

County of El Paso FY2020-2021

Uncertainties during the Pandemic

Revenue/Expense Budget Scenarios

Budget Scenarios

- Revenue Scenarios Overview
- Expense Scenario Options 4 Phase Approach
- What are our peers doing
 - National/State
- Discussion

Revenue Shortfall Scenarios

					Revenue Shortfall Scenarios			
Revenue Category	FY2021 Budget		2.7% **		5.1% **		7.6% **	10.2% **
Bingo Tax	\$ 21,000.00	\$	1,050.00	\$	2,100.00	\$	3,150.00	\$ 4,200.00
Charges for services other	\$ 32,657,774.00	\$	1,632,888.70	\$	3,265,777.40	\$	4,898,666.10	\$ 6,531,554.80
Fines	\$ 3,975,450.00	\$	198,772.50	\$	397,545.00	\$	596,317.50	\$ 795,090.00
Interest	\$ 1,324,000.00	\$	66,200.00	\$	132,400.00	\$	198,600.00	\$ 264,800.00
Integovernmental	\$ 7,281,434.00	\$	364,071.70	\$	728,143.40	\$	1,092,215.10	\$ 1,456,286.80
Liscenses and permits	\$ 289,500.00	\$	14,475.00	\$	28,950.00	\$	43,425.00	\$ 57,900.00
Miscellaneous	\$ 1,074,250.00	\$	53,712.50	\$	107,425.00	\$	161,137.50	\$ 214,850.00
Mixed Beverage	\$ 2,500,000.00	\$	125,000.00	\$	250,000.00	\$	375,000.00	\$ 500,000.00
Other Financing Sources	\$ 1,009,671.00	\$	50,483.55	\$	100,967.10	\$	151,450.65	\$ 201,934.20
Property Tax (1.5%-5%)	\$ 197,342,894.00	\$	2,960,143.41	\$	4,933,572.35	\$	7,400,358.53	\$ 9,867,144.70
Sales Tax	\$ 53,974,966.00	\$	2,698,748.30	\$	5,397,496.60	\$	8,096,244.90	\$ 10,794,993.20
Vehicle Inventory Tax	\$ 35,000.00	\$	1,750.00	\$	3,500.00	\$	5,250.00	\$ 7,000.00
Totals	\$ 301,485,939.00	\$	8,167,295.66	\$	15,347,876.85	\$	23,021,815.28	\$ 30,695,753.70
Revenue category reductions	venue category reductions for each account :		5%		10%		15%	20%
Except for Property Taxes wh	ich reductions are		1.50%		2.50%		3.75%	5%
** The percentage calculated	above take into acco	unta	overall revenue i	im	oacts			

Expense Scenario Options Summary

PHASE I – Covers up to 5.8% reduction in revenues PHASE II – Covers up to 7% reduction in revenues PHASE III - Covers up to 9.5% reduction in revenues PHASE IV – Covers up to 15.4% in revenue reduction \$17.5M \$3.5M \$7.5M <u>\$17.9M</u> \$46.4M PHASE I – Covers up to 5.8% reduction in revenues

- Operating/Capital
 - Delay/Defer Operating Equipment
 - Delay/Defer CIP contribution
 - Mobility Projects Delay/Bond
 - Storm Water Delay/Bond

- \$ 1,500,000.00
- \$ 8,000,000.00
- \$ 4,000,000.00
- \$ 4,000,000.00
- \$ 17,500,000.00

PHASE II – Covers up to 1.2% reduction in revenues
Departmental 5% Operating Budget Reductions (exclusive of accounts above)

PHASE III - Covers up to 2.5% in revenue reduction Utilize Emergency Reserve – up to \$7,500,000,

PHASE IV – ONLY in most severe circumstances, covers up to a 5.9% in revenue reduction

- Personnel
 - Hiring Freeze
 - CBA Reopen COLA/STEP (FY22)
 - TDCRS rate reduction 6%
 - Furloughs 10% PPP (non CBA)

- \$ 1,500,000.00
- 3 2,200,000.00
- \$ 3,200,000.00
- <u>\$ 11,000,000.00</u>
- \$ 17,900,000.00

PHASES I-IV cover up to a 10.2% Revenue reduction (5% in Property Tax and 20% in all other categories)

National Actions

ICMA Survey (mid July)

600 Respondents

WITHIN YOUR CURRENT FISCAL YEAR, WHICH OF THE FOLLOWING PERSONNEL ACTIONS HAVE YOU TAKEN TO MITIGATE BUDGETING CHALLENGES THAT HAVE OCCURRED AS A RESULT OF COVID-19 IMPACTS?

Hiring freeze	52%
Consolidation of responsibilities or functions	28%
Elimination of unfilled positions	27%
Salary freezes	26%
Furloughs	19%
Layoffs	11%

National Actions

ICMA Survey (mid July)

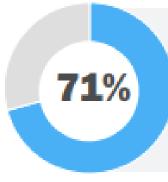
600 Respondents

THUS FAR, HOW HAS THE COVID-19 CRISIS IMPACTED YOUR PLANS FOR THE FOLLOWING TYPES OF CAPITAL IMPROVEMENTS?

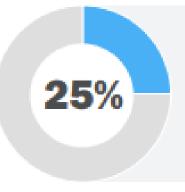
	Cancelled	Delayed
Public recreation spaces - e.g., parks, trails, plazas (n=555)	9%	51%
Other government facilities (n=559)	8%	46%
Roads, sidewalks (n=558)	5%	40%
Public safety facilities/equipment (n=543)	4%	33%
Water/sewer (n=513)	1%	24%
Hazard mitigation projects - e.g., levees, sea walls (n=444)	2%	16%
Transit (n=390)	3%	15%

National Actions

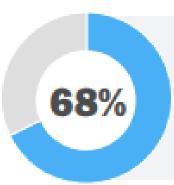
NACO Survey (197 response)



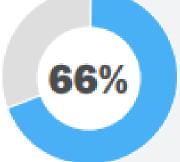
of counties have cut or delayed capital investments, including infrastructure and economic development projects



of counties have cut the county workforce, including furloughs, layoffs, requests for employees to retire early or cuts in hours, and 40 percent those counties with workforce cuts expect additional cuts within the next 12 months



of counties indicate a cut or delay to **county services**, including human services, public safety and community development support



of counties receiving **CARES Act Coronavirus Relief Fund (CRF)** dollars either indicate that the funding **will not cover** COVID-19 budget impacts or are **uncertain** if budgetary impacts will be covered

State/County Actions

- State of Texas 5% Requested Budget Reduction
 Counties
 - Montgomery
 - Lean Budget/No new requests at all
 - Fort Bend
 - 20% Budget Cuts
 - Webb
 - Freeze all non-essential spending
 - Dallas
 - Discussions on cutting Sheriff Patrol
 - IO% Budget Cuts
 - Reductions in Workforce (200)
 - Bexar
 - Hiring Freeze
 - Halt Capital and Discretionary spending
 - Halt Economic Incentive spending and incentives



Questions?

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