

Municipal Facts—City of El Paso

lot. These maps aid in the assessment by presenting to the view of the assessor, all of his territory, with comparable figures on every street. They also enable the public to judge the fairness of the assessment, and aid the Department by suggestions and criticisms.

The assessment rolls are supposed to be made up by November 1st. About December 15th, the council receives the assessment rolls and fixes the tax rate. After the tax rate is fixed the rolls are then delivered to the Assessor about January 1st. From January 1st to February 28th the taxes are collected. These collections cover the city's expenditures made during the previous fiscal year.

Beginning with March 1st, the taxes become delinquent. For failure to pay your taxes before March 1st, you pay 10% penalty, and 10% interest for the time of delinquency, in addition to a two dollar fee for recording the advertisement.

In 1919 this Department assessed and collected taxes on separate parcels of real estate. The total average cost of assessment and collection per parcel for the entire city was about \$1.21.

The Tax Ordinance

The mayor, by charter, is charged with the responsibility of submitting to the Council, prior to the annual tax levy, an estimate of expenses upon which to base the tax ordinance. This estimate is prepared after six months expenditures have been made, and the total estimate is controlled by the budget which is adopted at the beginning of each fiscal year. Tax levies are made for each of the various funds in the sinking fund, for the public schools, and for the city's general fund which is distributed to the various city departments. The tax ordinance is generally passed along about the last of December of each year.

The tax rate for the last nine years has shown slight variation. In 1911 when it was \$1.90; in 1912 and 1913 it was \$1.88, in 1914 \$1.86, in 1915 it dropped to \$1.80, while in 1916 it came back to \$1.86, in 1917 it was \$1.88, in 1918 it was \$1.87 and in 1919 it was fixed at \$1.96. The chart below shows a curve of the city's tax rate since 1900.

The assessed valuation (60% basis) for the last nine years has been as follows: In 1911, \$25,450; in 1912, \$34,389,215; in 1913, \$36,329,260; in 1914, \$38,435,720; in 1915, \$46,707,670; in 1916 it was \$50,012,660; in 1917 it was \$59,202,090; in 1918 it was \$61,377,640 and in 1919 it \$63,028,190.

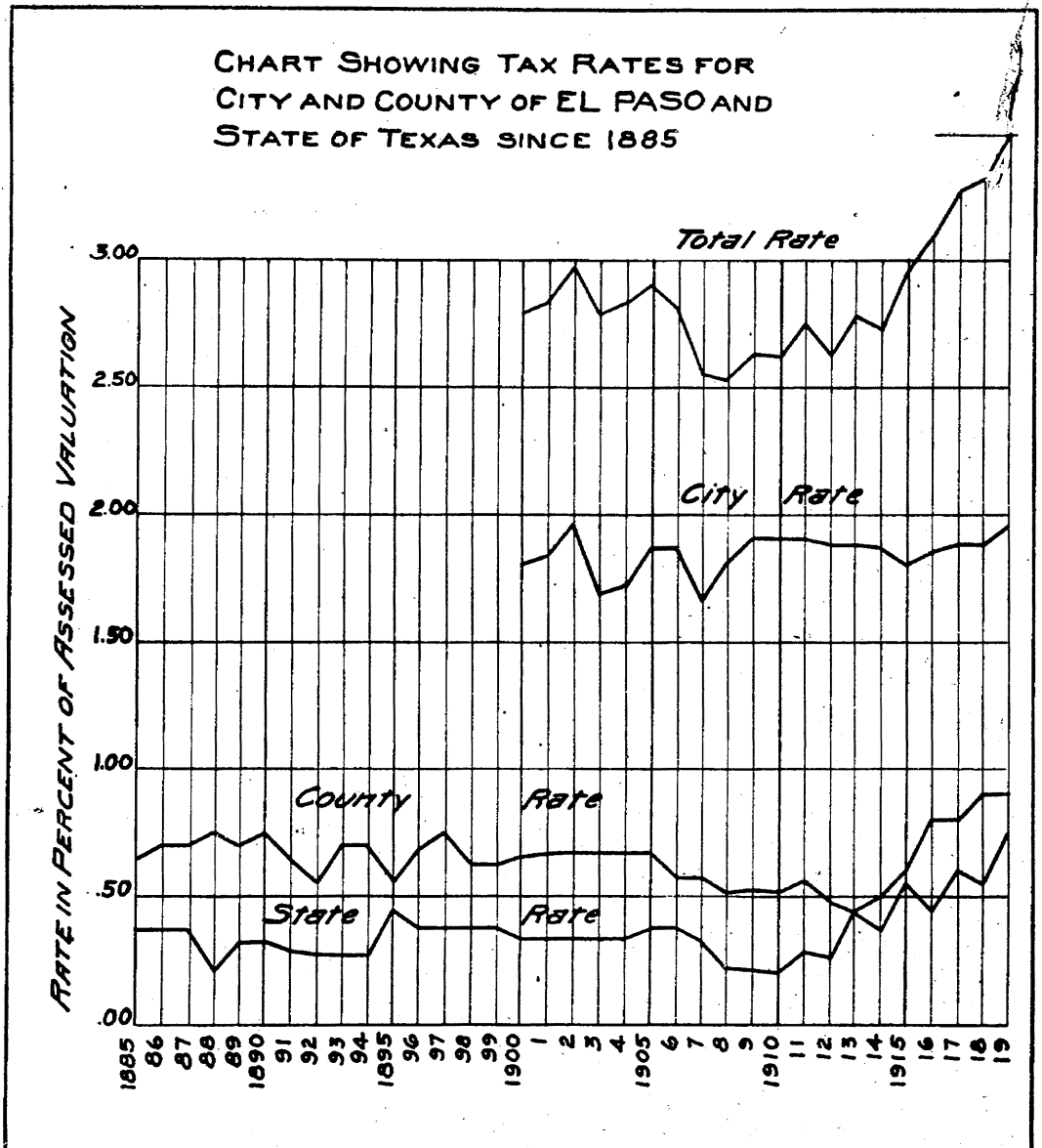
The Budget

At the beginning of the present administration a wide departure was made in the city's budget procedure. Prior to this date no plans for the entire city (as to work programme and expenditures) were made, before the passing of the tax ordinance, which was eight or nine months after the beginning of the fiscal year. The present administration installed the method of making estimates and plans at the beginning of each fiscal year, instead of at the end, and of allotting to each department and function of work their expenditure allotment for the ensuing year. In this way each department knows the plans for the ensuing year and their limitations as to expenditures. Mayor Davis, as chief executive, has been diligent in holding department heads within their budget and in this way has saved the city many thousands of dollars.

The Water Works Department under Alderman Semple was recently established on a budget basis, and to date the department has created a surplus over their budget and at the same time has turned over \$10,000 a month to the city, besides reducing the water rate.

The City's Spending Limits.

The city cannot incur an indebtedness exceeding ten per cent of the assessed value of its real estate subject to taxation. At the present time the indebtedness of the city is about \$4,840,000. The 1919 assessed value of the tax-



able real estate was \$63,028,190. Ten per cent of this value, amounts to \$6,302,819. The difference between this and the city's debt is \$1,462,819, which represents the margin of the city's legal borrowing power.

The city cannot appropriate money that would necessitate a tax in excess of two dollars on each one hundred dollars valuation. The tax rate for 1919 was \$1.96 on each one hundred dollar valuation. This left a margin of four cents. According to the state law our charter can be amended so as to provide a maximum tax rate of \$2.50 on each \$100.00 valuation.

The City's Debt and Sinking Fund.

The amount of the city debt as mentioned above is \$4,840,000. For the redemption of this debt there were assets (as of March 31, 1919) of \$840,696.51. Part of this amount is invested in city bonds and in government bonds, and the remaining draws interest at 2½%. The average interest earning on the sinking fund is slightly over 3.5%. This administration strictly adheres to the practice of making all sinking earnings a part of the total sinking fund, and has established the sinking fund on the actuarial basis which enables tax payers to receive the benefit of all future interests from accruals.

City Purchasing Department.

A department which expends yearly from a third to a half million dollars of the taxpayer's

money is necessarily an important one. The position of purchasing agent is one of the important appointive places in the administration. In this department a careful and conscientious buyer is saving the city thousands of dollars annually in the purchase of supplies, materials, machinery, etc., for use in the different departments. The office is operated on a strictly business basis, all purchases being made through competitive bidding, and it is the intention of the administration to extend to all interested the privilege of bidding on the city's requirements at such time as purchases are made. Details of requirements may be had daily at the office of the purchasing agent, at the city hall.

Under the competitive system of buying savings are effected all the way from 5% to 45%, depending upon the commodity purchased.

All supplies and materials used by the city are purchased locally except in cases where they cannot be obtained, or where local prices are prohibitive. Ten per cent and often more is paid to local merchants in order to keep the business at home, in fact, no purchases are made out of the city where the supplies, etc., are obtainable locally at reasonable prices.

All items, wherever possible, are bought at wholesale prices, and in order to buy in sufficient quantities to secure satisfactory prices, a warehouse is maintained and a stock of about \$40,000.00 is carried for the use and convenience of the different departments requiring supplies on short notice.