	RSVP STATE FY10	-	10,633	-	-	-	-	10,633
G7111FGCDBG	FGD FY11-CDBG	26,505	-	-	-	-	-	-
G7111FGCITY	FGCITY FOSTER GRANDP PROG F	46,026	-	-	-	-	-	-
G7111FGFEDR	FEDERALLY FUNDED FY11	476,300	-	-	-	-	-	-
G7111FGSTAT	FGP STATE FY11	5,000	-	-	-	-	-	-
G7111HM	HOME FY11	425,238	-	-	-	-	-	-
G7111RSCITY	RSVP CITY FY11	-	3,015	-	-	-	-	3,015
G7111RSFEDR	FEDERALLY FUNDED FY11	-	89,941	-	-	-	-	89,941
G7111RSSTAT	STATE FUNDED FY11	-	11,924	-	-	-	-	11,924
G7112FGCDBG	FGD FY12-CDBG	3,843	-	-	-	-	-	-
G7133CD0038	CORONADO RD PHASE 2	6,497	-	-	-	-	-	-
G7134CD0012	BORDERLAND PH. VII	220,772	-	-	-	-	-	-
G7134CD0014	ARMJO BR.LIB/CLAB	69,616	-	-	-	-	-	-
G7134CD0015	G7134CD0015 HIDDEN VALLEY PARK	677	-	-	-	-	-	-
G7134CD0016	FRANKLIN PARK IMPROVEMENTS	22	-	-	-	-	-	-
G7134CD0017	G7134CD0017 CRIME VICTIMS READ	12,679	-	-	-	-	-	-
G7134CD0019	FATHER MARTINEZ SR	367,145	-	-	-	-	-	-
G7134CD0020	BORDERLAND PH. VI	132	-	-	-	-	-	-
G7134CD0021	CHIHUAHUITA COMM	22,959	-	-	-	-	-	-
G7134PS0012	BORDERLAND VII	2,708	-	-	-	-	-	-
G7135CD0002	CD ADMIN FY 10	(8,201)	-	-	-	-	-	-
G7135CD0009	REBUILD DAY AND BEYOND	7,410	-	-	-	-	-	-
G7135CD0010	LOWER DYER & CHAMIZAL NGBD REV	(3,606)	-	-	-	-	-	-
G7135CD0012	MICROENTERPRISE TECH ASSIS - P	1,737	-	-	-	-	-	-

CITY OF EL PASO, TEXAS  
Schedule of Expenditures - Special Revenue Funds  
For the Year Ended August 31, 2011

Nonmajor Governmental Funds

Grant	Description	Community	American Recovery and				Total Nonmajor	
		Development Block	Other Federal Grants	Reinvestment Act	State Grants	Other Grants	Public Health	Nongrants
		Grants		Grants				Funds
G7135CD0013	COATES DRIVE SIDEWALK IMPROVEM	120,598	-	-	-	-	-	-
G7135CD0014	MONTOYA HEIGHTS SUBDIV PH I	409,250	-	-	-	-	-	-
G7135CD0015	HIDDEN VALLEY PARK IMPROV	256,490	-	-	-	-	-	-
G7135CD0016	MEMORIAL PARK TENNIS COURTS IM	1,702	-	-	-	-	-	-
G7135CD0017	MARY JEANNE LANE PH I STREET	313	-	-	-	-	-	-
G7135CD0018	CLARDY FOX BRANCH ADD/EXPAN	162,753	-	-	-	-	-	-
G7135CD0019	DE VARGAS PARK IMPROVEMENT	228,786	-	-	-	-	-	-
G7135CD0021	COLONIA VERDE PARK IMPROVEMENT	194,267	-	-	-	-	-	-
G7135CD0022	PECAN GROVE PH -II	158,724	-	-	-	-	-	-
G7135CD0023	PUEBLO VIEJO PARK IMPROV PH I	4,375	-	-	-	-	-	-
G7135CD0024	PERCY GURROLA (PERALUNA) PARK	254,665	-	-	-	-	-	-
G7135CD0025	COMTINUUM PLANNING AND ASSISTA	24,405	-	-	-	-	-	-
G7135CD0026	G7135CD0026 Fair HousingChoice	29,900	-	-	-	-	-	-
G7135CD0035	CITYWIDE CURBCUTS	1,813	-	-	-	-	-	-
G7135ES0001	ESG	(122)	-	-	-	-	-	-
G7135ES0002	CENTER AGAINST FAMILY VIOLENCE	13,381	-	-	-	-	-	-
G7135ES0003	CHILD CRISIS CENTER	2,970	-	-	-	-	-	-
G7135ES0004	EL PASO CTR FOR CHILDREN	1,694	-	-	-	-	-	-
G7135ES0005	EL PASO MH/MR	733	-	-	-	-	-	-
G7135ES0006	EL PASO VILLA MARIA	486	-	-	-	-	-	-
G7135ES0008	LA POSADA HOME	853	-	-	-	-	-	-
G7135ES0009	OPPORTUNITY CENTER FOR THE HOM	4,864	-	-	-	-	-	-
G7135ES0010	PROJECT VIDA	2,773	-	-	-	-	-	-
G7135ES0011	RESCUE MISSION	4	-	-	-	-	-	-
G7135ES0012	SALVATION ARMY	11,274	-	-	-	-	-	-
G7135ES0013	YWCA - TLC	3,865	-	-	-	-	-	-
G7135HOPWA1	HOPWA OPERATIONS	-	-	27,225	-	-	-	27,225
G7135HOPWA2	HOPWA ADMINISTRATION	-	-	(48)	-	-	-	(48)
G7135PS0014	MONTOYA HEIGHTS STREET & DRAIN	45,104	-	-	-	-	-	-
G7135SS0002	FAMILY LITERACY	5,555	-	-	-	-	-	-
G7135SS0003	COURT APPOINTED S.A. - CASA	2,287	-	-	-	-	-	-
G7135SS0004	ACTIVITY CENTER	2,277	-	-	-	-	-	-
G7135SS0005	CRISIS INTERVENTION	2,378	-	-	-	-	-	-
G7135SS0006	YOUTH REC AND GANG PREVENTION	2,384	-	-	-	-	-	-
G7135SS0007	YOUTH CHARACTER BUILDER-SS	13,425	-	-	-	-	-	-
G7135SS0009	DAY CARE	1,146	-	-	-	-	-	-
G7135SS0012	JOB PLACEMENT & COACHING	500	-	-	-	-	-	-
G7135SS0013	EMERGENCY SHELTER FOR SURVIVOR	2,871	-	-	-	-	-	-
G7135SS0014	HOMELESS HEALTH CARE CLINIC	3,681	-	-	-	-	-	-
G7135SS0016	TRANSITIONAL LIVING FOR TEENS	2,001	-	-	-	-	-	-
G7135SS0019	LA POSADA HOME	893	-	-	-	-	-	-
G7135SS0020	ROOTS AND WINGS	3,342	-	-	-	-	-	-
G7135SS0021	HOMELESS SHELTER SERVICES	1,736	-	-	-	-	-	-
G7135SS0022	YWCA SARA MCKNIGHT TRANS. LIVI	2,988	-	-	-	-	-	-
G7135SS0024	LA FE CARE CENTER HIV	2,395	-	-	-	-	-	-
G7135SS0025	PRIMARY HEALTH & MENTAL HEALTH	1,435	-	-	-	-	-	-
G7135SS0026	CHILDRENS MENTAL HEALTH/ABUSE	6,954	-	-	-	-	-	-

CITY OF EL PASO, TEXAS  
Schedule of Expenditures - Special Revenue Funds  
For the Year Ended August 31, 2011

Nonmajor Governmental Funds

Grant	Description	Community	American Recovery and					Total Nonmajor	
		Development Block Grants	Other Federal Grants	Reinvestment Act Grants	State Grants	Other Grants	Public Health	Nongrants	Governmental Funds
G7135SS0027	COMMUNITY DEVELOPMENT COUNSEL	1,317	-	-	-	-	-	-	-
G7135SS0028	MENTAL HEALTH SERVICES	2,400	-	-	-	-	-	-	-
G7135SS0029	MENTAL HEALTH SOCIAL REHAB FOR	2,434	-	-	-	-	-	-	-
G7135SS0030	INTEGRATED PRIMARY HEALTH CARE	1,261	-	-	-	-	-	-	-
G7135SS0031	HOME HEALTH CARE	1,944	-	-	-	-	-	-	-
G7135SS0033	HEALTHY LIVING PROGRAM	4,742	-	-	-	-	-	-	-
G7135SS0034	FOOD PANTRY NUTRITION PROGRAM	261	-	-	-	-	-	-	-
G7135SS0035	FAMILY SUPPORT SERVICES	4,314	-	-	-	-	-	-	-
G7135SS0037	EAST VALLEY ADULT MH CASE MGMT	3,440	-	-	-	-	-	-	-
G7135SS0038	CHAMIZAL NEIGHBORHOOD REVITALI	23,663	-	-	-	-	-	-	-
G7135SS0039	LOWER DYER NEIGHBORHOOD REVITA	24,965	-	-	-	-	-	-	-
G7135SS0040	LATCH KEY CTR - PROJECT VIDA	4,470	-	-	-	-	-	-	-
G7135SS0047	G7135SS0047 YWCA CCC	2,778	-	-	-	-	-	-	-
G7136CD0002	CD ADMIN FY11	1,530,686	-	-	-	-	-	-	-
G7136CD0003	AFTER SCHOOL/OUTREACH FY11	29,237	-	-	-	-	-	-	-
G7136CD0005	SUN COUNTRY REC FY11	198,001	-	-	-	-	-	-	-
G7136CD0007	NATIONAL REBUILD DAY	50,000	-	-	-	-	-	-	-
G7136CD0008	SEGUNDO BARRIO REVITALIZATION	56,500	-	-	-	-	-	-	-
G7136CD0009	CHAMIZAL NEIGHBORHOOD REVITALI	5,343	-	-	-	-	-	-	-
G7136CD0010	LOWER DYER NEIGHBORHOOD REVITA	5,170	-	-	-	-	-	-	-
G7136CD0011	MICROENTERPRISE TECHNICAL ASSI	106,775	-	-	-	-	-	-	-
G7136CD0012	MEMORIAL PARK TENNIS COURTS IM	349,349	-	-	-	-	-	-	-
G7136CD0013	MARY JEANNE LANE STREET AND DR	322,470	-	-	-	-	-	-	-
G7136CD0014	PUEBLO VIEJO PARK IMPROVEMENTS	372,763	-	-	-	-	-	-	-
G7136CD0015	MEMORIAL PARK BRANCH LIBRARY I	47,872	-	-	-	-	-	-	-
G7136CD0016	MOUNTAIN VIEW SKATE PARK IMPRO	64,618	-	-	-	-	-	-	-
G7136CD0017	STILES GARDENS SUBDIVISION STR	92,792	-	-	-	-	-	-	-
G7136CD0018	STILES GARDENS SUBDIVISION STR	84,359	-	-	-	-	-	-	-
G7136CD0019	GRAN CIMA STREET RESURFACING	30,643	-	-	-	-	-	-	-
G7136CD0020	BLACKIE CHESHER PARK HANDBALL	36,468	-	-	-	-	-	-	-
G7136CD0021	CAPISTRANO PARK IMPROVEMENTS	88,656	-	-	-	-	-	-	-
G7136CD0022	PASODALE SUBDIVISION PHASE 3 S	500,000	-	-	-	-	-	-	-
G7136CD0023	BOYS CLUB PARK HANDBALL COURT	26,660	-	-	-	-	-	-	-
G7136CD0024	CHIHUAHUITA PARK IMPROVEMENTS	59,769	-	-	-	-	-	-	-
G7136CD0025	GUILLEN MIDDLE SCHOOL	75,810	-	-	-	-	-	-	-
G7136CD0026	SOUTH EL PASO SENIOR CENTER PA	52,716	-	-	-	-	-	-	-
G7136CD0027	CAFV RENOVATIONS AT TRANSITION	16,165	-	-	-	-	-	-	-
G7136CD0028	CITYWIDE AUDIBLE PEDESTRIAN SI	42,464	-	-	-	-	-	-	-
G7136CD0029	CITYWIDE CURB CUT DEMAND PROGR	170,998	-	-	-	-	-	-	-
G7136CD0030	EL PASO VILLA MARIA ADA AND MI	19,845	-	-	-	-	-	-	-
G7136CD0031	PASO DEL NORTE CHILDREN'S DEVE	81,439	-	-	-	-	-	-	-
G7136CD0032	DISABILITY FY11	31,204	-	-	-	-	-	-	-
G7136CD0034	CONTINUUM PLANNING AND ASSISTA	95,000	-	-	-	-	-	-	-
G7136ES0001	CENTER AGAINST FAMILY VIOLENCE	71,068	-	-	-	-	-	-	-
G7136ES0002	CHILD CRISIS CENTER	17,748	-	-	-	-	-	-	-
G7136ES0003	CHILD CRISIS CENTER	31,271	-	-	-	-	-	-	-
G7136ES0004	EL PASO VILLA MARIA	13,122	-	-	-	-	-	-	-
G7136ES0005	INTERNATIONAL AIDS	10,000	-	-	-	-	-	-	-

CITY OF EL PASO, TEXAS  
Schedule of Expenditures - Special Revenue Funds  
For the Year Ended August 31, 2011

Nonmajor Governmental Funds

Grant	Description	Community	American Recovery and					Total Nonmajor
		Development Block	Other Federal Grants	Reinvestment Act	State Grants	Other Grants	Public Health	Governmental
		Grants		Grants			Nongrants	Funds
G7136ES0006	LA POSADA HOME	17,040	-	-	-	-	-	-
G7136ES0007	OPPORTUNITY CTR FOR THE HOMELE	81,317	-	-	-	-	-	-
G7136ES0008	PROJECT VIDA	20,728	-	-	-	-	-	-
G7136ES0009	RESCUE MISSION	21,427	-	-	-	-	-	-
G7136ES0010	SALVATION ARMY	51,200	-	-	-	-	-	-
G7136ES0011	YWCA - TLC	19,769	-	-	-	-	-	-
G7136ESADMIN	ESG ADMIN FY11	19,398	-	-	-	-	-	-
G7136HOPWA	HOPWA ADMIN FY11	7,970	-	-	-	-	-	-
G7136HOPWA1	HOPWA PROG TENANT BASED RENTAL	259,926	-	-	-	-	-	-
G7136HOPWA2	HOPWA PROGRAM SUPPORTIVE SERVI	44,790	-	-	-	-	-	-
G7136HOPWA3	HOPWA PROJECT SPONSOR ADMIN FE	24,850	-	-	-	-	-	-
G7136PS0013	MARY JEANNE LANE STREET AND DR	23,820	-	-	-	-	-	-
G7136SS0001	OPERATION SCHOOL BELL	54,433	-	-	-	-	-	-
G7136SS0004	CRISIS INTERVENTION PROJECT	36,736	-	-	-	-	-	-
G7136SS0005	YOUTH RECREATION AND GANG PREV	36,349	-	-	-	-	-	-
G7136SS0006	SOCIAL SERVICES YOUTH CHARA	36,036	-	-	-	-	-	-
G7136SS0007	DAY CARE	30,685	-	-	-	-	-	-
G7136SS0008	EL PAPALOTE INCLUSIVE CDC	30,685	-	-	-	-	-	-
G7136SS0009	PROJECT ARRIBA	30,685	-	-	-	-	-	-
G7136SS0010	EARLY CHILDHOOD DEVELOPMENT PR	30,685	-	-	-	-	-	-
G7136SS0011	JOB PLACEMENT AND COACHING PRO	30,685	-	-	-	-	-	-
G7136SS0012	ECONOMIC OPPORTUNITIES THROUGH	30,685	-	-	-	-	-	-
G7136SS0013	EMERGENCY SHELTER FOR SURVIVOR	30,556	-	-	-	-	-	-
G7136SS0014	HOMELESS HEALTH CARE CLINIC	30,000	-	-	-	-	-	-
G7136SS0015	EMERGENCY SHELTER AND CRISIS N	29,956	-	-	-	-	-	-
G7136SS0016	TRANSITIONAL LIVING FOR TEEN M	25,020	-	-	-	-	-	-
G7136SS0017	EL PASO VILLA MARIA	25,583	-	-	-	-	-	-
G7136SS0018	TRANSITIONAL LIVING CENTER	26,495	-	-	-	-	-	-
G7136SS0019	LA POSADA HOME	32,400	-	-	-	-	-	-
G7136SS0020	ROOTS AND WINGS	25,000	-	-	-	-	-	-
G7136SS0021	HOMELESS SHELTER SERVICES	30,122	-	-	-	-	-	-
G7136SS0022	HOMELESS SHELTER SOUP KITCHE	25,000	-	-	-	-	-	-
G7136SS0023	YWCA SARA MCKNIGHT TRANSITIONA	28,758	-	-	-	-	-	-
G7136SS0024	MENTAL HEALTH SERVICES FOR SUR	28,968	-	-	-	-	-	-
G7136SS0025	PRIMARY HEALTH AND MENTAL HEAL	46,930	-	-	-	-	-	-
G7136SS0026	CHILDRENS MENTAL HEALTH/ABUS	47,749	-	-	-	-	-	-
G7136SS0027	EAST VALLEY ADULT MH CASE MANA	65,648	-	-	-	-	-	-
G7136SS0028	COMMUNITY DEVELOPMENT COUNSELI	25,907	-	-	-	-	-	-
G7136SS0029	MENTAL HEALTH SERVICES	31,135	-	-	-	-	-	-
G7136SS0030	MENTAL HEALTH SOCIAL REHAB FOR	30,141	-	-	-	-	-	-
G7136SS0031	INTEGRATED PRIMARY HEALTH CARE	40,358	-	-	-	-	-	-
G7136SS0032	HOME HEALTH CARE	35,084	-	-	-	-	-	-
G7136SS0035	EL PASO CITY-COUNTY NUTRITION	68,571	-	-	-	-	-	-
G7136SS0036	FOOD PANTRY NUTRITION PROGRAM	24,917	-	-	-	-	-	-
G7136SS0037	MONEY MANAGEMENT AND SOCIAL SE	24,446	-	-	-	-	-	-
G7136SS0039	LEADERSHIP ACADEMY FOR FAMILIE	23,630	-	-	-	-	-	-
G7136SS0040	QUALITY LIVING AT HOME PROGRAM	27,767	-	-	-	-	-	-



CITY OF EL PASO, TEXAS  
Schedule of Expenditures - Special Revenue Funds  
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Nonmajor Governmental Funds

Grant	Description	Community Development Block	Other Federal Grants	American Recovery and Reinvestment Act	State Grants	Other Grants	Public Health	Nongrants	Total Nonmajor Governmental
		Grants		Grants					Funds
G7136SS0041	THE YWCA EL PASO DEL NORTE REG	25,000	-	-	-	-	-	-	-
G7136SS0043	CHAMIZAL NEIGHBORHOOD REVITALI	147,814	-	-	-	-	-	-	-
G7136SS0044	LOWER DYER NEIGHBORHOOD REVITA	147,941	-	-	-	-	-	-	-
G7136SS0071	FAMILY SUPPORT SERVICES	26,640	-	-	-	-	-	-	-
G7137CD0002	37TH YEAR CDBG ADMIN FY12	414	-	-	-	-	-	-	-
G7137CD0003	AFTER SCHOOL OUTREACH FY12	(295)	-	-	-	-	-	-	-
G71CDBGR001	CORONADO RD PH II-CONSTRUCTION	-	-	232,776	-	-	-	-	232,776
G71CDBGR002	BUCHER RD -CONSTRUCTION	-	-	7,591	-	-	-	-	7,591
G71CDBGR005	CITYWIDE CURB CUT DEMAND CDBGR	-	-	29,233	-	-	-	-	29,233
G71CDBGR007	RAMOS COURT-SHORT TERM RENTAL	-	-	13,591	-	-	-	-	13,591
G71EZ BOF	EZ BORDER OPP LOAN FUND	1,066,007	-	-	-	-	-	-	-
G71EZECEPEZ	EMPOWERMENT ZONE GRANT FUNDS	17,421	-	-	-	-	-	-	-
G71HPRP001	EP COUNTY CENTRAL/NORTHWEST	-	-	472,499	-	-	-	-	472,499
G71HPRP002	EP COUNTY NORHTEAST/EAST	-	-	479,824	-	-	-	-	479,824
G71HPRP003	EP COUNTY LOWER VALLEY	-	-	168,145	-	-	-	-	168,145
G71HPRP004	TVP NON PROFIT RAPID REHOUSING	-	-	732,745	-	-	-	-	732,745
G71HPRP005	EP COALITION DATA COLLECTION	-	-	56,995	-	-	-	-	56,995
G71HPRP006	COEP ADMINISTRATION	-	-	22,271	-	-	-	-	22,271
G71NSP	NSP - FEDERALLY FUNDED	-	110,300	-	-	-	-	-	110,300
G71NSP1	COEP ACCUSITION	-	119,078	-	-	-	-	-	119,078
G71NSP2	COEP REHABILITATION	-	66,768	-	-	-	-	-	66,768
G71NSP7	COEP ACCUSITION 25% SET ASIDE	-	75,381	-	-	-	-	-	75,381
G71NSP-TDHCA	NSP -STATE FUNDED	-	-	-	25,710	-	-	-	25,710
G71PSBGR001	CORONADO II	-	-	11,507	-	-	-	-	11,507
G71WTHR	WEATHERIZATION ASSISTANCE PRO	-	-	3,607,473	-	-	-	-	3,607,473
G780503	FHWA / TXDOT / MPO FY'05	-	(2,370)	-	-	-	-	-	(2,370)
G781001	NEW MEXICO	-	2,302	-	-	-	-	-	2,302
G781002	TEXAS	-	93,445	-	-	-	-	-	93,445
G781101	NM FUND 05042	-	7,774	-	-	-	-	-	7,774
G781102	TX FUND 05043	-	1,176,641	-	-	-	-	-	1,176,641
GEECBG01	FACILITY ENERGY EFFICIENCY PRO	-	-	2,573,822	-	-	-	-	2,573,822
GEECBG02	GREEN FLEET VEHICLES	-	-	192,325	-	-	-	-	192,325
GEECBG04	LANDFILL	-	-	594,761	-	-	-	-	594,761
GEECBG05	RECYCLING	-	-	63,938	-	-	-	-	63,938
GEECBG07	APPLIANCE REBATES	-	-	237,912	-	-	-	-	237,912
GEECBG08	SOLAR ART	-	-	140,169	-	-	-	-	140,169
GEECBG10	SOLAR TRASH COMPACTORS	-	-	346,224	-	-	-	-	346,224
GHUDSUS	HUD PAYROLL SUSPENCE ACCOUNT	(9,193)	-	-	-	-	-	-	-
P09PA002	SANDSTONE RANCH PARK	-	-	-	192,236	-	-	-	192,236
PCP08PA01V	TIERRA DEL ESTE #18	-	-	-	150,000	-	-	-	150,000
PCP10FI01	F. S. # 31	-	-	889,079	-	-	-	-	889,079
PSTM06 PW107-0	PSTM06 PW107-0 O'ROURKE TRAIL	-	2,930	-	-	-	-	-	2,930
PSTM06 PW141-0	ARCO PONDING	-	11,446	-	-	-	-	-	11,446
	LPA-G329601 GRAFITTI CLEAN UP	-	-	-	-	(3,582)	-	-	(3,582)
	LPA-G410125 PASO DEL NORTE FOUND-A	-	-	-	-	133,813	-	-	133,813
	LPA-G540109 OUTREACH	-	-	-	-	11,088	-	-	11,088
	LPA-G510502 TURF MGMT PROGRAM	-	-	-	-	197,288	-	-	197,288

CITY OF EL PASO, TEXAS  
Schedule of Expenditures - Special Revenue Funds  
For the Year Ended August 31, 2011

Nonmajor Governmental Funds

Grant	Description	Community	American Recovery and				Total Nonmajor		
		Development Block	Other Federal Grants	Reinvestment Act	State Grants	Other Grants	Public Health	Nongrants	Governmental
		Grants		Grants				Funds	
	LPA-G510603 TURF MGMT PROGRM FY06	-	-	-	-	8,236	-	-	8,236
	LPA-IMIP	-	-	-	-	60,300	-	-	60,300
	LPA-G540904 County HOT FY09	-	-	-	-	52	-	-	52
	SMG-Civic Center	-	-	-	-	-	-	4,567,687	4,567,687
	Economic Development	-	-	-	-	-	-	863,660	863,660
	Parkland Dedication	-	-	-	-	-	-	1,552,912	1,552,912
	Parks	-	-	-	-	-	-	62,494	62,494
	CVB	-	-	-	-	-	-	4,988,245	4,988,245
	Police	-	-	-	-	-	-	3,924,557	3,924,557
	Zoo	-	-	-	-	-	-	2,239,707	2,239,707
	Art Museum	-	-	-	-	-	-	360,631	360,631
	Library	-	-	-	-	-	-	295,887	295,887
	History Museum	-	-	-	-	-	-	43,060	43,060
	Council Special Projects	-	-	-	-	-	-	41,391	41,391
	Municipal Court	-	-	-	-	-	-	506,261	506,261
	PEG	-	-	-	-	-	-	167,481	167,481
	Palo Verde	-	-	-	-	-	-	7,133	7,133
	Mayor	-	-	-	-	-	-	13,558	13,558
	Fire Department	-	-	-	-	-	-	15,090	15,090
	Lobbyist	-	-	-	-	-	-	36,563	36,563
	CD Donations	-	-	-	-	-	-	7,177	7,177
		<u>18,102,715</u>	<u>16,230,080</u>	<u>13,825,138</u>	<u>4,324,557</u>	<u>407,195</u>	<u>12,327,132</u>	<u>19,693,494</u>	<u>66,807,596</u>

## **DEBT SERVICE FUND**

The Debt Service Fund is used to account for the accumulation of resources for and payment of general long-term debt principal, interest, arbitrage rebate and associated fiscal fees incurred. Revenue sources include ad-valorem property taxes.



**CITY OF EL PASO, TEXAS**  
**SCHEDULE OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL**  
**DEBT SERVICE FUND**  
For the Year Ended August 31, 2011

	Budgeted Amounts		Actual Amounts	Variance with Final Budget
	Adopted	Final		Positive (Negative)
Fund balance, September 1	\$ 5,328,983	5,328,983	5,328,983	-
Resources (inflows):				
Property taxes	67,337,656	67,337,656	66,139,094	(1,198,562)
Penalties and Interest-Delinquent taxes	-	-	598,145	598,145
Interest received	-	-	54,583	54,583
Parking meter revenue	1,345,955	1,345,955	1,321,060	(24,895)
Federal tax credit - Build America Bonds	-	1,885,064	1,885,064	-
Transfers from other funds	4,612,055	2,388,870	2,603,564	214,694
Amounts available for appropriation	<u>78,624,649</u>	<u>78,286,528</u>	<u>77,930,493</u>	<u>(356,035)</u>
Charges to appropriations (outflows):				
Debt service:				
Principal	30,850,000	29,483,928	29,483,928	-
Interest	42,385,666	42,243,471	42,243,471	-
Fiscal fees	60,000	60,000	3,476	56,524
Total charges to appropriations	<u>73,295,666</u>	<u>71,787,399</u>	<u>71,730,875</u>	<u>56,524</u>
Fund balance, End of period	<u>\$ 5,328,983</u>	<u>6,499,129</u>	<u>6,199,618</u>	<u>(299,511)</u>

This budget and this schedule are prepared on a basis consistent with accounting principles generally accepted in the United States.

## **CAPITAL PROJECTS FUND**

**The Capital Project fund is used to account for the acquisition or construction of capital facilities and the acquisition of equipment and other capital assets other than those financed by Proprietary and Trust funds.**



CITY OF EL PASO, TEXAS  
Schedule of Capital Projects  
For the Year Ended August 31, 2011

Project	Name/Description	Expenditures and Transfers Out
G081002	DSD BRAC OEA	148,214
P08FC001	NORTHWIND WALL CONSTRUCTION	57,184
P09CC001	CHAVEZ THEATER RENOVATION	26,669
P09PA004	CHUCK HEINRICH PARK IRRIGATION	18,436
P09ST002	INTELLIGENT TRNSPORTN SYS EXP	792,267
P09ST003	VIDEO SURVEILLANCE & COUNT STA	2,417,807
P09ST005	PASODALE SUBDIVISION PHASE 3	894,252
P09ST015A	LINCOLN FLASH/MULBERRY/WARRIOR	7,823
P09ST017	BURGESS HIGH SCHOOL FLASHERS	7,823
P09ST018	MaCARTHUR MIDDLE SCH. FLASHERS	7,823
P09ST019	BARRON ELEMENTARY SCH FLASHERS	7,823
P09TX001	INTERSECTION IMPV A 15 INT GEO	13,499
P09TX002	TRAFFIC SIGNALS @ 15 LOCATIONS	866,433
P10PA002	MODESTO GOMEZ PARK IMPROVEMENT	48,893
P501554	TMC/CBD SIGNALIZATION UPGRADE	4,475
P501566	CIVIC CENTER CAPITAL IMPROVEME	2,393,642
P540001	CITY AUCTIONS	92,201
P540010CTY	CAPITAL OUTLAY	714,837
P540010LEG	CAPITAL OUTLAY	65,967
P540010LIB	CAPITAL OUTLAY	3,118
PAPADMINY06	2% FOR THE ARTS 2006 COS	2,000
PAPADMINY09	ADMINISTRATION	48,112
PAPADMINY10	PUBLIC ART ADMINISTRATION	31,237
PAPCOMPROJY03	CITYWIDE COMMUNITY PROJECTS	14,200
PAPCOMPROJY06	CITY WIDE COMMUNITY PROJECTS	56,800
PAPCULTOURY06	CULTURAL TOURISM GATEWAYS PROJ	419,672
PAPNEIGHPHY06	NEIGHBORHOODS PROJECT	28,000
PBE04FC102	CARLSON/ELLIOT PUMP STN	337,455
PBE04FI102	FIRE STATION #31	42,089
PBE04ST115	LEE	20
PBE04ST117	MONTOYA HEIGHTS P 1	31,746
PBE04ST118	MONTOYA HEIGHTS P2	704,309
PBE04ST124	OPEN SPACE ENHANCEM	5,050
PBE04ST124E	PORTLAND AVE OPEN SPACE IMPRV	54,623
PBE04ST127	ROSEWAY	1,464,212
PBE04ST127A	ROSEWAY ST & DRNG PH II	6,800
PBE04ST139	UPPER VALLEY	123,297
PBR06002	PASO DEL NORTE BRIDGE CANOPIES	2,301
PCP06FC002	STORMWATER DRAINAGE CP06	340
PCP06MF001	ADA COMPLIANCE CP06	140,622
PCP06MF001B	SIDEWALK CONECTIVITY	399,304
PCP06NA001D1E	LITTLE RIVER PARK IMPROVEMENTS	23,614
PCP06NA001D1F	JOHANNSEN ROAD SIDEWALK IMP	22,080
PCP06NA001D1G	VALLEY CREEK BRIDLE TRAIL	2,995
PCP06NA001D2C	NEWMAN PARK IMPROVEMENTS UPGRA	600
PCP06NA001D2D	SUMMIT/FILLMORE PARK IMP.	49,550
PCP06NA001D3C	MACARTHUR PARK IMPROVEMENTS	32,274
PCP06NA001D3D	FREDERICK SIDEWALK IMPROVEMENT	660
PCP06NA001D4A	TODD WARE PARK	21,251
PCP06NA001D4B	CHUCK HEINRICH/NORTH HILLS	140
PCP06NA001D4F	MILAGRO PARK IMP.	24,776
PCP06NA001D5B	PCP06NA001D5B PEBBLE HILLS	41,546
PCP06NA001D6C	LA MORENITA PARKWAY IMP.	29,068
PCP06NA001D7B	THOMAS MANOR PARK	2,952
PCP06NA001D7D	GALLAGER ST. SIDEWALK IMP.	15,294
PCP06NA001D8G	BOYS CLUB PARK HANDBALL COURT	546
PCP06ST005	MCCOMBS/RAILROAD ST & DRAINAGE	(950)
PCP06ST009	CBD PHASE IV ST & DRAINAGE	18,838
PCP06ST010	CARNEGIE ST & DRNG PHASE I	112,545

CITY OF EL PASO, TEXAS  
Schedule of Capital Projects  
For the Year Ended August 31, 2011

Project	Name/Description	Expenditures and Transfers Out
PCP06ST011	STREET RESURFACING 2007	13,335
PCP06ST012A	UV RIVER RUN@COUNTRY C. TRAFFI	1,049
PCP06ST012B	ARTCRAFT @ UP VAL & WESTSIDE	1,040
PCP06ST013	SIGNAL/FLASHER INSTALL CP06	83,971
PCP06ST013T	ROJAS & GOODYEAR TRAFFIC SGNL	240
PCP06ST014	UNPAVED ROW CP06	(20,273)
PCP06ST015	ARTERIAL STREET LIGHTING CP06	356,363
PCP06ST015A	ARTERIAL ST LIGHT HAWKINS MEDI	173,859
PCP06ST019	LANE MARKINGS CP06	2,774
PCP06ST022A	MULTI-USE BICYCLE PATHS	4,880
PCP06ST022B	OREGON STREET RECONSTRUCTION	2,711,240
PCP06ST022E	ISELA RUBALCABA EXTENSION	48,284
PCP08LI01	CIELO VISTA LIBRARY RELOCATION	254,941
PCP08MF01	FACILITIES REHAB MASTER	198,301
PCP08MF01R	CITY HALL RE-ROOFING	763,394
PCP08MF01S	CITY HALL COOLING TOWER	705,844
PCP08MF02	FACILITY REHAB LIGHTING	338,497
PCP08MF02A	ZOO LIGHTING 2011	127
PCP08MF03LI	DORRIS VAN DOREN LIBRARY ROOF	65,106
PCP08MF04FI	FS #8 & 22 EMERG LIGHTING	186
PCP08PA00	PARKS UPGRADE-2008 REPROGRAMIN	23,600
PCP08PA01	PARKS PROPORTIONALITY	24,128
PCP08PA01A	HUECO MOUNTAIN PARK	78,331
PCP08PA01AA	TIERRA DEL ESTE #50A	2,651
PCP08PA01B	PASEOS DEL SOL PARK PHASE I	232,499
PCP08PA01C	BARTLET LANDING PARK	39,419
PCP08PA01CC	TRES SUENOS #1	30,958
PCP08PA01EE	PALO VERDE PARK	(1,046)
PCP08PA01FF	MODESTO GOMEZ PARK	(1,680)
PCP08PA01G	SUNSET VIEW PARK	36,326
PCP08PA01GG	MONTWOOD HEIGHTS PARK	21,441
PCP08PA01H	HAWKINS PARK	33,490
PCP08PA01HH	NATIONS TOBIN PARK	236
PCP08PA01I	DESERTAIRE FOR SUMMERLIN	14,452
PCP08PA01M	CARLOS BOMBACK-SOMBRAS DEL SOL	7,040
PCP08PA01N	HUECO CLUB ESTATES #1	177
PCP08PA01O	HUECO CLUB ESTATES #2 PARK	(463)
PCP08PA01PP	PCP08PA01PP	108,539
PCP08PA01Q	INDIAN RIDGE #10	8,382
PCP08PA01S	LOM LINDA PARK	1,040
PCP08PA01V	TIERRA DEL ESTE #18	282,065
PCP08PA01Y	TIERRA DEL ESTE #44	38,942
PCP08PA02D	PARKS PERIMETER LIGHTING	2,200
PCP08PA02D1	PARKS PERIMETER LIGHTING D1	(28,902)
PCP08PA02D3	PARKS PERIMETER LIGHTING D3	(6,771)
PCP08PA02D5	PARKS PERIMETER LIGHTING D5	(7,106)
PCP08PA02D6	PARKS PERIMETER LIGHTING D6	(23,566)
PCP08PA03	PARK SIDEWALKS	(3,450)
PCP08PA04	PARK SWING REPLACEMENT	445
PCP08PA04FF	TIERRA DEL ESTE #30 PARK SWING	8,237
PCP08PA05B	SNOW HEIGHTS PARK PLAYGROUND	9,040
PCP08PA05C	VAN BUREN DAM PLAY EQUIPMENT	14,656
PCP08ST02	KNIGHTS MEDIAN LANDSCAPING	(65,199)
PCP08ST04D1	ST. LIGHT INSTALLATION D1	4,491
PCP08ST04D2	ST. LIGHT INSTALLATION D2	12,050
PCP08ST04D3	ST. LIGHT INSTALLATION D3	7,257
PCP08ST04D5	ST. LIGHT INSTALLATION D5	3,600
PCP08ST04D6	ST. LIGHT INSTALLATION D6	5,914
PCP08ST04D7	ST. LIGHT INSTALLATION D7	4,268

CITY OF EL PASO, TEXAS  
Schedule of Capital Projects  
For the Year Ended August 31, 2011

Project	Name/Description	Expenditures and Transfers Out
PCP08ST04D8	ST. LIGHT INSTALLATION D8	11,435
PCP08ST05	STREET RESURFACING 2008	217,724
PCP08ZO001	ZOO WESTERN EXPAN CONTINGENCY	56,521
PCP09CMP002	MESA BRT	45,007
PCP09CMP003	LOOP 375 TRANSMOUNTAIN ROW ACQ	250
PCP09DR001	GEORGE DIETER DRAINAGE IMPROVS	159,739
PCP09HE01	ANIMAL SHELTER AIR CIRCULATION	23,899
PCP09IT001	FIBER INTERCONNECT	1,658,322
PCP09IT002	IT TELEPHONE UPGRADE	187,429
PCP09MF001	FACILITY REHABILITATION - 2009	659,307
PCP09MT003	GLORY ROAD TRANSIT TERMINAL	304,808
PCP09MT004	MISSION VALLEY TRANSIT TERM	266,432
PCP09MT007	NORTHGATE TRANSIT TERMINAL	486,055
PCP09MT008	ADMINISTRATION BLDG & LNG	1,765,210
PCP09MT009	ADA CURB CUTS & SHELTERS	1,023,320
PCP09MT010	BUS PURCHASES	5,913,967
PCP09MT011	MONTANA BRT	107,882
PCP09MT012	DYER BRT	59,686
PCP09MT014	2004 NEW FLYER MID-LIFE REBUIL	25,119
PCP09ST002	ALAMEDA BRT	434,190
PCP09ST003	TRAF SIGNLS & SCHOOL FLASH 09	4,001
PCP09ST003K	S KLEINFELD & E JAMES TRAF SIG	30,623
PCP09ST003L	PEB HILLS & T. ESTE TRAF SIGNA	30,583
PCP09ST003O	EL DORADO ACADEMY-SCH FLASHERS	76,176
PCP09ST004	NEIGHBORHD TRAF MGMT PROGRAM	724,915
PCP10FI01	F. S. # 31	96,820
PCP10FI02	F. S. # 37	102,206
PCP10HE01	ANIMAL SHELTER	51,634
PCP10IB001C	REHAB & CONST. - LIONS PLACITA	271,252
PCP10IB001D	PED BRIDGE CANOPIES-STANTON	1,344,598
PCP10IT01	IT CAPITAL ACQUISITIONS	337,111
PCP10IT02A	DATA CENTER-(EPCC ADMIN BLDG)	5,746,391
PCP10IT02B	CW NETWORK INFRASTRUCTURE	968,048
PCP10MF01	FACILITY REHABILITATION	7,588
PCP10MF01A	FACILITY REHAB-AB FALL MANSION	1,470,921
PCP10MF01B	CITY HALL ENTRYWAY REPAIR	6,267
PCP10MF02	PROPERTY ACQUISITIONS	1,586,470
PCP10MF02A	NORTHGATE MALL ACQUISITION	5,956,780
PCP10MT02	DOWNTOWN CIRCULATION PLAN	160
PCP10ST01A	TRAF SIGNAL-MONTANA@RICH BEEM	132,085
PCP10ST01B	TRAF SIGNAL-ZARAGOSA@C. SHULTZ	132,694
PCP10ST01C	TRAF SIGNAL-ZARAGOSA@SOMBRAS	132,774
PCP10ST01D	TRAF SIGNAL-ZARAGOSA@SUN FIRE	134,069
PCP10ST01E	TRAF SIGNAL-KNIGHTS@MIDWAY	139,292
PCP10ST02	STREET SIGNAGE	407,078
PCP10ST03	SIDEWALK IMPROVEMENTS	125,618
PCP10ST04	NGHBRHOOD TRAFFIC-PROGRAM PH 1	812,049
PCP10ST05	NGHBRHOOD TRAFFIC-PROGRAM PH 2	110,412
PCP10ST06	COUNTRY CLUB ROAD	698,463
PCP10ST07	ST RECONST - SAN ANTONIO	145,865
PCP10ST08	2010 STREET RESURFACING	2,981,707
PCP10ST08A	Hawkins Resurfacing	651,114
PCP10ST09	BATAAN RAILWAY RECONSTRUCTION	324,565
PCP10ST12A	ROJAS DR MEDIAN LANDSCAPE	297,418
PCP10ST13	UNPAVED ROWS-ELP PM REDUCT	576,124
PCP10ST14	ST RECONST - MONTWOOD	435,671
PCP10TRAN04	TXDOT MATCHES CP10	113,701
PCP10TRAN04A	LOOP 375 - ZARAGOZA	274,950
PCP10TRAN04B	LOOP 375 - DYER ST	75,331



CITY OF EL PASO, TEXAS  
Schedule of Capital Projects  
For the Year Ended August 31, 2011

Project	Name/Description	Expenditures and Transfers Out
PCP10TRAN04C	LOOP 375 - BOB HOPE DR	38,105
PCP12MF01	FACILITY REHAB CW 2012_13	219,348
PCRRMA_I10	CRRMA I-10 ARTIST AESTHETIC PR	145,176
PEN06001	LIONS PLAZITA IMPROVEMENTS	18,144
PFLESVC01	EQUIPMENT REPLACEMENT	5,706,532
PHE0203	CITY-COUNTY HEALTH ADMIN PH 3	26,592
PIF11FS01	VEHICLE STORAGE FACILITY	1,235,273
PIF11ZO01	ZOO SPLASH PAD	491,040
PIT09001	FY2009 IT ACTION PLAN	408,177
PIT11001	IT PROJECT MANAGER'S SALARIES	77,946
PMB0002130	CITY EQUIPMENT NOC	6,325
PMB0005004	BE CAP ACQ FIRE	108,915
PMF05002	FACILITY CONDITION ASSESSMENT	(50)
PMF06001	CITY HALL UPGRADES FY 2006	290
PMF07002	CIP ADMINISTRATIVE COSTS	48,836
PMF07003	ROOF REPAIRS & REPL 2007	51
PMF08002	CENTRAL RECREATION CENTER	233,322
PPA07001	SHAWVER & HAWKINS POOL COOLING	5,969
PPA1002	VALLEY CREEK PARK UPGRADE	5,800
PPA1005	TIERRA DEL ESTE 56 PRK UPGRADE	560
PPA1011	SOUTHSIDE PARK	21,178
PPW0046004B	NORTHEAST REG FIELD LIGHTING	1,571
PPW0056001	LIB PRJTS 00 ELEC-WESTSIDE LIB	480
PPW0056005YR2	EAST SIDE REGIONAL LIBRARY BRC	2,900
PPWST03001	CBD PHASE 3	214,694
PQLPA144A	PAVO REAL BATH HOUSE RENOV	3,553
PQLPA172	WEST SPORT COMPLEX	2,240
PQLPA172B	WESTSIDE SPORTS COMPLEX PH II	69,448
PQLPA184	PIP4 MAJOR DEVELOPMENT	5,950
PQLZO106	ZOO WESTERN EXPANSION	1,045,580
PQLZO107	ZOO UNALLOCATED	67,166
PST05001	LOOP 375 SPUR AT TALBOT	420,288
PST07002	TRAFFIC CALMING 2007	142,225
PSTM06 PW107-0	PSTM06 PW107-0 O'ROURKE TRAIL	(2,930)
PSTM06 PW141-0	ARCO PONDING	(11,446)
PSTM06 PW26-0A	LOMITA DRAINAGE IMPROVEMENTS	91,512
PSTM06 PW26-0B	LINDBERG UPPER VALLEY PHASE IV	2,211,652
PSTM06 PW506	GOV'T HILLS OUTFALL/DURAZNO NE	4,385,989
PSTM06 PW512	CHANNEL NO. 2 (BUTTERFIELD TRA	7,332,054
PSTM06 PW514	CLARDY FOX PUMP STATION	(50,500)
PSTM06 PW516A	JOYCE CIRCLE PHASE II	21,500
PSTM06 PW522A	MOWAD SUBDIVISION REPLAT	5,382
PSTM06 PW529	PUMP STATIONS ASSESS & REPAIR	1,049,016
PSTM06 PW540	DALLAS OUTFALL	1,478,105
PSTM06 PW542	FIBER OPTIC LINK TO CITY FACIL	27,664
PSTM06 PW556	SAIPAN	303,814
PSTM06 PW64-0	MCKELLIGON CANYON	182,635
PSTM06FC001	STORM 2006 MASTER	14,883
PSWM0012	CLINT LANDFILL P1 CELL 3,4,5,6	85
PUBART0905	RIO BOSQUE	38,800
PUBART0906	STANTON BRIDGE	13,152
PUBART0908	NON-CONSTRUCTION PROJECT/GRANT	119,941
PUNALLOCATED	UNALLOCATED DEBT ISSUANCE PROC	(9,078,601)
PPW0046004	NORTHEAST REGIONAL PARK	28,934
P09ST004	SCHWABE & COOLEY DRAINAGE IMPR	9,128
PCP06NA001D2A	MEMORIAL PARK IMPROVEMENTS	80
PCP08PA01RR	TIERRA DEL ESTE #52 OFF SITE	810

CITY OF EL PASO, TEXAS  
Schedule of Capital Projects  
For the Year Ended August 31, 2011

Project	Name/Description	Expenditures and Transfers Out
PCP08PA01TT	TIERRA DEL ESTE #60	810
PCP08PA01UU	TIERRA DEL ESTE #61	670
PCP08PA01VV	VENTANAS #1	5,019
PSTM06 PW26-0	LIND/RED/MULB/WAR (U.V. PH 1)	8,883
PART10ACLVSQ	CLEVELAND SQUARE PARK IMPRVMNT	8,579
PCP11MT03	MESA RTS MATCH	282,516
PCP12IT02	CABLE INFRASTRUCTURE 2012_13	685
PCP12IT04	FIBER/CONNECTIVITY 2012_13	19,949
PCP12IT06	PEOPLESOFT RE-IMPLEME 2012_13	37,950
PCP12ST01	NTMP PHASE 3 2012_13	240
PCP12ST06	STREET RESURFACING 2012_13	320
PCP12ST07	UNPAVED ROW 2012_13	700
PCP12MF01A	MSC ELEVATOR	440
PCP06ST023	2006 CP UNALLOCATED	23,665
PCP06NA001D7E	GALLAGHER TRAFFIC CALMING	2,284
PCP08MF01L	FAC. REHAB. ROOF-MEMORIAL LIB	21,978
PCP08MF01O	FAC. REH. ROOF-HAWKINS POOL	24,298
PCP08MF01T	ZOO ROOFING 2011	54,315
PCP08MF01U	MAIN LIBRARY_WATER INFILTRATIO	10,216
PCP08MF01V	MAIN LIBRARY_ROOF RECOAT	36,601
STORM2006	STORM2006 PROJECT	91,966
P501526	UNALLOCATED PROCEEDS	(78,514)
PUBART1101	FY11 for 2% for the Arts	36,000
PCP10ST01G	TRAF SIGNAL-RESLERDESERT PASS	21,312
PCP11CA01	NORTH LOOP CLINIC	(48,407)
	TOTAL EXPENDITURES AND TRANSFERS OUT	<u>\$ 79,947,587</u>

## INTERNAL SERVICE FUNDS

**Internal Service funds are used to account for the financing of goods or services provided by one department of the City to other City departments and other public units, on a cost reimbursement basis.**



**Supply and Support** - This fund accounts for the Fleet Maintenance Department which operates the City motor pool and maintains and repairs City owned vehicles and major equipment, excluding the vehicles utilized by Mass Transit. In addition, the City's copy center and postage functions are also accounted for in this fund.

**Self-Insurance** - This fund accounts for the financing of health benefits, workers' compensation benefits and unemployment benefits for City employees.

CITY OF EL PASO, TEXAS

COMBINING BALANCE SHEET

INTERNAL SERVICE FUNDS

August 31, 2011

	SUPPLY AND SUPPORT	SELF INSURANCE	TOTALS
<b>ASSETS:</b>			
Cash and Cash Equivalents	\$ -	23,390,220	23,390,220
Receivables - Net of Allowances			
Trade	4,493	-	4,493
Due From Other Funds	-	318,053	318,053
Inventory	877,701	-	877,701
Capital Assets:			
Construction in Progress	19,126	-	19,126
Buildings, Improvements & Equipment, Net	56,756	-	56,756
<b>TOTAL ASSETS</b>	<b>958,076</b>	<b>23,708,273</b>	<b>24,666,349</b>
<b>LIABILITIES:</b>			
Accounts Payable	930,897	423,888	1,354,785
Accrued Payroll	185,008	49,389	234,397
Due to Other Funds	318,053	-	318,053
Compensated Absences	277,940	72,622	350,562
Other Postemployment Benefits	630,063	95,089	725,152
Net Pension Obligation	10,762	2,618	13,380
Claims and Judgments	-	16,433,229	16,433,229
<b>TOTAL LIABILITIES</b>	<b>2,352,723</b>	<b>17,076,835</b>	<b>19,429,558</b>
<b>NET ASSETS:</b>			
Invested in capital assets, net of related debt	75,882	-	75,882
Unrestricted			
Supply and Support	(1,470,529)	-	(1,470,529)
Health Benefits	-	(5,161,637)	(5,161,637)
Workers Compensation	-	11,475,832	11,475,832
Unemployment	-	317,243	317,243
<b>TOTAL NET ASSETS</b>	<b>(1,394,647)</b>	<b>6,631,438</b>	<b>5,236,791</b>
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 958,076</b>	<b>23,708,273</b>	<b>24,666,349</b>

# CITY OF EL PASO, TEXAS

COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS  
INTERNAL SERVICE FUNDS  
For the Year Ended August 31, 2011

	SUPPLY AND SUPPORT	SELF INSURANCE	TOTALS
<b>OPERATING REVENUES:</b>			
Sales to Departments	\$ 16,202,567	-	16,202,567
Premium Contributions	-	51,758,705	51,758,705
General Revenues	43,537	1,431,683	1,475,220
<b>TOTAL OPERATING REVENUES</b>	<b>16,246,104</b>	<b>53,190,388</b>	<b>69,436,492</b>
<b>OPERATING EXPENSES:</b>			
Personnel Services	3,982,858	1,018,811	5,001,669
Outside Contracts	110,926	3,472,269	3,583,195
Professional Services	-	1,075,825	1,075,825
Fuel and Lubricants	8,298,064	-	8,298,064
Materials and Supplies	3,396,453	11,395	3,407,848
Communications	14,715	1,130	15,845
Utilities	22,478	-	22,478
Operating Leases	89,208	5,229	94,437
Travel and Entertainment	-	892	892
Benefits Provided	-	45,313,292	45,313,292
Maintenance and Repairs	1,004,259	4,109	1,008,368
Other Operating Expenses	15,900	5,695	21,595
Depreciation	35,698	-	35,698
<b>TOTAL OPERATING EXPENSES</b>	<b>16,970,559</b>	<b>50,908,647</b>	<b>67,879,206</b>
<b>OPERATING INCOME(LOSS)</b>	<b>(724,455)</b>	<b>2,281,741</b>	<b>1,557,286</b>
<b>NON-OPERATING REVENUES (EXPENSES):</b>			
Interest Revenue	-	38,197	38,197
<b>TOTAL NON-OPERATING REVENUES</b>	<b>-</b>	<b>38,197</b>	<b>38,197</b>
<b>INCOME(LOSS)</b>	<b>(724,455)</b>	<b>2,319,938</b>	<b>1,595,483</b>
Change in net assets	(724,455)	2,319,938	1,595,483
Total Net Assets-beginning	(670,192)	4,311,500	3,641,308
Total Net Assets-ending	<b>\$ (1,394,647)</b>	<b>6,631,438</b>	<b>5,236,791</b>

**CITY OF EL PASO, TEXAS**  
**COMBINING STATEMENT OF CASH FLOWS**  
**INTERNAL SERVICE FUNDS**  
For the Year Ended August 31, 2011

	SUPPLY AND SUPPORT	SELF INSURANCE	TOTALS
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Receipts from customers	\$ 16,241,701	53,190,388	69,432,089
Payments to suppliers	(12,964,424)	(49,081,667)	(62,046,091)
Payments to employees	(3,757,920)	(973,121)	(4,731,041)
Proceeds (to) from other funds	318,053	(318,053)	-
Net cash provided by operating activities	<u>(162,590)</u>	<u>2,817,547</u>	<u>2,654,957</u>
<b>CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES</b>			
Purchases of capital assets	(19,125)	-	(19,125)
Net cash (used) by capital and related financing activities	<u>(19,125)</u>	<u>-</u>	<u>(19,125)</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest	-	38,197	38,197
Net cash provided by investing activities	<u>-</u>	<u>38,197</u>	<u>38,197</u>
Net increase in cash and cash equivalents	(181,715)	2,855,744	2,674,029
Balances - beginning of the year	181,715	20,534,476	20,716,191
Balances - end of the year	<u>\$ -</u>	<u>23,390,220</u>	<u>23,390,220</u>
<b>Reconciliation of operating income to net cash provided by operating activities:</b>			
Operating income	\$ (724,455)	2,281,741	1,557,286
Adjustments to reconcile operating income to net cash provided by operating activities:			
Depreciation expense	35,698	-	35,698
Compensated Absences	16,740	9,397	26,137
Other Post Employment Benefits	2,222	606	2,828
Net Pension Obligation	173,347	29,238	202,585
Change in assets and liabilities:			
Receivables, net	(4,403)	-	(4,403)
Inventories	(81,329)	-	(81,329)
Other assets	-	(318,053)	(318,053)
Accounts and other payables	386,961	122,490	509,451
Accrued expenses	32,629	692,128	724,757
Net cash provided by operating activities	<u>\$ (162,590)</u>	<u>2,817,547</u>	<u>2,654,957</u>

**PENSION TRUST FUNDS**



**CITY OF EL PASO, TEXAS**  
**COMBINING STATEMENT OF NET ASSETS**  
**PENSION TRUST FUNDS**  
August 31, 2011

	CEPF Pension Trust Fund	FPPF Pension Trust Fund (as of December 31, 2010)		Total
		Firemen Division	Policemen Division	
<b>ASSETS</b>				
Cash and Cash Equivalents	\$ 11,264,877	5,055,888	7,318,092	23,638,857
Investments:				
Mutual Fund	40,439,112	-	-	40,439,112
Commingled funds	143,207,686	-	-	143,207,686
High-yield bond obligations	37,621,256	-	-	37,621,256
Corporate stocks	158,986,714	-	-	158,986,714
Bank Collective Investment Funds	137,232,705	-	-	137,232,705
Private equities	-	2,481,474	3,591,783	6,073,257
Real estate investment funds	22,595,785	3,396,657	4,916,455	30,908,897
Fixed Income Securities	-	133,031,933	192,555,675	325,587,608
Domestic Equities	-	137,822,510	199,489,744	337,312,254
International Equities	-	135,617,038	196,297,459	331,914,497
Invested securities lending collateral		26,161,604	37,867,340	64,028,944
Receivables - Net of Allowances				
Commission Credits Receivable	113,600	-	-	113,600
Due from Brokers For Securities Sold	252,033	-	-	252,033
Employer Contributions	826,378	361,073	522,631	1,710,082
Employee Contributions	549,737	290,589	420,611	1,260,937
Other	849,844	2,525	3,655	856,024
Prepaid Items	27,663	-	-	27,663
Other Assets, Net	-	8,546	12,369	20,915
Capital Assets:				
Buildings, Improvements & Equipment, Net	-	406,307	588,104	994,411
<b>TOTAL ASSETS</b>	<b>553,967,390</b>	<b>444,636,144</b>	<b>643,583,918</b>	<b>1,642,187,452</b>
<b>LIABILITIES</b>				
Accounts Payable	1,311,120	26,633,593	38,550,514	66,495,227
Deferred Revenue - Commission Credits	113,600	-	-	113,600
<b>TOTAL LIABILITIES</b>	<b>1,424,720</b>	<b>26,633,593</b>	<b>38,550,514</b>	<b>66,608,827</b>
<b>NET ASSETS:</b>				
Held in Trust for Pension Benefits and Other Purposes	\$ 552,542,670	418,002,551	605,033,404	1,575,578,625



**CITY OF EL PASO, TEXAS**  
**COMBINING STATEMENT OF CHANGES IN NET ASSETS**  
**PENSION TRUST FUNDS**  
For the Year Ended August 31, 2011

	FPPF Pension Trust Fund (as of December 31, 2010)			Total
	CEPF Pension Trust Fund	Firemen Division	Policemen Division	
<b>ADDITIONS:</b>				
<b>Contributions:</b>				
Employer	\$ 17,948,799	9,523,180	13,149,372	40,621,351
Employee	11,938,545	8,112,337	9,655,346	29,706,228
Total contributions	<u>29,887,344</u>	<u>17,635,517</u>	<u>22,804,718</u>	<u>70,327,579</u>
<b>Investment earnings:</b>				
Increase in fair value of investments	65,579,647	36,299,221	52,527,765	154,406,633
Interest	2,899,936	3,600,593	5,210,335	11,710,864
Dividends	2,865,256	4,023,264	5,821,974	12,710,494
Securities lending income	146,709	65,902	95,366	307,977
Investment advisor fees	(2,546,539)	(1,996,370)	(2,888,900)	(7,431,809)
Net investment income	<u>68,945,009</u>	<u>41,992,610</u>	<u>60,766,540</u>	<u>171,704,159</u>
<b>Other Income</b>				
Rental and Other Income	8,927	65,173	94,311	168,411
Total other income	<u>-</u>	<u>65,173</u>	<u>94,311</u>	<u>168,411</u>
<b>Total additions</b>	<u>98,841,280</u>	<u>59,693,300</u>	<u>83,665,569</u>	<u>242,200,149</u>
<b>DEDUCTIONS</b>				
Benefits paid to participants	37,686,480	21,358,366	28,560,497	87,605,343
Refunds of contributions	1,896,665	2,205,397	1,505,581	5,607,643
Administrative expenses	918,940	515,423	745,856	2,180,219
Depreciation and amortization expense	-	51,738	74,868	126,606
Total deductions	<u>40,502,085</u>	<u>24,130,924</u>	<u>30,886,802</u>	<u>95,519,811</u>
Change in net assets	58,339,195	35,562,376	52,778,767	146,680,338
Net assets - beginning of the year	494,203,475	382,440,175	552,254,637	1,428,898,287
Net assets - end of the year	<u>\$ 552,542,670</u>	<u>418,002,551</u>	<u>605,033,404</u>	<u>1,575,578,625</u>

## FIDUCIARY FUNDS

**Fiduciary funds are used to account for assets held by a governmental unit in a trustee capacity or as an agent for individuals, private organizations or other governmental units.**



**Agency Fund** - This fund is used to account for the funds the City collects for property taxes for other taxing entities, including the Property Improvement District #1, and the Camino Real Regional Mobility Authority.

# CITY OF EL PASO, TEXAS

## Schedule of Changes in Assets and Liabilities

### AGENCY FUNDS

For the Year Ended August 31, 2011

	September 1, 2010	Debits	Credits	August 31, 2011
<b>ASSETS:</b>				
Cash and Cash Equivalents	\$ 3,726,199	626,601,595	605,405,734	24,922,060
Uncollected Property Taxes	56,331,398	675,689,603	671,767,161	60,253,840
Special Assessment - PID #1	422,326	-	41,007	381,319
Due from Other Funds	3,562,096	-	-	3,562,096
<b>TOTAL ASSETS</b>	<b>\$ 64,042,019</b>	<b>1,302,291,198</b>	<b>1,277,213,902</b>	<b>89,119,315</b>
 <b>LIABILITIES:</b>				
Prepaid Property Taxes	\$ 1,416,388	1,416,388	1,402,951	1,402,951
Payable to Bondholders - PID #1	422,326	41,007	-	381,319
Amount Available for Bond Payments	19,130	41,007	41,569	19,692
Payable to Other Entities	2,087,783	626,281,291	647,532,547	23,339,039
Property Taxes Subject to Refund	3,764,994	202,900	160,380	3,722,474
Uncollected Taxes	56,331,398	671,767,161	675,689,603	60,253,840
<b>TOTAL LIABILITIES</b>	<b>\$ 64,042,019</b>	<b>1,299,749,754</b>	<b>1,324,827,050</b>	<b>89,119,315</b>

**STATISTICAL SECTION**  
**(unaudited)**



This part of the City's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City's overall financial health.

<b><u>Contents</u></b>	<b><u>Page</u></b>
<b><i>Financial Trends</i></b> These schedules contain trend information to help the reader understand how the City of El Paso's financial performance and well-being have changed over time.	113
<b><i>Revenue Capacity</i></b> These schedules contain information to help the reader assess the City's most significant local revenue source, primarily property tax.	117
<b><i>Debt Capacity</i></b> These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	125
<b><i>Demographic and Economic Information</i></b> These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	130
<b><i>Operating Information</i></b> These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the city provides and the activities it performs.	132

**Sources:** Unless otherwise noted, the information in these schedules is derived from the comprehensive annual financial reports for fiscal year 2011.

City of El Paso  
Net Assets by Components  
Last Ten Fiscal Years  
(accrual basis of accounting)

	Fiscal Year									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
<b>Governmental activities</b>										
Invested in capital assets, net of related debt	\$ 149,010,953	126,666,660	124,115,981	130,003,295	140,935,012	139,848,416	139,689,930	132,325,231	140,704,047	124,744,895
Restricted	59,250,860	68,610,583	57,817,272	59,196,922	68,733,626	76,565,782	78,827,437	84,571,971	83,730,583	117,560,807
Unrestricted	3,156,607	(3,046,854)	15,546,268	(36,500,168)	(67,192,341)	(102,599,515)	(144,660,748)	(156,747,519)	(180,064,182)	(193,238,211)
<b>Total governmental activities net assets</b>	<b>\$ 211,418,420</b>	<b>192,230,389</b>	<b>197,479,521</b>	<b>152,700,049</b>	<b>142,476,297</b>	<b>113,814,683</b>	<b>73,856,619</b>	<b>60,149,683</b>	<b>44,370,448</b>	<b>49,067,491</b>
<b>Business-type activities</b>										
Invested in capital assets, net of related debt	\$ 175,314,768	173,824,992	206,129,774	215,569,993	217,502,256	249,477,785	264,968,805	286,906,206	291,226,434	287,678,085
Restricted	36,458,279	32,816,326	22,536,194	23,721,769	26,038,264	25,722,710	20,104,437	24,591,100	28,676,014	33,666,670
Unrestricted	19,675,417	22,027,866	(1,101,298)	11,269,135	17,226,535	5,678,448	11,078,287	10,275,656	10,856,022	26,158,692
<b>Total business-type activities net assets</b>	<b>\$ 231,448,464</b>	<b>228,669,184</b>	<b>227,564,670</b>	<b>250,560,897</b>	<b>260,767,055</b>	<b>280,878,943</b>	<b>296,151,529</b>	<b>321,772,962</b>	<b>330,758,470</b>	<b>347,503,447</b>
<b>Primary government</b>										
Invested in capital assets, net of related debt	\$ 324,325,721	300,491,652	330,245,755	345,573,288	358,437,268	389,326,201	404,658,735	419,231,437	431,930,481	412,422,980
Restricted	95,709,139	101,426,909	80,353,466	82,918,691	94,771,890	102,288,492	98,931,874	109,163,071	112,406,597	151,227,477
Unrestricted	22,832,024	18,981,012	14,444,970	(25,231,033)	(49,965,806)	(96,921,067)	(133,582,461)	(146,471,863)	(169,208,160)	(167,079,519)
<b>Total governmental activities net assets</b>	<b>\$ 442,866,884</b>	<b>420,899,573</b>	<b>425,044,191</b>	<b>403,260,946</b>	<b>403,243,352</b>	<b>394,693,626</b>	<b>370,008,148</b>	<b>381,922,645</b>	<b>375,128,918</b>	<b>396,570,938</b>



City of El Paso  
Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011*
General Fund										
Nonspendable										2,878,463
Restricted										16,000,000
Committed										1,000,000
Assigned										1,206,409
Unassigned										21,248,272
Reserved	\$ 19,896,947	19,275,629	18,985,448	19,134,781	19,087,141	18,749,504	19,015,895	18,454,550	18,336,184	-
Unreserved	25,184,462	22,047,051	17,363,518	17,202,918	15,790,210	22,602,463	19,098,542	19,765,158	22,303,546	-
Total general fund	<u>\$ 45,081,409</u>	<u>41,322,680</u>	<u>36,348,966</u>	<u>36,337,699</u>	<u>34,877,351</u>	<u>41,351,967</u>	<u>38,114,437</u>	<u>38,219,708</u>	<u>40,639,730</u>	<u>42,333,144</u>
All Other Governmental Funds										
Restricted										41,991,410
Committed										9,624,521
Unassigned										(78,314)
Reserved	\$ -	-	-	2,125,539	1,526,873	3,128,261	2,951,617	5,500,901	5,108,698	-
Unreserved, reported in:										
Special Revenue funds	9,462,100	11,236,359	12,864,318	14,258,929	17,968,077	18,681,662	18,244,091	18,278,330	20,568,032	-
Debt service funds	11,601,478	5,577,479	510,765	499,449	842,041	1,388,518	2,528,122	210,206	220,285	-
Capital projects funds (Deficit)	64,185,957	58,944,445	31,014,149	13,147,988	19,383,110	19,687,079	8,910,475	(1,923,167)	14,202,947	-
Total all other governmental funds	<u>\$ 85,249,535</u>	<u>75,758,283</u>	<u>44,389,232</u>	<u>30,031,905</u>	<u>39,720,101</u>	<u>42,885,520</u>	<u>32,634,305</u>	<u>22,066,270</u>	<u>40,099,962</u>	<u>51,537,617</u>

\* GASB Statement No. 54 was implemented in fiscal Year 2011



City of El Paso  
Changes in Fund Balances, Governmental Funds  
Last Ten Fiscal Years  
(modified accrual basis of accounting)

	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
<b>Revenues:</b>										
Property Taxes	128,068,036	131,142,591	136,314,193	143,354,730	149,919,202	160,955,530	179,171,076	181,827,479	189,413,013	195,692,297
Sales Taxes	52,150,330	54,509,563	58,255,358	61,122,021	68,074,321	73,318,224	77,682,351	74,537,354	77,797,143	82,895,661
Franchise Fees	28,209,095	28,343,827	30,630,964	34,683,663	34,683,663	44,753,181	40,726,042	43,847,569	41,045,692	48,792,624
Charges for Services	12,985,789	16,070,790	17,974,604	15,158,118	28,701,760	35,626,913	35,024,809	27,350,326	35,598,930	32,707,594
Fines and Forfeits	15,821,180	15,757,528	16,435,462	15,158,118	13,823,031	15,022,482	14,913,358	15,495,022	13,331,211	14,488,102
Licenses and Permits	6,892,974	7,027,975	8,656,832	10,119,783	10,622,692	12,247,930	12,397,740	11,142,329	14,070,414	13,385,089
Intergovernmental Revenues	50,347,895	46,095,348	43,692,655	51,519,022	57,411,949	40,979,531	35,616,877	44,789,387	62,282,226	71,946,473
County Participation	-	-	-	-	2,083,180	1,832,806	2,173,641	1,927,829	468,873	438,658
Interest	5,449,322	1,812,000	1,757,841	2,872,379	3,860,994	7,601,551	3,556,642	1,524,590	695,637	252,460
Rents and Other	6,418,091	9,559,643	17,142,729	9,628,008	5,792,472	4,185,507	3,637,303	4,172,020	4,962,315	
Net Increase(Decrease) in the Fair Value of Investments	-	-	(17,626)	-	(276,034)	(12,500)	70,507	159,786	-	-
<b>Total Revenues</b>	<b>306,342,712</b>	<b>310,319,265</b>	<b>330,843,012</b>	<b>284,146,053</b>	<b>378,532,766</b>	<b>398,118,120</b>	<b>405,518,550</b>	<b>406,238,974</b>	<b>438,875,159</b>	<b>465,561,273</b>
<b>Expenditures:</b>										
General Government	24,213,546	26,244,962	27,316,891	28,606,052	26,752,926	28,372,232	33,348,474	33,948,460	32,187,985	29,761,804
Public Safety	150,524,772	157,049,358	165,893,165	169,556,821	176,661,936	283,911,882	195,823,226	304,389,128	202,352,627	205,894,506
Public Works	34,150,067	35,757,909	36,449,919	37,739,911	37,739,911	24,727,919	23,146,710	23,026,748	22,546,990	20,109,111
Public Health	17,093,640	22,359,589	21,555,610	24,906,214	26,202,064	24,231,993	18,943,820	21,896,971	20,822,385	20,822,385
Facilities Maintenance	-	-	-	-	14,862,618	15,305,363	15,889,876	13,199,006	22,578,339	
Parks	13,117,106	14,165,341	14,891,894	15,134,311	16,519,085	17,669,603	18,182,874	18,751,833	20,213,999	10,960,660
Library	5,206,120	5,704,701	5,666,299	5,682,907	6,384,195	7,820,910	8,574,514	8,446,529	8,285,587	8,513,778
Non Departmental	285,193	881,312	891,060	1,771,003	1,485,256	5,168,597	5,540,947	4,030,705	5,132,818	5,441,674
Culture and Recreation	8,398,177	9,337,744	9,584,066	9,029,232	9,413,589	11,854,062	12,125,397	13,304,250	18,132,534	17,976,423
Economic Development	749,087	2,197,676	2,085,509	2,236,143	2,545,525	2,646,778	2,139,743	2,352,538	2,070,444	7,820,674
Mass Transportation	-	-	-	-	33,675	-	-	-	-	-
Solid Waste	-	47,471	10,022	25,634	195,848	-	-	88,357	374,229	-
Environmental Code Compliance	-	-	-	-	-	-	-	-	-	1,403,482
Community and Human Development	18,448,475	13,982,901	13,183,487	18,967,948	16,554,438	12,286,722	9,589,694	12,843,354	16,947,930	26,009,482
Capital Outlay	72,946,560	72,936,309	71,435,776	91,455,484	106,981,475	101,415,992	89,386,189	95,448,695	80,064,511	91,207,390
<b>Debt Service:</b>										
Principal	17,045,330	20,426,627	20,767,718	19,416,716	25,390,920	27,149,797	29,647,506	31,052,868	29,236,352	30,565,843
Interest	19,367,689	18,153,214	19,315,221	16,690,016	19,277,245	20,633,814	32,109,109	34,187,775	40,508,881	42,971,955
Arbitrage Rebate	93,847	279,702	-	-	-	-	-	-	-	-
Payment to Refunding to Bond Escrow Agent	1,790,000	-	-	1,508,975	-	1,360,000	-	448,428	-	-
Fiscal Fees	948,784	255,053	49,584	1,980,921	678,607	4,022,146	1,960,367	2,334,575	645,710	705,811
<b>Total Expenditures</b>	<b>384,378,393</b>	<b>399,779,869</b>	<b>409,096,221</b>	<b>382,062,163</b>	<b>471,520,845</b>	<b>590,105,136</b>	<b>501,112,106</b>	<b>619,487,939</b>	<b>513,796,574</b>	<b>542,743,317</b>
<b>Excess (Deficiency) of revenues over expenditures</b>	<b>(78,035,681)</b>	<b>(89,460,604)</b>	<b>(78,253,209)</b>	<b>(97,916,110)</b>	<b>(92,988,079)</b>	<b>(191,987,016)</b>	<b>(95,593,556)</b>	<b>(213,248,965)</b>	<b>(74,921,415)</b>	<b>(77,182,044)</b>
<b>Other Financing Sources(Uses):</b>										
Transfers from Other funds	20,852,055	24,446,476	23,567,019	25,419,672	34,116,535	33,517,166	34,849,405	24,987,947	24,884,388	25,898,830
Transfers Out	(1,172,142)	(2,199,791)	(2,375,319)	(4,879,493)	(13,158,241)	(12,781,673)	(12,634,192)	(5,581,344)	(4,125,574)	(7,364,426)
Federal Tax Credit - Build America Bonds	-	-	-	-	-	-	-	-	-	1,885,064
Face Amount of Bonds Issued	25,409,000	40,549,000	-	17,315,000	56,350,000	176,240,000	56,455,000	169,160,000	65,895,000	69,280,000
Face Amount of Commercial Paper Issued	5,000,000	13,000,000	20,500,000	39,500,000	20,000,000	-	-	-	-	-
Face Amount of Refunding Bonds Issued	55,090,000	-	29,265,000	152,190,000	-	95,190,000	-	16,020,000	-	-
Premium on Issuance of Bonds	3,479,377	132,763	2,047,876	10,228,013	2,190,648	5,707,251	1,448,213	3,793,396	2,903,204	57,868
Payment to Refunding to Bond Escrow Agent	(58,004,579)	-	(31,312,876)	(160,486,753)	-	(98,303,289)	-	(17,292,108)	-	-
Proceeds from Sale of Capital Assets	503,985	282,175	218,744	2,594,325	1,716,985	2,057,596	1,986,385	597,434	1,048,337	555,777
Loan Proceeds	-	-	-	-	-	-	-	11,100,876	3,984,677	-
<b>Total other financing sources (uses)</b>	<b>51,157,696</b>	<b>76,210,623</b>	<b>41,910,444</b>	<b>81,880,764</b>	<b>101,215,927</b>	<b>201,627,051</b>	<b>82,104,811</b>	<b>202,786,201</b>	<b>95,375,129</b>	<b>90,313,113</b>
<b>Net change in fund balance</b>	<b>(26,877,985)</b>	<b>(13,249,981)</b>	<b>(36,342,765)</b>	<b>(16,035,346)</b>	<b>8,227,848</b>	<b>9,640,035</b>	<b>(13,488,745)</b>	<b>(10,462,764)</b>	<b>20,453,714</b>	<b>13,131,069</b>
Debt service as a percentage of noncapital expenditures	11.05%	11.15%	11.62%	11.60%	11.40%	9.24%	13.92%	11.87%	15.04%	15.70%

City of El Paso  
Assessed Value and Actual Value of Taxable Property  
Last Ten Fiscal Years

Fiscal Year Ended August 31,	Residential Property	Commercial Property	Industrial Property	Actual Value	Less: Tax-Exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate
2002	\$ 11,146,866,901	5,262,399,538	2,937,150,177	19,346,416,616	2,090,140,761	17,256,275,855	1.394234
2003	11,380,139,780	5,658,223,160	2,560,603,267	19,598,966,207	1,804,376,401	17,794,589,806	1.433300
2004	11,813,277,667	5,776,039,066	2,357,113,674	19,946,430,407	1,757,517,194	18,188,913,213	1.454415
2005	13,174,534,808	6,058,031,409	2,440,355,008	21,672,921,225	1,843,419,090	19,829,502,135	1.452701
2006	14,280,033,787	6,598,225,436	2,070,795,198	22,949,054,421	1,899,324,828	21,049,729,593	1.448908
2007	15,837,328,729	7,392,991,333	2,221,565,699	25,451,885,761	1,887,264,732	23,564,621,029	1.370714
2008	17,695,257,307	7,928,400,439	2,434,538,160	28,058,195,906	1,945,955,410	26,112,240,496	1.315605
2009	19,492,871,750	8,955,857,589	2,402,999,221	30,851,728,560	2,131,549,259	28,720,179,301	1.263782
2010	20,451,309,682	9,215,886,317	2,299,961,417	31,967,157,416	2,434,835,040	29,532,322,376	1.306556
2011	21,406,568,964	8,932,627,921	2,003,452,781	32,342,649,666	2,637,355,590	29,705,294,076	1.327405

Source: El Paso Central Appraisal District

City of El Paso  
 Direct and Overlapping Property Tax Rates  
 Last Ten Fiscal Years  
 (rate per \$100 of assessed value)

Fiscal Year	City Direct Rates						Overlapping Rates			
	City of El Paso		County of El Paso	Univeristy Medical Center*	El Paso Community College	Total Direct	Canutillo	El Paso	Socorro	Ysleta
	Basic Rate	Debt Service Rate					Independent School District	Independent School	Independent School District	Independent School District
2002	\$ 0.542100	0.177733	0.361434	0.185468	0.127499	1.394234	1.606870	1.571579	1.558769	1.549581
2003	0.542100	0.177733	0.396610	0.185468	0.131389	1.433300	1.710000	1.571579	1.615500	1.555755
2004	0.542100	0.177733	0.410817	0.187128	0.136637	1.454415	1.700000	1.571100	1.602500	1.570482
2005	0.524662	0.172015	0.432259	0.187128	0.136637	1.452701	1.741537	1.653500	1.637700	1.757438
2006	0.508371	0.188306	0.432259	0.187128	0.132844	1.448908	1.734946	1.673500	1.627582	1.735903
2007	0.481420	0.190906	0.391390	0.186000	0.120998	1.370714	1.664996	1.523500	1.493689	1.540000
2008	0.453290	0.217800	0.360267	0.172281	0.111967	1.315605	1.334946	1.203500	1.168195	1.330000
2009	0.429000	0.204000	0.342437	0.181504	0.106841	1.263782	1.292095	1.235000	1.188194	1.330000
2010	0.428400	0.225300	0.363403	0.182124	0.107329	1.306556	1.292100	1.235000	1.179690	1.330000
2011	0.429236	0.229168	0.361196	0.192363	0.115442	1.327405	1.422100	1.235000	1.209794	1.330000

\* Formerly Thomason Hospital

Source: City of El Paso Consolidated Tax Office

City of El Paso  
Principal Property Taxpayers  
Last Nine Fiscal Years \*

Taxpayer	2011			2010			2009			2008			2007		
	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **
Western Refining Company LP	1	\$ 365,773,766	1.23%	1	\$ 437,864,181	1.48%	1	\$ 551,898,344	1.92%	1	\$ 484,120,783	1.85%	1	\$ 316,643,289	1.34%
Tenet Hospitals L.P.	2	235,064,997	0.79%	6	77,541,744	0.26%	5	145,765,632	0.51%	6	90,943,244	0.35%	6	70,640,340	0.30%
El Paso Electric Co	3	193,543,531	0.65%	4	177,389,488	0.60%	3	163,056,121	0.57%	3	156,901,556	0.60%	2	164,602,042	0.70%
River Oaks Properties, LTD	4	185,268,519	0.62%	2	194,452,799	0.66%	4	162,897,474	0.57%	5	126,809,506	0.49%	5	92,524,243	0.39%
Simon Property Group	5	182,874,385	0.62%	3	181,907,499	0.62%	2	183,991,161	0.64%	2	183,343,167	0.70%	4	125,809,255	0.53%
Southwestern Bell Telephone	6	100,291,294	0.34%	5	107,972,696	0.37%	6	117,617,702	0.41%	4	134,774,323	0.52%	3	146,805,322	0.62%
Texas Gas Service	7	59,059,170	0.20%	10	53,331,350	0.18%	7	50,915,990	0.18%	8	49,585,780	0.19%	10	44,735,970	0.19%
Cardinal Health 5 LLC	8	53,890,353	0.18%	7	71,978,445	0.24%									
Freeport-Mcmoran	9	52,294,195	0.18%												
El Paso Outlet Center LLC	10	50,922,114	0.17%	9	54,639,866	0.19%	10	43,911,665	0.15%						
Phelps Dodge Refining Group				8	54,871,102	0.19%	8	50,393,506	0.18%	7	64,418,453	0.25%	7	61,055,402	0.26%
E I Du Pont Nemours & Co. SFPP LP							9	47,085,968	0.16%						
Time Warner Entertainment										9	36,242,542	0.14%			
Hoover Co										10	35,190,910	0.13%			
Texas Cable PTNRS LP													8	59,999,457	0.25%
Chevron U.S.A. Inc.													9	49,750,969	0.21%
Elcon Inc.															
<b>T O T A L :</b>		<b>\$ 1,478,982,324</b>	<b>4.98%</b>		<b>\$ 1,411,949,170</b>	<b>4.78%</b>		<b>\$ 1,517,533,563</b>	<b>5.28%</b>		<b>\$ 1,362,330,264</b>	<b>5.22%</b>		<b>\$ 1,132,566,289</b>	<b>4.81%</b>
<b>Total Taxable Value:</b>		<b>\$ 29,705,294,076</b>			<b>\$29,532,322,376</b>			<b>\$28,720,179,301</b>			<b>\$ 26,112,240,496</b>			<b>\$ 23,564,621,029</b>	

Taxpayer	2006			2005			2004			2003		
	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **	Rank	Taxable Assessed Value	Percentage of Total City Taxable Assessed Value **
Western Refining Company LP	1	\$ 152,765,190	0.73%	2	\$ 143,953,503	0.73%	8	\$ 57,219,365	0.31%	5	\$ 63,094,665	0.37%
Tenet Hospitals L.P.	6	64,999,721	0.31%	8	65,083,799	0.33%	9	54,759,250	0.30%	7	59,752,160	0.35%
El Paso Electric Co	4	91,353,332	0.43%	4	89,539,447	0.45%	4	85,676,781	0.47%	4	84,380,660	0.49%
River Oaks Properties, LTD	5	80,236,379	0.38%	6	67,573,235	0.34%	7	58,472,352	0.32%	9	52,123,316	0.30%
Simon Property Group	3	126,006,455	0.60%	3	123,378,359	0.62%	2	165,433,746	0.91%	2	163,626,828	0.95%
Southwestern Bell Telephone	2	145,917,309	0.69%	1	153,413,474	0.78%	1	187,574,727	1.03%	1	182,324,239	1.06%
Texas Gas Service	10	40,003,890	0.19%	9	53,313,050	0.27%			0.00%			0.00%
Cardinal Health 5 LLC												
Freeport-Mcmoran												
El Paso Outlet Center LLC												
Phelps Dodge Refining Group	7	64,227,070	0.31%	7	65,627,406	0.33%	5	71,199,874	0.39%	5	69,785,761	0.41%
E I Du Pont Nemours & Co. SFPP LP												
Time Warner Entertainment												
Hoover Co	8	63,913,571	0.30%	5	67,815,126	0.34%	6	58,949,718	0.32%	8	57,572,129	0.33%
Texas Cable PTNRS LP	9	49,397,000	0.23%	10	46,831,704	0.24%			0.00%	10	43,123,211	0.25%
Chevron U.S.A. Inc.							3	91,710,781	0.50%	3	106,817,743	0.62%
Elcon Inc.							10	46,752,306	0.26%			
<b>T O T A L :</b>		<b>\$ 878,819,917</b>	<b>4.17%</b>		<b>\$ 876,529,103</b>	<b>4.43%</b>		<b>\$ 877,748,900</b>	<b>4.81%</b>		<b>\$ 882,600,712</b>	<b>5.13%</b>
<b>Total Taxable Value:</b>		<b>\$ 21,049,729,593</b>			<b>\$19,771,024,642</b>			<b>\$18,237,647,873</b>			<b>\$ 17,205,865,441</b>	

\* GASB Statement No. 34 was implemented in fiscal year 2002.

\*\* Real and Personal Property

Source: El Paso Central Appraisal District

City of El Paso  
Property Tax Levies and Collections  
Last Ten Fiscal Years

Fiscal Year Ended August 31,	Taxes Levied for the Fiscal Year	Collected within the Fiscal Year of the Levy		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
2002	\$ 123,853,497	120,757,156	97.50%	\$ 2,677,460	123,434,616	99.66%
2003	127,389,296	124,077,174	97.40%	2,908,195	126,985,369	99.68%
2004	131,298,376	128,160,345	97.61%	2,701,615	130,861,960	99.67%
2005	137,734,528	134,787,009	97.86%	2,364,226	137,151,235	99.58%
2006	146,635,617	143,887,888	98.13%	2,175,495	146,063,383	99.61%
2007	158,386,697	154,736,687	97.70%	3,067,734	157,804,421	99.63%
2008	175,451,542	171,835,488	97.94%	2,784,042	174,619,530	99.53%
2009	192,047,333	187,626,344	97.70%	3,140,029	190,766,373	99.33%
2010	197,879,934	193,767,422	97.92%	2,037,773	195,805,195	98.95%
2011	205,378,587	201,023,534	97.88%	-	201,023,534	97.88%

Source: City of El Paso Consolidated Tax Office

City of El Paso, Texas  
 Personal Income by Industry  
 Last Six Calendar Years\*  
 (in thousands)

Line Title	2004	2005	2006	2007	2008	2009
Personal income	15,957,191	17,099,830	18,409,671	19,654,556	21,314,594	22,073,477
Population (persons) 2/	702,433	708,683	720,756	727,828	738,416	751,296
Per capita personal income (dollars)	22,717	24,129	25,542	27,004	28,865	29,381
Earnings by place of work	12,906,338	13,635,289	14,627,346	15,316,408	16,069,599	16,300,650
less: Contributions for government social insurance 3/	1,179,837	1,245,932	1,313,767	1,393,671	1,463,623	1,528,667
Employee and self-employed contributions for government social insura	602,116	637,364	682,735	726,524	770,077	797,537
Employer contributions for government social insurance	577,721	608,568	631,032	667,147	693,546	731,130
plus: Adjustment for residence 4/	(568,162)	(573,252)	(598,712)	(658,714)	(648,909)	(539,210)
equals: Net earnings by place of residence	11,158,339	11,816,105	12,714,867	13,264,023	13,957,067	14,232,773
plus: Dividends, interest, and rent 5/	1,687,410	1,866,370	2,078,992	2,418,813	2,935,510	2,926,514
plus: Personal current transfer receipts	3,111,442	3,417,355	3,615,812	3,971,720	4,422,017	4,914,190
Wage and salary disbursements	8,062,101	8,431,884	9,082,161	9,777,598	10,265,608	10,458,021
Supplements to wages and salaries	2,143,816	2,324,365	2,516,058	2,690,631	2,913,606	3,184,152
Employer contributions for employee pension and insurance funds	1,566,095	1,715,797	1,885,026	2,023,484	2,220,060	2,453,022
Employer contributions for government social insurance	577,721	608,568	631,032	667,147	693,546	731,130
Proprietors' income 6/	2,700,421	2,879,040	3,029,127	2,848,179	2,890,385	2,658,477
Farm proprietors' income	13,636	15,862	3,760	4,632	1,144	533
Nonfarm proprietors' income	2,686,785	2,863,178	3,025,367	2,843,547	2,889,241	2,657,944
Farm earnings	22,999	26,066	11,774	14,060	11,357	10,717
Nonfarm earnings	12,883,339	13,609,223	14,615,572	15,302,348	16,058,242	16,289,933
Private earnings	9,268,944	9,704,674	10,273,473	10,486,308	10,712,652	10,442,514
Forestry, fishing, and related activities	17,942	20,429	21,503	19,848	19,142	18,969
Forestry and logging	342	665	535	529	444	485
Fishing, hunting, and trapping	(D)	(D)	(D)	(D)	(D)	(D)
Agriculture and forestry support activities	(D)	(D)	(D)	(D)	(D)	(D)
Mining	13,880	17,909	21,340	20,868	40,029	33,239
Oil and gas extraction	(D)	10,416	10,938	11,589	24,021	(D)
Mining (except oil and gas)	(D)	2,905	3,441	3,176	4,798	(D)
Support activities for mining	(D)	4,588	6,961	6,103	11,210	8,554
Utilities	89,811	98,698	107,053	107,443	107,621	112,209
Construction	715,122	788,624	819,817	975,771	963,499	885,573
Construction of buildings	255,350	294,103	300,444	354,937	332,836	287,290
Heavy and civil engineering construction	65,085	71,596	89,928	108,957	131,413	148,586
Specialty trade contractors	394,687	422,925	429,445	511,877	499,250	449,697
Manufacturing	1,376,171	1,321,977	1,506,146	1,384,801	1,343,425	1,228,443
Durable goods manufacturing	737,649	691,416	717,515	656,112	689,306	616,860
Wood product manufacturing	18,404	13,925	13,105	11,205	8,849	7,702
Nonmetallic mineral product manufacturing	81,269	100,912	124,267	93,842	85,296	83,782
Primary metal manufacturing	86,694	81,770	79,352	80,436	82,879	61,583
Fabricated metal product manufacturing	89,497	112,258	138,985	144,242	149,170	136,783
Machinery manufacturing	48,845	47,290	45,006	42,467	37,105	31,843
Computer and electronic product manufacturing	85,810	76,373	76,403	61,828	43,245	46,613
Electrical equipment and appliance manufacturing	112,981	101,905	88,901	79,517	80,870	100,090
Motor vehicles, bodies and trailers, and parts manufacturing	(D)	(D)	(D)	(D)	(D)	(D)
Other transportation equipment manufacturing	(D)	(D)	(D)	(D)	(D)	(D)
Furniture and related product manufacturing	22,887	22,075	21,564	16,846	13,927	12,515
Miscellaneous manufacturing	38,477	40,918	42,746	41,714	37,108	34,230
Nondurable goods manufacturing	638,522	630,561	788,631	728,689	654,119	611,583
Food manufacturing	79,899	78,269	84,081	78,349	82,848	81,616
Beverage and tobacco product manufacturing	19,649	19,388	18,544	18,493	19,187	20,027
Textile mills	18,363	16,088	14,346	16,783	17,662	10,964
Textile product mills	(D)	(D)	(D)	(D)	(D)	(D)
Apparel manufacturing	101,420	78,275	59,637	53,965	54,369	51,021
Leather and allied product manufacturing	29,073	33,157	35,521	33,479	33,771	34,274
Paper manufacturing	40,753	43,659	45,626	49,760	50,271	48,176
Printing and related support activities	26,661	27,693	29,834	28,769	26,322	22,948
Petroleum and coal products manufacturing	(D)	(D)	(D)	(D)	(D)	(D)
Chemical manufacturing	130,655	130,225	159,198	141,858	130,864	112,581
Plastics and rubber products manufacturing	75,040	63,010	66,622	62,850	55,727	43,085
Wholesale trade	614,359	640,558	695,975	746,884	739,784	666,255
Retail trade	995,040	1,035,968	1,074,548	1,139,120	1,074,969	1,031,193
Motor vehicle and parts dealers	235,286	256,929	260,733	275,556	260,391	231,454
Furniture and home furnishings stores	31,110	33,392	36,713	37,847	35,342	30,705
Electronics and appliance stores	47,899	32,736	29,213	30,775	30,278	25,559
Building material and garden supply stores	56,840	68,584	80,311	82,481	73,578	70,503
Food and beverage stores	120,393	121,268	126,681	122,650	125,417	128,516
Health and personal care stores	72,606	76,298	81,569	84,471	84,413	87,806
Gasoline stations	47,562	49,335	50,710	77,028	51,302	50,616

City of El Paso, Texas  
 Personal Income by Industry  
 Last Six Calendar Years\*  
 (in thousands)

Line Title	2004	2005	2006	2007	2008	2009
Clothing and clothing accessories stores	71,497	75,698	83,226	89,746	87,992	87,079
Sporting goods, hobby, book and music stores	24,911	26,231	27,283	25,901	23,797	23,220
General merchandise stores	179,627	181,343	189,363	201,873	207,391	203,950
Miscellaneous store retailers	64,415	70,870	64,103	63,154	57,624	54,863
Nonstore retailers	42,894	43,284	44,643	47,638	37,444	36,922
Transportation and warehousing	749,435	818,882	867,714	912,978	913,520	867,800
Air transportation	23,938	28,520	30,374	32,920	34,950	32,208
Rail transportation	84,120	89,846	92,041	90,874	90,479	82,885
Water transportation	276	122	285	335	405	(D)
Truck transportation	363,421	399,242	439,396	482,649	430,992	407,911
Transit and ground passenger transportation	38,915	41,555	37,447	33,009	30,863	26,642
Pipeline transportation	(D)	(D)	(D)	(D)	(D)	127,142
Scenic and sightseeing transportation	(D)	(D)	(D)	(D)	(D)	(D)
Support activities for transportation	79,495	92,358	95,072	98,522	105,118	93,967
Couriers and messengers	35,487	41,972	41,970	44,834	44,091	47,557
Warehousing and storage	51,363	47,635	46,560	44,264	55,916	47,710
Information	281,993	244,203	268,844	287,054	304,507	281,701
Publishing industries, except Internet	41,260	34,959	39,613	38,957	35,013	28,889
Motion picture and sound recording industries	14,768	(D)	4,531	(D)	(D)	(D)
Broadcasting, except Internet	54,593	52,741	58,785	62,623	65,246	61,180
Internet publishing and broadcasting 7/	-	-	(D)	(NA)	(NA)	(NA)
Telecommunications	150,833	130,282	141,707	148,501	170,681	159,791
ISPs, search portals, and data processing	(D)	21,119	23,659	29,793	26,501	22,867
Other information services 7/	(D)	(D)	(D)	(D)	(D)	(D)
Finance and insurance	378,495	409,897	425,294	441,806	454,050	453,296
Monetary authorities - central bank	(D)	(D)	(D)	(D)	(D)	(D)
Credit intermediation and related activities	198,831	218,595	207,188	221,439	226,021	225,800
Securities, commodity contracts, investments	31,493	32,400	41,758	41,600	40,016	33,431
Insurance carriers and related activities	137,143	147,052	163,698	160,000	168,291	174,123
Funds, trusts, and other financial vehicles	(D)	(D)	(D)	(D)	(D)	(D)
Real estate and rental and leasing	851,157	914,837	982,217	700,977	807,556	777,218
Real estate	440,063	503,061	468,178	325,094	337,901	353,307
Rental and leasing services	(D)	(D)	(D)	(D)	(D)	(D)
Lessors of nonfinancial intangible assets	(D)	(D)	(D)	(D)	(D)	(D)
Professional, scientific, and technical services	409,448	455,258	503,107	541,924	579,530	578,884
Management of companies and enterprises	35,241	33,943	35,270	51,791	31,182	33,056
Administrative and waste management services	462,045	487,625	560,191	609,777	678,393	692,364
Administrative and support services	442,178	465,914	538,829	587,698	657,759	671,411
Waste management and remediation services	19,867	21,711	21,362	22,079	20,634	20,953
Educational services	72,043	75,168	81,849	89,291	93,547	95,197
Health care and social assistance	1,317,469	1,416,158	1,366,855	1,466,242	1,548,573	1,665,877
Ambulatory health care services	692,963	738,625	768,154	834,387	935,295	997,308
Hospitals	405,794	418,070	342,064	354,968	345,177	382,882
Nursing and residential care facilities	76,473	75,656	83,986	106,782	90,829	94,954
Social assistance	142,239	183,807	172,651	170,105	177,272	190,733
Arts, entertainment, and recreation	54,702	54,458	57,058	56,623	54,958	56,071
Performing arts and spectator sports	(D)	(D)	(D)	(D)	23,863	25,485
Museums, historical sites, zoos, and parks	(D)	(D)	(D)	(D)	430	604
Amusement, gambling, and recreation	29,967	28,202	30,652	29,787	30,665	29,982
Accommodation and food services	400,609	406,182	410,059	435,657	454,456	468,047
Accommodation	44,605	42,791	40,160	46,612	44,357	46,758
Food services and drinking places	356,004	363,391	369,899	389,045	410,099	421,289
Other services, except public administration	433,982	463,900	468,633	497,453	503,911	497,122
Repair and maintenance	131,163	142,847	148,667	156,355	153,978	150,312
Personal and laundry services	97,319	111,686	100,236	105,484	101,475	100,526
Membership associations and organizations	175,324	178,610	186,322	198,453	209,048	210,252
Private households	30,176	30,757	33,408	37,161	39,410	36,032
Government and government enterprises	3,614,395	3,904,549	4,342,099	4,816,040	5,345,590	5,847,419

City of El Paso, Texas  
 Personal Income by Industry  
 Last Six Calendar Years\*  
 (in thousands)

Line Title	2004	2005	2006	2007	2008	2009
Federal, civilian	740,514	785,410	842,915	930,735	1,035,362	1,122,282
Military	864,483	998,363	1,278,836	1,504,349	1,803,601	2,087,420
State and local	2,009,398	2,120,776	2,220,348	2,380,956	2,506,627	2,637,717
State government	307,201	332,050	357,972	373,431	401,194	444,059
Local government	1,702,197	1,788,726	1,862,376	2,007,525	2,105,433	2,193,658

1. The estimates of earnings for 2001-2006 are based on the 2002 North American Industry Classification System (NAICS). The estimates for 2007 forward are based on the 2007 NAICS.
  2. Census Bureau midyear population estimates. Estimates for 2001-2009 reflect county population estimates available as of April 2010.
  3. Contributions for government social insurance are included in earnings by type and industry but they are excluded from personal income.
  4. The adjustment for residence is the net inflow of the earnings of interarea commuters. For the United States, it consists of adjustments for border workers:  
 Wage and salary disbursements to U.S. residents commuting to Canada less wage and salary disbursements to Canadian and Mexican residents commuting into the United States.
  5. Rental income of persons includes the capital consumption adjustment.
  6. Proprietors' income includes the inventory valuation adjustment and capital consumption adjustment.
  7. Under the 2007 NAICS, internet publishing and broadcasting was reclassified to other information services.
    - All state and local area dollar estimates are in current dollars (not adjusted for inflation).
- (D) Not shown to avoid disclosure of confidential information, but the estimates for this item are included in the totals.  
 (N) Data not available for this year

Source: Regional Economic Information System, Bureau of Economic Analysis, US Department of Commerce  
 CA05N Footnotes  
 Regional Economic Information System  
 Bureau of Economic Analysis  
 April 2010'

<http://www.bea.gov/regional/reis/default.cfm?selTable=CA05N&series=NAICS>



City of El Paso  
Taxable Sales by Category  
Last Ten Calendar Years  
(in thousands of dollars)  
(modified accrual basis of accounting)

	Calendar Year									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011*</u>
Agriculture, Forrestry, Fishing	46	17	161	166	473	205	113	93	252	482
Mining	3	132	40	24	-	15	13	39	403	42
Construction	92,562	99,011	112,206	118,304	132,651	136,255	146,606	142,424	131,265	59,512
Manufacturing	132,675	148,023	151,906	165,985	168,140	187,616	184,706	156,332	143,163	80,222
Transportation, Communications & Utilities **	197,587	181,554	198,571	194,493	229,346	232,043	241,012	224,418	236,777	102,542
Wholesale Trade	195,351	195,552	236,296	237,256	253,011	283,054	287,614	298,045	286,996	143,163
Retail Trade	2,525,064	2,577,507	2,741,186	2,966,533	3,188,524	3,358,384	3,408,641	3,250,396	3,472,229	1,712,201
Finance, Insurance & Real Estate	70,770	76,153	84,249	98,610	112,040	102,498	94,271	82,096	82,938	40,309
Services **	828,580	870,096	908,032	983,950	1,052,362	1,116,597	1,165,328	1,165,965	1,106,523	657,661
Public Administration	-	-	1,202	2,911	2,621	3,711	4,058	2,950	4,624	2,273
Nonclassifiable Establishments	-	-	-	-	-	-	-	-	-	-
Other **	18,863	5,982	4,857	58	36	-	-	47	20	10
<b>Total</b>	<u>4,061,501</u>	<u>4,154,027</u>	<u>4,438,706</u>	<u>4,768,290</u>	<u>5,139,204</u>	<u>5,420,378</u>	<u>5,532,362</u>	<u>5,322,805</u>	<u>5,465,190</u>	<u>2,798,417</u>

\* Based on two calendar quarters of 2011

\*\* Industries varied in category beginning FY07

Source: Texas Comptroller of Public Accounts

City of El Paso  
Ratios of Outstanding Debt by Type  
Last Ten Fiscal Years  
(dollars in thousands, except per capita)

Governmental Activities

Fiscal Year	General Obligation Bonds	Contractual Obligations	Certificates of Obligations	Note Payable	Commercial Paper	Total Government	Percentage of Actual Property Value	Per Capita
2002	\$ 187,225	\$ 3,100	\$ 151,615		\$ 7,000	\$ 348,940	2.022%	\$ 504.14
2003	174,625	1,600	185,496		20,000	381,721	2.145%	541.70
2004	162,330		176,403		40,500	379,233	2.085%	528.76
2005	262,955		70,387		79,500	412,842	2.082%	565.70
2006	303,150		61,046		99,500	463,696	2.203%	614.10
2007	520,415		88,000			608,415	2.582%	792.40
2008	554,630		80,631			635,261	2.433%	829.73
2009	637,485		135,648	11,101		784,234	2.731%	1,041.87
2010	612,835		197,966	14,076		824,877	2.793%	958.69
2011	586,965		263,632	12,994		863,591	2.907%	965.64

Businesstype Activities

Fiscal Year	Revenue Bonds	Certificates of Obligations	Contractual Obligations	Note Payable	Total Primary Government	Percentage of Actual Property Value	Per Capita
2002	\$ 39,555	\$ 24,568	\$ 467	\$ 5,245	\$ 418,775	2.427%	\$ 605.03
2003	35,930	24,998	241	10,129	453,019	2.546%	642.88
2004	38,660	21,756	-	9,255	448,904	2.468%	625.90
2005	33,930	18,478	-	8,585	473,835	2.390%	649.30
2006	32,010	15,159	-	8,094	518,959	2.465%	687.30
2007	30,030	12,510	-	7,383	658,338	2.794%	857.42
2008	27,565	12,439	-	12,753	688,018	2.635%	898.32
2009	25,025	9,977	-	11,686	830,922	2.893%	1,104.79
2010	23,100	18,943	-	10,577	877,497	2.971%	1,016.58
2011	37,800	24,648	-	15,105	941,144	3.168%	1,023.95

City of El Paso  
Ratios of Net General Bonded Debt Outstanding  
Last Ten Fiscal Years  
(dollars in thousands, except per capita)

General Bonded Debt Outstanding							
Fiscal Year	Population*	Taxable Assessed Value	Gross Bonded Debt	Less Debt Service Fund	Net Bonded	Percentage of Actual Taxable Value of Property	Per Capita
2002	692,152	\$ 17,256,276	366,982	11,601	355,381	2.059%	523.55
2003	704,671	17,794,590	386,980	5,577	381,403	2.143%	541.22
2004	717,211	18,188,913	400,990	511	400,479	2.202%	558.38
2005	729,791	19,829,502	431,320	2,625	428,695	2.162%	587.42
2006	755,085	21,049,730	478,855	2,317	476,538	2.264%	634.17
2007	767,814	23,564,621	620,925	4,470	616,455	2.616%	802.87
2008	780,613	26,112,240	647,700	5,480	642,220	2.459%	822.71
2009	742,062	28,720,179	783,110	5,711	777,399	2.707%	1,047.62
2010	806,450	29,532,322	829,745	5,329	824,416	2.792%	1,022.28
2011	800,647	29,706,294	875,245	6,208	869,037	2.925%	1,085.42

Population amount was taken from the City of El Paso Development Services, Planning Division Demographic Report  
Source: Bonded debt and tax collections are taken from the 2003-2007 State of Texas Financial Statements.

\* County of El Paso estimated population was the most readily available (City population is roughly 85% of County)

City of El Paso  
 Direct and Overlapping Governmental Activities Debt  
 As of August 31, 2011  
 (dollars in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable</u>	<u>Estimated Share of Overlapping Debt</u>
<u>Overlapping Debt</u>			
Canutillo Independent School District	\$ 88,180	70.67%	\$ 62,317
El Paso County	143,288	87.07%	124,761
El Paso County Hospital District*	256,085	87.07%	222,973
El Paso Community College District	60,490	87.07%	52,669
El Paso Independent School District	464,843	99.51%	462,565
Socorro Independent School District	358,738	74.19%	266,148
Ysleta Independent School District	269,197	99.89%	268,901
<u>City direct Debt</u>	857,667	100.00%	857,667
Total direct and overlapping debt			<u><u>\$ 2,318,000</u></u>

\* Known as University Medical Center of El Paso

Source: Texas Bond Review Board Website and El Paso Central Appraisal District

City of El Paso  
Legal Debt Margin Information  
Last Ten Fiscal Years

<u>Legal Debt Margin Calculation for Fiscal Year 2011</u>	
Assessed value	\$ 29,706,294,076
Debt limit ( 10 percent of assessed value)	2,970,629,408
Debt applicable to limit:	
General obligation bonds & other property tax supported debt	928,149,628
Less: Special Revenue Bonds	(52,904,628)
Amount set aside for repayment of general obligation debt	<u>(6,208,314)</u>
Total net debt applicable to limit	<u>\$ 869,036,686</u>

	<u>Fiscal Year</u>									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt Limit	\$ 1,724,697,692	1,774,098,599	1,830,955,774	1,983,249,286	2,104,972,959	2,356,462,103	2,611,224,050	2,872,017,930	2,953,232,238	2,970,629,408
Total net debt applicable to limit	<u>355,171,890</u>	<u>378,956,115</u>	<u>400,479,235</u>	<u>433,944,987</u>	<u>436,433,935</u>	<u>616,471,827</u>	<u>630,971,213</u>	<u>777,398,893</u>	<u>824,416,017</u>	<u>869,036,686</u>
Legal debt margin	<u>\$ 1,369,525,802</u>	<u>1,395,142,484</u>	<u>1,430,476,539</u>	<u>1,549,304,299</u>	<u>1,668,539,024</u>	<u>1,739,990,276</u>	<u>1,980,252,837</u>	<u>2,094,619,037</u>	<u>2,128,816,221</u>	<u>2,101,592,722</u>
Total net debt applicable to the limit as a percentage of debt limit	20.6%	21.4%	21.9%	21.9%	20.7%	26.2%	24.2%	27.1%	27.9%	29.3%

Source: City of El Paso Financial Statements 2002-2011

City of El Paso  
Pledged Revenue Bond Coverage  
Last Ten Fiscal years

Revenue Bond Coverage						
El Paso International Airport						
Fiscal Year	Gross Revenue	Less: Operating Expenses <sup>1</sup>	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2002	\$ 25,611,418	19,202,056	6,409,362	3,195,000		2.01
2003	26,550,468	15,606,206	10,944,262	3,365,000	2,023,099	2.03
2004	27,578,045	17,263,487	10,314,558	4,479,023	920,977	1.91
2005	30,121,596	20,144,373	9,977,223	3,420,000	575,425	2.50
2006	30,879,727	20,899,485	9,980,242	560,000	438,625	9.99
2007	33,771,357	23,408,336	10,363,021	575,000	421,825	10.40
2008	35,271,685	26,893,108	8,378,577	1,000,000	404,575	5.97
2009	33,851,351	26,328,769	7,522,582	1,000,000	374,575	5.47
2010	34,907,576	26,189,300	8,718,276	1,020,000	342,075	6.40
2011	34,709,262	27,167,291	7,541,971	1,060,000	305,100	5.52
Department of Environmental Services						
Fiscal Year	Gross Revenue	Less: Operating Expenses <sup>1</sup>	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2002	\$ 25,630,336	18,068,598	7,561,738	2,774,201	938,252	2.04
2003	27,255,280	19,913,561	7,341,719	3,406,474	1,188,536	1.60
2004	29,447,618	21,470,299	7,977,319	3,454,703	1,171,229	1.72
2005	28,609,380	8,267,450	20,341,930	1,025,000	1,070,388	9.71
2006	34,867,563	23,986,740	10,880,823	1,060,000	1,039,638	5.18
2007	37,445,758	22,975,513	14,470,245	1,095,000	1,007,838	6.88
2008	41,703,614	26,743,859	14,959,755	1,145,000	953,088	7.13
2009	41,310,894	23,202,237	18,108,657	1,200,000	895,838	8.64
2010	44,790,906	24,836,014	19,954,892	545,000	835,838	14.45
2011	50,528,757	29,727,918	20,800,839	570,000	808,588	15.09
Other Enterprise Funds						
Fiscal Year	Gross Revenue	Less: Operating Expenses <sup>1</sup>	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2002	\$ 10,521,134	2,086,471	8,434,663	245,000	116,909	23.31
2003	11,116,917	2,525,761	8,591,156	260,000	106,113	23.47
2004	12,000,216	2,143,803	9,856,413	297,606	100,890	24.73
2005	14,192,515	2,264,489	11,928,026	313,754	87,528	29.72
2006	14,613,388	2,481,045	12,132,343	329,950	73,240	30.09
2007	14,415,189	2,684,476	11,730,713	341,196	58,193	29.37
2008	16,677,380	2,884,344	13,793,036	1,314,988	820,647	6.46
2009	14,926,788	4,275,024	10,651,764	340,000	25,535	29.14
2010	16,124,924	3,127,361	12,997,563	360,000	8,730	35.25
2011	16,475,270	3,370,509	13,104,761			N/A

Source: City of El Paso Financial Statements 2002-2011

<sup>1</sup> Does not include depreciation.

City of El Paso  
Principal Employers  
Last Five Fiscal Years

Employer	2011(f)			2010 (e)			2009 (d)			2008 (c)			2007 (a)		
	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment	Employees	Rank	Percentage of Total City Employment
Fort Bliss	13,000	1	3.98%	15,000	1	5.33%	6,376	3	2.36%	6,006	4	2.14%	10,000	1	3.66%
El Paso Independent School District	10,000	2	3.06%	10,000	2	3.55%	8,995	1	3.32%	8,859	1	3.15%	9,000	2	3.29%
Ysleta Independent School District	7,849	3	2.40%	8,601	3	3.06%	8,482	2	3.13%	8,767	2	3.12%	7,200	3	2.63%
City of El Paso	6,272	4	1.92%	6,203	5	2.20%	6,143	4	2.27%	6,229	3	2.22%	6,000	5	2.19%
Socorro Independent School District	6,122	5	1.88%	5,388	6	1.91%	5,388	6	1.99%	5,433	5	1.93%	5,041	6	1.84%
T&T	5,182	6	1.59%	8,260	4	2.94%	5,500	5	2.03%	4,876	6	1.74%	4,200	7	1.54%
University of Texas at El Paso	5,081	7	1.56%	4,929	7	1.75%	4,742	8	1.75%	4,365	8	1.55%	3,400	8	1.24%
El Paso Community College	4,585	8	1.40%	4,249	8	1.51%	2,969	9	1.10%	2,997	9	1.07%			
Wal-Mart	4,080	9	1.25%	4,011	9	1.43%	4,770	7	1.76%	4,800	7	1.71%			
County of El Paso	2,847	10	0.87%	2,474	10	0.88%	2,271	10	0.84%	2,976	10	1.06%			
Sierra Providence Health Network													6,587	4	2.41%
Echostar Communications Corporation													2,900	9	1.06%
Del Sol/ Las Palmas													2,300	10	0.84%
<b>T O T A L :</b>	<b>65,018</b>		<b>19.92%</b>	<b>69,115</b>		<b>24.56%</b>	<b>55,636</b>		<b>20.56%</b>	<b>55,308</b>		<b>19.69%</b>	<b>56,628</b>		<b>20.70%</b>
 Total employed (b)	 <u>326,400</u>	 (b)		 <u>281,404</u>			 <u>270,600</u>			 <u>280,900</u>			 <u>273,500</u>		

Note: Information for 2002-2005 not available

(a) Source: El Paso Regional Economic Development Corporation (REDCO) - [www.elpasoredco.org](http://www.elpasoredco.org)

(b) Source: U.S. Dept of Labor

(c) Source: Office of Management and Budget, City of El Paso, October 2008

(d) Source: Office of Management and Budget, City of El Paso, October 2009

City of El Paso  
Demographics and Economic Statistics  
Last Ten Calendar Years

Year	Population (1)				Per Capita Personal income (2)			City of El Paso Unemployment Rate(3)
	U.S.	Change from prior Period	State of Texas	Change from prior Period	U.S.	State of Texas	Texas as a Percentage of U.S.	
2002	\$ 287,941,220		21,723,220		\$ 30,795	28,793	93.50%	7.7%
2003	290,788,976	0.9890%	22,103,374	1.7510%	31,466	29,340	93.24%	8.9%
2004	293,655,404	0.9860%	22,490,022	1.7510%	33,090	30,664	92.67%	7.1%
2005	296,507,061	0.9710%	22,928,508	1.9540%	34,471	32,460	94.17%	6.6%
2006	299,398,484	0.9750%	23,507,783	2.5260%	36,276	34,257	94.43%	6.7%
2007	301,621,157	0.7424%	23,904,380	1.6871%	38,611	37,187	96.31%	5.8%
2008	305,527,622	1.2950%	24,178,180	1.1454%	39,807 *	37,873 *	95.14%	6.5%
2009	307,912,769	0.7807%	24,326,974	0.6154%	40,208	37,774	93.95%	9.8%
2010	310,678,237	0.8981%	24,648,888	1.3233%	39,626	38,546	97.27%	9.7%
2011	312,800,424	0.6831%	25,883,999	5.0108%	39,945	37,706	94.39%	9.6%

Data Sources:

(1) Bureau of Economic Analysis, U.S. Department of Commerce

(2) Bureau of Labor Statistics, U.S. Department of Labor, Bureau of Business and Economic Research

(3) US Bureau of Labor and Statistics

\* www.ehomesearch.com projections



City of El Paso, Texas  
Employees by Funding Source and Function  
Last Ten Fiscal Years

Funding Source	2011			2010			2009			2008			2007			2006			2005			2004			2003			2002		
	Non uniformed	Police	Fire	Non uniformed	Police	Fire	Non uniformed	Police	Fire	Non uniformed	Police	Fire	Non uniformed	Police	Fire	Non uniformed	Police	Fire	Non uniformed	Police	Fire	Non uniformed	Police	Fire	Non uniformed	Police	Fire	Non uniformed	Police	Fire
General Fund	1,827	1,014	796	1,799	1,025	793	1,904	1,058	804	1,833	####	774	1,728	####	761	1,611	995	774	1,554	####	753	1,585	964	790	1,733	983	795	1,588	947	794
Community Development Block Grants	38	-	-	46	-	-	51	-	-	47	-	-	45	-	-	41	-	-	42	-	-	50	-	-	53	-	-	52	-	-
Capital Projects Fund	5	-	-	5	-	-	4	-	-	2	-	-	4	-	-	3	-	-	-	-	-	3	-	-	3	-	-	4	-	-
Federal Grants	38	15	4	27	15	4	24	14	3	23	15	4	25	17	2	28	32	2	30	46	-	39	75	-	36	111	-	29	149	-
Federal Grants-ARRA	12	-	-	8	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
State Grants	9	11	-	7	12	-	11	9	1	16	9	-	20	10	-	17	9	-	16	11	2	16	11	2	18	8	2	13	21	2
Other Grants	2	-	-	2	-	-	1	-	-	1	-	-	1	-	-	1	-	-	2	-	-	1	-	-	10	-	-	13	-	-
Public Health	-	-	-	-	-	-	-	-	-	-	-	-	153	-	-	157	-	-	150	-	-	149	-	-	156	-	-	147	-	-
Public Health-Grants	192	-	-	201	-	-	200	-	-	183	-	-	210	-	-	222	-	-	219	-	-	223	-	-	219	-	-	192	-	-
Nongrants	30	1	-	33	1	-	19	1	-	88	1	-	102	-	-	90	-	-	131	-	-	119	-	-	308	-	-	168	-	-
Supply and Support Funds	83	-	-	82	-	-	79	-	-	68	-	-	69	-	-	71	-	-	74	-	-	83	-	-	88	-	-	87	-	-
Self Insurance Funds	14	-	-	13	-	-	10	-	-	10	-	-	12	-	-	8	-	-	8	-	-	8	-	-	8	-	-	8	-	-
El Paso International Airport	221	22	28	223	22	30	227	21	28	223	22	29	230	23	28	223	19	29	210	11	22	206	17	-	203	20	-	172	21	-
International Bridges	54	-	-	54	-	-	54	-	-	52	-	-	46	-	-	46	-	-	43	-	-	43	-	-	48	-	-	42	-	-
Environmental Services	341	-	-	343	-	-	295	-	-	289	-	-	255	-	-	250	-	-	257	-	-	252	-	-	270	-	-	240	-	-
Mass Transit	622	-	-	627	-	-	608	-	-	569	-	-	564	-	-	556	-	-	567	-	-	567	-	-	597	-	-	558	-	-
Private Purpose Trusts	1	-	-	1	-	-	3	-	-	2	-	-	3	-	-	4	-	-	3	-	-	4	-	-	2	-	-	2	-	-
CRRMA Agency Fund	1	-	-	1	-	-	1	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
CEPF	4	-	-	4	-	-	4	-	-	4	-	-	4	-	-	4	-	-	4	-	-	4	-	-	5	-	-	4	-	-
	3,494	1,063	828	3,476	1,075	827	3,495	1,103	836	3,410	1,123	807	3,471	1,088	791	3,332	1,055	805	3,310	1,076	777	3,352	1,067	792	3,757	1,122	797	3,319	1,138	796
	0	-	-	0	-	-	0	-	-	0	-	-	0	-	-	0	-	-	0	-	-	0	-	-	0	-	-	0	-	-
# change from prior year	18	(12)	1	(19)	(28)	(9)	85	(20)	29	(61)	35	16	139	33	(14)	22	(21)	28	(42)	9	(15)	(405)	(55)	(5)	438	(16)	1			
% change from prior year	0.52%	-1.12%	0.03%	-0.56%	-2.49%	-1.12%	2.49%	-1.78%	3.59%	-1.76%	3.22%	2.02%	4.17%	3.13%	-1.74%	0.66%	-1.95%	3.60%	-1.25%	0.84%	-1.89%	-10.78%	-4.90%	-0.63%	13.20%	-1.41%	0.13%			

Activity	2011	2010	2009	2008	2007	2006	2005	2004	2003	2002
Public Safety	2,345	2,341	2,366	2,372	2,328	2,219	2,212	2,231	####	2,264
Public Works	376	372	383	429	467	425	426	463	488	461
Public Health	310	316	318	302	372	379	369	372	375	339
Parks Department	292	274	305	297	282	349	389	376	614	470
General Government	246	249	264	260	275	336	331	331	375	347
Library	165	159	166	174	174	154	127	130	149	112
Culture and Recreation	155	150	148	121	136	46	40	44	51	47
Community and Human Development	58	63	57	58	58	55	53	62	60	58
Facilities Maintenance	36	35	37	-	-	-	-	-	-	-
Planning	15	15	47	47	13	14	13	12	13	11
Economic Development	38	40	15	14	14	9	7	10	14	12
Supply and Support Funds	83	82	79	68	69	71	74	83	88	87
Self Insurance Funds	3	6	10	10	12	8	8	8	8	8
Mass Transit	619	627	608	569	564	556	567	567	597	558
Environmental Services	317	315	296	289	255	250	257	252	270	240
El Paso International Airport	268	275	276	274	281	271	243	223	223	193
International Bridges	54	54	54	52	46	46	43	43	48	42
Private Purpose Trusts	-	-	-	-	-	-	-	-	-	-
CRRMA Agency Fund	1	1	1	-	-	-	-	-	-	-
CEPF	4	4	4	4	4	4	4	4	5	4
Total	5,385	5,378	5,434	5,340	5,350	5,192	5,163	5,211	5,676	5,253