City of Pharr, Texas

Annual Financial Budget

PHARR
NATIONAL TRUST for HISTORIC PRESERVATION
MAIN STREET
2005 2006 2007

PHARR PRESERVE AMERICA
Explore and Enjoy Our Heritage
The Valley's First Preserve America City
2004

Pharr
All-America City
2006

For the Fiscal Year
October 1, 2008 through September 30, 2009

City of Pharr, TX

Annual Financial Budget

For the Fiscal Year
October 1, 2008 through September 30, 2009

ELECTED OFFICIALS

Leo "Polo" Palacios, Jr. - Mayor

Adan Farias
Francis Quintanilla
Oscar Elizondo, Jr.
Bobby Carrillo
Eduardo Cantu
Arturo J. Cortez

CITY MANAGER

Fred Sandoval

FINANCE DIRECTOR

Juan G. Guerra, CPA

Prepared by the Finance Department

CITY OF PHARR, TX

ANNUAL FINANCIAL BUDGET

FOR THE FISCAL YEAR
OCTOBER 1, 2008 THROUGH SEPTEMBER 30, 2008

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INTRODUCTORY SECTION

CITY OF PHARR
On the Rise!

MAYOR
Leo "Polo" Palacios, Jr.

COMMISSIONERS
Arturo J. Cortez
Roberto "Bobby" Carrillo
Oscar Elizondo, Jr.
Eduardo "Eddie" Cantu
Francisca Quintanilla
Adan Farias

CITY MANAGER
Fred Sandoval

Pharr
All-America City
2006

September 16, 2008

Citizens of Pharr, Texas
Honorable Mayor
Members of the City Commission
City of Pharr, Texas
Pharr, Texas 78577

It is my pleasure to present the budget for the fiscal year starting October 1, 2008 through September 30, 2009. All funds in the City of Pharr ("City") are presented. It has been prepared in compliance with state law, City Charter and standards established by both the Governmental Accounting Standards Board and the Governmental Finance Officers Association. At October 1, 2008, copies will be available for public reviewing in the City Secretary's office and at the Pharr Public Library. After a September 9, 2008 public hearing and an adoption date of September 16, 2008, the budget will become effective October 1, 2008.

The budget is more than a projection of revenues and expenditures/ expenses for the upcoming year. The budget is a financial plan of action to provide services to our citizens. All budget decisions were balanced against the future impact on financial resources, need for services, condition of infrastructure, and need to adequately compensate our employees.

As directed, this budget reflects the following policy decisions:

Ad Valorem Tax Rate – Attempts to responsibly reduce property taxes were analyzed. The 2008 tax rate was recommended and adopted at $0.68185/$100; this rate is a decrease of the 2007 tax rate of $0.68312/$100.

City Services – This budget reflects the directive that services be maintained at the high level of quality to which our community has become accustomed and deserves.

Personnel – Only necessary personnel were budgeted for. The City Manager's philosophy of *Thin Workforce* was adopted in order to ensure no unnecessary personnel were authorized.

The Operating Budget presents an overview of the revenues, expenditures/ expenses, and change in fund balances of all of the funds budgeted. For each individual fund, the appropriate level of detail is presented for revenues and expenditures/expenses. Each significant fund/department, as appropriate, includes a summary, presenting its purpose, goals and objectives for fiscal year 2008-2009, significant budget and service level changes, performance indicators and authorized personnel.

HISTORY OF PHARR

For many centuries, nomadic Coahuiltecans lived in the lower Rio Grande area. In the 1500's Spanish explorers came through the region, and the Spanish Government began to colonize both side of the river by the late 1700's. At the close of the U.S-Mexico War in 1846, the Rio Grande was established as the official boundary.

Located on lands originally known in the 1600's as the Seno Mejicano, in 1909, John C. Kelly, Henry N. Pharr, W.E Cage, and R.E Briggs formed the Pharr Townsite Company and founded the city of Pharr, platting and registering the new town. Kelly donated lots in the original plat for early churches, including the Methodist, Baptist, Catholic, Episcopal, and Presbyterian denominations. Pharr schools began in 1911, and the community later joined with San Juan and Alamo to create the Pharr-San Juan-and Alamo School District.

The City founders were also involved with the Louisiana- Rio Grande Canal Co., organized in 1910 to furnish irrigation and domestic water to 40,000 acres in the Pharr area by means of a Rio Grande Pumping Plant. The water system led the economy to shift from ranching to crop production, and the railroad, which came through the area in 1905 made it possible to ship the produce around the country.

Amidst the explosive growth caused by the introduction of irrigation, the coming of the railroad, and the Mexican Revolution, the City incorporated in 1916, and became a hub for the confluence of Tejano, Anglo and Mejicano influences in the region. Pharr became known as "Hub City of the Valley". Agricultural shipping and packing businesses were mainstays in the City economy.

Centrally located, Pharr played a key role as the agricultural frontier pushed into the brush and cattle country in the early 1900's to form a new fertile land dubbed the "Magic Valley". As water from the Rio Grande was being diverted for irrigation, Pharr served as headquarters for the Louisiana-Rio Grande Canal Company owned and operated by the Pharr co founders John C. Kelly and Henry N. Pharr. The company built the historic Hidalgo Pumphouse that initially irrigated 40,000 acres of land known as Pharr-Kelly tract.

Pharr, served by two state highways and the St. Louis, Brownsville and Mexico Railway Company, became a hub and a natural shipping center for the transportation and produce industries. By the early 1950's, Pharr was home to 22 processing and shipping businesses including the Valley Fruit and Vegetable Company, the largest packing facility in the world.

Pharr is situated along a 43-mile corridor, U.S Business 83, once known as the longest Main Street in America. The City's image as the Hub City was firmly established when the Texas Highway Department chose Pharr as its District 21 Headquarters in 1932. The 13,869 Sq mile district is composed of ten counties and is larger than the District of Columbia, Delaware, Connecticut and Massachusetts combined. Since the early days, Pharr sat at the cross-roads of the two most important highways in the Valley: Highways 4 and 66, known today as Memorial Highway U.S 281 and U.S Business 83 respectively. They intersect Pharr's historical Main Street District and are the basis for Hidalgo County's historical trails, making Pharr the region's historical hub as well.

With the continued growth of the lower Rio Grande Valley, Pharr remains a vital business center, and an international bridge now provides an important commercial link to Mexico. Pharr is also a center for international trade. The City boasts of the largest International Bridge in the world and is the gateway to Latin America along U.S 281. Pharr will be the terminus for Interstate Highway 69, NAFTA Corridor, linking Mexico, United States and Canada. As local tradition has it… All roads lead to Pharr, the Hub City of the Valley.

CITY ACTIVITIES & SERVICES/FUNCTIONS

The list of City activities is almost never ending. As a service to the community, local leaders have provided the assets and guidance to the employees to be able to provide a wide-array of different functions. The information below is a brief insight into just some of the activities and services/functions that the City provides to the citizens of Pharr.

Fire Suppression/Prevention and Emergency Management

The City of Pharr's Fire Department provides the community with fire suppression capabilities, educates the population on fire prevention and spearheads emergency management operations.

Law Enforcement

The City of Pharr's Police Department's main function is the protection of lives and property of the citizens of Pharr, maintaining the public order, preventing crime through uniform presence, and responding to calls for service. Specialized training has enabled the Department to maintain a SWAT team, dog handlers, crisis negotiation teams, and management of a Police Academy.

Health and Safety Enforcement

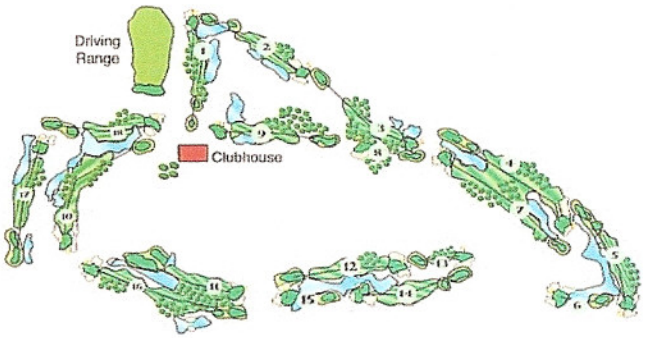
The Health Department's main function is for the protection and safety of its citizens. The Health Department conducts routine inspections of all establishments that prepare and sell alcoholic beverages. As an added incentive for the communities food handlers, training is conducted to certify food managers and handlers.

International Bridge

The Pharr-Reynosa International Bridge connects U.S. 281 to the city of Reynosa, Tamaulipas, which is an important industrial city in northeastern Mexico. The Pharr Bridge is recognized as the longest bridge, which connects two countries at a length of 3.2 miles.

Parks & Recreation

The Pharr Parks and Recreation Department consists of a total of four service areas: the parks maintenance division, recreation and athletics, a local municipal golf course, and building maintenance. The Department oversees a total of ten parks, eight landscaping areas, six public buildings, and the Tierra Del Sol Golf Club.



Water Treatment and Production

The Utility Department coordinates the efforts to collect, treat, and produce water to the City citizens. The Department operates a water treatment plant (WTP) and a wastewater treatment plant (WWTP). The WTP is a 10 million gallons per day (MGD) plant. The WWTP is a 5.0 MGD plant. The WWTP, which was expanded in 1998, is an activated aerobic sludge plant.

ACCOMPLISHMENTS OF FISCAL YEAR 2007-2008

Although there are many goals for the City to accomplish, it is not possible to list every single one of them. Because of this limitation, some goals that are deemed "major" by some people may not be included in this section of the annual budget. The major goals accomplished by the City during fiscal year 2007-2008 are as follows:

General Fund

City Manager's Office

- Restructured Finance Department administration by hiring a new highly qualified director to oversee operations
- Empowered department heads to manage and administer personnel to hire and maintain qualified employees
- Supervised all major city economic development projects as liaison for city commission, PEDC and staff
- Created Administrative Services Department to manage human resources, personnel, insurance and payroll
- Implemented and digitized vital statistics and birth records for efficient and accurate records management

Finance Department

- Completed the annual audit on time for the first time in 19 years
- Fully disclosed the fund balance situation and communicated its meaning
- Developed a financial long-term viability plan to correct numerous fiscal weaknesses
- Prepared the City's first ever Consolidated Annual Financial Report (CAFR)
- Submitted CAFR to the Government Finance Officer's Association (GFOA) for Certificate of Achievement award for financial reporting
- Created a budget process manual
- Completely modified the budget document to a more updated and professional standard
- Submitted the new budget document to the GFOA for Certificate of Achievement award for distinguished budget
- Modified the Investment Policy and submitted it to the Governmental Treasury Organization of Texas for certification
- Revamped the Finance Department's operations, standards, and created new funds to assist in fiscal management
- Began weekly accounting training sessions
- Tax collection rates increased from the prior year
- Entered into an inter-local agreement with the county to outsource the property tax collection efforts

Police Department

- Managed to extend the civil service agreement to another year
- Secured grant for mobile data terminals and infrastructure
- Purchased wireless mobile video recorders
- Obtained a negotiation vehicle and a police community vehicle

- Revitalized the canine program
- Secured the Protector Program for non-English speaking citizens
- Replaced 20 patrol vehicles
- Crime Stoppers was awarded "Program of the Year", 16th in a row
- Purchased electronic ticket writers
- Purchased a command trailer for critical situations

Traffic Safety

- Maintenance and repair of traffic signals thru the year and after Hurricane Dolly
- Paint all our school crossings and install paving markings
- Design, make, and install stop and street signs to 30 new subdivisions
- Animal Control Officer is certified to euthanize animals, about 1,500 opossums/yr
- Euthanized opossums approximately saving $82,500

Municipal Court

- Made an inter-local cooperation with the Texas Department of Public Safety for the Failure To Appear program
- Increased revenues due to better collections

Fire Protection

- Purchased a ladder truck to cover the North-side hotels
- Purchased a replacement pumper truck
- Managed to extend the civil service agreement to another year
- Remodeled old fire stations
- Revamped departmental policy and procedures

Administrative Services

Street Maintenance

- New storm drainage system and street overlay on Southfork Subdivision
- Drainage improvements in Las Haciendas Subdivision
- E. Hall Acres street and drainage improvements
- W. Hall Acres signs, streets, and drainage improvements
- Purchased much needed equipment: 8" pump, asphalt zipper & sealer, motor grader, backhoe
- Awarded $20,000 recycling grant
- 5.7 miles of streets overlayed
- 4.3 miles of streets sealed

Municipal Library

- Increased library collection by 10,000 titles
- Increased library circulation by 10,000/year
- Migrated to a new library automation system

Parks & Recreation

- Successfully installed shade structures at Memorial Park as well as the Sports Complex
- Installed an Evos Playstructure at Memorial Park and replaced fencing at the Sports Complex
- Assumed the responsibility maintaining approximately six acres of additional landscaping previously maintained by the Texas Department of Transportation.

- Replaced a total of 150 32"X96" rectangular tables and 200 folding chairs at the convention center and civic center
- Over 3,000 area youth took advantage of our youth baseball, basketball, soccer, and football programs. Other programs include summer track and field, swimming, golf, and tennis
- We are proud to highlight the fact that we introduced tackle football this year for 5th and 6th graders and over 60 boys have registered
- Staff also began certifying athletic program coaches through the National Youth Sports Coaches Association. 109 volunteer coaches have received training
- With the assistance of the public works department a new 1/4 mile roadway was constructed which leads into the golf course
- The median islands were landscaped and an entrance sign was installed. Other improvement included fencing and the installation of yardage markers on the sprinkler heads
- Renewed the contract with EZ Go and replaced the fleet of 72 golf carts. The new golf carts complemented the recently constructed concrete cart path and irrigation system improvements

Planning & Community Development

- Code enforcement officer received state certifications
- Developed and implemented a new Dilapidated Structure procedure, ordinance, and board
- Developed a new sign ordinance
- Revised and updated the Construction Standards Manual

Utility Fund

- Received "Superior" rating from Texas Commission on Environmental Quality
- Upgraded waterlines and added fire protection to Old Town Site
- Received grant for material and sewer connections in lower income area
- Made all long-term debt payments
- Obtained the ability to process credit cards

Bridge Fund

- We held our long awaited Northbound Lanes ground breaking
- The Pharr International Bridge has become the 4th busiest commercial port in the United States southern Border
- The Pharr International Bridge was recognized as the most advance bridge for commercial cargo in Texas
- The Pharr Bridge collected over 8.2 million dollars in tolls for fiscal year 07-08
- The Pharr Port of Entry was responsible for crossing 8 billion dollars in international commerce in 2007 and on course to go over 10 billion in 2008
- Made all long-term debt payments

Special Revenue Funds

- Utilized Community Development funds to meet goals of sub-recipients and expanding economic opportunities

Debt Service Fund

- Made all long-term general obligation debt payments

Capital Project Funds

- Closed out remaining general capital projects fund
- Did not add any new capital projects fund

MAJOR GOALS FOR FISCAL YEAR 2008-2009

The long-term concerns and issues were considered in forming this budget. The major goals were also considered in completing the budget for this fiscal year. The majority of priorities for this fiscal year are to maintain the quality of life and service to the community and continue to expand from that point. In analyzing the following major goals for the new fiscal year, the activities were identified as accomplishing our purpose of maintaining and increasing the quality of life and service to the community. The identifiable major goals for the City are as follows:

General Fund

City Manager's Office

- Completion of Texas Municipal Clerk Certification Program by Assistant City Clerk and Administrative Assistant
- Completion of destruction of records meeting retention period as outlined by the Texas State Library & Archive Commission and approved by the Board of Commissioners
- Completion of imaging 20 volumes of birth records and 10 volumes of death records
- Continued oversight of finances, capital improvement programs and fund balance to achieve an "A" bond rating
- Improvement of Sales tax revenues through continued management of City Economic Development Program
- Continued oversight and creation of a 4B Sales Tax authority to fund quality of life capital projects

Finance Department

- Improve the unreserved fund balance position
- Improve the City's bond rating
- Complete the annual audit on time
- Prepare and submit the City's CAFR to the GFOA for Certificate of Achievement award for financial reporting
- Prepare and submit the City's budget to the GFOA for Certificate of Achievement award for distinguished budget
- Develop policies and procedures manual
- Develop a fraud prevention program
- Restructure cash collection process to form treasury-type of operations
- Enable credit card and online municipal court payments to be processed
- Develop a Five-Year Budget

Police Department

- Manage the civil service requests to ensure financial ability is a guiding principle
- Increase use of technology in policing strategies
- Work with other departments in code enforcement
- Increase citizen contact in local communities

Traffic Safety

- Use thermoplastic paint for paving markings
- Implement preventative maintenance program for traffic signals
- Continue to synchronize traffic signals
- Buy two new trucks for animal pick-ups and better transportation for the animals

Municipal Court

- Install metal detectors in the building entrances

Fire Protection

- Receive award for nine firefighters –Safer grant
- Manage the civil service requests to ensure financial ability is a guiding principle
- Start a better physical fitness exam for firefighters
- Purchase video conferencing for training and meetings
- Plan for new fire stations and substations

Administrative Services

Street Maintenance

- Plan and develop storm drain system upgrades on low elevated areas
- Maintain storm drain pipes clean
- Overlay 5 miles of streets
- Implement different methods of pothole repair
- Clean and sweep streets to prevent natural deterioration
- Upsize capacity of the cleaning and maintenance of city ditches
- Start up the City of Pharr Recycling Center
- Continue with TCEQ storm water regulations and best management practices implementation (MS4 permit)

Municipal Library

- Increase library's collection by 25,000 titles
- Increase library's circulation to 35,000 patrons
- Acquire digitizing equipment for historical archiving
- Develop plan for additional library possibilities

Parks & Recreation

- Update the Comprehensive Parks Master Plan
- Begin the process of generating support and resources necessary to phase in the construction of new parks
- Make necessary improvements to the municipal swimming pool and Memorial Middle School Gymnasium
- Make improvements to both the convention center as well as the civic center
- Continue improving on the quality of the programs so as to increase levels of participation

- Increase their green fees by $3 this coming fiscal year

Planning & Community Development

- Continue pro-active code enforcement through demolition or repair of unoccupied or dilapidated buildings
- Develop and implement a Housing Program

Utility Fund

- Continue to receive "Superior" rating from Texas Commission on Environmental Quality
- Remove and replace water meters that are over 20 years old
- Continue to upgrade waterlines and add fire protection to Old Town Site
- Enable online payments to be processed

Bridge Fund

- Improve bridge safety and operations
- Improve fiscal accountability with a new updated accounting system.
- Develop easier to understand bridge policies and procedures
- Develop a fraud prevention program
- Restructure toll lanes by providing an automated lane
- Enable credit card payments
- Provide an automatic account deduction for our check customers
- Provide better security with more surveillance camera coverage
- Provide a safer more efficient bridge by expanding the bridge structure
- Make all long-term general obligation debt payments

Special Revenue Funds

- Increase the number of beneficiaries to the Community Development program
- Fully utilize assets available for service improvements that have been unused for several periods of time

Debt Service Fund

- Make all long-term general obligation debt payments

Capital Project Funds

- Stop all general capital projects to allow for the improvement of the General Fund's unreserved fund balance or identify other sources of project funding

CURRENT/SHORT TERM ISSUES

We believe that this budget is realistic, attainable, and cost-effectively meets the level of service that meets the criteria which you have directed the City staff to provide and to which our citizens have come to expect and deserve. During the budget process, several issues were raised which are discussed below:

Financial Sustainability Issues

Financial Policy

There are no Commission directed short or long term goals, nor are there any Commission approved financial policies. The lack of stated and Commission approved financial policies has been identified as a weakness by our external auditors for several fiscal years. Current policies have been developed on a case by case basis and adjusted per City Manager direction. Funding has been appropriated this fiscal year to enable a consultant to assist in correcting this audit finding.

Fund Balance

During the annual audit ending September 30, 2007, the General Fund was identified as having a negative $6.4 million unreserved fund balance. This major deficiency was in need of immediate attention and an action plan to correct it was approved by the City Commission September 16, 2008. One of the main corrective actions was to separate the contingency funding from the General Fund into an identifiable emergency-type account, in order to force the funding of the unreserved fund balance. Another corrective action was to strive to provide funding in addition to the contingency funds to speed up the reversal of the negative balance. Both of these major steps in the corrective plan are in place this fiscal year.

Cash Management

The management of cash inflows and outflows is a situation that must be tracked due to the historical cash availability that has plagued the City. Budget overruns and major projects that have been either unbudgeted or over-budget have been paid from the general account which has caused the account to be flagged as in need of replenishment. This year every fund and every expenditure/expense have been budgeted and capital purchases timed to ensure that the cashflow is maintained on a responsible level. No problem with this activity is expected.

Bond Issuances

The City has issued bonds for utility projects and to refund utility bonds in the past two years. There are no plans to issue any new bonds this fiscal year for any funds in the City. Depending on the fiscal impact of our bridge operations, refinancing the 2006 Tax Notes may be looked at.

Evaluation of Fees and Charges

Current fees and charges were evaluated to determine whether the City is recovering the cost of the services being provided. They were also benchmarked against those being charged by neighboring cities. As a result of this evaluation and benchmarking, all the City fees remained the same for this fiscal year excluding the water and wastewater rates and golf course fees. The rates reflect the second year of the two year rate adjustment that were necessary to meet the debt obligations of the Utility bonds for the water and wastewater plant expansion projects. The increase in golf course fees is due to the need to enable the Golf Course Fund to be self supporting.

Economic Factors

Economic indicators in the City of Pharr estimating the health of the economy in the City include several revenue trends. Sales tax revenues received by the City continue to decrease very

slightly (under 1%) for the past two fiscal years. The decrease is attributable to the national economy as well as the lack of major new retail activity in the city. Major retail is expected in the very near future that is projected to reverse the trend and increase sales tax revenue. The Hotel/Motel tax received by the City is continually growing with no change in the growth identified. Building permit revenues have been reduced for two straight years and no change in that trend is evident. The City is monitoring these economic indicators to ensure the health of the City remains strong. The City, in comparison to the surrounding cities, is in a positive economic position.

Personnel Issues

Pay Wages

Due to the need to replenish the fund balance and shore up the City's financial position, pay wages for employees were not recommended. Certain employees may be provided an increase in wages but this determination is made by the City Manager and consistent with employee output, job performance, and skill/certifications gained; no employee-wide wage increase is budgeted.

Retirement System

Any employee who work 1,000 or more hours per calendar year are required to be included a defined contribution retirement plan administered by Texas Municipal Retirement System (TMRS). The City's contribution rate by each employee for the next calendar year will remain the same as the recently change rate of 7%. The contribution rate for the City is budgeted at 14.04%; the contribution rate is expected to decrease based on the decision by Commissioners to eliminate the automatic annuity increase which caused the unfunded actuarial liability to increase by nearly $10 million.

Employee Positions Changes - Citywide

City needs are evaluated on an annual basis. There were several modifications, additions, and deletions to the budgeted positions based on last fiscal year.

The General Fund had many changes to the personnel budget. The Administrative Services Department was created from employees from the City Manager's Office and the Finance Department. The City Manager's Office transferred the Administrative Services Director, Administrative Assistant, and Video Production Specialist, to the Administrative Service Department and also budgeted for three Administrative Assistants; net gain on the department was 0. The Finance Department eliminated the position of Date Entry Clerk, transferred the Payroll Supervisor, two Payroll Clerks, and a Risk Manager to the Administrative Services Department; also, the Tax Assessor/Collector, Tax Collector, and Tax Collection Clerk were transferred to the Utility Administration division of the Utility Fund, due to the outsourcing of the tax collection duties, they were integrated to the utility billing/collection operations. The Police Department eliminated two Record Clerks, one I.D. Technician, and three Code Enforcement Officer positions, all of which were vacant. Traffic Safety Department eliminated a Traffic Safety Technician position. Municipal Court hired an Administrative Municipal Judge and eliminated the Office Manager and Court Marshall positions, net loss of one position. The Fire Department eliminated a Secretary and Clerk position. Administrative Services

Department, aside from the transfers listed above, eliminated one position of Payroll Supervisor and added the position of Media Manager, net gain was 7. Parks & Recreation Department budgeted for 29 seasonal employees, all of which were always paid but not budgeted. Planning & Community Development eliminated a receptionist position.

The Utility Fund had several changes to the personnel budget. Administration department received three employees from Finance Department, an extra cashier, and eliminated the positions of Utility Clerk, Head Cashier, and Assistant Billing Clerk, net gain was one position. Water Distribution eliminated three positions of Laborer. The Lift Station Division eliminated one position of Operator.

The Bridge Fund eliminated one Shift Supervisor, two Laborer positions, and one Traffic Control position. The Golf Course Fund eliminated the Assistant Golf Professional, one Laborer, and added a part-time Cook. Community Development Fund eliminated the position of Main Street Secretary.

The following table provides a quick summary on the personnel changes per department and fund.

GENERAL FUND	FY 07/08	FY 08/09	DIFFERENCE
City Manager's Office	9	9	0
Finance Department	14	5.5	-8.5
Police Department	167	161	-6
Traffic Safety	17	16	-1
Municipal Court	6	5	-1
Fire Protection	68	66	-2
Administrative Services	0	7	7
Parks & Recreation	73	102	29
Planning & Community Dev	23	22	-1
			16.5
UTILITY FUND			
Administration	11	12.5	1.5
Water Distribution	26	23	-3
Lift Station	4	3	-1
			-2.5
OTHER FUNDS			
Bridge Fund	29	25	-4
Golf Course Fund	17	15.5	-1.5
Community Development	5	4	-1
			-6.5
		Net Change City-Wide	**7.5**

THE FY 2008-2009 BUDGET AS A WHOLE

Overall Budget Basis of Accounting

The budget basis that the City has adopted by past practice is the modified accrual basis for all governmental fund types. The accrual basis has been adopted for the proprietary fund types, with some modifications; principally the inclusion of dept principal payments and capital outlay as expenses. More details can be found in the budget policies section of this document.

Revenues and Transfers In

Total revenues for all funds are budgeted at $68,747,490. It is difficult to compare this year's budget with prior budgets due to the addition of new funds in the budget and the creation of new funds as well. Next budget year, a comparison can be analyzed.

Expenditures/Expenses and Transfers Out

Total expenditures/expenses for all funds are budgeted at $102,593,520. It is difficult to compare this year's budget with prior budgets due to the addition of new funds in the budget and the creation of new funds as well. Next budget year, a comparison can be analyzed.

Fund Balances/Available Resources

It is the City's policy to maintain a balanced budget. Because of timing issues and expenses being budgeted using estimates, carrying out a balanced budget is a difficult task. For this budgeted fiscal year, there are six funds that have expenditures over their annual revenues. They are budgeted that way for a purposeful reason. The Parkland Dedication, Grants, Special Revenues, Utility Capital Project, Utility, and Bridge funds will utilize their beginning available resources to match expenditures. These funds have accumulated resources in prior years to be able to utilize them in the future, this budget year they are projected to do so.

A more detailed analysis of this year's budget appears in the report, *Executive Summary*, following this message.

LONG-TERM GOALS, CONCERNS, AND ISSUES

The City of Pharr is a well-managed city with fiscal constraints and in need of long-term foresight. Planning for future concerns will enable this city to continue to serve the citizens and provide services that improve the quality of life for the population. Some of the long-term goals, concerns, and issues are as follows:

Long-Term Plans

The City is in the process of conducting long-term plans for several aspects of City operations. The City has a Water and Wastewater Master Plan, Five Year Consolidated Plan & Strategy for development, Parks Master Plan, and we are currently in the process of developing a Five Year Budget Plan. A City-wide comprehensive master plan that integrates the departmental plans will be conducted.

Fiscal Management

The history of the City's financial management was analyzed and today's problems are actually a mirror of those of the past. Long-term fiscal management is a major concern to today's City leaders and management. The long-term fiscal viability of the City is a priority and a plan to correct the negative fund balance identified in the September 30, 2007 audit is approved and should enable proper fiscal management regardless of who is managing or leading the City's operations.

International Bridge Traffic

Commercial crossings form the majority of traffic on the City's international bridge. There are a couple of local international bridges that are opening up and is expected to impact the City financially. To remain a viable bridge, several improvements and long-term concerns must be addressed. The City is in the planning stages of creating a northbound lane and an expansion project that will double the amount of traffic that can flow through our bridge. Also, the continued effort to form an international trade corridor that flows through the City bridge must not cease.

Infrastructure Development

The growth of the city the past 15 years has been causing a strain on the finances of the City. Once a small town community, now a retail and family location, the City of Pharr's needs not only include services, but infrastructure. Infrastructure is mainly identified as roads, bridges, and utility lines. Utility lines are being upgraded along with a water and wastewater plant. The international bridge has spent heavily on increasing its capacity and should see the outcome in several years. The creation and improvement of streets within the city has drained many of the City's fund reserves and still is in need of more projects. Several funding options have been identified with the use of 4B sales tax currently as the best alternative. The use of sales tax is expected to be allowed for such projects in the near future.

Quality of Life

With the City vying for major retail along with other area cities, quality of life has seemed to be the difference with the corporate decision makers. Pharr has always had many entertainment venues, but mainly in the form of texano music genre. The City is focused on diversifying the entertainment. A team from Austin, TX along with financing entities have begun to gather information on establishing a first class entertainment district along a major thoroughfare in the city. This would open up the vast array of music genre for the citizens. A new museum is also planned. This would enable a history of Pharr artifacts to be shown as well as other historical items.

Parks is a major priority to the Commission due to the importance it has on families. Although Pharr has several parks, more is being considered to ensure that new growth also brings in new parks. The City owned Tierra Del Sol golf course has undergone millions of dollars of improvements ever since being purchased. Continuous improvement of this City asset is expected to ensure that the demands of the community and paying customers are met.

Public Safety

The City limits stretch, although not very wide, they do so very long. This creates a public safety issue in trying to provide a presence in all sections of the city. There is a need to establish mobile substations, technology for citizen communication/information without the need to travel, establish equipment replacement programs, ensure there is an adequate hire, retention, and recruitment program established, and conduct a needs assessment for the possible future annexation of land. The civil service process places a huge stress on the ability to provide adequate public safety. This is due to the financial impact the majority of the demands are and the increasing amount of requests that are put forth for negotiations.

Population Growth

The population of the City has grown over the several years. Smart growth is an issue that must be addressed to ensure that the City has the capability of serving the new citizens. The current major slowdown in development within the City has caused a negative fiscal impact but allowed the City's service providers to catch up with the need created by the growth in prior years. With the possible annexation of 5,000 acres of land that is forecasted to bring many new families to the City and surrounded by commercial growth, smart and guided growth is a long-term concern that the current City leaders are addressing via ordinances, developer communication, and commercial development.

Water Supply

Water is expected to become the next "oil" as far as value and scarcity. Water is already being traded in the commodity market. The current supply of water is currently sufficient to cover the needs of the city, but must be reevaluated continuously. The quality of water being drawn from the Hidalgo County Irrigation District's reservoir is sufficient for now. Once the water/wastewater plant expansion is completed in 2009 or 2010, water rights will have to be purchased to keep up with the anticipated need of the community. Should the City annex the available 5,000 acres of land for the anticipated high value subdivisions, water supply must be reevaluated. The purchase of water rights is attempted when fiscally feasible.

Economic Position

The economic position of the city of Pharr seems to be very favorable. The city has forecasts a steady level of business growth or improvement during 2008-09. The State Comptroller on August 12, 2008 issued a 110 page report stating that the economic outlook of the South Texas region is excellent. The economic indicators stated earlier will be monitored and a trend analysis performed to ensure that the City is aware of any possible changes.

Technical/Regulatory/State Changes

An unknown long-term issue is the recent trend in the growth of accounting statements issued by Governmental Accounting Standards Board (GASB). Several new statements have created the need to increase expenses on consultants to identify unfunded obligations. With the identification of these obligations, our financial position may turn negative and create a change in our financial rating. We try to hedge the new statements by periodically reviewing correspondence, attending governmental accounting seminars, communicating with our auditors.

Outside of accounting, public safety, utilities, and development must contend with the constant changing rules and requirements. Texas Commission on Environmental Quality (TCEQ), Environmental Protection Agency (EPA),

DISTINGUISHED BUDGET AWARD

The City of Pharr, Texas will present this budget to the Government Finance Officers Association (GFOA) of the United States and Canada for a Distinguished Budget Presentation Award. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This will be the first time that the City submits a budget for this award. This award is valid for a period of one year only. We believe that our current budget conforms to program requirements.

SUMMARY

The approval of this budget represents the culmination of many hours of preparation by staff and deliberation by the City Commission in order to accomplish their responsibility of maintaining the highest quality of service in a cost-effective manner to the citizens of Pharr. We believe that this budget is realistic, attainable and cost-effectively meets not only the existing level of services which you have directed the City staff to provide and which our citizens have come to expect and deserve, but also addresses the issues that arose during the budget process. It will be closely monitored as to the performance of revenues and compliance with appropriation limits, with monthly reports provided to management and monitored by all departmental directors.

In closing, let me express my appreciation to all City staff for assisting in the preparation of this budget. The management team worked together to assist in achieving the goals set by the Mayor and City Commission. Each department prepared the verbiage located on the departmental expenditure sheets and presented information they wanted to communicate with the Commission and community. Each department worked to find savings in their operating budgets, and to make suggestions for program improvements.

Respectfully Submitted,

Fred Sandoval
City Manager

Juan G. Guerra, CPA, MBA, CGFO, CPM
Finance Director

CURRENT CITY OFFICIALS

Elected Officials

Mayor	Leo "Polo" Palacios, Jr.
Mayor – Pro Tem	Adan Farias
Alternate Mayor – Pro Tem	Arturo J. Cortez
Commissioner	Bobby Carrillo
Commissioner	Eduardo Cantu
Commissioner	Oscar Elizondo, Jr.
Commissioner	Francis Quintanilla

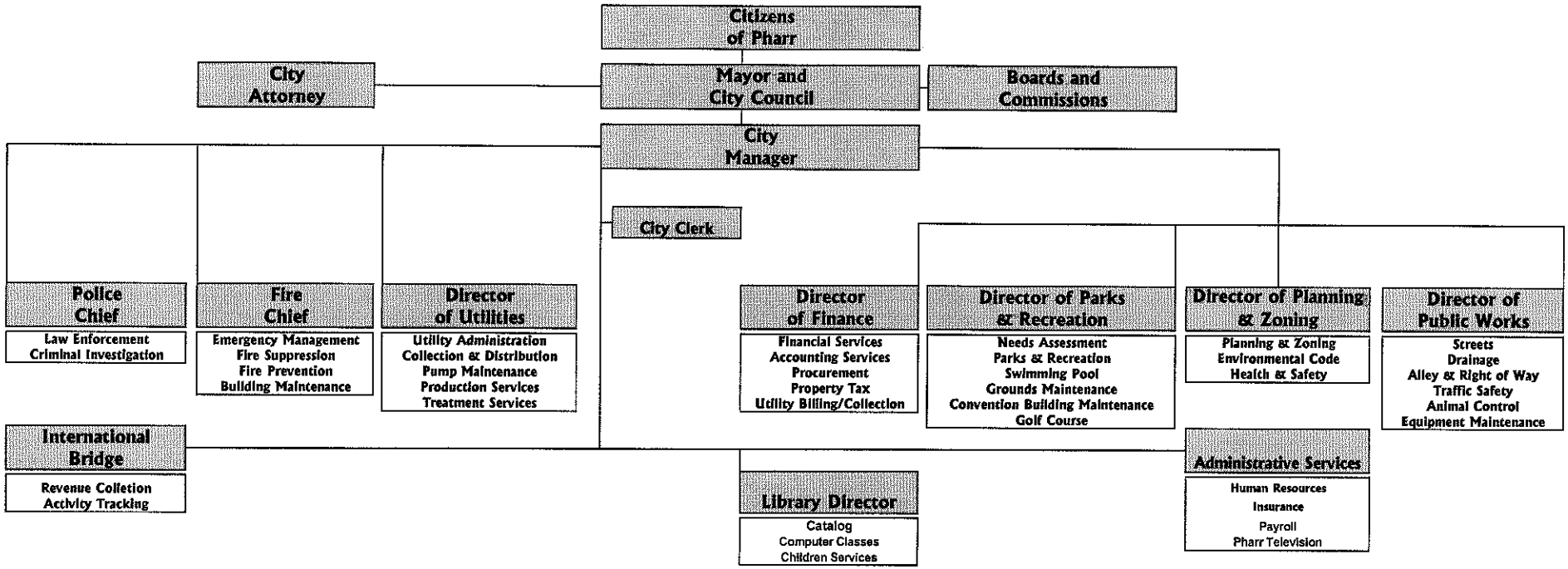
Appointed Officials

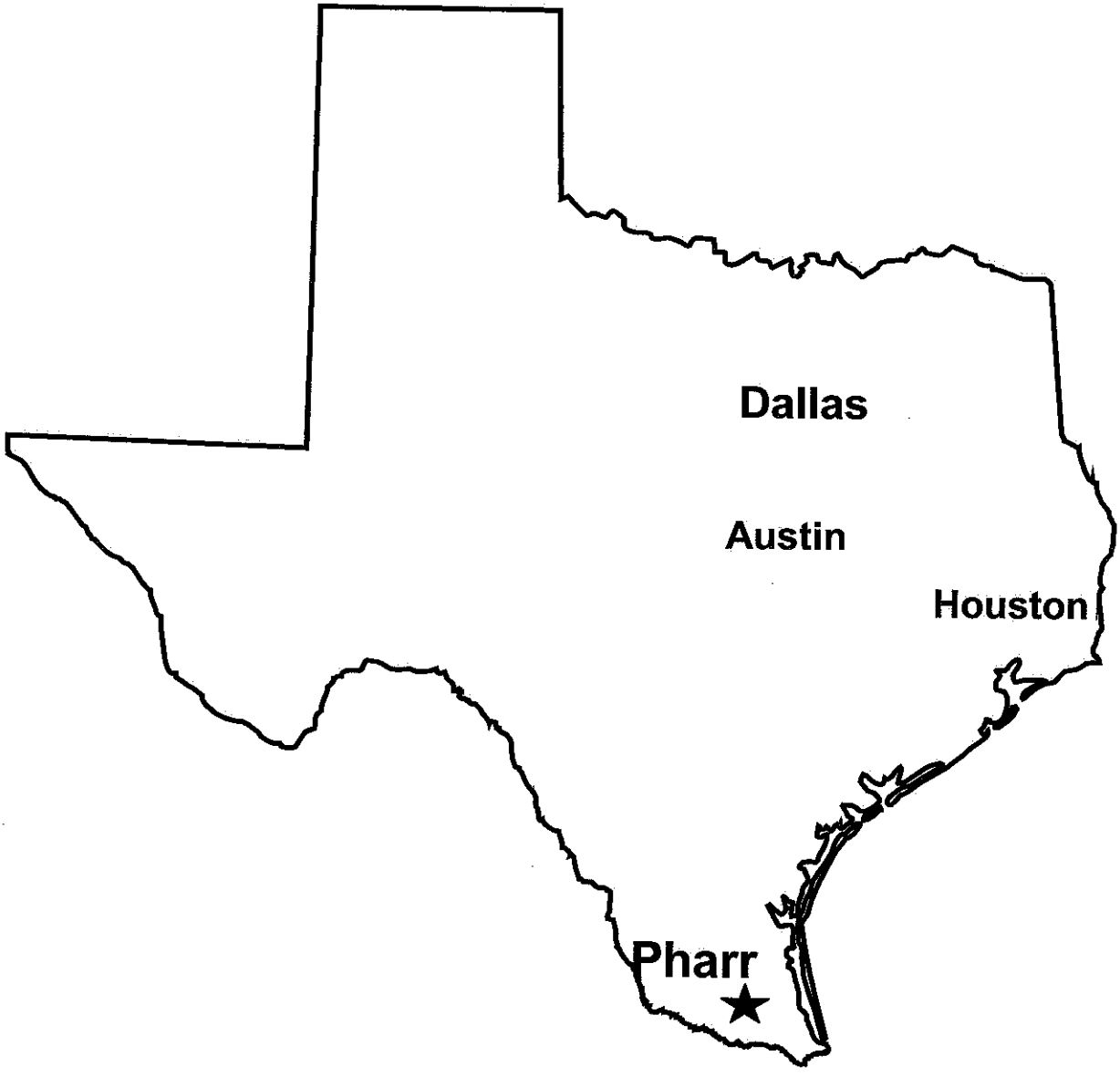
City Manager	Fred Sandoval

Department Directors

City Clerk	Aida Montoya
Police Chief	Ruben Villescas
Fire Chief	Jaime Guzman
Director of Utilities	David Garza
Director of Finance	Juan G Guerra, CPA
Director of Parks & Recreation	Frank Marin
Library Director	Adolfo Garcia
Director of Planning & Zoning	Javier Rodriguez
Public Works Director	Roy Garcia
Director of Administrative Services	Joe Cantu
Bridge Director	Jesse Medina

ORGANIZATION CHART - CITY OF PHARR




Dallas
Austin
Houston
Pharr

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

The following discussion is a fund-by-fund narrative of the principal resources estimated to be provided in this year's budget, the major budgeted uses of those resources, and the resulting fund balance or working capital. This information is then compared to that of last year's adjusted budget. The more significant changes are discussed, including the factors influencing those changes. This discussion should be read in conjunction with the budget message preceding it, as well as the financial presentations which follow.

To begin an understanding of the City's operations and its annual funding, a brief overview of the City's fund structure is presented. It is as follows:

Fund Classification	Governmental			
Fund Type	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
City Funds:	General	Asset Sharing	Debt Service	Capital Projects
	General Contingency Reserve	CDBG		
		Hotel/Motel		
		Parkland Dedication Fee		
		Grants		
		Special Revenues		

Fund Classification	Proprietary	
Fund Type	ENTERPRISE	INTERNAL SERVICE
City Funds:	Utility	City Garage
	Utility Capital Project	
	Bridge	
	Bridge Capital Project	
	Golf Course	

Fund Classification	Fiduciary
Fund Type	AGENCY
City Fund:	Volunteer Firemen Pension

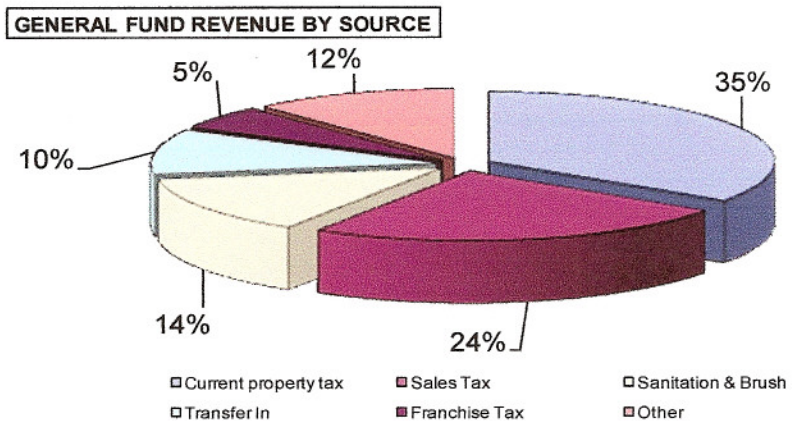
The Utility and Bridge capital project funds are listed as proprietary funds because they become consolidated during the annual audit. Based on the audit report ending September 30, 2007, the following funds are considered major funds: General Fund and Capital Projects Fund.

GENERAL FUND

The General Fund is the general operating fund of the City. It is used to account for all financial resources traditionally associated with government, except those required to be accounted for in another fund.

Revenues

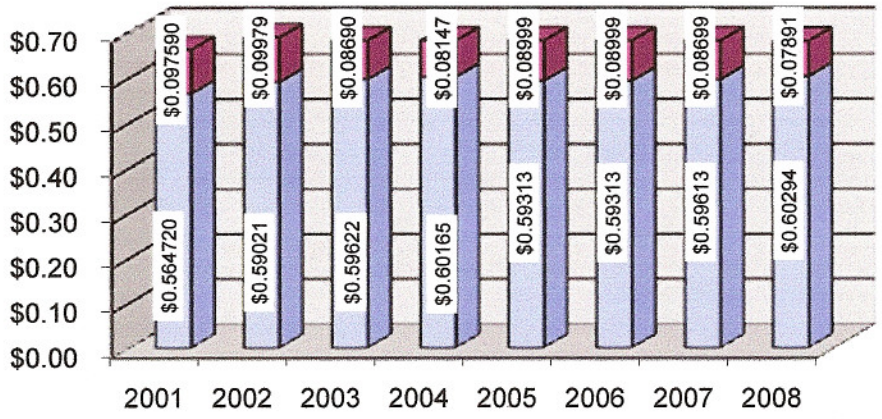
The General Fund is expected to generate $34,268,120, which is a decrease of over $1.1 million, or 3%, over last year's budget. The decrease is primarily attributable to the lease funds in last fiscal year in the amount of $2,795,000; no General Fund leases are planned for this fiscal year.



As illustrated in this graph, four major revenue line items account for over $26.7 million, which is 78.0% of total revenues. The major revenues are the Current Property Tax, $11,871,930; Sales Tax, $8,329,000; Sanitation & Brush, $4,665,480; and Franchise Tax, $1,858,120.

Current Property Tax

The State of Texas limits the ad valorem tax rate to $2.50 per $100 valuation. Other than the amount resulting from such rate limitation, there is no legal debt limit. The property tax rate will decrease by .127¢, the tax rate is 68.185¢ (was 68.312¢ for the past 5 years) per $100 taxable assessed value, as determined by the Hidalgo County Appraisal District. The assessed value grew from $1.83 billion to $2.18 billion. This represents an increase of $352 million, or about 19.2% over the prior year. Taxable property values increased as a result of new improvements, the reappraisal of certain properties, and the inclusion of building improvements from several years ago that never were updated by the County's computer system. Budgeted current ad valorem tax revenues are $11.87 million or 34.6% of budgeted revenues. This represents an increase of $1.98 million, or about 20.0% over the prior year budget. The 68.185¢ per $100 valuation is distributed for two purposes: Interest and Sinking (I&S), and Maintenance and Operation (M&O). The I&S is used to pay for bond payments and is put into its own fund, the Debt Service Fund. The M&O is used for general operational expenditures of the City. The following distribution of the tax rate for the past seven years is as follows:



Sales Tax

One of the most significant revenue line item generators for the General Fund is sales tax. It is the second biggest revenue source and therefore one that must be continuously monitored. Sales Tax revenues are a gauge of the City's economic health and are also a source of public safety. Since property tax alone cannot sustain the police and fire departments budgets, sales tax revenues must contribute as well. Due to its historical sensitivity to fluctuations in the strength of the state's economy and to a point, the Mexican peso, the City continues to take a conservative approach in estimating its performance. The sales tax for the City is 1.5% for every eligible purchase. 1% is strictly sales tax, .5% is credit in lieu of property tax (assists in keeping the property tax from increasing). Over the last six years, the general trend for sales tax receipts is hard to identify. From fiscal year 2003/04 to 2005/06, sales tax increased from one year to the next, and was budgeted accordingly. From fiscal year 2006/07 to our projected 2008/09, sales tax is mainly flat with no growth in actual revenues, even showing a slight decrease. Fiscal year 2008/09 sales tax revenues are conservatively budgeted at $8.3 million, or 24.3% of budgeted revenues. This represents a 0% increase in revenues from the past fiscal year's actual receipts but it indicates that our budgeted sales tax will be adjusted by 2.2% to reflect that indication.

Change	FY 03/04	FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09
Actual From Prior FY	15.6%	6.3%	15.7%	-0.6%	-0.6%	0.0%
Actual vs. Budgeted	12.3%	15.4%	15.1%	6.9%	-10.3%	2.2%*

**Based on actual amount from FY 07/08*

Sanitation & Brush Collection

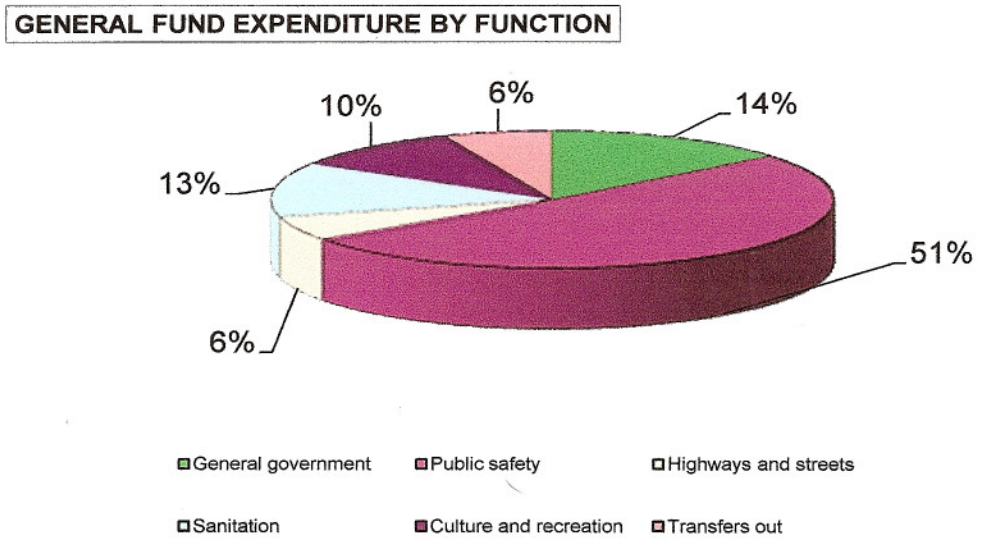
Sanitation and Brush Collection is the activity of collecting and disposing of refuse. The budgeted amount for the fiscal year is $4.6 million or 13.6% of budgeted revenues. This represents an increase of $565,480, or 13.8%, over prior year budget. The amount being budgeted this fiscal year is higher than the amount budgeted the previous fiscal year due to an attempt to match current operations, increase in collection efforts, and improved billing operations. Billing reconciliations are taking place and lost revenue is being identified for correction.

Franchise Taxes
Franchise taxes are collected from the electric, telephone, gas, sewer, and cable television companies. Over the past couple of years, it has experienced a steady upward trend. Total budgeted franchise tax revenues for next fiscal year are $1.8 million or 5.4% of budgeted revenues. This is a slight increase of $98,120 or 5.6% from the prior budget due to a continued rise in revenue collection and an attempt to match the past fiscal year's actual collection.

Other Revenues and Transfers
Other revenues are budgeted at $3.9 million or 11.6% and transfers at $3.58 million or 10.4% of budgeted revenues. Other revenues mainly consists of other than current property tax collections ($1.2 million), license and permits ($515,300), charges for services ($671,940), fines & fees ($881,810), miscellaneous revenue producing rentals ($521,640), and bingo & mixed beverage tax ($170,000). Transfers are due from three sources: Bridge revenues over operations ($3,106,540), golf course improvement fee ($30,000), and Utility Fund's reimbursement for administrative services ($444,000).

Expenditures

The General Fund's overall appropriation, including expenditures and transfers-out, is roughly $34.3 million. This represents a decrease of over $107,900 or .3% of last year's original budget. The major reason for this decrease is due to the reduction in purchases of capital assets. The following chart depicts how the expenditures are allocated among functions:



There are two major changes to the functional budgeted expenditures. The Public Safety function decreased by $1.6 million, or 7.8%, due to the decrease in the amount of capital purchases that are authorized. The other major functional change is in the Transfers Out activity. This function increased by $2.0 million or over 5,605.7%. This is due to a new procedure the City is implementing to shore up its unreserved fund balance; $1.9 million is being transferred from the General Fund to the new fund, the General Contingency Reserve Fund.

In an effort to allow the analysis of the expenditures, two other formats are presented: by department and by activity. The following page contains an analysis of the expenditures by department. The major changes are similar to the analysis performed previously of expenditures by function. Public Safety (Police and Fire departments) and Transfers Out make up the majority of expenditure changes. Other departments are identified as having variances from one year to the next in the hundreds of thousands, but I would like to recognize that the variance is mainly due to two factors: 1) Properly budgeting for workman's compensation charges and reallocating insurance cost from Non-Departmental to the appropriate departments, and 2) Reassigning staff from City Manager's department to a new department, Administrative Services. In total, expenditures increased a conservative $107,934, or .3%. The General Fund is the City's most financially important fund whose activity is monitored and analyzed. The following tables disclose comparable activity between fiscal years with different views for analysis:

Table 1 – Departmental Comparison

DEPARTMENT	FISCAL YEAR 2008-09	FISCAL YEAR 2007-08	Increase/ (Decrease)	Percent Change
City Manager	$ 909,400	$ 1,148,836	$ (239,436)	-20.8%
Finance	625,370	666,002	(40,632)	-6.1%
Police	10,827,360	11,215,524	(388,164)	-3.5%
Traffic Safety	1,344,480	1,123,583	220,897	19.7%
Municipal Court	398,780	431,740	(32,960)	-7.6%
Fire Protection	5,318,000	6,576,649	(1,258,649)	-19.1%
Administrative Services	394,470	-	394,470	0.0%
Street Maintenance	1,961,690	2,376,504	(414,814)	-17.5%
Municipal Library	1,090,720	1,067,939	22,781	2.1%
Parks & Recreation	2,335,770	2,010,774	324,996	16.2%
Planning & Community Dev	1,103,530	1,017,487	86,043	8.5%
Non-Departmental	5,927,310	6,489,548	(562,238)	-8.7%
Transfers Out	2,031,240	35,600	1,995,640	5605.7%
TOTAL	**$ 34,268,120**	**$ 34,160,186**	**$ 107,934**	**0.3%**

Table 2 – Change in Departmental Budget

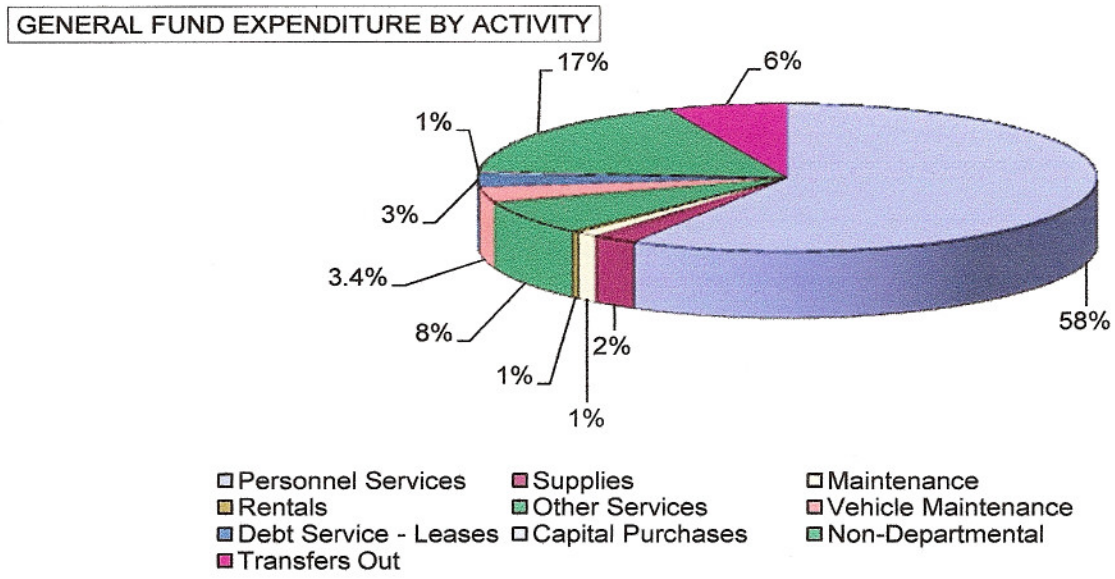
General Fund Expenditures	FY 0809 Budget	Budget Year % Change	% of FY 0809 Budget
10 - City Manager's Office*	$ 1,303,870	11.9%	3.8%
11 - Finance Department	625,370	-6.5%	1.8%
12 - Police Department	10,827,360	-3.6%	31.6%
13 - Traffic Safety	1,344,480	16.4%	3.9%
14 - Municipal Court	398,780	-8.3%	1.2%
15 - Fire Protection	5,318,000	-23.7%	15.5%
16 - Administrative Services	-	0.0%	0.0%
17 - Street Maintenance	1,961,690	-21.1%	5.7%
20 - Municipal Library	1,090,720	2.1%	3.2%
22 - Parks & Recreation	2,335,770	13.9%	6.8%
27 - Planning & Community Development	1,103,530	7.8%	3.2%

Table 3 – Departmental Change in Budget Without Capital Purchases

	FY 07/08 Amended Budget w/o Capital Purchases	FY 08/09 Budget w/o Capital Purchases	Budgeted Difference In FY's
City Manager's Office*	$ 1,135,836	$ 1,303,870	14.8%
Finance Department	638,002	625,370	-2.0%
Police Department	10,173,524	10,827,360	6.4%
Traffic Safety	1,115,583	1,308,480	17.3%
Municipal Court	431,740	398,780	-7.6%
Fire Protection	5,057,449	5,280,880	4.4%
Administrative Svcs	-	-	N/A
Street Maintenance	1,892,504	1,961,690	3.7%
Municipal Library	972,939	995,720	2.3%
Parks & Recreation	2,010,774	2,335,770	16.2%
Planning & Zoning	1,017,487	1,103,530	8.5%

**City Manager's Office & Admin Service Dept were consolidated last fiscal year*

In order to see "the big picture" or the overall expenditures of the City's General Fund, the following pie chart was created. It depicts the expenditures by activities.



As a reminder, the detailed information used for these graphs can be obtained in the General Fund section of this budget. To be able to better analyze information as well as to use it as a tool to forecast expenditures, this budget provides more detailed information than the previous fiscal year's budgets.

GENERAL CONTINGENCY RESERVE

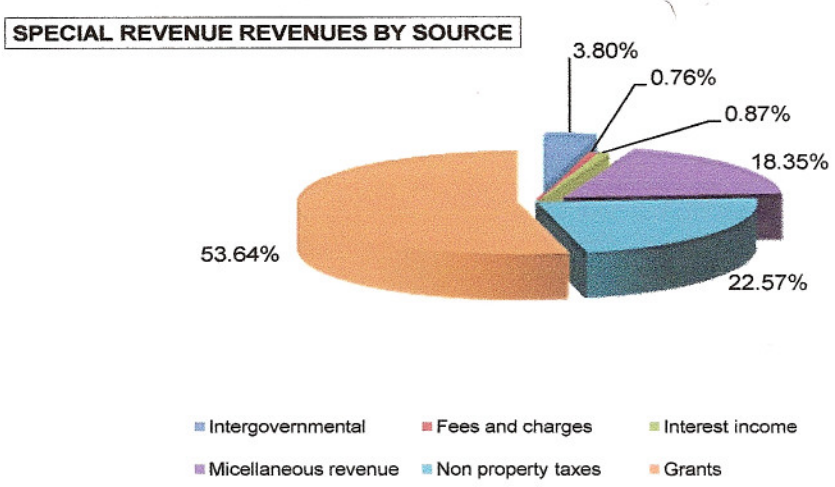
This fund accounts for the fiduciary responsible administration of the City's unreserved fund balance.

During the September 30, 2007 annual audit, the unreserved fund balance was identified as being negative $6.4 million. By City charter, 3% to no more than 5% must be budgeted as contingency reserve. 5% of budgeted general expenditure (not including transfers) is budgeted at $1,611,000. Additional funds are budgeted, not as a contingency, but as a supplement to the unreserved fund balance. These additional funds are budgeted at over $306,000.

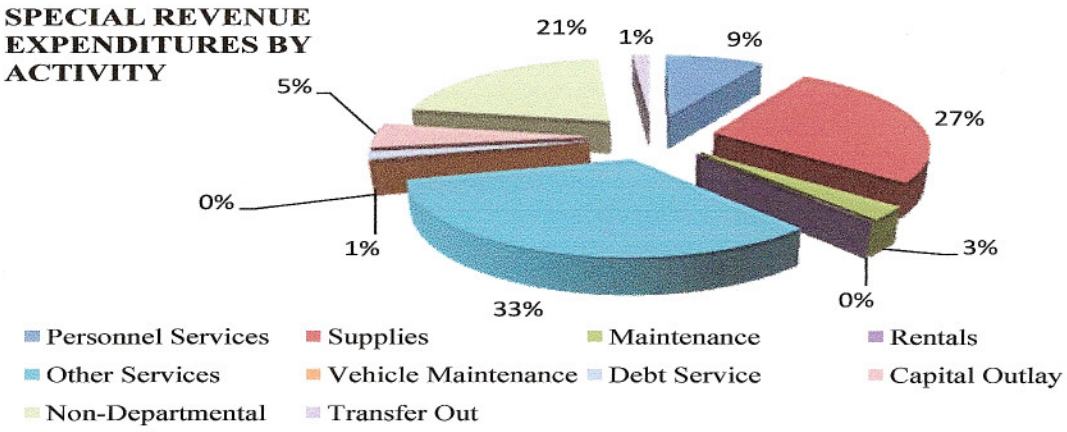
SPECIAL REVENUE

The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

The funds received that are specified for a specific purpose are separated from the general fund and put into a group of funds called special revenue funds. A total of $3,943,070 special revenue revenue funds are budgeted. Grants account for $2,114,870 of revenues, non-property tax account for $890,000, fees and charges for $30,000, miscellaneous revenues account for $723,700, interest income account for $34,500, and intergovernmental revenues account for the remaining $150,000. The following graph describes the importance of each revenue source for the special revenue funds as a percentage of the overall budgeted special revenue revenues.



A total of $5,385,750 special revenue expenditure funds are budgeted. Personnel account for $469,150 of expenditures, supplies account for $1,433,030, maintenance accounts for $151,500, rentals account for $3,000, other services account for $1,782,320, vehicle maintenance account for $4,500, debt service accounts for $78,390, capital outlay accounts for $263,850, non-departmental expenditures account for $1,120,000, and the remaining $80,010 is due to transfers out. The graph on the following page describes the importance of each expenditure activity for the special revenue funds as a percentage of the overall budgeted special revenue expenditures.



Community Development Block Grant (CDBG)

This fund was established to account for grant revenues that meet the program objectives set forth by the U.S. Department of Housing & Urban Development in providing affordable housing, a suitable and viable living environment, and expanding economic opportunities.

The CDBG Fund will receive $1,104,820 for fiscal year 2008/09. This fund has $470,000 in unspent funds from prior years dating back to 2005/06. Total budgeted revenues for this fund are $1,574,820.

Asset Sharing

This fund accounts for forfeitures awarded to the City by the federal and state courts and drug enforcement agencies. Revenues are restricted for police supplies and only to be used if general funding is not available.

Total budgeted revenues for this fund are $151,500.

Parkland Dedication

Created by Ordinance O-99-49 on August 17, 1999, this fund accounts for contributions that developers are required to make when creating subdivisions. These funds are used to provide recreational areas in the form of neighborhood and community parks.

Total budgeted revenues for this fund are $33,000.

Grants *(New Fund)*

This fund was established to account for general grant revenues awarded to the City. Three departments utilize this fund: Police, Fire, and Library.

Total budgeted revenues for this fund are $540,050. Police Department grant revenues are budgeted at $309,020; Fire Department grant revenues are budgeted at $216,210; and Library Department grant revenues are budgeted at $14,820.

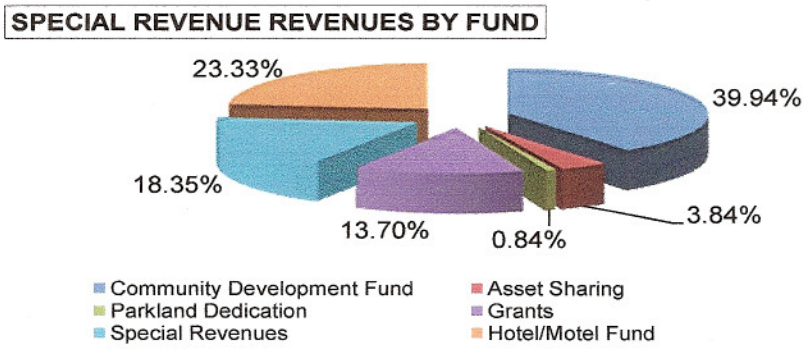
Special Revenues *(New Fund)*
This fund was established to account for miscellaneous revenues for various purposes that are restricted from general use. Seven departments use this fund: Police, Fire, Court, Streets, Library, Planning & Zoning, and Non-Departmental.

Total budgeted revenues for this fund are $723,700. Police Department revenues are budgeted at $43,000; Fire Department revenues are budgeted at $10,500; Court Department revenues are budgeted at $38,400; Streets Department revenues are budgeted at $420,000; Library Department revenues are budgeted at $93,800; Planning & Zoning revenues are budgeted at $18,000; and Non-Departmental revenues are budgeted at $100,000.

Hotel/Motel
This fund accounts for revenue from a seven percent tax levied upon the cost of City hotel and motel rooms with a daily rate over $2. According to state civil statutes, this tax revenue can be used to promote tourism, maintain and repair convention facilities, promote the arts and humanities, or any other purpose directly related to these activities.

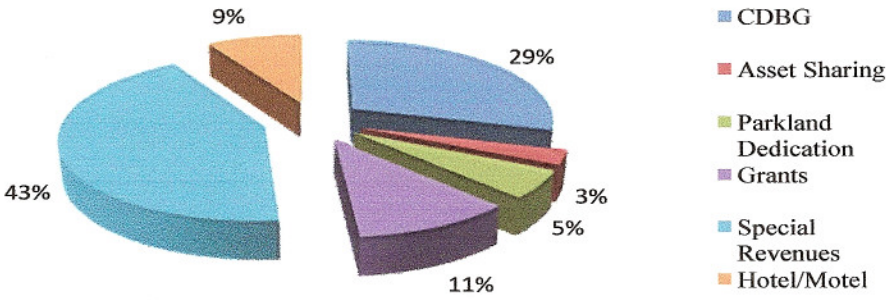
Total budgeted revenues for this fund are $920,000.

The following graph distributes the total special revenue per fund.



Expenditures for the special revenue funds are distributed in various ways. Total expenditures for special revenue funds total $5,385,750. The graph on the following page should help in analyzing which special revenue funds are budgeted in comparison to one another.

SPECIAL REVENUE EXPENDITURES BY FUND



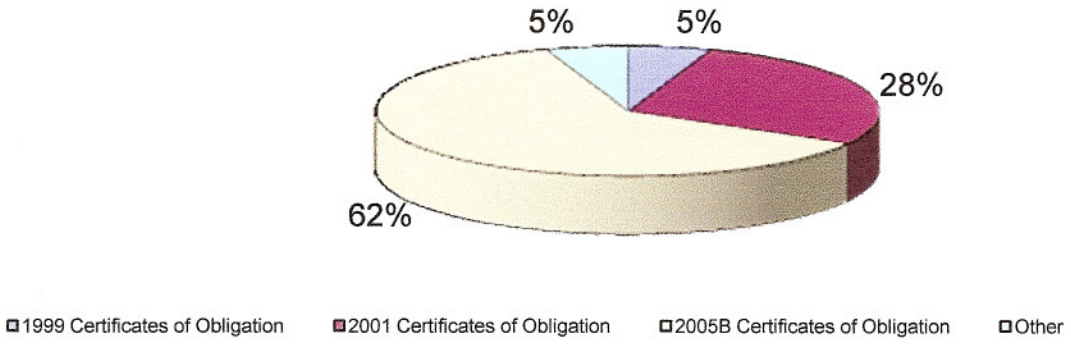
DEBT SERVICE

The Debt Service Fund is used to account for the accumulation of resources for the payment of general long-term debt principal and interest and related cost. An ad valorem tax rate and tax levy is required to be computed and levied, which will be sufficient to produce the funds required to pay principal and interest as it comes due and provide the interest and sinking reserve fund.

Debt service requirements remained fairly steady this fiscal year since no new bond issuances were scheduled. This fiscal year, bond payments and expenditures are estimated to be $2,220,860. In the calculation of the tax rate, only the bond liabilities were used to calculate the amount needed for liabilities. The collection of taxes should be sufficient to cover the expenditures of the note liability. At a collection rate estimated at 91%, current property tax revenues are estimated to generate $1,553,740, other tax collections are budgeted at $154,620, other revenue is budgeted at $512,500. No new debt payments are budgeted from previous fiscal years.

The following graph distinguishes the liabilities in comparison to the total debt service fund liability.

DEBT SERVICE FUND LIABILITIES PER LIABILITY



CAPITAL PROJECT FUNDS

The Capital Project Fund is used to account for financial resources used for the acquisition or construction of major capital facilities and infrastructure. Depending on the project, these expenditures are financed by either general or proprietary resources.

GENERAL CAPITAL PROJECTS

This fiscal year, all general capital projects were purposefully put on hold. Due to the major negative fund balance identified during the annual audit report for September 30, 2007, the unreserved fund balance is in need of drastic improvement. Budgeted expenditures are $0.00.

UTILITY CAPITAL PROJECTS

The utility projects expenses are budgeted at $32,418,060. For this fiscal year, there are six projects: raw water pump upgrade; waterline upgrades (2); wastewater collection system improvements; wastewater and a water treatment plant construction.

BRIDGE CAPITAL PROJECTS

The bridge project expense is budgeted at $1,700,000. For this fiscal year, there is one project: northbound lane expansion.

ENTERPRISE FUNDS

The enterprise fund is used to account for those operations that are financed and operated in a manner similar to private business or where the board has decided that the determination of revenues earned, cost incurred and/or net income are necessary for management accountability. There are three enterprise funds: Utility Fund, Bridge Fund, and Golf Course Fund.

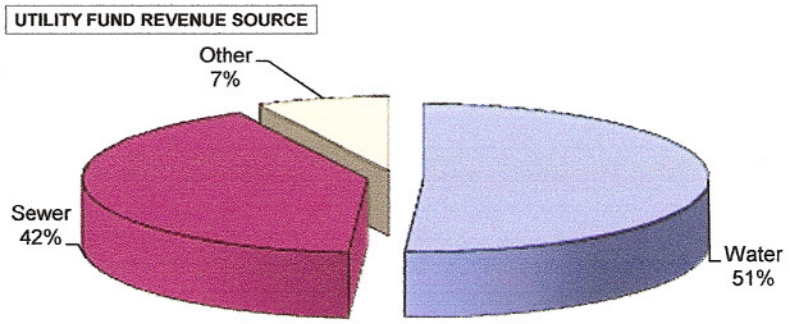
Utility Fund

The Utility Fund was established to account for the City's water and sewer/wastewater system operations.

Revenues

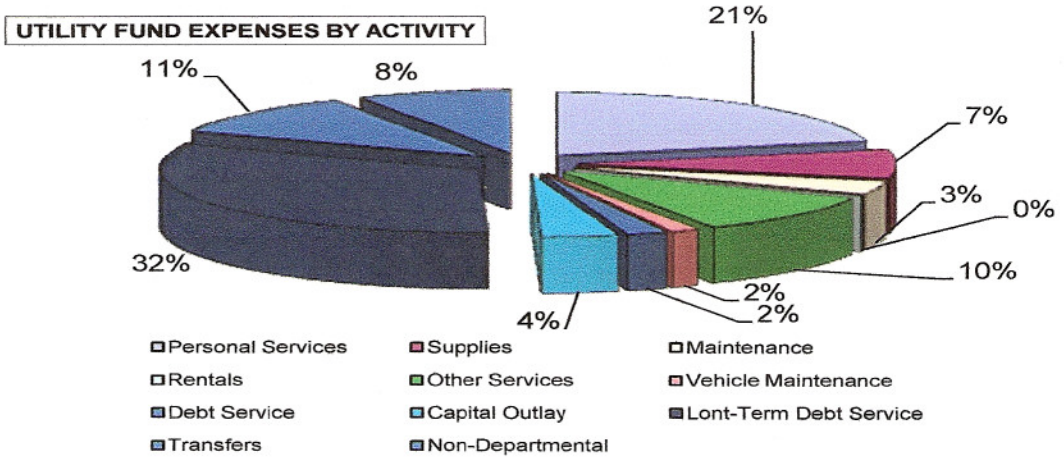
The Utility Fund is expected to generate $12,241,780, which is an increase of nearly 11.8% over last year's budget. The increase is attributable to consumption increase and the increase in water rates per the Commission approved rate plan that will enable the utility capital project to be funded.

As illustrated in the graph on the next page, there are three main revenue sources. The major revenue source comes from water and sewer revenues due to consumption. Water is budgeted at $6.25 million, an increase of 6.6% from the previous budget. The increase is mainly attributable to the scheduled utility rate increase. Sewer is budgeted at $5.08 million. This is an increase of 27.4% from the previous budget. The increase is mainly due to the attempt to bring budgeted revenues closer to actual amounts. Other revenue is budgeted at $911,780. This is a decrease of 17.0% from the previous budget. Other revenue mainly consists of tapping fees, reconnects, and interest. The decrease is due to the estimated decrease in tapping charges and interest revenues. The following pie-chart identifies the revenue sources that make up the fund's revenues.



Expenses

The Waterworks and Sewer System's overall appropriation, including expenses and transfers-out, is $12.95 million. This represents an increase of $1.99 million or nearly 18.2% over last year's budget. The major reason for this variance is due to an increase of $1.22 million in transfer out expenses. The transfers are due to the transfers to the Utility Capital Projects Fund for the funding of the projects. The transfers are from the Fund's reserves and not from the current budget year revenue sources. The following pie-chart depicts how the expenses are allocated among activities.



The table below identifies the budget comparison per department:

The table below identifies the budget comparison per department:

Department	Fiscal Year 2008/09	Fiscal Year 2007/08	Increase/ (Decrease)	Percent Change
Administration	$ 729,590	$ 703,267	$ 26,323	3.7%
Water Production	1,363,950	1,232,580	131,370	10.7%
Water Distribution	1,765,490	1,651,542	113,948	6.9%
Water Treatment Plant	1,767,590	1,568,620	198,970	12.7%
Sewer Collection	782,880	516,200	266,680	51.7%
Debt Service	4,158,580	3,691,041	467,539	12.7%
Transfers Out	1,377,540	155,000	1,222,540	788.7%
Non-Departmental	1,004,800	1,435,600	(430,800)	-30.0%
	$ 12,950,420	$ 10,953,850	$ 1,996,570	18.2%

BRIDGE FUND

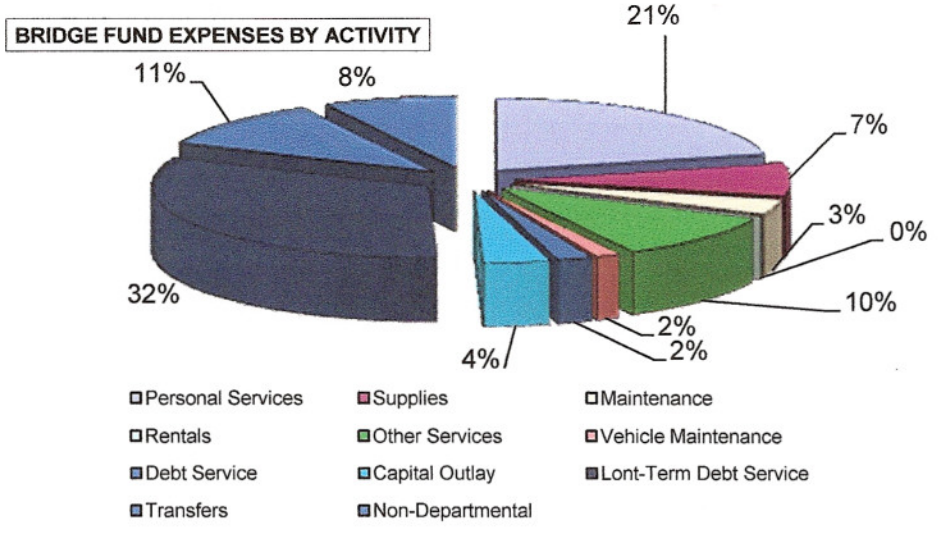
The Bridge Fund was established to account for the City's international bridge operations. The bridge enables traffic to flow to and from Mexico.

Revenues

The Bridge Fund is budgeted at $9,649,790, which is a decrease of nearly $1 million, or 9.4%, over last year's budget. The decrease is attributable to the lack of grant revenue budgeted this year. The bridge budgeted $1 million last fiscal year and is not expected to be available this fiscal year.

Expenses

The bridge's overall appropriation, including expenses and transfers-out, is $10.19 million, which is an decrease of $465,749 or nearly 4.4% of last year's budget. The major reason for this decrease is due to lower capital project funding. The following chart depicts how the expenses are allocated among activities.



GOLF COURSE FUND

The Golf Course Fund was established to account for the City owned Tierra Del Sol Golf Course operations.

The Golf Course Fund is balanced and is budgeted at $949,540, which is a decrease of nearly $48,000, or 4.8%, over last year's expense budget. The decrease is attributable to the reduction in transfers from the General Fund. User fees were increased in order for this fund to become self-sustaining.

INTERNAL SERVICE FUNDS

The internal service fund is used to account for the financing of goods or services provided by one department to other departments within the City on a cost-reimbursement basis. There is one internal service fund: Garage Fund.

CITY GARAGE FUND

The City Garage Fund was established to account for fleet maintenance and maintains an inventory of parts for the City-owned vehicles.

This fund receives its revenues from the other funds in the City. Total budgeted revenues for this fund are $481,260.

FIDUCIARY FUND

Fiduciary funds are used to account for activities that belong to other entities but managed by the City. The City has one fiduciary fund: Volunteer Firemen Pension Fund.

VOLUNTEER FIREMEN PENSION (New Fund)

This fund accounts for the additional resources the pension accumulates along with the expected deductions due to scheduled pension payments.

Additions come from two sources; a transfer from the General Fund and interest from the fund's bank account. Additions are budgeted at $31,000. Deductions are budgeted for the payment of pension due to the retired volunteers or their spouses. Deductions are budgeted at $12,300.

CITYWIDE

The City has seventeen different funds that it maintains for the proper administration of City activities and finances per City ordinances and State of Texas laws. The creation of each fund is for the express purpose of segregating funds to ensure that the identification of available assets is properly stated. This fiscal year, nine funds were added to the budgeted list to continue with the proper segregation of assets and available spending.

Revenues for the fiscal year 2008-09 are $68,747,490. It is difficult to compare this fiscal year with last fiscal year due to the creation and addition of nine new funds. The comparisons between fiscal years are as follows:

Fund	FISCAL YEAR 2008-09	FISCAL YEAR 2007-08	Increase/ (Decrease)	Percent Change
General Fund	$ 34,268,120	$ 35,380,094	$ (1,111,974)	-3.1%
General Contingency Reserve Fund	1,927,200	-	1,927,200	0.0%
Community Development Fund	1,574,820	259,150	1,315,670	507.7%
Asset Sharing	151,500	-	151,500	0.0%
Parkland Dedication	33,000	-	33,000	0.0%
Grants	540,050	-	540,050	0.0%
Special Revenues	723,700	-	723,700	0.0%
Hotel/Motel Fund	920,000	680,000	240,000	35.3%
General Capital Project Fund	-	-	-	0.0%
Utility Capital Project Fund	1,334,870	-	1,334,870	0.0%
Bridge Capital Project Fund	1,700,000	-	1,700,000	0.0%
Debt Service Fund	2,220,860	2,264,210	(43,350)	-1.9%
Garage Fund	481,260	1,101,324	(620,064)	-56.3%
Utility Fund	12,241,780	10,950,400	1,291,380	11.8%
Bridge Fund	9,649,790	10,655,809	(1,006,019)	-9.4%
Golf Course Fund	949,540	917,500	32,040	3.5%
Volunteer Firemen Pension	31,000	-	31,000	0.0%
	$ 68,747,490	**$ 62,208,487**	**$ 6,539,003**	**10.5%**

Expenditures for the fiscal year 2008-09 are $102,593,520. It is difficult to compare this fiscal year with last fiscal year due to the creation and addition of nine new funds. The comparisons between fiscal years are identified as follows:

Fund	FISCAL YEAR 2008-09	FISCAL YEAR 2007-08	Increase/ (Decrease)	Percent Change
General Fund	$ 34,268,120	$ 34,160,186	$ 107,934	0.3%
General Contingency Reserve Fund	1,927,200	-	1,927,200	0.0%
Community Development Fund	1,574,820	259,150	1,315,670	507.7%
Asset Sharing	151,500	-	151,500	0.0%
Parkland Dedication	298,000	-	298,000	0.0%
Grants	590,050	-	590,050	0.0%
Special Revenues	2,301,370	-	2,301,370	0.0%
Hotel/Motel Fund	470,010	441,938	28,072	6.4%
General Capital Project Fund	-	-	-	0.0%
Utility Capital Project Fund	32,508,010	-	32,508,010	0.0%
Bridge Capital Project Fund	1,700,000	-	1,700,000	0.0%
Debt Service Fund	2,220,860	3,308,464	(1,087,604)	-32.9%
Garage Fund	481,260	1,101,324	(620,064)	-56.3%
Utility Fund	12,950,420	10,953,850	1,996,570	18.2%
Bridge Fund	10,190,060	10,655,809	(465,749)	-4.4%
Golf Course Fund	949,540	1,111,970	(162,430)	-14.6%
Volunteer Firemen Pension	12,300	-	12,300	0.0%
	$ 102,593,520	**$ 61,992,691**	**$ 40,600,829**	**65.5%**

TRANSFERS IN/OUT

There were numerous transfers between funds that were needed during this fiscal year. All transfers are calculated and identified for a stated purpose. The following table identifies the fund that transfers the budget out and the fund that has the transfers going into it. In order for this action to be correct, the transfer out must equal the transfers in, which is the case this fiscal year.

	FY 2008/09	
Transfers	**IN**	**Out**
General Fund - Bridge	$ 3,106,540	
General Fund - Utility	444,000	
General Fund - Golf	30,000	
General Fund - Golf		83,040
General Fund - Volunteer		30,000
General Fund - Contingency		1,611,840
General Fund - Fund Balance		306,360
Debt Service Fund		108,780
Utility Fund		444,000
Utility Fund		453,490
Bridge Fund		3,106,540
Bridge Fund		1,700,000
Bridge Fund - Hotel/Motel	80,010	
Bridge Fund - Debt Service	108,780	
Hotel/Motel Fund		80,010
Bridge CIP	1,700,000	
Utility CIP	453,490	
Golf Fund		30,000
Golf Fund	83,040	
Volunteer Firemen	30,000	
General Contingency	1,611,840	
General Contingency	306,360	
	$ 7,954,060	$ 7,954,060

CAPITAL EXPENDITURES/EXPENSES

Capital purchases make up a major expenditure for the City. Capital purchases must meet certain criteria to be classified as capital: must be at least $5,000, and have a useful life of at least three years.

The following table describes the entire budgeted capital asset/project activity for this fiscal year.

Capital Asset Purchases

Fund	Department	Account	Amount	Purpose/Description
General	Traffic Safety	01-513-8803	36,000	2 Replacement Pick-ups
General	Fire Dept	01-515-8803	37,120	2 Extended Cab Pick-ups
General	Library	01-520-8812	95,000	Library Books
			$ 168,120	
Special Rev	Public Works	25-517-8803	**30,000**	Ford Expedition replacement
CDBG	Fire Equipment	06-530-9955-09	**233,850**	Brush Truck and supplies
Utility	Water Distribution	02-583-8803	30,000	Ford Dually Diesel Truck
Utility	Water Distribution	02-583-8803	14,500	Ford Ranger Truck
Utility	Water Distribution	02-583-8804	7,000	Upgraded Phone System
Utility	Water Distribution	02-583-8806	60,000	Manholes (3)
Utility	Water Distribution	02-583-8806	8,750	Meter Replacement (250)
Utility	Water Distribution	02-583-8806	30,000	2" waterline replacement
Utility	Wastewater Treatment Plant	02-584-8804	10,000	3 ton hoist
Utility	Wastewater Treatment Plant	02-584-8806	22,000	Flygt Impellers (4)
Utility	Wastewater Treatment Plant	02-584-8806	30,000	RAS 8" Pumps (3)
Utility	Lift Station	02-586-8806	160,000	Junction box (TXDot Project)
Utility	Lift Station	02-586-8806	125,000	Rehab lift stations
			$ 497,250	
Bridge	Bridge Admin	04-510-8801	10,000	Currency Counter
Bridge	Bridge Admin	04-510-8804	850,000	Automated toll accounting system
			$ 860,000	
			$ 1,789,220	

Capital Projects Funded

Utility	Water Admin	Various	944,770	Raw Water Pump Station
Utility	Water Admin	Various	390,100	W & E Polk waterline upgrade
Utility	Water Admin	Various	89,950	Sugar Palm Subdivision waterline replacement
Utility	Water Admin	Various	17,220,000	Wastewater Collection System
Utility	Water Admin	Various	7,220,000	Wastewater Treatment Plant
Utility	Water Admin	Various	6,643,190	Water Treatment Plant
			32,508,010	
Bridge	Bridge Admin	Various	**1,700,000**	Northbound lane expansion
			$ 34,208,010	

FINANCIAL BUDGET SECTION

CITY-WIDE BUDGET SUMMARY

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CITY OF PHARR, TX
CITY-WIDE BUDGET AND CHANGE IN AVAILABLE RESOURCES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$ (4,544,364)	$ (22,343)	$ (22,343)	$ (22,343)	$ 65,387,947
REVENUES					
General:					
General Fund	30,586,961	34,642,094	35,380,094	36,048,304	34,268,120
General Contingency Reserve Fund	-	-	-	-	1,927,200
Total General Funds	30,586,961	34,642,094	35,380,094	36,048,304	36,195,320
Special Revenue Funds:					
Community Development Fund	1,239,527	482,700	259,150	897,130	1,574,820
Asset Sharing	139,276	-	-	234,700	151,500
Parkland Dedication	163,147	-	-	36,000	33,000
Grants	-	-	-	770,610	540,050
Special Revenues	-	-	-	1,539,700	723,700
Hotel/Motel Fund	912,048	680,000	680,000	921,000	920,000
Total Special Revenue Funds	2,453,998	1,162,700	939,150	4,399,140	3,943,070
Capital Project Fund:					
General Capital Project Fund	7,660,924	-	-	388,010	-
Utility Capital Project Fund	-	-	-	73,086,980	1,424,820
Bridge Capital Project Fund	-	-	-	-	1,700,000
	7,660,924	-	-	73,474,990	3,124,820
Debt Service Fund:					
Debt Service Fund	2,417,437	2,264,210	2,264,210	2,263,134	2,220,860
Internal Service Fund:					
Garage Fund	1,168,840	1,096,874	1,101,324	1,300,200	481,260
Enterprise Funds:					
Utility Fund	15,103,705	10,893,440	10,950,400	12,719,010	12,241,780
Bridge Fund	8,937,163	9,430,000	10,655,809	10,723,940	9,649,790
Golf Course Fund	636,861	1,096,840	917,500	1,007,940	949,540
Total Enterprise Funds	24,677,729	21,420,280	22,523,709	24,450,890	22,841,110
Agency Fund:					
Volunteer Firemen Pension	-	-	-	30,500	31,000
Total Revenues	**68,965,889**	**60,586,158**	**62,208,487**	**141,967,158**	**68,837,440**
Total Available Resources	**$ 64,421,525**	**$ 60,563,815**	**$ 62,186,144**	**$ 141,944,815**	**$ 134,225,387**

EXPENDITURES/EXPENSES					
General:					
General Fund	$ 32,154,242	$ 34,642,094	$ 34,160,186	$ 35,184,901	$ 34,268,120
General Contingency Reserve Fund	-	-	-	-	1,927,200
Total General Funds	32,154,242	34,642,094	34,160,186	35,184,901	36,195,320
Special Revenue Funds:					
Community Development Fund	1,171,477	254,700	259,150	897,130	1,574,820
Asset Sharing	189,971	-	-	191,740	151,500
Parkland Dedication	85,664	-	-	104,600	298,000
Grants	-	-	-	720,610	590,050
Special Revenues	-	-	-	-	2,301,370
Hotel/Motel Fund	435,775	441,938	441,938	334,940	470,010
Total Special Revenue Funds	1,882,887	696,638	701,088	2,249,020	5,385,750
Capital Project Fund:					
General Capital Project Fund	4,289,128	-	-	4,806,572	-
Utility Capital Project Fund	-	-	-	7,003,863	32,508,010
Bridge Capital Project Fund	-	-	-	-	1,700,000
	4,289,128	-	-	11,810,435	34,208,010
Debt Service Fund:					
Debt Service Fund	2,116,515	2,108,464	3,308,464	3,312,964	2,220,860
Internal Service Fund:					
Garage Fund	1,167,884	1,096,874	1,101,324	1,264,850	481,260
Enterprise Funds:					
Utility Fund	8,034,100	10,893,440	10,953,850	11,546,889	12,950,420
Bridge Fund	13,769,359	9,430,000	10,655,809	10,183,670	10,190,060
Golf Course Fund	1,285,565	1,096,840	1,111,970	997,940	949,540
Total Enterprise Funds	23,089,024	21,420,280	22,721,629	22,728,499	24,090,020
Agency Fund:					
Volunteer Firemen Pension	-	-	-	6,200	12,300
Total Expenditures/Expenses	**64,699,680**	**59,964,350**	**61,992,691**	**76,556,869**	**102,593,520**
Net Revenues Over/(Under) Expenditures/Expenses, Change in Available Resources	4,266,209	621,808	215,796	65,410,290	(33,756,080)
Ending Available Resources	**$ (278,155)**	**$ 599,465**	**$ 193,453**	**$ 65,387,947**	**$ 31,631,867**

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GOVERNMENTAL FUNDS

GENERAL FUND

General Fund is the chief operating fund of the City. All of the City's activities are reported in these funds unless there is a compelling reason to report an activity in some other fund type.

GENERAL FUND (detailed): The General Fund is the general operating fund of the City. It is used to account for all financial resources traditionally associated with government, except those required to be accounted for in another fund.

GENERAL CONTINGENCY RESERVE: This fund accounts for the fiduciary responsible administration of the City's unreserved fund balance. This fund will be consolidated with the General Fund in the preparation of the City's financial report.

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CITY OF PHARR, TEXAS
BUDGETED REPORT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
FOR THE FISCAL YEAR OCTOBER 1, 2008 THROUGH SEPTEMBER 30, 2009

REVENUES		ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
General Tax Revenue						
Property		$ 10,268,663	$ 11,112,460	$ 11,112,460	$ 11,206,460	$ 13,074,290
Sales		8,369,934	8,511,000	8,149,000	8,329,000	8,329,000
Franchise		1,810,509	1,760,000	1,760,000	1,804,000	1,858,120
Other		241,864	170,000	170,000	181,825	170,000
	Total	20,690,970	21,553,460	21,191,460	21,521,285	23,431,410
Licenses and permits						
Building		485,485	400,000	400,000	380,000	300,000
Professional services		294,497	270,000	270,000	160,160	155,000
Other		112,198	68,500	68,500	143,360	60,300
	Total	892,180	738,500	738,500	683,520	515,300
Intergovernmental						
Grants		326,877	285,144	285,144	-	-
School security		136,851	229,938	229,938	222,000	229,940
County fire runs		5,058	6,000	6,000	8,000	6,000
	Total	468,786	521,082	521,082	230,000	235,940
Fees and charges:						
Sanitation		3,274,295	3,300,000	3,200,000	3,586,000	3,677,100
Brush		968,612	900,000	900,000	969,000	988,380
Wells Fargo rental		217,018	205,000	205,000	204,960	204,960
Other rentals		239,689	257,000	257,000	343,300	298,680
Other fees		224,789	381,500	381,500	333,739	295,000
	Total	4,924,403	5,043,500	4,943,500	5,436,999	5,464,120
Fines						
Court fines		657,194	660,000	660,000	740,430	762,600
Police records/fees		110,292	81,000	81,000	92,520	92,210
Library fines		32,361	20,000	20,000	35,000	27,000
	Total	799,847	761,000	761,000	867,950	881,810
Interest income	Total	51,807	50,000	50,000	62,000	50,000
Contributions and donations						
Toys 4 Tots		9,229	-	-	-	-
Children's Christmas fund		3,102	-	-	-	-
	Total	12,331	-	-	-	-
Other						
Miscellaneous		222,643	175,000	175,000	160,000	100,000
Oil and gas royalties		9,102	10,000	10,000	15,000	9,000
	Total	231,745	185,000	185,000	175,000	109,000
Total revenues		28,072,069	28,852,542	28,390,542	28,976,754	30,687,580

EXPENDITURES					
Current:					
General government	6,641,191	5,673,555	5,621,873	4,749,506	4,782,780
Public safety	15,430,217	19,302,341	19,147,496	19,979,644	17,652,370
Highways and streets	2,121,083	2,350,694	2,376,504	2,409,566	1,961,690
Health and welfare	4,037,894	3,900,000	3,900,000	4,280,600	4,413,550
Culture and recreation	3,421,696	3,209,464	3,078,713	3,499,845	3,426,490
Debt service	-	-	-	-	-
Total expenditures	31,652,081	34,436,054	34,124,586	34,919,161	32,236,880
Excess (deficiency) of revenues over (under) expenditures	(3,580,012)	(5,583,512)	(5,734,044)	(5,942,407)	(1,549,300)
OTHER FINANCING SOURCES (USES)					
Transfers in					
Bridge	1,849,082	2,839,552	4,039,552	4,039,550	3,106,540
Utility	155,000	155,000	155,000	155,000	444,000
Golf Course	-	-	-	-	30,000
Total	2,004,082	2,994,552	4,194,552	4,194,550	3,580,540
Transfers (out)					
Contingency	-	-	-	-	(1,611,840)
Fund Balance Improvement	-	-	-	-	(306,360)
Golf Course	(502,161)	(179,340)	(4,450)	(204,590)	(83,040)
Volunteer Firemen Pension	-	-	-	(30,000)	(30,000)
Community Development	-	(26,700)	(31,150)	(31,150)	-
Total	(502,161)	(206,040)	(35,600)	(265,740)	(2,031,240)
Lease proceeds	519,912	2,795,000	2,795,000	2,877,000	-
Total other financing sources and uses	2,021,833	5,583,512	6,953,952	6,805,810	1,549,300
Net change in fund balance	(1,558,179)	-	1,219,908	863,403	-
Fund balance (deficit) - beginning	7,600,384	4,600,123	4,600,123	4,600,123	5,463,526
Prior period adjustment	(1,442,082)	-	-	-	-
Fund balance - ending	$ 4,600,123	$ 4,600,123	$ 5,820,031	$ 5,463,526	$ 5,463,526

CITY OF PHARR, TX
GENERAL FUND
SUMMARY OF REVENUES AND EXPENDITURES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$ (4,835,058)	$ (6,402,339)	$ (6,402,339)	$ (6,402,339)	$ (5,538,936)
Revenues					
500 - General Tax Revenue	$ 18,711,892	$ 19,673,460	$ 19,311,460	$ 19,607,285	$ 21,463,290
520 - Gross Receipts	1,979,078	1,880,000	1,880,000	1,914,000	1,968,120
530 - Revenue Producing Facilities	4,724,068	4,700,000	4,600,000	5,111,460	5,187,120
540 - Fines and Fees	799,847	761,000	761,000	867,950	881,810
550 - Licenses and Permits	892,180	738,500	738,500	683,520	515,300
560 - Charges for Current Services	616,694	814,438	814,438	792,539	671,940
570 - Grants	339,208	285,144	285,144	-	-
580 - Transfers/Others	2,523,994	5,789,552	6,989,552	7,071,550	3,580,540
Total Revenues	$ 30,586,961	$ 34,642,094	$ 35,380,094	$ 36,048,304	$ 34,268,120
Total Available Resources	$ 25,751,903	$ 28,239,755	$ 28,977,755	$ 29,645,965	$ 28,729,184
Expenditures					
10 - City Manager's Office	$ 1,020,243	$ 1,190,486	$ 1,148,836	$ 1,211,601	$ 909,400
11 - Finance Department	801,616	714,202	666,002	646,134	625,370
12 - Police Department	9,533,726	11,296,160	11,215,524	11,760,393	10,827,360
13 - Traffic Safety	1,128,706	1,108,453	1,123,583	1,202,708	1,344,480
14 - Municipal Court	396,580	426,400	431,740	458,342	398,780
15 - Fire Protection	4,600,429	6,671,328	6,576,649	6,783,201	5,318,000
16 - Administrative Services	-	-	-	-	394,470
17 - Street Maintenance	2,121,083	2,350,694	2,376,504	2,409,566	1,961,690
20 - Municipal Library	1,000,694	1,090,799	1,067,939	1,085,930	1,090,720
22 - Parks & Recreation	2,421,002	2,118,665	2,010,774	2,413,915	2,335,770
27 - Planning & Community Development	1,048,129	1,078,059	1,017,487	1,009,524	1,103,530
30 - Non-Departmental	8,082,034	6,596,848	6,525,148	6,203,587	7,958,550
Total Expenditures	$ 32,154,242	$ 34,642,094	$ 34,160,186	$ 35,184,901	$ 34,268,120
Net Revenues Over/(Under) Expenditures	$ (1,567,281)	$ -	$ 1,219,908	$ 863,403	$ -
Ending Available/Unreserved Resources (EAR)	(6,402,339)	(6,402,339)	(5,182,431)	(5,538,936)	(5,538,936)
% of EAR to Total Resources	-20.9%	-18.5%	-14.6%	-15.4%	-16.2%
% of EAR to Total Expenditures (w/o CA)	-20.3%	-20.4%	-16.7%	-17.2%	-16.2%
Months of budgeted operating expenditures (w/o CA)	(2.4)	(2.4)	(2.0)	(2.1)	(1.9)

CITY OF PHARR, TX
GENERAL FUND
SUMMARY OF EXPENDITURES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Department					
10 - City Manager's Office	$ 1,020,243	$ 1,190,486	$ 1,148,836	$ 1,211,601	$ 909,400
11 - Finance Department	801,616	714,202	666,002	646,134	625,370
12 - Police Department	9,533,726	11,296,160	11,215,524	11,760,393	10,827,360
13 - Traffic Safety	1,128,706	1,108,453	1,123,583	1,202,708	1,344,480
14 - Municipal Court	396,580	426,400	431,740	458,342	398,780
15 - Fire Protection	4,600,429	6,671,328	6,576,649	6,783,201	5,318,000
16 - Administrative Services	-	-	-	-	394,470
17 - Street Maintenance	2,121,083	2,350,694	2,376,504	2,409,566	1,961,690
20 - Municipal Library	1,000,694	1,090,799	1,067,939	1,085,930	1,090,720
22 - Parks & Recreation	2,421,002	2,118,665	2,010,774	2,413,915	2,335,770
27 - Planning & Community Development	1,048,129	1,078,059	1,017,487	1,009,524	1,103,530
30 - Non-Departmental	8,082,034	6,596,848	6,525,148	6,203,587	7,958,550
Total Expenditures	**$ 32,154,242**	**$ 34,642,094**	**$ 34,160,186**	**$ 35,184,901**	**$ 34,268,120**
Activity					
1100- Personnel Services	$ 18,119,292	$ 19,262,596	$ 19,061,833	$ 19,729,150	$ 20,076,760
2200- Supplies	950,101	784,700	760,000	774,982	810,620
3300- Maintenance	398,855	361,000	373,000	383,000	379,200
4400- Rentals	138,825	177,300	171,800	141,360	155,370
5500- Other Services	2,100,883	2,037,300	1,932,455	2,532,366	2,590,540
6600- Vehicle Maintenance	1,146,429	886,874	886,874	1,144,450	1,158,760
7700- Debt Service	617,067	1,259,876	1,259,876	1,259,876	970,200
8800- Capital Outlay	600,756	3,275,600	3,189,200	3,016,130	168,120
9900- Non-Departmental	8,082,034	6,596,848	6,525,148	6,203,587	7,958,550
Total Expenditures	**$ 32,154,242**	**$ 34,642,094**	**$ 34,160,186**	**$ 35,184,901**	**$ 34,268,120**
Function					
General government	$ 6,641,191	$ 5,673,555	$ 5,621,873	$ 4,749,506	$ 4,782,780
Public safety	15,430,217	19,302,341	19,147,496	19,979,644	17,652,370
Highways and streets	2,121,083	2,350,694	2,376,504	2,409,566	1,961,690
Health and welfare	4,037,894	3,900,000	3,900,000	4,280,600	4,413,550
Culture and recreation	3,421,696	3,209,464	3,078,713	3,499,845	3,426,490
Transfers Out	502,161	206,040	35,600	265,740	2,031,240
Total Expenditures	**$ 32,154,242**	**$ 34,642,094**	**$ 34,160,186**	**$ 35,184,901**	**$ 34,268,120**

City of Pharr, Texas

Department: City Manager's Office | Function: General | Fund: General

EXPENDITURES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 428,184	$ 560,400	$ 559,285	$ 591,580	$ 393,670
Employee Benefits	133,402	169,286	172,751	187,910	126,210
Supplies	27,056	22,300	12,300	33,300	22,390
Maintenance	12,121	7,000	7,000	18,000	12,620
Rentals	5,860	13,500	13,500	7,000	9,180
Contractual Services	250,032	170,000	170,000	170,000	152,000
Other Services	158,367	227,000	195,000	199,811	188,530
Vehicle Maintenance	5,221	6,000	6,000	4,000	4,800
Debt Service	-	-	-	-	-
Capital Outlay	-	15,000	13,000	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	$ 1,020,243	$ 1,190,486	$ 1,148,836	$ 1,211,601	$ 909,400

Purpose
To promote efficient administration of all affairs of the City

Main Duties
Liaison to the constituents of the city, departments, and elected officials; chief custodian of public records; issuances of vital records; administer municipal elections; Civil Service negotiations; coordinate all City Commission meetings and functions

Divisions
Administration; City Clerk; Records Management; Vital Statistics; Civil Service

Mission Statement
To be stewards of equitable, effective, and public policy makers for all aspects of municipal operations for the taxpayers that we serve.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Finance | Function: General | Fund: General

EXPENDITURES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 474,591	$ 339,450	$ 305,941	$ 305,300	$ 252,130
Employee Benefits	159,919	151,383	137,692	136,670	119,990
Supplies	51,920	50,000	73,000	56,000	59,000
Maintenance	17,429	19,000	19,000	19,000	25,540
Rentals	6,299	7,000	3,500	4,600	5,400
Contractual Services	14,150	20,000	30,000	40,000	90,000
Other Services	53,364	52,900	49,400	50,095	53,980
Vehicle Maintenance	-	-	-	-	-
Debt Service	6,442	19,469	19,469	19,469	19,330
Capital Outlay	17,502	55,000	28,000	15,000	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	$ 801,616	$ 714,202	$ 666,002	$ 646,134	$ 625,370

Purpose
Manage the City's finances and ensure compliance with accounting and financial requirements, maximize the effective and efficient use of public funds, safeguard assets, and follow directives of our City Commissioners and City Manager.

Main Duties
Functional responsibilities include accounting, financial reporting, budgetary control, cash management, debt management, and investments.

Divisions
Accounting, Accounts Payable, Purchasing, Property Tax

Mission Statement
The Finance Department strives to serve the citizens of the city of Pharr by providing financial, management, and accounting services support to the City Manager's office and City departments through sound management of the City's financial activities. Sound financial management is achieved by operating in accordance with the state law, the City Charter, applicable ordinances and policies of the governing body.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
Output:					
1 Prepare CAFR	Y	Y	Y	Y	Y
2 Prepare Official Budget Document	Y	Y	Y	Y	Y
3 Number of Qtrly Investment Report	1	4	4	4	4
Effectiveness:					
1 GFOA's CAFR award	N	Y	Y	Y	Y
2 GFOA's Budget award	N	Y	Y	Y	Y
3 GTOT Investment Policy award	N	Y	Y	Y	Y

City of Pharr, Texas

Department: Administrative Services | Function: General | Fund: General

EXPENDITURES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ -	$ -	$ -	$ -	$ 238,950
Employee Benefits	-	-	-	-	83,860
Supplies	-	-	-	-	19,400
Maintenance	-	-	-	-	15,530
Rentals	-	-	-	-	2,890
Contractual Services	-	-	-	-	-
Other Services	-	-	-	-	29,040
Vehicle Maintenance	-	-	-	-	4,800
Debt Service	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	$ -	$ -	$ -	$ -	$ 394,470

Purpose

Main Duties

Divisions

Mission Statement

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Planning & Code Enforecment | Function: General | Fund: General

EXPENDITURES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 632,018	$ 707,350	$ 654,166	$ 609,860	$ 669,490
Employee Benefits	243,061	232,800	235,112	240,680	279,320
Supplies	30,479	23,500	22,300	20,475	24,100
Maintenance	11,483	9,000	9,000	9,500	6,000
Rentals	4,033	6,000	6,000	4,100	4,000
Contractual Services	1,897	6,000	3,000	8,200	6,000
Other Services	35,371	45,200	39,700	52,500	55,900
Vehicle Maintenance	34,340	21,500	21,500	37,500	36,500
Debt Service	25,728	26,709	26,709	26,709	22,220
Capital Outlay	29,719	-	-	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	$ 1,048,129	$ 1,078,059	$ 1,017,487	$ 1,009,524	$ 1,103,530

Purpose
To provide professional and technical assistance in effectively facilitating the future growth and development of the city of Pharr through comprehensive zoning/rezoning regulations, ordinances, and sound planning principles.

Main Duties
Lessen congestion; secure safety from panic and other dangers; promote health and general welfare; protect the overcrowding of land and abutting traffic ways; avoid undue concentration of population.

Divisions
Administration, Building Safety, Planning/Zoning/GIS/and Code Enforcement, Community Development, Public Health

Mission Statement
We would like to work in partnership with the citizens to provide for the health, safety, and general welfare of the city. Also, to preserve to enhance the appearance and economic stability of our community through the diligent enforcement of appropriate ordinances and regulations in order to provide a safe and desirable living and working environment for the City of Pharr and enhance the "quality of life" of all our citizens and patrons.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Non-Departmental | Function: General | Fund: General

EXPENDITURES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Sanitation	$ 3,254,271	$ 3,200,000	$ 3,200,000	$ 3,500,000	$ 3,605,000
Debris/Brush	554,399	500,000	500,000	555,600	572,300
Street Lights	516,382	510,000	510,000	527,300	569,500
Legal	644,083	300,000	300,000	400,000	300,000
Engineering	236,663	200,000	200,000	150,000	120,000
City Hall	225,008	200,000	200,000	275,000	288,800
City Commission	93,168	100,000	100,000	72,400	100,000
Transfers	502,161	206,040	35,600	265,740	2,031,240
Other	2,055,899	1,380,808	1,479,548	457,547	371,710
DEPARTMENT TOTAL	$ 8,082,034	$ 6,596,848	$ 6,525,148	$ 6,203,587	$ 7,958,550

City of Pharr, Texas

Department: Police | Function: Public Safety | Fund: General

EXPENDITURES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 6,082,915	$ 6,641,057	$ 6,553,641	$ 6,232,990	$ 6,368,450
Employee Benefits	2,063,528	2,082,480	2,094,260	2,591,040	2,726,970
Supplies	186,249	169,500	164,500	142,900	143,000
Maintenance	56,709	39,000	39,000	37,000	39,000
Rentals	73,028	67,000	67,000	76,000	59,000
Contractual Services	157,691	120,000	120,000	120,000	120,000
Other Services	312,752	299,500	299,500	595,840	548,300
Vehicle Maintenance	563,725	450,000	450,000	537,000	527,930
Debt Service	6,135	385,623	385,623	385,623	294,710
Capital Outlay	30,994	1,042,000	1,042,000	1,042,000	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	$ 9,533,726	$ 11,296,160	$ 11,215,524	$ 11,760,393	$ 10,827,360

Purpose
To provide for public safety by enforcement of federal, state, and city laws and ordinances.

Main Duties
To protect life, property, and maintain order. To prevent and control conduct widely recognized as threatening to life and property; to aid individuals who are in danger; protect constitutional rights; facilitate the movement of people and traffic; assist those who cannot assist themselves; resolve conflict; proactivley identify problems; create and maintain a feeling of security in the community.

Divisions
Administration, Patrol, Communications, Crime Scene, Community Services, Criminal Investigations, Records, Jail

Mission Statement
To improve the quality of life of its citizens by enforcement of laws protecting rights, lives, and property of every person. We will work in community partnerships in identifying and responding to social and neighborhood concerns and needs.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Fire | Function: Public Safety | Fund: General

EXPENDITURES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 2,658,055	$ 3,247,497	$ 3,240,582	$ 3,333,310	$ 3,038,080
Employee Benefits	1,029,468	994,779	944,560	1,034,530	1,270,340
Supplies	120,622	78,000	86,500	114,000	109,540
Maintenance	91,491	85,000	116,500	122,600	92,010
Rentals	14,577	13,600	13,600	11,900	12,000
Contractual Services	14,471	15,000	15,000	8,000	-
Other Services	103,707	112,200	87,055	160,500	186,350
Vehicle Maintenance	203,614	131,374	131,374	193,000	204,020
Debt Service	285,559	422,278	422,278	422,278	368,540
Capital Outlay	78,865	1,571,600	1,519,200	1,383,083	37,120
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	$ 4,600,429	$ 6,671,328	$ 6,576,649	$ 6,783,201	$ 5,318,000

Purpose
Provide public service through fire suppression and fire prevention education to the community as well as save lives and protect property in emergency situations.

Main Duties
Saving lives and protecting property; public education/fire prevention; records management; fire and building code enforcement; inspection services; fire investigations; City developmental review

Divisions
Administration; Prevention; Suppression; Communications; Emergency Management

Mission Statement
To save lives, protect property, and the environment while ensuring the safety and survival of its firefighters. To provide the best possible emergency services through fire and rescue response. To promote fire safety and enhance the lives of its residents and visitors through fire prevention and public education.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Traffic Safety | Function: Public Safety | Fund: General

EXPENDITURES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 414,510	$ 421,100	$ 432,303	$ 454,480	$ 430,570
Employee Benefits	160,287	178,835	182,762	189,650	215,780
Supplies	160,274	142,500	142,500	105,460	154,750
Maintenance	4,160	9,500	9,500	9,200	9,500
Rentals	479	1,000	1,000	1,150	1,000
Contractual Services	-	1,500	1,500	-	1,500
Other Services	241,937	220,150	220,150	305,900	333,300
Vehicle Maintenance	66,572	66,000	66,000	77,000	87,600
Debt Service	30,610	59,868	59,868	59,868	74,480
Capital Outlay	49,877	8,000	8,000	-	36,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	$ 1,128,706	$ 1,108,453	$ 1,123,583	$ 1,202,708	$ 1,344,480

Purpose
Save lives, prevent injuuries, reduce vehicle related crashes and delays, by maintaining all traffic devices. Also maintain animal care, health, and population control.

Main Duties
Design, make and install all street and stop signs, also provide maintenance to our 50 traffic signals, verifying all lights are working properly and synchronization. Making sure our streets have standard paving markings. For animal control, pickup dead animals, provide traps for unwanted animals, promote vaccinations, and euthinization.

Divisions
Traffic & Safety, Animal Control

Mission Statement
Provide safety to our residents and the public by assuring the right operation/installation of the traffic devices as well as street markings and signs to prevent accidents. Animal Control is to take care of pets and animals within our city and monitor and control animal population.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Municipal Court | Function: Public Safety | Fund: General

EXPENDITURES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 169,203	$ 190,800	$ 194,754	$ 174,200	$ 155,100
Employee Benefits	63,607	66,800	68,186	73,715	70,580
Supplies	11,385	16,300	16,300	10,877	13,100
Maintenance	4,690	3,000	3,000	1,700	2,000
Rentals	2,026	3,000	3,000	2,110	2,100
Contractual Services	124,478	131,000	131,000	170,070	122,000
Other Services	6,450	15,500	15,500	22,070	29,800
Vehicle Maintenance	7,141	-	-	3,600	4,100
Debt Service	-	-	-	-	-
Capital Outlay	7,600	-	-	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	$ 396,580	$ 426,400	$ 431,740	$ 458,342	$ 398,780

Purpose

Main Duties

Divisions
Administration, Court

Mission Statement

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Street Maintenance | Function: Highways & Streets | Fund: General

EXPENDITURES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 720,031	$ 714,805	$ 733,916	$ 709,030	$ 732,650
Employee Benefits	344,729	337,320	344,019	413,970	448,280
Supplies	76,792	65,750	65,750	38,020	65,900
Maintenance	16,696	24,000	24,000	20,000	24,000
Rentals	15,432	33,000	33,000	6,000	31,000
Contractual Services	7,152	3,500	3,500	6,500	3,500
Other Services	253,316	235,150	235,150	201,480	276,350
Vehicle Maintenance	223,208	172,000	172,000	252,350	247,010
Debt Service	195,141	281,169	281,169	281,169	133,000
Capital Outlay	268,586	484,000	484,000	481,047	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	$ 2,121,083	$ 2,350,694	$ 2,376,504	$ 2,409,566	$ 1,961,690

Purpose
Maintain the city streets and storm drainage system as well as its improvements, providing effective street maintenance, environmentally responsible drainage and professional engineering. To improve the safety and quality of life for the citizens of Pharr.

Main Duties
Street and storm drain system maintenance, also meet the support and infrastructure demands of the city, including planning, development, construction, and inspection of new street and storm drain systems, and serve as first responders in emergency situations.

Divisions
Administration, Streets & Alleys, Drainage & Right Of Ways

Mission Statement
Provide quality services, within available resources to our residents in a timely and efficient manner, enhancing the health and welfare for all.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Parks & Recreation | Function: Culture & Rec. | Fund: General

EXPENDITURES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 1,191,688	$ 1,027,160	$ 993,337	$ 1,170,730	$ 1,183,520
Employee Benefits	418,266	385,145	395,077	485,225	477,160
Supplies	257,684	191,100	152,100	229,200	174,590
Maintenance	168,634	144,000	129,000	129,000	129,000
Rentals	7,260	16,500	14,500	9,500	9,500
Contractual Services	2,585	-	-	-	-
Other Services	264,825	250,000	222,000	285,500	262,080
Vehicle Maintenance	42,608	40,000	40,000	40,000	42,000
Debt Service	67,452	64,760	64,760	64,760	57,920
Capital Outlay	-	-	-	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	$ 2,421,002	$ 2,118,665	$ 2,010,774	$ 2,413,915	$ 2,335,770

Purpose

To provide quality recreational opportunities as well as maintain and preserve the facilities of the citizens that we are proud to serve.

Main Duties

Encompasses a total of four service areas that includes park maintenance, building maintenance, recreation and athletics, as well as the municipal golf course. Our staff is responsible for maintaining 57 acres of parks, approx. 25 acres of landscaping, six public buildings, and a 100 acre golf course.

Divisions

Park Maintenance, Building Maintenance, Recreation and Athletics, Municipal Golf Course.

Mission Statement

To provide quality of life services in the community through the implementation of youth recreational and leisure opportunities.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Library | Function: Culture & Rec. | Fund: General

EXPENDITURES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 523,970	$ 591,179	$ 595,133	$ 575,230	$ 569,950
Employee Benefits	207,860	222,970	224,356	219,050	225,710
Supplies	27,640	25,750	24,750	24,750	24,850
Maintenance	15,442	21,500	17,000	17,000	24,000
Rentals	9,831	16,700	16,700	19,000	19,300
Contractual Services	-	-	-	-	-
Other Services	98,338	112,700	95,000	135,900	131,910
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	-
Capital Outlay	117,613	100,000	95,000	95,000	95,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	$ 1,000,694	$ 1,090,799	$ 1,067,939	$ 1,085,930	$ 1,090,720

Purpose

The primary function to adults is to provide materials of both a recreational and instructional nature which communicate experiences and ideas from one person to another.

The primary function to young adults is to assist with specific educational needs, encourage self-realization, widen their knowledge of the smaller community in which they reside as well as the world at large, enrich their life and help them fulfill recreational and emotional needs.

The primary function to children is to supplement, compliment, and enhance in knowledge, awareness, judgement, and manners the child's home, school, church and community experiences in helping them realize the fullest possible potential of childhood.

Main Duties

To provide library materials and customer service to adults, young adults, and children of the community.

Divisions

Mission Statement

The Pharr Memorial Library strives to promote the love of reading and serve as a gateway to knowledge for our community.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

CITY OF PHARR, TX
GENERAL CONTINGENCY RESERVE FUND
SUMMARY OF REVENUES AND EXPENDITURES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$ -	$ -	$ -	$ -	$ -
REVENUES					
Transfers In	$ -	$ -	$ -	$ -	$ 1,918,200
Interest	-	-	-	-	9,000
Total Revenues	$ -	$ -	$ -	$ -	$ 1,927,200
Total Available Resources	$ -	$ -	$ -	$ -	$ 1,927,200
EXPENDITURES					
Emergency Contingencies	$ -	$ -	$ -	$ -	$ 1,927,200
Total Expenditures	$ -	$ -	$ -	$ -	$ 1,927,200
Net Revenues Over/(Under) Expenditures	$ -	$ -	$ -	$ -	$ -
Ending Available Resources	-	-	-	-	-

SPECIAL REVENUES FUNDS

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

Special Revenues Fund – This fund accounts for miscellaneous revenues for various purposes that are restricted from general use. Seven departments use this fund: Police, Fire, Court, Streets, Library, Planning & Zoning, and Non-Departmental.

Community Development Fund – This fund accounts for grant revenues that meet the program objectives set forth by the U.S. Department of Housing & Urban Development in providing affordable housing, a suitable and viable living environment and expanding economic opportunities.

Grants Fund – This fund accounts for general grant revenues awarded to the City. Three departments utilize this fund: Police, Fire, and Library.

Hotel/Motel Fund – This fund accounts for revenue from a seven percent tax levied upon the cost of City hotel and motel rooms with a daily rate over $2. According to state civil statutes, this tax revenue can be used to promote tourism, maintain and repair convention facilities, promote the arts and humanities, or any other purpose directly related to these activities.

Parkland Dedication – Created by Ordinance O-99-49 on August 17, 1999, this fund accounts for contributions that developers are required to make when creating subdivisions to provide recreational areas in the form of neighborhood and community parks.

Asset Sharing – This fund accounts for forfeitures awarded to the City by the federal and state courts and drug enforcement agencies. Revenues are restricted for police supplies and only to be used if general funding is not available.

CITY OF PHARR, TX
SPECIAL REVENUES FUND
SUMMARY OF REVENUES AND EXPENDITURES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED **Ending Balance** 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$ -	$ -	$ -	$ -	$ 1,539,700
REVENUES					
Police	$ -	$ -	$ -	$ 97,000	$ 43,000
Court	-	-	-	105,000	38,400
Fire	-	-	-	18,740	10,500
Streets	-	-	-	1,230,960	420,000
Library	-	-	-	95,150	93,800
Planning & Zoning	-	-	-	112,000	18,000
Other	-	-	-	(119,150)	100,000
Total Revenues	$ -	$ -	$ -	$ 1,539,700	$ 723,700
Total Available Resources	$ -	$ -	$ -	$ 1,539,700	$ 2,263,400
EXPENDITURES					
Police	$ -	$ -	$ -	$ -	$ 140,000
Court	-	-	-	-	143,400
Fire	-	-	-	-	29,240
Streets	-	-	-	-	1,650,960
Library	-	-	-	-	110,150
Planning & Zoning	-	-	-	-	130,000
Other	-	-	-	-	97,620
Total Expenditures	$ -	$ -	$ -	$ -	$ 2,301,370
Net Revenues Over/(Under) Expenditures	$ -	$ -	$ -	$ 1,539,700	$ (1,577,670)
Ending Available Resources	-	-	-	1,539,700	(37,970)

SPECIAL REVENUES FUND
REVENUE SOURCES

			ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED **Ending Balance** 9/30/08	BUDGET 2008-2009
POLICE							
4-1210	PD Education	2-2509	$ -	$ -	$ -	$ 1,000	$ 8,000
4-1220	Police Academy	2-2521	-	-	-	5,000	7,000
4-1230	Crime Prevention	2-2522	-	-	-	6,000	4,000
4-1240	Alarm Permit	2-2532	-	-	-	85,000	24,000
		Total	-	-	-	97,000	43,000
COURT							
4-1410	Technology Fee	2-2530	-	-	-	45,000	24,000
4-1420	Building Security Fee	2-2531	-	-	-	60,000	14,400
		Total	-	-	-	105,000	38,400
FIRE							
4-1510	FD Law Enforcement	2-0264	-	-	-	740	500
4-1520	Radio Tower/Sys. Maint	2-2527	-	-	-	18,000	10,000
		Total	-	-	-	18,740	10,500
STREETS							
4-1710	Paving & Draining Asse	2-2525	-	-	-	900,000	420,000
4-172	Street Escrow	Various	-	-	-	330,960	-
		Total	-	-	-	1,230,960	420,000
LIBRARY							
4-2010	Library Donations	2-2516,2-252	-	-	-	16,350	15,000
4-2020	TIF	1-1014	-	-	-	78,800	78,800
		Total	-	-	-	95,150	93,800
PLANNING & ZONING							
4-2710	Lot Cleaning	2-2533	-	-	-	112,000	18,000
		Total	-	-	-	112,000	18,000
OTHER							
4-3010	All America City	2-2526	-	-	-	(121,700)	50,000
4-3020	Jamaica	2-2655	-	-	-	7,180	7,000
4-3030	HUB Phestival	2-2658	-	-	-	(1,380)	24,000
4-3040	Salute to Veterans	2-2659	-	-	-	(4,250)	14,000
4-3050	Pharr Night Out	2-2660	-	-	-	1,000	5,000
		Total	-	-	-	(119,150)	100,000
		Total	**$ -**	**$ -**	**$ -**	**$ 1,539,700**	**$ 723,700**

CITY OF PHARR, TX
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
SUMMARY OF REVENUES AND EXPENDITURES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$ 74,589	$ 142,639	$ 142,639	$ 142,639	$ 142,639
REVENUES					
CDBG - Current Year	$ 713,012	$ 228,000	$ 228,000	$ 897,130	$ 1,104,820
Other CDBG Program Funds	390,619	-	-	-	470,000
Other	135,896	254,700	31,150	-	-
Total Revenues	$ 1,239,527	$ 482,700	$ 259,150	$ 897,130	$ 1,574,820
Total Available Resources	$ 1,314,116	$ 625,339	$ 401,789	$ 1,039,769	$ 1,717,459
EXPENDITURES					
Personnel	$ 272,953	$ 209,000	$ 213,450	$ 181,330	$ 190,900
Supplies	11,345	6,200	6,200	4,170	6,320
Maintenance	2,452	1,500	1,500	1,000	1,500
Rentals	3,454	4,000	4,000	3,500	3,000
Other	15,108	20,500	20,500	20,000	14,750
Vehicle Maintenance	956	8,500	8,500	4,500	4,500
Debt Service	-	4,000	4,000	-	-
Capital Outlay	-	1,000	1,000	-	-
Non-Departmental	865,209	-	-	682,630	1,353,850
Total Expenditures	$ 1,171,477	$ 254,700	$ 259,150	$ 897,130	$ 1,574,820
Net Revenues Over/(Under) Expenditures	$ 68,050	$ 228,000	$ -	$ -	$ -
Ending Available Resources	142,639	370,639	142,639	142,639	142,639

City of Pharr, Texas

Department: Administration — Fund: CDBG

EXPENSES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 199,725	$ 151,300	$ 154,595	$ 132,700	$ 132,850
Employee Benefits	73,228	57,700	58,855	48,630	58,050
Supplies	11,345	6,200	6,200	4,170	6,320
Maintenance	2,452	1,500	1,500	1,000	1,500
Rentals	3,454	4,000	4,000	3,500	3,000
Contractual Services	1,140	1,000	1,000	500	-
Other Services	13,968	19,500	19,500	19,500	14,750
Vehicle Maintenance	956	8,500	8,500	4,500	4,500
Debt Service	-	4,000	4,000	-	-
Capital Outlay	-	1,000	1,000	-	-
Non-Departmental	865,209	-	-	682,630	1,353,850
DEPARTMENT TOTAL	$ 1,171,477	$ 254,700	$ 259,150	$ 897,130	$ 1,574,820

Purpose
To meet the program objectives set forth by the U.S. Department of Housing & Urban Development in providing affordable housing, a suitable and viable living environment, and expanding economic opportunities.

Main Duties
To administer the U.S. Dept. of Housing & Urban Development Block Grant program with primary responsibilities in regards to the program including coordination, implementation, management, program budget/schedules, public outreach, monitoring and assuring compliance with program requirements.

Divisions
Administration

Mission Statement
To provide funds for housing and neighborhood preservation that will improve the quality of life, principally to low-to-moderate income individuals and meet the goals of the program of providing decent, safe, and sanitary housing.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

CITY OF PHARR, TX
GRANTS FUND
SUMMARY OF REVENUES AND EXPENDITURES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$ -	$ -	$ -	$ -	$ 50,000
REVENUES					
Police	$ -	$ -	$ -	$ 584,440	$ 309,020
Fire	-	-	-	121,350	216,210
Library	-	-	-	64,820	14,820
Total Revenues	$ -	$ -	$ -	$ 770,610	$ 540,050
Total Available Resources	$ -	$ -	$ -	$ 770,610	$ 590,050
EXPENDITURES					
Police	$ -	$ -	$ -	$ 584,440	$ 309,020
Fire	-	-	-	121,350	216,210
Library	-	-	-	14,820	64,820
Total Expenditures	$ -	$ -	$ -	$ 720,610	$ 590,050
Net Revenues Over/(Under) Expenditures	$ -	$ -	$ -	$ 50,000	$ (50,000)
Ending Available Resources	-	-	-	50,000	-

GRANTS FUND
REVENUE SOURCES

		ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
POLICE						
4774-55	STEP Comprehensive	$ -	$ -	$ -	$ 69,320	$ 101,030
4774-69	Operation Border Star	-	-	-	50,000	-
4774-69	Local Border Security Prog	-	-	-	75,000	-
4769	Byrne Formula	-	-	-	185,020	-
4774-50	Victim's Liason Coordinator	-	-	-	35,880	35,880
4661-02	Operation Task Force	-	-	-	45,000	45,000
4770	El Protector Project	-	-	-	48,750	61,000
4774-72	Bullet Proof Vest Partnership	-	-	-	9,360	-
4774-73	Auto Theft Grant	-	-	-	66,110	66,110
	Total Police Grants	-	-	-	584,440	309,020
FIRE						
4772-28	Assistance - Vehicles	-	-	-	-	60,000
4772-29	Assistance - Supplies	-	-	-	-	17,770
4772-30	Assistance - Personnel	-	-	-	-	35,340
4772-26	Fire Emergency Prog	-	-	-	5,250	-
4772-27	Fire Emergency Prog	-	-	-	8,600	3,100
4774-68	Homeland Security	-	-	-	10,960	-
4774-70	Homeland Security	-	-	-	96,540	100,000
	Total Fire Grants	-	-	-	121,350	216,210
LIBRARY						
4776-30	TIF Library	-	-	-	50,000	-
4776-31	Lonestar Library	-	-	-	14,820	14,820
	Total Library Grants	-	-	-	64,820	14,820
	Total	**$ -**	**$ -**	**$ -**	**$ 770,610**	**$ 540,050**

CITY OF PHARR, TX
HOTEL / MOTEL FUND
SUMMARY OF REVENUES AND EXPENDITURES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$1,205,502	$1,641,277	$1,641,277	$ 1,641,277	$ 2,227,337
REVENUES					
Hotel/Motel Fee	$ 860,974	$ 650,000	$ 650,000	$ 890,000	$ 890,000
Other	51,074	30,000	30,000	31,000	30,000
Total	$ 912,048	$ 680,000	$ 680,000	$ 921,000	$ 920,000
Total Available Resources	$2,117,550	$2,321,277	$2,321,277	$ 2,562,277	$ 3,147,337
EXPENDITURES					
Chamber Contribution	$ 222,000	$ 220,000	$ 220,000	$ 220,000	$ 220,000
Building Maintenance	-	130,000	130,000	-	150,000
Transfer Out	166,477	-	-	-	80,010
Other	47,298	91,938	91,938	114,940	20,000
Total	$ 435,775	$ 441,938	$ 441,938	$ 334,940	$ 470,010
Net Revenues Over/(Under) Expenditures	$ 476,273	$ 238,062	$ 238,062	$ 586,060	$ 449,990
Ending Available Resources	1,681,775	1,879,339	1,879,339	2,227,337	2,677,327

CITY OF PHARR, TX
PARKLAND DEDICATION FEE FUND
SUMMARY OF REVENUES AND EXPENDITURES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$ 256,302	$ 333,785	$ 333,785	$ 333,785	$ 265,185
REVENUES					
Parkland Dedication Fees	$ 151,175	$ -	$ -	$ 30,000	$ 30,000
Other	11,972	-	-	6,000	3,000
Total	$ 163,147	$ -	$ -	$ 36,000	$ 33,000
Total Available Resources	$ 419,449	$ 333,785	$ 333,785	$ 369,785	$ 298,185
EXPENDITURES					
Parks & Rec. Supplies	$ 85,664	$ -	$ -	$ 104,600	$ 298,000
Total	$ 85,664	$ -	$ -	$ 104,600	$ 298,000
Net Revenues Over/(Under) Expenditures	$ 77,483	$ -	$ -	$ (68,600)	$ (265,000)
Ending Available Resources	333,785	333,785	333,785	265,185	185

CITY OF PHARR, TX
ASSET SHARING FUND
SUMMARY OF REVENUES AND EXPENDITURES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$ 137,523	$ 188,218	$ 188,218	$ 188,218	$ 231,178
REVENUES					
DEA	$ 116,654	$ -	$ -	$ 205,000	$ 150,000
Other	22,622	-	-	29,700	1,500
Total	$ 139,276	$ -	$ -	$ 234,700	$ 151,500
Total Available Resources	$ 276,799	$ 188,218	$ 188,218	$ 422,918	$ 382,678
EXPENDITURES					
Public Safety	$ 189,971	$ -	$ -	$ 191,740	$ 151,500
Total	$ 189,971	$ -	$ -	$ 191,740	$ 151,500
Net Revenues Over/(Under) Expenditures	$ (50,695)	$ -	$ -	$ 42,960	$ -
Ending Available Resources	86,828	188,218	188,218	231,178	231,178

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CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for major capital acquisition and construction activities so as to not distort ongoing operating activities of other funds.

General Capital Projects fund: is used to account for projects planned as part of the City's general capital improvement program.

Bridge Capital Projects fund: is used to account for projects planned as part of the City's international bridge capital improvement program.

Utility Capital Projects fund: is used to account for projects planned as part of the City's utilities capital improvement program.

CITY OF PHARR, TX
GENERAL CAPITAL IMPROVEMENT PROJECTS FUND
SUMMARY OF REVENUES AND EXPENDITURES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$(4,880,098)	$(1,508,302)	$(1,508,302)	$ (1,508,302)	$ (5,926,864)
REVENUES					
Transfers In	$ 7,462,426	$ -	$ -	$ 371,210	$ -
Other	198,498	-	-	16,800	-
Total Revenues	$ 7,660,924	$ -	$ -	$ 388,010	$ -
Total Available Resources	$ 2,780,826	$ (1,508,302)	$ (1,508,302)	$ (1,120,292)	$ (5,926,864)
EXPENDITURES					
Street Projects	$ 3,277,007	$ -	$ -	$ 2,199,822	$ -
Other	1,012,121	-	-	2,606,751	-
Total Expenditures	$ 4,289,128	$ -	$ -	$ 4,806,572	$ -
Net Revenues Over/(Under) Expenditures	$ 3,371,796	$ -	$ -	$ (4,418,562)	$ -
Ending Available Resources	(1,508,302)	(1,508,302)	(1,508,302)	(5,926,864)	(5,926,864)

GENERAL CAPITAL IMPROVEMENT PROJECTS FUND
LIST OF BUDGETED EXPENDITURES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Non-Street Projects					
8828 COMPREHENSIVE MASTER PLAN - 07	$ 63,262	$ -	$ -	$ 85,000	$ -
8832 CIP - 2006 STREET INVENTORY	96,290	-	-	59,810	-
8833 BORDER COLONIA PROG	-	-	-	150,052	-
8834 LAS HACIENDAS SUBDIV	-	-	-	242,410	-
8852 CONSTR.PROG.-LIBRARY DPT.2001	455,427	-	-	1,947,242	-
8853 PARKS IMPROVMENTS-2001 SERIES	20,060	-	-	-	-
8857 GASLINE RELOCTN-RIDGE RD.2004	39,248	-	-	-	-
8879 CITY HALL IMPROVEMENTS	-	-	-	104,956	-
8884 LAND-BLK50, LOTS7-10 (CUEVAS)	287,965	-	-	17,281	-
8893 DOWNTOWN PARKING STUDY 2006	5,040	-	-	-	-
8894 SOUTHFORK ESTATES DRAINAGE	36,859	-	-	-	-
8897 TXDOT FACILITIES ACQSTN-2007	7,970	-	-	-	-
9986 TRANSFER OUT - GENERAL FUND	-	-	-	-	-
Total Non-Street Projects	1,012,121	-	-	2,606,751	-
Street Projects					
8829 BONHAM COMMERCIAL PARK NO.2	12,213	-	-	-	-
8830 SIOUX ROAD	-	-	-	73,127	-
8836 CONSTR.PROG.- I ROAD PH I	-	-	-	2,843	-
8849 CONSTR.PROG.-POLICE DPT.-2001	7,350	-	-	-	-
8858 N.SUGAR RD.IMPRVMNTS/PH.2-2004	568,164	-	-	23,713	-
8859 E.OWASSA ROAD IMPRVMNTS-2004	151,339	-	-	119,763	-
8860 W.OWASSA ROAD IMPRVMNTS-2004	149,176	-	-	86,813	-
8865 SAM HOUSTON/I RD.IMPRV.-2004	8,500	-	-	-	-
8885 CNSTR.PROG.SUGAR RD.EXPN III	938,984	-	-	-	-
8889 JUAN BALLI ROAD IMPROVEMENTS	13,610	-	-	177,544	-
8890 SUGAR RD-PHASE I(SIOUX-OWASSA)	473,515	-	-	414,368	-
8891 ROAD RESURFACING-P.W.-20052006	508,461	-	-	-	-
8892 PALM DRIVE PAVING IMPROVEMENTS	113,692	-	-	322,677	-
8895 HALL ACRES EAST-2007	186,552	-	-	490,872	-
8895-00 HALL ACRES - WEST - 06/07	88,859	-	-	36,261	-
8896 CITRUS BAY SUBDIVISION PAVING	17,970	-	-	-	-
8898 SING S/D PAVING&DRAINAGE-2007	38,622	-	-	451,841	-
Total Street Projects	3,277,007	-	-	2,199,822	-
Total Expenditures	**$ 4,289,128**	**$ -**	**$ -**	**$ 4,806,572**	**$ -**

CITY OF PHARR, TX
BRIDGE CAPITAL IMPROVEMENT PROJECTS FUND
SUMMARY OF REVENUES AND EXPENSES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$ -	$ -	$ -	$ -	$ -
REVENUES					
Grants - TXDot	$ -	$ -	$ -	$ -	$ -
Other	-	-	-	-	1,700,000
Total Revenues	$ -	$ -	$ -	$ -	$ 1,700,000
Total Available Resources	$ -	$ -	$ -	$ -	$ 1,700,000
EXPENSES					
Northbound Lane	$ -	$ -	$ -	$ -	$ 1,700,000
Fast Lane	-	-	-	-	-
Other	-	-	-	-	-
Total Expenses	$ -	$ -	$ -	$ -	$ 1,700,000
Net Revenues Over/(Under) Expenses	$ -	$ -	$ -	$ -	$ -
Ending Available Resources	-	-	-	-	-

CITY OF PHARR, TX
UTILITY CAPITAL IMPROVEMENT PROJECTS FUND
SUMMARY OF REVENUES AND EXPENSES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$ -	$ -	$ -	$ -	$ 66,083,117
REVENUES					
Grants - NADBank	$ -	$ -	$ -	$ 19,000,000	$ -
Grants - TWDB	-	-	-	625,000	491,280
Loan Proceeds - NADBank	-	-	-	10,000,000	-
Loan Proceeds - TWDB -CW	-	-	-	29,000,000	-
Loan Proceeds - TWDB -DW	-	-	-	14,000,000	-
Other	-	-	-	461,980	933,540
Total Revenues	$ -	$ -	$ -	$ 73,086,980	$ 1,424,820
Total Available Resources	$ -	$ -	$ -	$ 73,086,980	$ 67,507,937
EXPENSES					
Raw Water Pump	$ -	$ -	$ -	$ -	$ 944,770
WL Upgrades	-	-	-	-	390,100
Sugar Palm WL	-	-	-	-	89,950
Wastewater Collection Sys.	-	-	-	4,742,125	17,220,000
Wastewater Treatment Plant	-	-	-	2,201,735	7,220,000
Water Treatment Plant	-	-	-	60,003	6,643,190
Other	-	-	-	-	-
Total Expenses	$ -	$ -	$ -	$ 7,003,863	$ 32,508,010
Net Revenues Over/(Under) Expenses	$ -	$ -	$ -	$ 66,083,117	$(31,083,190)
Ending Available Resources	-	-	-	66,083,117	34,999,927

UTILITY CAPITAL IMPROVEMENT PROJECTS FUND
REVENUE SOURCES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Raw Water Pump					
TWDB EDAP Grant	-	-	-	-	491,280
Transfer In - Utility	-	-	-	-	453,490
	-	-	-	-	944,770
Waterline Upgrade					
Transfer In - W Polk	-	-	-	-	390,100
Transfer In - Sugar Palm	-	-	-	-	89,950
	-	-	-	-	480,050
Wastewater Collection System					
GRANT - NADBank	-	-	-	19,000,000	-
GRANT - TWDB	-	-	-	625,000	-
DEBT - NADBank	-	-	-	10,000,000	-
DEBT - TWDB CWSRF	-	-	-	16,067,200	-
Transfer In - Utility	-	-	-	57,150	-
	-	-	-	45,749,350	-
Wastewater Treatment Plant					
DEBT - TWDB CWSRF	-	-	-	12,932,800	-
Transfer In - Utility	-	-	-	57,150	-
	-	-	-	12,989,950	-
Water Treatment Plant					
DEBT - TWDB DWSRF	-	-	-	14,000,000	-
Transfer In - Utility	-	-	-	347,680	-
	-	-	-	14,347,680	-
Other					
Interest Earned	-	-	-	-	-
Total	**$ -**	**$ -**	**$ -**	**$ 73,086,980**	**$ 1,424,820**

UTILITY CAPITAL IMPROVEMENT PROJECTS FUND
LIST OF BUDGETED EXPENSES

		ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Raw Water Pump						
587-8864-01	Raw Water Pump - Engineering	$ -	$ -	$ -	$ -	$ -
587-8864-02	Raw Water Pump - Construction	-	-	-	-	944,770
587-8864-03	Raw Water Pump - Other	-	-	-	-	-
	Total Project Budget	-	-	-	-	944,770
Waterline Upgrade						
587-8863-01	W Polk WL Upgrade - Engineering	-	-	-	-	-
587-8863-02	W Polk WL Upgrade - Constructio	-	-	-	-	390,100
587-8863-03	W Polk WL Upgrade - Other	-	-	-	-	-
	Total Project Budget	-	-	-	-	390,100
587-8861-01	Sugar Palm WL Upgrade - Engine	-	-	-	-	-
587-8861-02	Sugar Palm WL Upgrade - Constru	-	-	-	-	89,950
587-8861-03	Sugar Palm WL Upgrade - Other	-	-	-	-	-
	Total Project Budget	-	-	-	-	89,950
Wastewater Collection System						
587-8862-01	WW Collection System - Engineeri	-	-	-	1,366,260	1,200,000
587-8862-02	WW Collection System - Construct	-	-	-	3,000,000	16,000,000
587-8862-03	WW Collection System - Other	-	-	-	375,865	20,000
	Total Project Budget	-	-	-	4,742,125	17,220,000
Wastewater Treatment Plant						
587-8865-01	WW Treatment Plant - Engieering	-	-	-	1,855,870	200,000
587-8865-02	WW Treatment Plant - Constructio	-	-	-	-	7,000,000
587-8865-03	WW Treatment Plant - Other	-	-	-	345,865	20,000
	Total Project Budget	-	-	-	2,201,735	7,220,000
Water Treatment Plant						
587-8867-01	Water Treatment Plant - Engineeri	-	-	-	50,005	1,383,630
587-8867-02	Water Treatment Plant - Construct	-	-	-	(2)	5,000,000
587-8867-03	Water Treatment Plant - Other	-	-	-	10,000	259,560
	Total Project Budget	-	-	-	60,003	6,643,190
Other						
	Transfer Out	-	-	-	-	-
	Total Expenses	**$ -**	**$ -**	**$ -**	**$ 7,003,863**	**$ 32,508,010**

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DEBT SERVICE FUND

Debt Service Funds are used to account for the accumulation of resources and payment of general long-term debt of the City.

Debt Service – This fund accounts for the accumulation of resources for and the payment of General and Certificates of Obligation.

CITY OF PHARR, TX
GENERAL OBLIGATION DEBT SERVICE FUND
SUMMARY OF REVENUES AND EXPENDITURES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$ 924,924	$1,225,846	$ 1,225,846	$ 1,225,846	$ 176,016
REVENUES					
Property Tax	$ 1,495,833	$ 1,519,440	$ 1,519,440	$ 1,527,550	$ 1,621,560
Other	921,604	744,770	744,770	735,584	599,300
Total Revenues	$ 2,417,437	$ 2,264,210	$ 2,264,210	$ 2,263,134	$ 2,220,860
Total Available Resources	$ 3,342,361	$ 3,490,056	$ 3,490,056	$ 3,488,980	$ 2,396,876
EXPENDITURES					
Principal	$ 1,160,000	$ 1,210,000	$ 1,210,000	$ 1,210,000	$ 1,265,000
Interest	949,253	895,464	895,464	895,464	839,080
Other	7,262	3,000	1,203,000	1,207,500	116,780
Total Expenditures	$ 2,116,515	$ 2,108,464	$ 3,308,464	$ 3,312,964	$ 2,220,860
Net Revenues Over/(Under) Expenditures	$ 300,922	$ 155,746	$ (1,044,254)	$ (1,049,830)	$ -
Ending Available Resources	1,225,846	1,381,592	181,592	176,016	176,016

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PROPRIETARY FUNDS

ENTERPRISE FUNDS

Enterprise Funds are used to report any activity for which a fee is charged to external users of goods and services.

Utility Fund: is used to account for the City's water and sewer/wastewater system operations.

Bridge Fund: is used to account for the City's international bridge operations. The bridge enables traffic to flow to and from Mexico.

Golf Course Fund: is to account for the City owned Tierra Del Sol Golf Course operations.

CITY OF PHARR, TEXAS
BUDGETED REPORT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
UTILITY FUND
FOR THE FISCAL YEAR OCTOBER 1, 2008 THROUGH SEPTEMBER 30, 2009

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
REVENUES					
Operating revenues:					
Charges for sales and services:					
Water sales	$ 5,484,537	$ 5,863,440	$ 5,863,440	$ 6,100,000	$ 6,250,000
Sewer service	4,562,656	3,988,000	3,988,000	4,730,000	5,080,000
Tap fees	716,885	575,000	575,000	495,000	250,000
Other	87,313	88,000	88,000	162,010	125,000
Total operating revenues	10,851,391	10,514,440	10,514,440	11,487,010	11,705,000
EXPENSES					
Operating expenses:					
Personnel services	2,389,263	2,613,869	2,700,738	2,546,004	2,782,250
Supplies and Materials	1,497,382	1,525,810	1,521,410	1,427,798	1,739,610
Contractual Services	1,528,871	2,528,420	2,532,820	3,298,964	2,395,190
Depreciation	1,737,043	-	-	-	-
Total operating expenses	7,152,559	6,668,099	6,754,968	7,272,766	6,917,050
Operating income (loss)	3,698,832	3,846,341	3,759,472	4,214,244	4,787,950
Nonoperating revenues (expenses):					
Investment earnings	674,940	325,000	381,960	1,190,000	500,000
Interest expense	(713,212)	(1,796,041)	(1,796,041)	(1,227,823)	(1,893,580)
Principal expense	-	(1,895,000)	(1,895,000)	(2,520,000)	(2,265,000)
Amortization expense	(13,329)	-	-	-	-
Captial Outlay	-	(379,300)	(352,841)	(371,300)	(497,250)
Intergovernmental	397,506	-	-	-	-
Other	30,487	54,000	54,000	42,000	36,780
Total nonoperating revenues (expenses)	376,392	(3,691,341)	(3,607,922)	(2,887,123)	(4,119,050)
Income before contributions and transfers	4,075,224	155,000	151,550	1,327,122	668,900
Transfers in	15,885	-	-	-	-
Transfers out					
General Fund	(155,000)	(155,000)	(155,000)	(155,000)	(444,000)
Capital Projects	-	-	-	-	(933,540)
Capital contributions	3,133,496	-	-	-	-
Changes in net assets	7,069,605	-	(3,450)	1,172,122	(708,640)
Total net assets - beginning	41,322,614	48,265,631	48,265,631	48,265,631	49,437,752
Prior period adjustment	(126,588)	-	-	-	-
Total net assets - ending	$ 48,265,631	$ 48,265,631	$ 48,262,181	$ 49,437,752	$ 48,729,112

CITY OF PHARR, TX
UTILITY FUND
SUMMARY OF REVENUES AND EXPENSES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$ 1,462,027	$ 8,531,632	$ 8,531,632	$ 8,531,632	$ 9,703,754
REVENUES					
Water	$ 5,932,151	$ 6,313,440	$ 6,313,440	$ 6,482,000	$ 6,492,500
Sewer	4,942,533	4,251,000	4,251,000	5,034,000	5,242,500
Other	4,229,021	329,000	385,960	1,203,010	506,780
Total Revenues	$ 15,103,705	$ 10,893,440	$ 10,950,400	$ 12,719,010	$ 12,241,780
Total Available Resources	$ 16,565,732	$ 19,425,072	$ 19,482,032	$ 21,250,642	$ 21,945,534
EXPENSES					
81 Administration	$ 480,985	$ 673,568	$ 703,267	$ 660,730	$ 729,590
82 Water Production	1,041,473	1,223,680	1,232,580	1,273,631	1,363,950
83 Water Distribution	1,271,908	1,644,861	1,651,542	1,628,804	1,765,490
84 Water Treatment Plant	1,495,539	1,557,050	1,568,620	1,599,167	1,767,590
86 Sewer Collection	340,926	512,640	516,200	476,634	782,880
87 Non-Departmental	2,690,057	1,590,600	1,590,600	2,160,100	2,382,340
72 Debt Service	713,212	3,691,041	3,691,041	3,747,823	4,158,580
Total Expenses	$ 8,034,100	$ 10,893,440	$ 10,953,850	$ 11,546,889	$ 12,950,420
Net Revenues Over/(Under) Expenses	$ 7,069,605	$ -	$ (3,450)	$ 1,172,122	$ (708,640)
Ending Available Resources (EAR)	8,531,632	8,531,632	8,528,182	9,703,754	8,995,114
% of EAR to Total Revenues	56.5%	78.3%	77.9%	76.3%	73.5%
% of EAR to Total Expenses (w/o CA)	106.2%	81.1%	80.4%	86.8%	72.2%
Months of budgeted operating expenses (w/o CA)	12.7	9.7	9.7	10.4	8.7
1100- Personnel Services	$ 2,229,102	$ 2,448,869	$ 2,535,738	$ 2,516,004	$ 2,751,350
2200- Supplies	811,226	810,310	805,910	727,686	947,250
3300- Maintenance	399,584	399,000	399,000	377,800	423,140
4400- Rentals	12,267	16,500	16,500	12,312	19,220
5500- Other Services	1,005,125	1,101,600	1,106,000	1,144,394	1,319,980
6600- Vehicle Maintenance	160,781	155,500	155,500	188,750	183,500
7700- Debt Service	12,746	300,720	300,720	300,720	267,810
8800- Capital Outlay	-	379,300	352,841	371,300	497,250
72/73 Long Term Debt Service	713,212	3,691,041	3,691,041	3,747,823	4,158,580
9900- Non-Departmental	2,690,057	1,590,600	1,590,600	2,160,100	2,382,340
	8,034,100	10,893,440	10,953,850	11,546,889	12,950,420

City of Pharr, Texas

Department: Debt Service — Fund: Utility

EXPENSES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Financial Services	$ 11,111	$ 7,200	$ 7,200	$ 21,323	$ 21,000
2007 CWSRF Interest - TWDB	185,755	941,855	941,855	784,878	921,620
2007A DWSRF Interest - TWDB	30,635	387,628	387,628	10,000	367,630
2007B Interest - NADBank	-	-	-	181,250	358,690
2008 Refunding - Interest	-	-	-	23,791	224,640
Other Interest	485,711	459,358	459,358	206,581	-
2007 CWSRF Principal - TWDB	-	710,000	710,000	710,000	730,000
2007A DWSRF Principal - TWDB	-	370,000	370,000	370,000	370,000
2007B Principal - NADBank	-	-	-	435,000	355,000
2008 Refunding - Principal	-	-	-	190,000	625,000
1988 Principal	-	185,000	185,000	185,000	185,000
Other Principal	-	630,000	630,000	630,000	-
DEPARTMENT TOTAL	$ 713,212	$ 3,691,041	$ 3,691,041	$ 3,747,823	$ 4,158,580

City of Pharr, Texas

Department: Administration — Fund: Utility

EXPENSES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 226,706	$ 316,580	$ 344,269	$ 335,360	$ 345,090
Employee Benefits	100,509	123,458	135,468	126,700	146,460
Supplies	102,073	113,560	109,160	109,000	102,000
Maintenance	21,500	25,000	25,000	17,800	17,340
Rentals	4,300	4,500	4,500	5,400	5,400
Contractual Services	15,400	-	2,000	2,000	30,000
Other Services	9,807	16,000	18,400	20,000	63,960
Vehicle Maintenance	-	-	-	-	-
Debt Service	690	19,470	19,470	19,470	19,340
Capital Outlay	-	55,000	45,000	25,000	-
Non-Departmental					
DEPARTMENT TOTAL	$ 480,985	$ 673,568	$ 703,267	$ 660,730	$ 729,590

Purpose

Manage the Utility system's finances by ensuring compliance with laws and ordinances , billing and collecting for utility operations, and accurately maintaining utility accounts.

Main Duties

Functional responsibilities include account management, customer service, and utility billing, cash management.

Divisions

Administration, Utility Billing, Cashier

Mission Statement

The Utility Billing & Collection Department strives to sustain the utility operations through fair and accurate account transactions.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Water Distribution — Fund: Utility

EXPENSES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 579,147	$ 659,121	$ 676,256	$ 564,960	$ 621,180
Employee Benefits	283,082	276,840	282,845	351,500	394,370
Supplies	253,555	251,800	251,800	232,700	280,700
Maintenance	15,239	7,000	7,000	6,000	7,000
Rentals	1,108	5,000	5,000	2,050	5,930
Contractual Services	-	-	-	-	-
Other Services	15,901	19,000	19,000	20,994	24,020
Vehicle Maintenance	115,180	100,000	100,000	124,500	120,000
Debt Service	8,696	181,800	181,800	181,800	162,040
Capital Outlay	-	144,300	127,841	144,300	150,250
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	$ 1,271,908	$ 1,644,861	$ 1,651,542	$ 1,628,804	$ 1,765,490

Purpose

Distribute safe potable drinking water and to collect, disinfect, and discharge effluent water that meet TCEQ requirements.

Main Duties

Provide safe potable water that meet TCEQ requirements or better; maintain all water lines, valves, water meters in the WD system to ensure uninterrupted service; to meet all EPA & TCEQ effluent discharge requirments; to maintain and operate efficiently all Lift Stations and to maintain sewer collection lines for uninterrupted service.

Divisions

Administration, Water Distribution, Water Production, Water Treatment Plant, Wastewater Collection, Lab

Mission Statement

The Public Utilities Department is committed to providing the protection of public health, fire protection, support of the economy, and quality of life services at the lowest possible cost.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Water Production — Fund: Utility

EXPENSES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 267,270	$ 294,630	$ 301,220	$ 304,490	$ 294,370
Employee Benefits	113,039	103,700	106,010	136,360	142,640
Supplies	258,423	247,850	247,850	221,031	349,800
Maintenance	83,795	105,000	105,000	92,000	110,000
Rentals	4,284	2,000	2,000	2,000	2,630
Contractual Services	-	-	-	-	-
Other Services	301,598	330,500	330,500	358,500	391,000
Vehicle Maintenance	10,771	17,000	17,000	14,250	17,000
Debt Service	2,293	73,500	73,500	73,500	56,510
Capital Outlay	-	49,500	49,500	71,500	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	$ 1,041,473	$ 1,223,680	$ 1,232,580	$ 1,273,631	$ 1,363,950

Purpose

Distribute safe potable drinking water and to collect, disinfect, and discharge effluent water that meet TCEQ requirements.

Main Duties

Provide safe potable water that meet TCEQ requirements or better; maintain all water lines, valves, water meters in the WD system to ensure uninterrupted service; to meet all EPA & TCEQ effluent discharge requirments; to maintain and operate efficiently all Lift Stations and to maintain sewer collection lines for uninterrupted service.

Divisions

Administration, Water Distribution, Water Production, Water Treatment Plant, Wastewater Collection, Lab

Mission Statement

The Public Utilities Department is committed to providing the protection of public health, fire protection, support of the economy, and quality of life services at the lowest possible cost.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Water Treatment Plant — Fund: Utility

EXPENSES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 389,822	$ 394,500	$ 403,067	$ 369,680	$ 431,050
Employee Benefits	170,324	145,600	148,603	184,120	212,040
Supplies	146,929	136,000	136,000	114,655	143,150
Maintenance	268,077	251,000	251,000	251,000	277,800
Rentals	2,575	3,000	3,000	1,862	2,630
Contractual Services	-	-	-	-	-
Other Services	502,366	538,500	538,500	585,900	589,000
Vehicle Maintenance	14,379	17,000	17,000	20,500	20,000
Debt Service	1,067	25,950	25,950	25,950	29,920
Capital Outlay	-	45,500	45,500	45,500	62,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	$ 1,495,539	$ 1,557,050	$ 1,568,620	$ 1,599,167	$ 1,767,590

Purpose

Distribute safe potable drinking water and to collect, disinfect, and discharge effluent water that meet TCEQ requirements.

Main Duties

Provide safe potable water that meet TCEQ requirements or better; maintain all water lines, valves, water meters in the WD system to ensure uninterrupted service; to meet all EPA & TCEQ effluent discharge requirments; to maintain and operate efficiently all Lift Stations and to maintain sewer collection lines for uninterrupted service.

Divisions

Administration, Water Distribution, Water Production, Water Treatment Plant, Wastewater Collection, Lab

Mission Statement

The Public Utilities Department is committed to providing the protection of public health, fire protection, support of the economy, and quality of life services at the lowest possible cost.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Sewer Collection — Fund: Utility

EXPENSES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 66,471	$ 92,850	$ 95,486	$ 69,000	$ 83,700
Employee Benefits	32,732	41,590	42,514	73,834	80,450
Supplies	50,246	61,100	61,100	50,300	71,600
Maintenance	10,973	11,000	11,000	11,000	11,000
Rentals	-	2,000	2,000	1,000	2,630
Contractual Services	-	-	-	-	-
Other Services	160,053	197,600	197,600	157,000	222,000
Vehicle Maintenance	20,451	21,500	21,500	29,500	26,500
Debt Service	-	-	-	-	-
Capital Outlay	-	85,000	85,000	85,000	285,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	$ 340,926	$ 512,640	$ 516,200	$ 476,634	$ 782,880

Purpose

Distribute safe potable drinking water and to collect, disinfect, and discharge effluent water that meet TCEQ requirements.

Main Duties

Provide safe potable water that meet TCEQ requirements or better; maintain all water lines, valves, water meters in the WD system to ensure uninterrupted service; to meet all EPA & TCEQ effluent discharge requirments; to maintain and operate efficiently all Lift Stations and to maintain sewer collection lines for uninterrupted service.

Divisions

Administration, Water Distribution, Water Production, Water Treatment Plant, Wastewater Collection, Lab

Mission Statement

The Public Utilities Department is committed to providing the protection of public health, fire protection, support of the economy, and quality of life services at the lowest possible cost.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Non-Departmental — Fund: Utility

EXPENSES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Legal	$ 82,542	$ 140,000	$ 140,000	$ 75,000	$ 75,000
Engineering	60,022	350,000	350,000	200,000	250,000
Water rights	-	133,600	133,600	283,600	200,000
Raw water	274,305	300,000	300,000	310,000	350,000
Depreciation	1,737,043	-	-	-	-
Transfer out - General Fund	155,000	155,000	155,000	155,000	444,000
Transfer out - Capital Projects	-	-	-	-	933,540
Other	381,145	512,000	512,000	1,136,500	129,800
DEPARTMENT TOTAL	$ 2,690,057	$ 1,590,600	$ 1,590,600	$ 2,160,100	$ 2,382,340

CITY OF PHARR, TX
BRIDGE FUND
SUMMARY OF REVENUES AND EXPENSES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$ 6,823,143	$ 1,990,947	$ 1,990,947	$ 1,990,947	$ 2,531,217
REVENUES					
Toll Fees	$ 7,967,919	$ 8,200,000	$ 8,225,809	$ 8,200,000	$ 8,405,000
Interest	190,106	90,000	90,000	85,000	70,000
Transfer In - Hotel/Motel	166,477	-	-	81,940	80,010
Transfer In - Other	461,276	-	1,200,000	1,200,000	108,780
Grant	-	1,000,000	1,000,000	1,000,000	-
Lease Funds	-	-	-	-	850,000
Other	151,385	140,000	140,000	157,000	136,000
Total	$ 8,937,163	$ 9,430,000	$ 10,655,809	$ 10,723,940	$ 9,649,790
Total Available Resources	$ 15,760,306	$ 11,420,947	$ 12,646,756	$ 12,714,887	$ 12,181,007
EXPENSES					
Personnel	$ 1,008,693	$ 1,058,678	$ 1,084,487	$ 1,042,790	$ 1,011,810
Supplies	72,581	73,000	73,000	78,500	70,000
Maintenance	105,479	100,000	100,000	74,000	100,000
Rentals	4,625	13,000	13,000	8,000	13,000
Other	711,266	673,000	673,000	471,330	533,000
Vehicle Maintenance	4,766	16,000	16,000	16,000	16,000
Debt Service	2,175,840	1,933,140	1,933,140	2,428,140	2,704,710
Capital Outlay	-	2,219,000	2,219,000	1,829,730	860,000
Non-Departmental	9,686,109	3,344,182	4,544,182	4,235,180	4,881,540
Total	$ 13,769,359	$ 9,430,000	$ 10,655,809	$ 10,183,670	$ 10,190,060
Net Revenues Over/(Under) Expenses	$ (4,832,196)	$ -	$ -	$ 540,270	$ (540,270)
Beginning Available Resources (EAR)	1,990,947	1,990,947	1,990,947	2,531,217	1,990,947
% of EAR to Total Revenues	22.3%	21.1%	18.7%	23.6%	20.6%
% of EAR to Total Expenses (w/o CA)	14.5%	27.6%	23.6%	30.3%	21.3%
Months of budgeted operating expenses (w/o CA)	1.7	3.3	2.8	3.6	2.6

City of Pharr, Texas

Department: Administration — Fund: Bridge

EXPENSES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 698,914	$ 763,278	$ 782,388	$ 731,110	$ 696,830
Employee Benefits	309,779	295,400	302,099	311,680	314,980
Supplies	72,581	73,000	73,000	78,500	70,000
Maintenance	105,479	100,000	100,000	74,000	100,000
Rentals	4,625	13,000	13,000	8,000	13,000
Contractual Services	176,009	200,000	200,000	190,000	100,000
Other Services	535,257	473,000	473,000	281,330	433,000
Vehicle Maintenance	4,766	16,000	16,000	16,000	16,000
Debt Service - Leases	-	-	-	-	197,210
Debt Service - Bonds/Notes	2,175,840	1,933,140	1,933,140	2,428,140	2,507,500
Capital Outlay	-	2,219,000	2,219,000	1,829,730	860,000
Non-Departmental					
Depreciation	663,259	-	-	-	-
Transfers Out - General Fund	1,849,082	2,839,552	4,039,552	4,039,550	3,106,540
Transfers Out - CIP Funds	7,025,000	-	-	-	1,700,000
Transfers Out - Other Funds	225,000	120,630	120,630	120,630	-
Other	(76,232)	384,000	384,000	75,000	75,000
DEPARTMENT TOTAL	$ 13,769,359	$ 9,430,000	$ 10,655,809	$ 10,183,670	$ 10,190,060

Purpose
The Pharr International Bridge was created pursuant to Art XI of the City of Pharr City Code for the purpose of administering the bridge operations.

Main Duties
The Pharr International Bridge is charged and authorized to collect tolls and charges for the use of the bridge and surrounding property.

Divisions
Administration, Toll Collection, Monitoring

Mission Statement
We strive to make your time using our bridge a safe, orderly, and efficient experience.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

CITY OF PHARR, TX
GOLF COURSE FUND
SUMMARY OF REVENUES AND EXPENSES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$(5,476,056)	$(5,929,840)	$(5,929,840)	$ (5,929,840)	$ (5,919,840)
REVENUES					
Green & Member Fees	$ 320,973	$ 450,000	$ 450,000	$ 395,000	$ 430,000
Cart Rental	121,338	200,000	200,000	180,000	190,000
Food & Beverage	82,216	109,000	109,000	90,000	90,000
Other	112,334	337,840	158,500	342,940	239,540
Total Revenues	$ 636,861	$ 1,096,840	$ 917,500	$ 1,007,940	$ 949,540
Total Available Resources	$(4,839,195)	$(4,833,000)	$(5,012,340)	$ (4,921,900)	$ (4,970,300)
EXPENSES					
Personnel	$ 601,160	$ 601,968	$ 617,098	$ 604,370	$ 581,780
Supplies	103,750	96,100	96,100	67,800	62,100
Maintenance	51,802	50,000	50,000	18,500	18,500
Rentals	50,676	53,200	53,200	50,000	50,000
Other	219,352	219,100	219,100	159,290	162,200
Vehicle Maintenance	16,146	30,000	30,000	21,500	21,500
Debt Service	3,553	46,472	46,472	46,480	23,460
Capital Outlay	-	-	-	-	-
Non-Departmental	239,126	-	-	30,000	30,000
Total Expenses	$ 1,285,565	$ 1,096,840	$ 1,111,970	$ 997,940	$ 949,540
Net Revenues Over/(Under) Expenses	$ (648,704)	$ -	$ (194,470)	$ 10,000	$ -
Ending Available Resources (EAR)	(6,124,760)	(5,929,840)	(6,124,310)	(5,919,840)	(5,919,840)
% of EAR to Total Revenues	-961.7%	-540.6%	-667.5%	-587.3%	-623.4%
% of EAR to Total Expenses (w/o CA)	-476.4%	-540.6%	-550.8%	-593.2%	-623.4%
Months of budgeted operating expenses (w/o CA)	(57.2)	(64.9)	(66.1)	(71.2)	(74.8)

City of Pharr, Texas

Department: Administration — Fund: Golf Course

EXPENSES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 416,706	$ 431,578	$ 442,781	$ 421,520	$ 406,350
Employee Benefits	184,454	170,390	174,317	182,850	175,430
Supplies	103,750	96,100	96,100	67,800	62,100
Maintenance	51,802	50,000	50,000	18,500	18,500
Rentals	50,676	53,200	53,200	50,000	50,000
Contractual Services	85,265	100,000	100,000	90,000	90,000
Other Services	134,087	119,100	119,100	69,290	72,200
Vehicle Maintenance	16,146	30,000	30,000	21,500	21,500
Debt Service	3,553	46,472	46,472	46,480	23,460
Capital Outlay	-	-	-	-	-
Non-Departmental					
Depreciation	194,920	-	-	-	-
Transfer Out	44,206	-	-	30,000	30,000
DEPARTMENT TOTAL	$ 1,285,565	$ 1,096,840	$ 1,111,970	$ 997,940	$ 949,540

Purpose

Main Duties

Divisions

Mission Statement

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

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INTERNAL SERVICE FUND

Internal Service Funds are used to account for the financing of goods or services provided by one department to other departments within the City on a cost-reimbursement basis.

City Garage Fund – This fund is used to account for fleet maintenance and maintains an inventory of parts for the City-owned vehicles.

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CITY OF PHARR, TX
GARAGE FUND
SUMMARY OF REVENUES AND EXPENSES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$ (237,162)	$ (236,206)	$ (236,206)	$ (236,206)	$ (200,856)
REVENUES					
General Fund	$ 986,191	$ 886,874	$ 891,324	$ 1,069,450	$ 417,260
Utility Fund	160,781	155,500	155,500	188,750	56,500
Bridge Fund	4,766	16,000	16,000	16,000	6,000
Golf Course Fund	956	8,500	8,500	21,500	1,500
CDBG Fund	16,146	30,000	30,000	4,500	-
Total	$1,168,840	$1,096,874	$1,101,324	$ 1,300,200	$ 481,260
Total Available Resources	$ 931,678	$ 860,668	$ 865,118	$ 1,063,994	$ 280,404
EXPENSES					
Personnel	$ 178,722	$ 189,808	$ 194,258	$ 161,570	$ 188,210
Supplies	16,453	8,950	8,950	4,660	8,950
Maintenance	606	5,000	5,000	800	5,000
Rentals	240	-	-	750	800
Other	99,257	11,300	11,300	26,020	13,440
Vehicle Maintenance	864,567	853,000	853,000	1,045,450	264,860
Debt Service	1,182	18,816	18,816	18,820	-
Capital Outlay	-	10,000	10,000	6,780	-
Non-Departmental	6,857	-	-	-	-
Total	$1,167,884	$1,096,874	$1,101,324	$ 1,264,850	$ 481,260
Net Revenues Over/(Under) Expenses	$ 956	$ -	$ -	$ 35,350	$ -
Ending Available Resources	(236,206)	(236,206)	(236,206)	(200,856)	(200,856)

GARAGE FUND
REVENUE SOURCES

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
General Fund					
City Manager's Office	$ 5,221	$ 6,000	$ 6,000	$ 4,000	$ 1,000
Finance Director	-	-	-	-	-
Police Department	403,487	450,000	450,000	537,000	187,930
Traffic Safety	66,572	66,000	66,000	77,000	26,000
Municipal Court	7,141	-	-	3,600	1,700
Fire Protection	203,614	131,374	131,374	118,000	70,570
Street Maintenance	223,208	172,000	172,000	252,350	111,560
Municipal Library	-	-	-	-	-
Building Maintenance	42,608	40,000	40,000	40,000	12,000
Planning & Community Dev	34,340	21,500	21,500	37,500	6,500
Non-Departmental	-	-	4,450	-	-
	986,191	886,874	891,324	1,069,450	417,260
Utility Fund					
Administration	-	-	-	-	-
Water Production	10,771	17,000	17,000	14,250	7,000
Water Distribution	115,180	100,000	100,000	124,500	35,000
Water Treatment Plant	14,379	17,000	17,000	20,500	8,000
Sewer Collection	20,451	21,500	21,500	29,500	6,500
	160,781	155,500	155,500	188,750	56,500
Other Funds					
International Bridge	4,766	16,000	16,000	16,000	6,000
Golf Course	956	8,500	8,500	21,500	1,500
Community Development	16,146	30,000	30,000	4,500	-
	$ 21,868	$ 54,500	$ 54,500	$ 42,000	$ 7,500
TOTAL REVENUES	**$1,168,840**	**$1,096,874**	**$1,101,324**	**$ 1,300,200**	**$ 481,260**

City of Pharr, Texas

Department: Administration — Fund: Garage

EXPENSES	Actual 06-07	Original Budget 07-08	Amended Budget 07-08	Projected Actual 07-08	Budget 08-09
Salaries	$ 118,044	$ 124,100	$ 127,395	$ 118,850	$ 127,550
Employee Benefits	60,678	65,708	66,863	42,720	60,660
Supplies	16,453	8,950	8,950	4,660	8,950
Maintenance	606	5,000	5,000	800	5,000
Rentals	240	-	-	750	800
Contractual Services	-	-	-	-	-
Other Services	99,257	11,300	11,300	26,020	13,440
Vehicle Maintenance	864,567	853,000	853,000	1,045,450	264,860
Debt Service	1,182	18,816	18,816	18,820	-
Capital Outlay	-	10,000	10,000	6,780	-
Non-Departmental	6,857	-	-	-	-
DEPARTMENT TOTAL	$ 1,167,884	$ 1,096,874	$ 1,101,324	$ 1,264,850	$ 481,260

Purpose
Provide preventive maintenance to City vehicles and equipment.

Main Duties
Change oil, lube, filters, tires, welding, tune ups, battery checks, air condition, and other preventive maintenance and repairs.

Divisions
Operations

Mission Statement
Provide preventive maintenance to the City's fleet as effectively and efficiently as possible.

PERFORMANCE INDICATORS	Actual 06-07	Budget 07-08	Amend. Budget 07-08	Projected 07-08	Budget 08-09
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

FIDUCIARY FUND

AGENCY FUND

Agency Fund typically do not involve a formal trust agreement. This fund is used to account for situations where the City's sole responsibility is purely custodial and calls for the remittance of fiduciary resources to individuals.

Volunteer Firemen Pension Fund: accounts for the additional resources the pension accumulates along with the expected deductions expected due to scheduled pension payments.

CITY OF PHARR, TX
VOLUNTEER FIREMEN PENSION FUND
SUMMARY OF ADDITIONS AND DEDUCTIONS

	ACTUAL 2006-2007	ORIGINAL BUDGET 2007-2008	AMENDED BUDGET 2007-2008	PROJECTED ACTUAL 2007-2008	BUDGET 2008-2009
Beginning Available Resources	$ -	$ -	$ -	$ -	$ 24,300
Additions					
Transfer In	$ -	$ -	$ -	$ 30,000	$ 30,000
Interest	-	-	-	500	1,000
Total Additions	$ -	$ -	$ -	$ 30,500	$ 31,000
Total Available Resources	$ -	$ -	$ -	$ 30,500	$ 55,300
Deductions					
Pension	$ -	$ -	$ -	$ 6,200	$ 12,300
Total Deductions	$ -	$ -	$ -	$ 6,200	$ 12,300
Net Additions Over/(Under) Deductions	$ -	$ -	$ -	$ 24,300	$ 18,700
Ending Available Resources	-	-	-	24,300	43,000

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STATISTICAL SECTION

Financial Trends

These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.

Debt Capacity

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.

Demographic and Economic Information

These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.

Operating Information

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.

City of Pharr, Texas
Net Assets by Component
Last Five Fiscal Years
(Accrual Basis of Accounting)
(amount expressed in thousands)

	Fiscal Year				
	2003	2004	2005	2006	2007
Governmental activities					
Invested in capital assets, net of related debt	$ 17,432	$ 26,339	$ 28,230	$ 28,849	$ 40,172
Restricted	5,054	1,998	6,490	6,763	14,781
Unrestricted	5,268	3,983	5,147	8,067	2,620
Total governmental activities net assets	$ 27,754	$ 32,320	$ 39,867	$ 43,679	$ 57,573
Business-type activities					
Invested in capital assets, net of related debt	$ 21,320	$ 28,366	$ 38,635	$ 38,336	$ 46,566
Restricted	4,349	9,278	2,943	1,950	3,018
Unrestricted	15,221	8,165	3,390	11,401	4,593
Total business-type activities net assets	$ 40,890	$ 45,809	$ 44,968	$ 51,687	$ 54,177
Primary government					
Invested in capital assets, net of related debt	$ 38,752	$ 54,705	$ 66,865	$ 67,185	$ 86,738
Restricted	9,403	11,276	9,433	8,713	17,800
Unrestricted	20,489	12,148	8,537	19,468	7,213
Total primary government net assets	$ 68,644	$ 78,129	$ 84,835	$ 95,366	$ 111,751

(1) Fiscal Year 2003 was the initial year of implementation of GASB Statement No. 34.

City of Pharr, Texas
Changes in Net Asset
Last Five Fiscal Years
(Accrual Basis of Accounting)
(amount expressed in thousands)

	Fiscal Year				
Expenses	**2003**	**2004**	**2005**	**2006**	**2007**
Governmental activities:					
General government	$ 6,484	$ 4,386	$ 5,463	$ 7,181	$ 8,178
Public safety	10,331	13,179	14,069	15,000	16,504
Streets		2,140	2,276	2,361	2,442
Sanitation	2,453	3,411	3,519	3,227	3,518
Culture and recreation	826	3,156	3,248	3,253	3,340
Economic development	105	2,503	2,198	1,754	2,653
Debt service	1,880	1,537	1,478	1,365	1,433
Total governmental activities expenses	22,079	30,312	32,251	34,141	38,068
Business-type activities:					
Utility	5,085	6,298	6,885	7,576	7,879
Toll Bridge	2,070	3,244	3,830	3,156	3,454
Tierra Del Sol Golf Course	965	1,239	988	1,054	1,241
Total business-type activities expenses	8,120	10,781	11,703	11,786	12,574
Total primary government expenses	$ 30,199	$ 41,093	$ 43,954	$ 45,927	$ 50,642
Program Revenues					
Governmental activities:					
Charges for services:					
General government	$ 125	$ 705	$ 2,051	$ 208	$ 1,790
Public safety	11	1,038	63	571	1,908
Streets	-	-	-	85	472
Sanitation	3,055	3,069	3,464	3,006	3,274
Culture and recreation	71	488	489	131	911
Economic development	-	-	-	-	-
Debt service	-	-	-	-	-
Operating grants and contributions	79	1,944	1,753	1,648	1,867
Capital grants and contributions	3,349	1,067	-	1,094	-
Total governmental activities program revenues	6,690	8,311	7,820	6,743	10,222
Business-type activities:					
Charges for services:					
Utility	6,079	6,475	7,645	11,200	10,851
Toll Bridge	5,811	6,669	7,611	7,714	8,058
Tierra Del Sol Golf Course	696	737	809	350	631
Operating grants and contributions	-	-	-	-	-
Capital grants and contributions	-	2,936	250	-	-
Total business-type activities program revenues	12,586	16,817	16,315	19,264	19,540
Total primary government program revenues	$ 19,276	$ 25,128	$ 24,135	$ 26,007	$ 29,762
Net (expense)/revenue					
Governmental activities	$(15,389)	$(22,001)	$(24,431)	$(27,398)	$(27,846)
Business-type activities	4,466	6,036	4,612	7,478	6,966
Total primary government net expense	$(10,923)	$(15,965)	$(19,819)	$(19,920)	$(20,880)

	Fiscal Year				
	2003	2004	2005	2006	2007
General Revenues and Other Changes in Net Assets					
Governmental activities:					
Taxes					
Property taxes	$ 6,328	$ 8,595	$ 9,713	$ 10,475	$ 11,276
Sales taxes	8,272	9,297	10,043	11,346	11,160
Other taxes	289	2,163	2,283	2,543	2,912
Investment earnings	440	162	306	419	445
Grants, Donations, and Miscellaneous	2,004	1,459	2,657	3,854	2,159
Transfers	-	1,640	6,362	2,288	8,655
Total governmental activities	17,333	23,316	31,364	30,925	36,607
Business-type activities:					
Investment earnings	-	35	610	1,011	866
Grants, Donations, and Miscellaneous	699	403	10	-	495
Transfers	-	(1,640)	(6,362)	(2,288)	(8,655)
Total business-type activities	699	(1,202)	(5,742)	(1,277)	(7,294)
Total primary government	$ 18,032	$ 22,114	$ 25,622	$ 29,648	$ 29,313
Change in Net Assets					
Governmental activities	$ 1,944	$ 1,315	$ 6,933	$ 3,527	$ 8,761
Business-type activities	5,165	4,834	(1,130)	6,201	(328)
Total primary government	$ 7,109	$ 6,149	$ 5,803	$ 9,728	$ 8,433

(1) Fiscal Year 2003 was the initial year of implementation of GASB Statement No. 34.

City of Pharr, Texas
Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(amount expressed in thousands)

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
General Fund										
Reserved	$ 31	$ 55	$ 51	$ 60	$ 54	$ 54	$ 3,037	$ 3,903	$ 7,405	$ 11,002
Unreserved, undesignated	1,388	2,250	3,156	4,091	3,825	3,489	1,433	602	195	(6,402)
Designated	-	-	-	-	-	-	-	1,327	-	-
Total general fund	$ 1,419	$ 2,305	$ 3,207	$ 4,151	$ 3,879	$ 3,543	$ 4,470	$ 5,832	$ 7,600	$ 4,600
All other governmental funds										
Reserved	$ 117	$ 285	$ 82	$ 74	$ 1,025	$ (13)	$ 1,048	$ 2,894	$ 5,447	$ 7,572
Unreserved, undesignated	639	946	422	439	514	356	824	1,813	1,186	2,425
Designated for capital projects	8,705	5,022	3,344	12,422	10,536	4,534	321	1,760	(2,590)	(1,508)
Total all other governmental funds	$ 9,461	$ 6,253	$ 3,848	$12,935	$12,075	$ 4,877	$ 2,193	$ 6,467	$ 4,043	$ 8,489
Total governmental fund balances	$10,880	$ 8,558	$ 7,055	$17,086	$15,954	$ 8,420	$ 6,663	$12,299	$11,643	$13,089

City of Pharr, Texas
Changes in Fund Balances of Governmental Funds
Last Ten Fiscal Years
(Modified Accrual Basis of Accounting)
(amount expressed in thousands)

	Fiscal Year									
Revenues	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Taxes	$ 8,953	$10,097	$11,758	$12,734	$14,205	$15,051	$20,022	$21,929	$24,350	$25,972
Licenses and permits	242	275	360	533	712	688	555	681	1,468	886
Intergovernmental	1,788	1,788	2,705	1,674	3,210	3,606	3,431	2,296	1,178	1,751
Charges for services	2,482	2,594	2,619	2,785	3,042	3,558	3,647	3,971	4,287	5,073
Fines	269	251	326	411	518	761	1,056	1,415	968	800
Investment earnings	338	441	354	474	644	440	162	306	419	445
Miscellaneous	751	622	1,059	686	982	1,318	1,079	1,481	2,127	1,970
Total Revenues	14,823	16,068	19,181	19,297	23,313	25,422	29,952	32,079	34,797	36,897
Expenditures										
General government	7,835	8,814	10,018	9,141	13,231	16,536	8,287	6,985	14,218	12,943
Public safety	4,943	5,581	7,044	7,900	8,708	9,767	11,558	13,452	15,391	15,642
Highways and streets	567	563	696	740	942	1,287	2,076	5,351	2,542	2,121
Sanitation	1,744	1,817	1,945	2,108	2,226	2,235	3,059	-	3,021	3,483
Culture and recreation	313	359	400	477	601	752	3,168	3,323	977	3,422
Economic development	165	269	260	470	117	933	2,149	2,109	3,120	5,757
Debt service	558	1,334	1,412	1,558	2,615	3,169	3,227	3,211	2,803	5,129
Other charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	16,125	18,737	21,775	22,394	28,440	34,679	33,524	34,431	42,072	48,497
Excess of revenuesover (under) expenditures	(1,302)	(2,669)	(2,594)	(3,097)	(5,127)	(9,257)	(3,572)	(2,352)	(7,275)	(11,600)
Other financing sources (uses)										
Transfers in	216	502	886	705	1,524	1,986	2,302	10,721	4,044	9,298
Transfers out	-	(27)	(169)	(20)	(9)	-	(662)	(4,359)	(1,756)	(669)
Proceeds of Long Term Debt	11,780	86	329	12,204	-	-	312	16,567	3,120	2,480
Other	-	-	-	-	-	-	-	(15,149)	979	3,479
Total other financing sources (uses)	11,996	561	1,046	12,889	1,515	1,986	1,952	7,780	6,387	14,588
Net change in fund balances	$10,694	$ (2,108)	$ (1,548)	$ 9,792	$ (3,612)	$ (7,271)	$ (1,620)	$ 5,428	$ (888)	$ 2,988
Debt service as a percentage of noncapital expenditures	3.6%	7.7%	6.9%	7.5%	10.1%	10.1%	10.7%	10.3%	7.1%	11.8%

City of Pharr, Texas
Assessed and Estimated Value of Taxable Property
Last Ten Fiscal Years
(amount expressed in thousands)

Fiscal Year Ended	Tax Year	Total Assessed	Less: Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate	Estimated Actual Taxable Value	Assessed Value[1] as a Percentage of Actual Value
1998	1997	$ 706,669	$ 37,184	$ 669,485	$0.630	$ 669,485	94.74%
1999	1998	750,745	26,351	724,394	0.642	724,394	96.49%
2000	1999	792,599	26,192	766,407	0.642	766,407	96.70%
2001	2000	917,247	34,266	882,981	0.662	882,981	96.26%
2002	2001	1,003,668	33,547	970,122	0.690	970,122	96.66%
2003	2002	1,059,189	31,435	1,027,754	0.683	1,027,754	97.03%
2004	2003	1,239,070	35,865	1,203,205	0.683	1,203,205	97.11%
2005	2004	1,396,726	45,216	1,351,511	0.683	1,351,511	96.76%
2006	2005	1,489,878	47,732	1,442,146	0.683	1,442,146	96.80%
2007	2006	$ 1,661,456	$ 44,162	$ 1,617,294	$0.683	$ 1,617,294	97.34%

Source: Hidalgo County Central Appraisal District

Note: Assessed values are determined as of July 20, and relate to taxes levied on the first day of the following fiscal year. Assessed value is equal to 100% of estimated value. All property is assessed the same rate regardless of real or personal property, commercial, residential, or industrial.

[1]Includes tax-exempt property.

City of Pharr, Texas
Property Tax Rates[1] and Tax Levies
Direct and Overlapping[2] Governments
Last Ten Fiscal Years

Fiscal Year Ending	City of Pharr Tax Rate			Overlapping Tax Rates								
				Drainage District #1			Hidalgo County			P.S.J.A ISD		
	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total
1998	$ 0.506	$0.124	$0.630	$ 0.041	$ -	$0.041	$ 0.429	$0.017	$0.447	$ 1.313	$0.261	$ 1.574
1999	0.529	0.113	0.642	0.038	-	0.038	0.394	0.052	0.447	1.380	0.200	1.580
2000	0.534	0.108	0.642	0.038	-	0.038	0.445	0.055	0.501	1.500	0.090	1.590
2001	0.565	0.098	0.662	0.046	-	0.046	0.459	0.060	0.520	1.500	0.135	1.635
2002	0.590	0.100	0.690	0.046	-	0.046	0.522	0.069	0.590	1.500	0.122	1.622
2003	0.596	0.087	0.683	0.044	-	0.044	0.527	0.063	0.590	1.500	0.122	1.622
2004	0.602	0.081	0.683	0.044	-	0.044	0.526	0.064	0.590	1.500	0.112	1.612
2005	0.593	0.090	0.683	0.044	-	0.044	0.527	0.063	0.590	1.500	0.114	1.614
2006	0.593	0.090	0.683	0.041	-	0.041	0.520	0.070	0.590	1.500	0.114	1.614
2007	$ 0.593	$0.090	$0.683	$ 0.040	$0.009	$0.049	$ 0.516	$0.075	$0.591	$ 1.040	$0.171	$ 1.211

Overlapping Tax Rates						Total Direct & Overlapping Rates
South Texas ISD			South Texas College			
Operating	Debt Service	Total	Operating	Debt Service	Total	
$ 0.037	$ -	$0.037	$ 0.080	$0.012	$0.092	$ 2.821
0.037	-	0.037	0.080	0.012	0.092	2.837
0.037	-	0.037	0.080	0.012	0.092	2.900
0.039	-	0.039	0.079	0.011	0.090	2.991
0.039	-	0.039	0.110	0.068	0.178	3.164
0.039	-	0.039	0.110	0.064	0.174	3.152
0.039	-	0.039	0.110	0.055	0.165	3.132
0.039	-	0.039	0.110	0.049	0.159	3.128
0.039	-	0.039	0.110	0.045	0.155	3.122
$ 0.049	$ -	$0.049	$ 0.110	$0.044	$0.154	$ 2.737

Source: City of Pharr Tax Assessor/Collector, Hidalgo County Tax Office, Pharr-San Juan-Alamo Independent School District, TEA Financial Audit Reports

[1]Tax rate is per $100 of taxable assessed value

[2]Overlapping rates are those of local and county governments that apply to property owners within the City of Pharr. Not all overlapping rates apply to all City of Pharr property owners (e.g., the rates for special districts apply only to the proportion of the government's property owners whose property is located within the geographic boundaries of the special district.

City of Pharr, Texas
Principal Property Taxpayers
Fiscal Year End 2007 and 1998
(amount expressed in thousands)

	2007			1998		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
McAllen Levcal LLC	$ 13,679	1	0.85%			
Shell Western E&P (Total E&P)	13,030	2	0.81%			
Fina Oil & Chemical Co.				10,453	2	1.56%
Spigel, Stanley				8,564	3	1.28%
Wilder Corp	12,515	3	0.77%	8,047	4	1.20%
AEP Texas Central Co.	11,226	4	0.69%			
Southwestern Bell Tele	9,674	5	0.60%	14,262	1	2.13%
Central Power & Light	9,594	6	0.59%	5,822	5	0.87%
Home Depot, The	6,734	7	0.42%			
Royal Freight LP	6,559	8	0.41%			
Capote Farms LTD	6,191	9	0.38%			
Westbrae Enterprises, Inc.				5,813	6	0.87%
Gold Star Warehousing LTD	5,634	10	0.35%			
H E Butt Grocery Company				5,015	7	0.75%
Stewart Entertainment				4,463	8	0.67%
Matt's Cash & Carry				4,099	9	0.61%
Financial Mngmnt Intl Corp				4,001	10	0.60%
Totals	**$ 94,836**		**5.9%**	**$ 70,539**		**10.5%**
Assessed Taxable Value	$ 1,617,294			$ 669,485		

Source: Hidalgo County Appraisal District

City of Pharr, Texas
Property Tax Levies and Collections
Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended	Tax Year	Total Tax Levy for Fiscal Year	Collections within the Fiscal Year of the Levy		Delinquent Collections	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
1998	1997	$ 4,218	$ 4,054	96.1%	$ 277	$ 4,331	102.7%
1999	1998	4,653	4,331	93.1%	308	4,639	99.7%
2000	1999	4,923	4,979	101.1%	328	5,307	107.8%
2001	2000	5,848	5,200	88.9%	428	5,628	96.2%
2002	2001	6,694	5,685	84.9%	549	6,234	93.1%
2003	2002	7,021	6,328	90.1%	521	6,849	97.6%
2004	2003	8,219	7,481	91.0%	613	8,094	98.5%
2005	2004	9,232	8,356	90.5%	670	9,026	97.8%
2006	2005	9,852	9,072	92.1%	789	9,861	100.1%
2007	2006	$ 11,048	$ 10,156	91.9%	$ 804	$ 10,960	99.2%

Source: City of Pharr Tax Assessor/Collector

City of Pharr, Texas
Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

	Governmental Activities				Business-Type Activities					
Fiscal Year	General Obligation Bonds	Certificates of Obligation	Notes	Capital Leases	Utility & Toll Bridge Bonds/Notes	Capital Leases	Notes	Total Primary Government	Percentage of Household Income[1]	Per Capita[1]
1998	$ 183	$ 13,975	$ -		$ 42,569	$ -	$ -	$ 56,727	0.23%	$ 1,347
1999	86	13,195	-	100	42,979	-	-	56,360	0.23%	1,271
2000	-	14,560	-	305	38,821	113	-	53,799	0.14%	1,153
2001	-	26,060	-	594	36,766	320	-	63,740	0.16%	1,295
2002	-	25,500	1,960	242	32,327	389	-	60,418	0.16%	1,176
2003	-	24,170	1,785	632	36,882	289	-	63,758	0.16%	1,171
2004	-	23,330	5,278	471	31,707	305	2	61,093	0.16%	1,076
2005	16,110	7,085	4,683	698	21,444	86	-	50,106	0.13%	849
2006	16,025	6,070	5,746	1,544	20,042	246	-	49,673	0.13%	810
2007	$ 15,935	$ 5,000	$ 4,962	$ 1,550	$ 61,711	$ 815	$ 5,995	$ 95,968	0.25%	$ 1,492

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

[1]See the Schedule of Demographic and Economic Statistics for personal income and population data.

City of Pharr, Texas
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(amounts expressed in thousands, except per capita amount)

Fiscal Year	General/Certificate Obligations Bonds	Percentage of Estimated Actual Taxable Value[1] of Property	Per Capita[2]
1998	$ 14,158	2.11%	$ 336
1999	13,281	1.83%	300
2000	14,560	1.90%	312
2001	26,060	2.95%	529
2002	25,500	2.63%	496
2003	24,170	2.35%	444
2004	23,330	1.94%	411
2005	23,195	1.72%	393
2006	22,095	1.53%	360
2007	$ 20,935	1.29%	$ 325

Note: Details regarding the city's outstanding debt can be found in the notes to the financial statements.

[1]See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.
[2] Population data can be found in the Schedule of Demographic and Economic Statistics

City of Pharr, Texas
Direct and Overlapping Governmental Activities Debt
As of September 30, 2007
(amounts expressed in thousands)

Governmental Units	Debt Outstanding	Estimated Percentage Applicable[1]	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Hidalgo County	$ 165,708	8.2%	$ 13,578
Hidalgo Irrigation District #1	27,678	8.2%	2,268
South Texas College	90,872	37.0%	33,623
South Texas ISD	-	0.0%	-
Pharr, San Juan, Alamo Independent School District	173,268	53.2%	92,240
		Subtotal, overlapping debt	141,708
City of Pharr direct debt	20,935	100%	20,935
Total direct and overlapping debt			$ 162,643

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Equalization and Assessment. Debt outstanding data provided by the county and South Texas College.

Note: Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the city. This schedule estimates the portion of the outstanding debt of those overlapping governments that is borne by the residents and businesses of the city of Sherman. This process recognizes that, when considering the government's ability to issue and repay long-term debt, the entire debt burden borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

[1]The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the portion of the county's taxable assessed value that is within the governments boundaries and dividing it by the county's total taxable assessed value.

City of Pharr, Texas
Legal Debt Margin Information
Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Debt Limit	$ 70,667	$ 75,074	$ 79,260	$ 91,725	$ 100,367	$ 105,919	$ 123,907	$ 139,673	$ 148,988	$ 166,146
Total net debt applicable to limit	14,158	13,281	14,560	26,060	25,500	24,170	23,330	23,195	22,095	20,935
Legal debt margin	$ 56,509	$ 61,793	$ 64,700	$ 65,665	$ 74,867	$ 81,749	$ 100,577	$ 139,673	$ 126,893	$ 145,211
Total net debt applicable to the limit as a percentage of debt limit	20.0%	17.7%	18.4%	28.4%	25.4%	22.8%	18.8%	0.0%	14.8%	12.6%

Legal Debt Margin Calculation for Fiscal Year 2006

Assessed Value	$ 1,617,294
Add Back: exempt property	44,162
Total Assessed Value	$ 1,661,456
Debt limit (10% of total assessed value)	166,146
Debt applicable to limit:	
General obligation bonds	20,935
Legal debt margin	$ 145,211

Note: Under state finance law, the City of Pharr's outstanding general obligation debt should not exceed 10 percent of total assessed property value. By law, the general obligation debt subject to the limitation may be offset by amounts set aside for repaying general obligation bonds.

City of Pharr, Texas
Pledged Revenue Coverage
Last Ten Fiscal Years
(amounts expressed in thousands)

	Water & Sewer Revenue Bonds					
Fiscal Year	Utility Charges and Other Revenues	Less: Operating Expenses	Net Available Revenue	Debt Service Paid		Coverage
				Principal	Interest	
1998	$ 5,104	$ 2,497	$ 2,607	$ 5,845	$ 833	0.39
1999	5,361	3,058	2,303	1,755	1,013	0.83
2000	6,020	3,378	2,642	4,158	962	0.52
2001	6,083	3,235	2,848	2,055	841	0.98
2002	6,038	3,612	2,426	2,168	780	0.82
2003	6,193	3,762	2,431	1,106	725	1.33
2004	6,605	4,311	2,294	1,231	646	1.22
2005	7,829	4,881	2,948	1,290	604	1.56
2006	11,594	5,695	5,899	937	542	3.99
2007	$ 10,722	$ 5,427	$ 5,295	$ 851	$ 702	3.41

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements. Utility charges and other revenues includes only utility service charges, investment earnings, but not tap fees. Operating expenses do not include interest or depreciation. Historical information taken from prior financial reports.

City of Pharr, Texas
Demographic and Economic Statistics
Last Ten Fiscal Years

Fiscal Year	Population[1]	Median Household Income	Per Capita Personal Income	Median Age	Education Level in Years of Formal Schooling[2]	School Enrollment	Unemployment Rate[3]
1998	42,111	$ 24,333	$ 5,288	Unknown	Unknown	20,636	21.6%
1999	44,327	24,333	9,462	Unknown	Unknown	21,050	16.1%
2000	46,660	38,967	9,462	27.4	47.3%	21,724	7.4%
2001	49,224	38,967	9,462	27.4	47.3%	22,537	8.1%
2002	51,362	38,967	9,462	27.4	47.3%	23,826	8.6%
2003	54,452	38,967	9,462	27.4	47.3%	25,210	8.6%
2004	56,752	38,967	9,462	27.4	47.3%	26,493	7.2%
2005	59,029	38,967	9,462	27.4	47.3%	27,338	5.8%
2006	61,360	38,967	9,462	27.8	47.3%	28,088	5.7%
2007	64,318	38,967	9,462	27.8	47.3%	28,868	5.5%

Data Sources: U.S. Census, Region One Education Service Center (PIEMS), U.S. Bureau of Labor Statistics

[1]Population data from 2001 to 2006 taken from Planning and Zoning department. 2007 population is estimated based on average growth over prior 8 years.
[2]Reflects percentage of population age 25 or greater that are high school graduates. (Source: U.S. Census Bureau)
[3]Unemployment rate as of September of each year. (Source: U.S. Department of Labor - Bureau of Labor Statistics)

City of Pharr, Texas
Principal Employers
Fiscal Year Ending 2007 and 1998

	2007		
Employer	**Employees**	**Rank**	**Percentage of Total City Employment**
Pharr-San Juan-Alamo ISD	4,538	1	20.81%
Convergy's	900	2	4.13%
City of Pharr	533	3	2.44%
Ticketmaster	410	4	1.88%
Texas Department of Transportation	390	5	1.79%
Home Depot	200	6	0.92%
Lowe's	175	7	0.80%
HEB Food Stores	150	8	0.69%
D&F Industries	107	9	0.49%
Cris Equipment	104	10	0.48%
Total	**7,507**		**34.43%**

	1998*		
	Employees	**Rank**	**Percentage of Total City Employment**
Pharr-San Juan-Alamo ISD	Unknown	-	0.00%
Convergy's	Unknown	-	0.00%
City of Pharr	Unknown	-	0.00%
Ticketmaster	Unknown	-	0.00%
Texas Department of Transportation	Unknown	-	0.00%
Home Depot	Unknown	-	0.00%
Lowe's	Unknown	-	0.00%
HEB Food Stores	Unknown	-	0.00%
D&F Industries	Unknown	-	0.00%
Cris Equipment	Unknown	-	0.00%
Total	**-**		**0.00%**

Source: Pharr Economic Development Corporation

* Information was not tracked to provide stated information.

City of Pharr, Texas
Full-Time Equivalent City Government Employees by Function
Last Ten Fiscal Years

	Budgeted Full-time Equivalent Employees as of September 30,									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
GENERAL FUND										
Administration	5.0	6.0	12.0	12.0	16.0	16.7	9.0	9.0	9.0	9.0
Finance	7.0	7.0	7.0	7.0	7.0	8.0	10.0	12.0	12.5	13.5
Police Department	82.0	90.0	101.5	105.5	121.5	124.5	130.0	134.0	146.0	155.0
Traffic Safety	7.0	7.0	9.0	13.0	13.0	13.0	13.0	16.0	13.0	16.0
Municipal Court	3.0	3.0	3.0	3.0	4.0	4.0	6.0	6.0	6.0	6.0
Fire Protection	46.0	48.0	49.0	51.0	52.0	53.0	54.0	57.0	57.0	65.0
Street Maintenance	21.0	19.0	23.0	23.0	24.0	24.0	24.0	25.0	28.0	30.0
Municipal Library	11.0	12.0	13.0	14.0	16.0	18.0	23.0	23.0	25.0	26.0
Building Maintenance	31.5	38.5	45.0	46.0	47.0	51.0	53.0	70.0	71.0	73.0
Planning & Community Dev	14.3	14.0	15.7	16.0	17.0	17.3	19.0	22.0	20.0	23.0
Total General Fund	227.8	244.5	278.2	290.5	317.5	329.5	341.0	374.0	387.5	416.5
UTILITY FUND										
Administrative	5.0	5.0	6.0	7.0	8.0	8.0	8.0	9.0	9.5	10.5
Water Plant	12.0	10.0	10.0	9.0	11.0	9.0	9.0	9.0	9.0	10.0
Water Distribution	18.0	18.0	18.0	19.0	19.5	21.5	21.0	23.0	25.0	26.0
Wastewater Plant	10.0	10.0	10.0	11.0	12.0	11.0	11.0	11.0	11.0	13.0
Lift Station	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Total Utility Fund	49.0	47.0	48.0	50.0	54.5	53.5	53.0	56.0	58.5	63.5
INTERNAL SERVICE FUND										
Chief Mechanic	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Laborers	-	-	2.0	2.0	3.0	3.0	3.0	3.0	4.0	4.0
Total Internal Svc Fund	1.0	1.0	3.0	3.0	4.0	4.0	4.0	4.0	5.0	5.0
INTERNATIONAL BRIDGE FUND										
Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Others	15.0	16.0	17.0	21.0	22.0	19.0	25.0	25.0	26.0	26.0
Total Int'l Bridge	16.0	17.0	18.0	22.0	23.0	20.0	26.0	26.0	27.0	27.0
OTHER										
CDBG	5.3	4.3	4.0	4.3	5.3	5.7	6.0	6.0	6.0	6.0
Golf Course	-	-	31.0	25.0	21.0	8.0	18.0	18.0	15.0	15.0
Total Other	5.3	4.3	35.0	29.3	26.3	13.7	24.0	24.0	21.0	21.0
GRAND TOTAL	**299.2**	**313.8**	**382.2**	**394.8**	**425.3**	**420.7**	**448.0**	**484.0**	**499.0**	**533.0**

Source: City of Pharr Budget Reports

City of Pharr, Texas
Operating Indicators by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Police										
Physical arrests	2,434	2,787	4,066	4,117	3,841	4,848	2,897	3,857	2,858	2808
Parking & Traffic Violations	unknown	4,037	7,897	6,008	6,587	10,101	10,897	15,983	13,742	12,742
Fire										
Number of calls answered	1,261	1,540	2,089	1,935	2,216	2,189	1,737	1,624	1,701	1794
Inspections	633	359	511	401	573	725	1,235	877	809	1,108
Highways and streets										
Street resurfacing (miles)	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	2	7
Potholes repaired	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown
Culture and recreation										
Int'l Convention Center Events	67	68	82	92	unknown	75	72	95	86	95
Other Community Center Events	68	176	189	259	unknown	306	269	231	206	268
Water										
New connections	370	448	627	290	717	614	867	832	1,204	638
Water mains breaks	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	3,948	4,156
Average daily consumption (millions of gallons)	4.9 MGD	4.6 MGD	4.4 MGD	5.1 MGD	5.1 MGD	5.0 MGD	4.7 MGD	6.1 MGD	6.6 MGD	5.6 MGD
Wastewater										
Average daily sewage treatment (thousands of gallons)	3.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD

Sources: Various City Departments.

City of Pharr, Texas
Capital Asset Statistics by Function
Last Ten Fiscal Years

Function	Fiscal Year									
	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007
Public Safety										
Police:										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol units	unknown	unknown	unknown	unknown	unknown	64	69	76	82	84
Fire stations	3	3	3	3	3	3	3	3	3	3
Highways and streets										
Streets (miles)	unknown	unknown	unknown	unknown	unknown	unknown	unknown	180	213	316
Streetlights	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown
Traffic signals	unknown	unknown	unknown	unknown	unknown	unknown	unknown	47	51	51
Culture and recreation										
Parks Acreage (Developed)	41	41	41	41	41	41	41	41	60	60
Swimming pools	1	2	2	2	2	2	2	2	2	2
Tennis courts	2	2	2	2	2	2	2	2	2	2
Community and Convention Centers	4	4	4	4	4	4	4	4	4	4
Water										
Water mains (miles)	unknown	unknown	unknown	unknown	unknown	unknown	~170	~182	~190	~191.6
Fire hydrants	1,258	1,330	1,440	1,596	1,712	1,730	1,750	1,820	1,918	2,010
Maximum daily capacity (thousands of gallons)	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD
Sewer										
Sanitary sewers (miles)	unknown	unknown	unknown	unknown	~169	~186	~204	~224	~246	262
Storm sewers (miles)	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown
Maximum daily treatment capacity (thousands of gallons)	3.12 MGD	3.22 MGD	3.31 MGD	3.45 MGD	3.63 MGD	3.82 MGD	4.15 MGD	4.19 MGD	4.25 MGD	4.45 MGD

Sources: Various city departments.

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OTHER SUPPLEMENTARY INFORMATION

City of Pharr, Texas
Financial Management Policy Statements

The City of Pharr, Texas' Financial Management Policy Statements have been developed to provide a sound financial management foundation upon which decisions shall be made that result in the effective management of its resources and provide reasonable assurance as to its long-term financial stability.

OPERATING BUDGETARY POLICIES

Fiscal Year
The City's fiscal year has been established as the period beginning October 1st and ending September 30th of the subsequent year.

Budget Preparation Guidance
The City budget will be prepared in accordance with State Law, City Charter, and standards established by both Governmental Accounting Standards Board and the Government Finance Officers Association (GFOA). The budget will be comprehensive in nature and address all funds of the City.

GFOA Distinguished Budget Program
The City will submit its official budget each year to the GFOA with an application for the Distinguished Budget Program. This will be the first year that the City submits an official budget and participate in the program.

Designated Budget Officer
The City of Pharr does not have a formal budget department. The primary responsibility for the budget process has been given to the City Manager and delegated to the Finance Director. The Finance Director, designated as the City Budget Officer, is responsible for the development of the annual budget to be submitted to the City Commission for approval and adoption.

Funds Included in the Annual Budget
Annual appropriated budgets are adopted for all funds. The budget shall include all of the City's governmental, fiduciary, and proprietary funds. The governmental funds consist of the general fund, the special revenue funds, the debt service fund, and the capital projects fund. The fiduciary fund consists of an agency fund. The proprietary funds consist of enterprise and internal service funds.

Basis of Accounting
Budgets are adopted on a basis consistent with generally accepted accounting principals. The legal basis of accounting for budgetary purposes within the governmental funds, consistent with generally accepted accounting principles, is the modified accrual basis. The proprietary and fiduciary funds are budgeted, using the accrual basis of accounting. Under accrual accounting, transactions and events are recognized as revenues/gains or

expenses/losses when they occur, regardless of the timing of related cash flows. On the other hand, under the modified accrual basis, not only must the underlying revenue transaction have occurred but also the related cash flow must take place within a short-enough period to have an effect on current spendable resources. Therefore, revenues must be both measurable and available when an event or transaction is expected to draw upon current spendable resources. Transfers are recognized in the accounting period in which the interfund receivable and payable arises. This basis of accounting is the same basis used in the year-end audited financial statements.

Budgetary Control

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss from unauthorized use of our disposition, and (2) the reliability of financial records for preparing financial statements and maintaining accountability of assets. The concept of reasonable assurance recognizes that (1) the cost of controls should not exceed the benefits likely to be derived, and (2) the evaluation of cost and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. The auditors believe that the City's internal controls adequately safeguard assets and provide reasonable assurance of the proper recording of financial transactions. Key controls are evaluated continually.

Budgetary control is maintained through a monthly line-item review by all departments. A reminder is sent to all department managers on the need to analyze their monthly financial reports. Monthly reports are available for each department reflecting current and accumulated expenditures as well as the percent of budget expenditures compared to percent of current year. A member of the accounting team identifies possible future overruns and communicates that information to the department managers for correction.

Balanced Budget

The Budget Officer is required to submit a balanced budget. A balanced budget is one in which total financial resources available, including prior year's ending financial resources plus projected resources, are equal to or greater than the budgeted expenditures/expenses. Expenditures may not legally exceed budgeted appropriations at the fund level. During the year, supplementary appropriations may be necessary. When appropriate, the City will use funds from the Fund Balance to balance the budget. The City will avoid budgetary practices that raise the level of current expenditures/expenses to the point that future years' operations are placed in jeopardy.

Budgeted Tax Rates

Prior to adopting the budget tax rate, including the levy, the City Commission shall hold a public hearing according to the dates established in the budget calendar. The City Commission shall provide for public notice of the date, time, and location of the hearing.

Public Hearings, Accessibility of Budget to the Public

The City's policy is to have at least one public hearing on the proposed budget at a duly advertised public meeting. The public meeting will be advertised at least one week prior to the budget being finally adopted. The Officer shall file the final proposed budget with the City Secretary, Library, and post it online soon after the City Commission adopts it. The budget shall be available for inspection by any taxpayer.

THE BUDGET PROCESS

Original Budget

The budget process for developing, adopting, and implementing the budget includes the following:

Annual budgets are legally adopted for all funds of the City. The City Charter states that between sixty (60) and ninety (90) days prior to the end of the fiscal year, the City Manager is required to submit to the Board of Commissioners a proposed operating budget for the fiscal year commencing the following October 1. The operating budget includes the proposed expenditures/expenses and the proposed method to finance them.

At the inception of the budget process, a budget calendar is prepared, which presents in chronological order, specific events that take place during the process as well as the timing of each. The budget calendar for this year's process immediately follows this discussion of policies and procedures.

Dates for public hearings, the purpose of which are to obtain taxpayers' comments, are set by the Board of Commissioners at the time the budget is submitted to that body. The Board of Commissioners may add to, subtract from or change appropriations, but may not change the form of the proposed budget. Any changes must be within the revenue and reserves estimated as available by the City Manager. Prior to September 25 of each year, the budget is legally enacted through the passage of an ordinance.

The appropriated budget is prepared by fund and department. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

During April and May of each year, department managers prepare departmental budget requests for which each is responsible. During the month of June, budget hearings are held with the department heads. Following the budget hearings with the department managers, the Budget Officer makes any changes to their requests, which he/she deems appropriate. The result is the Officer's recommended budget. During the mid-to-latter part of July, the Officer presents his recommended budget to the City Commission in budget workshops. As a result of the City Commission's comments during these workshops, changes are made to the Officer's recommended budget. The budget reflecting these changes is the proposed budget.

Prior to September 1st of each year, the Officer is required to submit to the City Commission a proposed budget for the fiscal year beginning on the following October 1st. The target due date for submitting the proposed budget, resulting from budget workshop hearings, shall be no later than two to three weeks before the end of the fiscal year. The final budget, which is to be considered for adoption, shall be submitted no later than one week before the end of the fiscal year.

Prior to October 1st, the City Commission through the passage of an ordinance legally enacts the budget. The budget will be implemented on October 1st. The ordinance approving and adopting the budget appropriates spending limits at the fund level.

Revisions to the Adopted Budget

At any time during the fiscal year, the City Manager can reallocate expenditures up to $10,000.00 per transaction within a fund without the approval of the Board of Commissioners. However, any revisions to the budget which increase the total budgeted expenditures/expenses within any fund must be approved by the Board of Commissioners.

Monitoring Compliance with the Budget

Reports comparing actual revenues and expenditures/expenses to budgeted amounts are prepared and carefully monitored monthly in order to determine whether estimated revenues are performing at or above levels budgeted and to ascertain that expenditures/expenses are in compliance with legally-adopted budget appropriations.

Duration of Budgeted Revenues and Appropriations

Budgeted revenues and appropriations lapse at the end of each fiscal year.

REVENUES POLICIES

Balance and Diversification in Revenue Sources

The City shall strive to maintain a balanced and diversified revenue system to protect the City from fluctuations in any one source due to changes in local economic conditions, which adversely impact that source.

User Fees

For services that benefit specific users, the City shall establish and collect fees to recover the costs of those services. The City Commission shall determine the appropriate cost recovery level and establish the fees. Where feasible and desirable, the City shall seek to recover full direct and indirect costs. User fees shall be reviewed on a regular basis to calculate their full cost recovery levels, to compare them to the current fee structure, and to recommend adjustments where necessary.

Currently, the Utility Fund will transfer funds to the General Fund an amount equal to that which is estimated to be comparable with the resources it uses. 25% of City Manager's Office and Administrative Services, 10% of Finance Department (normally

25% but Finance utilizes Utility personnel), and 5% of Planning and Community Development's budgeted departmental expenditures.

Cost Accounting
It is the policy of the City to allocate to each department level, costs to the extent that it is practical and in accordance with the cost/benefit approach of accounting.

Property Tax Revenues/Tax Burden
The City shall endeavor to reduce its reliance on property tax revenues by revenue diversification, implementation of user fees, and economic development. The City shall also strive to minimize the property tax burden on Pharr citizens.

Utility/Enterprise Funds User Fees
It is the intention of the City that all utilities and enterprise funds be self-supporting. As a result, utility rates and enterprise funds user fees shall be set at levels sufficient to cover operating expenditures, meet debt obligations, provide additional funding for capital improvements, and provide adequate levels of working capital. The City shall seek to eliminate all forms of subsidization to utility/enterprise funds from the General Fund.

Revenue Estimates for Budgeting
In order to maintain a stable level of services, the City shall use a conservative, objective, and analytical approach when preparing revenue estimates. The process shall include analysis of probable economic changes and their impacts on revenues, historical collection rates, and trends in revenues. This approach should reduce the likelihood of actual revenues falling short of budget estimates during the year and should avoid mid-year service reductions.

Revenue Collection and Administration
The City shall maintain high collection rates for all revenues by keeping the revenue system as simple as possible in order to facilitate payment. In addition, since revenue should exceed the cost of producing it, the City shall strive to control and reduce administrative costs. The City shall pursue to the full extent allowed by state law all delinquent taxpayers and others overdue in payments to the City.

Revenues Over Expenses – Stated Funds
All revenues over the required amount for the continued operations of the Bridge Fund will be transferred to the General Fund as per provision of Bond Ordinance 2005-51, Section 25, Subsection i-vi.

All revenues over the required amount for the continued operations of the Garage Fund and Golf Course Fund will be transferred to the General Fund.

Write-Off of Uncollectible Accounts
The City shall monitor payments due to the City (accounts receivable) and periodically write-off accounts where collection efforts have been exhausted and/or collection efforts are not feasible or cost-effective.

EXPENDITURES/EXPENSES POLICIES

Current Funding Basis

The City shall operate on a current funding basis. Expenditures shall be budgeted and controlled so as not to exceed current revenues plus the planned use of fund balance accumulated through prior year savings. (The use of fund balance shall be guided by the Fund Balance/Retained Earnings Policy Statements.)

Avoidance of Operating Deficits

The City shall take immediate corrective actions if at any time during the fiscal year expenditure and revenue re-estimates are such that an operating deficit (i.e., projected expenditures in excess of projected revenues) is projected at year-end. Corrective actions can include a hiring freeze, expenditure reductions, fee increases, or use of fund balance within the Fund Balance/Retained Earnings Policy. Expenditure deferrals into the following fiscal year, short-term loans, or use of one-time revenue sources shall be avoided to balance the budget.

Priority in Applying Restricted vs. Unrestricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the City typically first applies restricted resources, as appropriate opportunities arise, but reserves the right to selectively defer the use thereof to a future project or replacement equipment acquisition.

Maintenance of Capital Assets

Within the resources available each fiscal year, the City shall maintain capital assets and infrastructure at a sufficient level to protect the City's investment, to minimize future replacement and maintenance costs, and to continue service levels.

Periodic Program Reviews

The City Manager shall undertake periodic staff and third-party reviews of City programs for both efficiency and effectiveness. The privatization and contracting of services with other governmental agencies or private entities will be evaluated as alternative approaches to service delivery. Programs which are determined to be inefficient and/or ineffective shall be reduced in scope or eliminated.

Encumbrances and Uncompleted Projects

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is an extension of formal budgetary integration in governmental funds. Although appropriations lapse at year-end for annually budgeted funds, the City honors encumbrances outstanding at year-end. Since these commitments will be honored during the subsequent year, outstanding encumbrances at year-end should be included in the subsequent year's budget.

Purchasing

The City shall conduct its purchasing and procurement functions efficiently and effectively, fully complying with applicable State laws and City ordinances. Staff shall make every effort to maximize discounts and capitalize on savings available through competitive bidding and "best value" purchasing.

PURCHASING POLICIES

Purchasing guidelines can be found in the Commission approved Purchasing Policy manual.

FUND BALANCE/RETAINED EARNINGS POLICIES

General Fund Undesignated/Unreserved Fund Balance

The City shall strive to maintain the General Fund undesignated/unreserved fund balance at 60 days of the current year's budget appropriation for operations and maintenance, which is defined as the total budget less the annual transfer from the General Fund to the other funds and Charter mandated contingency funding.

Retained Earnings of Other Operating Funds

In other enterprise operating funds, the City shall strive to maintain positive retained earnings positions to provide sufficient reserves for emergencies and revenue shortfalls. Specifically, in the Utility Fund, an operating reserve will be established and maintained at 120 days of the current year's budget appropriation for operation and maintenance, which is defined as the total budget less debt service and capital project expenditures.

Use of Fund Balance/Retained Earnings

Fund Balance/Retained Earnings shall be used only for emergencies, non-recurring expenditures, or major capital purchases that cannot be accommodated through current year savings.

Use of Unreserved Fund Balance/Retained Earnings will be disclosed to the Commission. If the required amounts go below the stated Policy amount, the City will set aside a sufficient portion of the upcoming fiscal year's budget to meet the required reserve amount.

Any surpluses realized at year end shall be used first to meet reserve policies, then retirement/extinguishing of debt, then capital replacement purposes.

Retained Earnings of Internal Service Funds

The City shall not regularly maintain positive retained earnings in excess of 10 percent of the current year's operation and maintenance expense in an internal service fund. Normally, when an internal service fund's retained earnings exceed 10 percent, the City

shall reduce the charges for services provided by the internal service fund to other City operating funds.

Debt Service Funds

The City shall maintain sufficient reserves in its debt service funds, which shall equal or exceed the reserve fund balances required by bond ordinances, consistent with the covenants in the bond ordinances pertaining to the tax-exempt status of such bonds.

CAPITAL IMPROVEMENTS POLICIES

Capital Improvements Planning

The City shall review annually the needs for capital improvements and equipment, the current status of the City's infrastructure, replacement and renovation needs, and potential new projects. All projects, ongoing and proposed, shall be prioritized based on an analysis of current needs and resource availability. For every capital project, all operation, maintenance and replacement costs shall be fully costed.

Long-Term Capital Planning

A five-year capital improvement plan will be developed. This plan will be prioritized based on an analysis of current needs and resource availability.

Capital Project Funding

No capital improvement project will begin without sufficient funding. Funding will be monitored quarterly to ensure project overruns are not funded to the detriment of the fund balance/retained earnings unreserved/undesignated policies.

Replacement of Capital Assets on a Regular Schedule

The City shall annually prepare a schedule for the replacement of its non-infrastructure capital assets. Within the resources available each fiscal year, the City shall replace these assets according to the aforementioned schedule.

Capital Expenditure Financing

The City recognizes that there are three basic methods of financing its capital requirements. It can budget the funds from current revenues; it can take the funds from fund balance/retained earnings as allowed by the Fund Balance/Retained Earnings Policy; or it can borrow money through debt. Debt financing includes general obligation bonds, revenue bonds, certificates of obligation, lease/purchase agreements, certificates of participation, commercial paper, tax notes, and other obligations permitted to be issued or incurred under Texas law. Guidelines for assuming debt are set forth in the Debt Policy Statements.

DEBT MANAGEMENT POLICIES

Capital Improvement Plan
Major capital improvements will normally be funded through the issuance of long-term debt.

Debt Policies
The City will limit the issuance of long-term debt to only those capital projects that cannot be funded from current revenues. At no time will the Fund Balance/Retained Earnings be depleted to a point below the City's policy for any project or purpose.

Debt Term Limitation
The City will not issue long-term debt for a period longer than the estimated useful life of the capital asset.

Use of Long-Term Debt for Maintenance & Operating Cost
The City will not utilize long-term debt to finance recurring maintenance and operating costs.

Debt Structure
Generally, the City shall issue bonds with an average life of no greater than 10.5 years for general obligation bonds and no greater than 12.0 years for revenue bonds. The structure should approximate level principal on general obligation bonds and level debt service for revenue bonds. There shall be no debt structures, which include increasing debt service levels in subsequent years, with the first and second year of a bond payout schedule the exception. There shall be no "balloon" bond repayment schedules which consist of low annual payments and one large payment of the balance due at the end of the term. There shall always be at least interest paid in the first fiscal year after a bond sale and principal starting generally no later than the second fiscal year after the bond issue. Normally, there shall be no capitalized interest included in the debt structure unless there are no historical reserves upon which to draw.

Call Provisions
Call provisions for bond issues shall be made as short as possible consistent with the lowest interest cost to the City. When possible, all bonds shall be callable only at par.

Sale Process
The City shall use a competitive bidding process in the sale of debt unless the nature of the issue and the associated costs warrants a negotiated sale. The City shall attempt to award the bonds based on a true interest cost (TIC) basis. However, the City may award bonds based on a net interest cost (NIC) basis as long as the financial advisor agrees that the NIC basis can satisfactorily determine the lowest and best bid.

Rating Agencies Presentations
Full disclosure of operations and open lines of communication shall be made to the rating agencies. City staff, with assistance of financial advisors, shall prepare the necessary

materials and presentation to the rating agencies. Credit ratings will be sought from one or more of the nationally recognized municipal bond rating agencies, currently Moody's, Standard & Poor's, and Fitch, as recommended by the City's financial advisor.

Continuing Disclosure

The City is committed to providing continuing disclosure of financial and pertinent credit information relevant to the City's outstanding securities and will abide by the provisions of Securities and Exchange Commission (SEC) Rule 15c2-12 concerning primary and secondary market disclosure. City staff, with the assistance of the City's financial advisors and, if necessary, the City's bond counsel, will undertake to update financial and pertinent credit information within six months of the end of the City's fiscal year and at such other times as may be indicated by material changes in the City's financial situation.

Debt Refunding

City staff and the financial advisor shall monitor the municipal bond market for opportunities to obtain interest savings by refunding outstanding debt. As a general rule, the present value savings of a particular refunding should exceed 3% of the refunded maturities AND must come with the recommendation of the Finance Director. The City will consider regular or advance refunding which produce a material economic benefit and will in no way impair the outstanding bond rating of the City. The present value savings of the transaction must be quantifiable, exceed 3 percent (3%) of the refunded maturities, and not be based on projection. Proposals submitted by investment firms for consideration by the City shall identify and address not only the benefits of the proposed transaction, but the potential negative impacts as well.

Additional transaction costs such as bond counsel, trustee, and financial advisor shall be included in the savings calculation required above. The City's financial advisor shall produce an analysis of the implications of paying a forward premium vs. waiting to the current call date of the bonds. Approval of the transaction must be obtained from the State Attorney General, to the extent required by Texas law.

Interest Earnings

Interest earnings received on the investment of bond proceeds shall be used to assist in paying the interest due on bond issues, to the extent permitted by law.

Lease/Purchase Agreements

Lease funding will be for the purchase of capital assets. The length of the lease will not be greater than the expected useful life of the asset it will be used to purchase.

Proposals from Investment Bankers

The City welcomes ideas and suggestions from investment bankers and will seek to reward those firms which submit unique and innovative ideas by involving them in negotiated underwritings. Unsolicited proposals should be submitted to the City's financial advisors simultaneously with their submission to the City's Finance Department. City staff will review and confer with financial advisors to determine viability of proposals.

INTERGOVERNMENTAL RELATIONS POLICIES

Inter-local Cooperation in Delivering Services

In order to promote the effective and efficient delivery of services, the City shall actively seek to work with other local jurisdictions in joint purchasing consortia, sharing facilities, sharing equitably the costs of service delivery, and developing joint programs to improve service to its citizens.

Legislative Program

The City shall cooperate with other jurisdictions to actively oppose any state or federal regulation or proposal that mandates additional City programs or services and does not provide the funding to implement them. Conversely, as appropriate, the City shall support legislative initiatives that provide more funds for priority local programs.

GRANT POLICIES

Grant Guidelines

The City shall apply, and facilitate the application by others, for only those grants that are consistent with the objectives and high priority needs previously identified by Commission. The potential for incurring ongoing costs, to include the assumption of support for grant-funded positions from local revenues, will be considered prior to applying for a grant.

Indirect Costs

The City shall recover full indirect costs unless the funding agency does not permit it. The City may waive or reduce indirect costs if doing so will significantly increase the effectiveness of the grant.

Grant Review

All grant submittals shall be reviewed for their cash match requirements, their potential impact on the operating budget, and the extent to which they meet the City's policy objectives. Departments shall seek Commission approval prior to submission of a grant application. Should time constraints under the grant program make this impossible, the department shall obtain approval to submit an application from the City Manager and then, at the earliest feasible time, seek formal Commission approval. If there are cash match requirements, the source of funding shall be identified prior to application. An annual report on the status of grant programs and their effectiveness shall also be prepared.

Grant Program Termination

The City shall terminate grant-funded programs and associated positions when grant funds are no longer available unless alternate funding is identified.

FISCAL COMMISSION MONITORING POLICIES

Financial Status and Performance Reports

Monthly reports on the City's General, Utility, Bridge, Golf, and Capital Projects Funds comparing expenditures and revenues to current budget, noting the status of fund balances to include dollar amounts and percentages, and outlining any remedial actions necessary to maintain the City's financial position shall be prepared for review by the City Manager and the Commission.

Five-year Forecast of Revenues and Expenditures

A five-year forecast of revenues and expenditures, to include a discussion of major trends affecting the City's financial position, shall be prepared in conjunction of the annual budget process. The forecast shall also examine critical issues facing the City, economic conditions, and the outlook for the upcoming budget year. The document shall incorporate elements of the International City Management Association financial trend monitoring system to provide further insight into the City's financial position and to alert the Commission to potential problem areas requiring attention.

Commission Agenda Decision Recommendations

Agenda items that have a financial impact will have a recommendation by the Finance Director to ensure fiscal ability, long-term sustainability, and proactive protection of financial resources.

Status Reports on Capital Projects

A summary report on the contracts awarded, capital projects completed and status of the City's various capital programs will be prepared at least quarterly and presented to the City Manager and Commission.

Compliance with Commission Policy Statements

The Financial Management Policy Statements will be reviewed annually by the Commission and updated, revised or refined as deemed necessary. Policy statements adopted by the Commission are guidelines, and occasionally, exceptions may be appropriate and required. However, exceptions to stated policies will be specifically identified, and the need for the exception will be documented and fully explained.

FINANCIAL CONSULTANTS POLICY

To employ the assistance of qualified financial advisors and consultants as needed in the management and administration of the City's financial functions. These areas include but are not limited to investments, debt administration, financial accounting systems, program evaluation, and financial impact modeling. Advisors shall be selected using objective questionnaires and requests for qualifications/proposals based upon demonstrated expertise relative to the scope of work to be performed and appropriately competitive fees.

ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICIES

Conformance to Accounting Principles

The City's accounting practices and financial reporting shall conform to Generally Accepted Accounting Principles (GAAP) as promulgated by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants (AICPA), and the Government Finance Officers Association (GFOA).

Selection of Auditors

At most every five years, the City shall request proposals from all qualified firms, including the current auditors if their past performance has been satisfactory, and the Commission shall select an independent firm of certified public accountants to perform an annual audit of the books of account, records and transactions, certifying the financial statements of the City and reporting the results and recommendations to the Commission.

Audit Completion

The City seeks to have its CAFR and Single Audit of Federal and State grants completed within 120 days of the close of its previous fiscal year, which ends September 30. In the event the presentation of the CAFR and Single Audit is delayed beyond the last Commission meeting in January, the City Manager shall provide a report on the status of the audit and the expected completion date of the CAFR and Single Audit to the City Commission at its first meeting in March. By State law, the City has 180 days to complete the audit.

INTERNAL CONTROLS POLICIES

Proper Authorization

Procedures shall be designed, implemented, and maintained to ensure that financial transactions and activities are properly reviewed and authorized.

Separation of Duties

Job duties will be adequately separated to reduce to an acceptable level the opportunities for any person to be in a position to both perpetrate and conceal errors or irregularities in the normal course of assigned duties.

Proper Recording

Procedures shall be developed and maintained that will ensure financial transactions and events are properly recorded and that all financial reports may be relied upon as accurate, complete and up-to-date.

Access to Assets and Records

Procedures shall be designed and maintained to ensure that adequate safeguards exist over the access to and use of financial assets and records.

Independent Checks
Independent checks and audits will be made on staff performance to ensure compliance with established procedures and proper valuation of recorded amounts.

Costs and Benefits
Internal control systems and procedures must have an apparent benefit in terms of reducing and/or preventing losses. The cost of implementing and maintaining any control system should be evaluated against the expected benefits to be derived from that system.

E-COMMERCE POLICIES

Fully Integrated Financial Systems
All E-Commerce systems and procedures must fully and transparently integrate with the City's financial and accounting systems, its depository bank systems, and any other City information system which interfaces with an E-Commerce system.

Emerging Technologies
The City will work closely with its depository bank and other financial partners to evaluate and implement those new technologies that prove to be efficient and effective in pursuit of the City's E-Commerce goals.

Direct Deposits
The City will actively migrate payroll payments from paper checks, to electronic formats, including but not limited to: 1) Direct deposits and 2) Electronic pay cards.

Internet Payment Options
Working with its depository bank and other financial partners, the City will seek to develop and implement internet payment options which will allow customers and citizens to pay bills due the City conveniently and securely.

INVESTMENT POLICIES

Investment policies are guided by a separate report adopted by the City Commission on July 1, 2008.

HUMAN RESOURCE POLICIES

Personnel Policies & Procedures manual adopted May 15, 2007 by the City Commission

BUDGET CALENDAR
FOR FISCAL YEAR 2008-2009

DATE	RESPONSIBLE	EVENT
APRIL 10	Finance	Budget Kickoff – Communicate department budget policies, calendar, and request procedures
MAY 9	Finance	Budget Training - Provide two training sessions for department management and employees to prepare for upcoming budget requirements
MAY 23	Payroll/HR	Projected Current Payroll Budget Ending Status - Salary expenditures need to be calculated to properly get to the year end projected expenditures
MAY 23	Payroll/HR	Departmental Payroll Budget Requests - Budget requests are due to the Finance Department for payroll expenses; must be calculated using current/mandated approved payroll information
MAY 23	Departments	Projected Current Budget Ending Status - The projected year end balance of the current budget needs to be estimated based on expected results
MAY 23	Departments	Departmental Budget Requests - Two budget requests are due to the Finance Department: 1) Current service operating needs, 2) New service needs (Payroll must be used for personnel budget requests)
JUNE 6	Departments/Finance	Preliminary Revenue Estimates - must be calculated based on historical information and expected future changes
JUNE 9 through 20	City Manager	Budget Request Review - will review budget requests with departments to prioritize before presenting to City Commissioners
JULY 3	Finance	Revise Budget Estimates - Update preliminary budget revenues and expenditures for City Manager review
JULY 24 through 26	City Commission	Budget Workshop - Commission is presented with departmental budget request and Finance overview. Present draft budget.
AUGUST 5	Appraisal District	Submission of Certified Appraisal Roll Total to the City
AUGUST 19	Finance/City Commission	Submission of Certified Anticipated Debt Collection Rate
AUGUST 19	Finance/City Commission	Submission of Certified Appraisal Roll Totals
AUGUST 19	Finance/City Commission	
AUGUST 19	Finance/City Commission	Submission of Effective & Rollback Tax Rate; discussion of tax rates (vote on intention to raise taxes)
SEPTEMBER 2	City Commission	1st public hearing on tax increase
SEPTEMBER 9	City Commission	**SPECIAL CALLED MEETING** - 2nd public hearing on tax increase
SEPTEMBER 9	City Commission	**SPECIAL CALLED MEETING** - Public hearing on budget and tax ordinance (must be published not earlier than the 30th or later than the 10th day before the date of the hearing)
SEPTEMBER 16	City Commission	City Commission adoption of tax rate
SEPTEMBER 23	City Commission	City Commission adoption of the budget
SEPTEMBER 25	Finance	File adopted budget with the City Secretary's Office and City Library

*Tentative dates until set by city council.

** Tentative dates depending on the submission of Appraisal District's certification and Appraisal Roll

Note:

If City Commission chooses to adopt the Effective Tax Rate, publication or public hearings are not required. If they choose a proposed tax rate that exceeds the Effective Tax Rate, publication and two public hearings are required. If they choose a proposed tax rate that is higher than the Rollback Rate, the City is subject to a Rollback Election.

CITY OF PHARR, TX
FIVE YEAR HISTORICAL PERSONNEL SUMMARY
APPROVED ORIGINAL BUDGET POSITIONS

	FY 04/05	FY 05/06	FY 06/07	FY 07/08	FY 08/09
GENERAL FUND					
10 - City Manager's Office	9	9	9	9	9
11 - Finance Department	12	12.5	13.5	14	5.5
12 - Police Department	134	146	155	167	161
13 - Traffic Safety	16	13	16	17	16
14 - Municipal Court	6	6	6	6	5
15 - Fire Protection	57	57	65	68	66
16 - Administrative Services	0	0	0	0	7
17 - Street Maintenance	25	28	30	29	29
20 - Municipal Library	23	25	26	26	26
22 - Parks & Recreation	70	71	73	73	102
27 - Planning & Community Development	22	20	23	23	22
Total General Fund Employees	**374**	**387.5**	**416.5**	**432**	**448.5**
UTILITY FUND					
81- Administration	9	9.5	10.5	11	12.5
82- Water Production	9	9	10	10	10
83- Water Distribution	23	25	26	26	23
84- Water Treatment Plant	11	11	13	13	13
86- Lift Station	4	4	4	4	3
Total Utility Fund Employees	**56**	**58.5**	**63.5**	**64**	**61.5**
OTHER FUNDS					
Bridge Fund	26	27	27	29	25
Golf Course Fund	18	15	15	17	15.5
Garage	4	5	5	5	5
Community Development	6	6	6	5	4
Total Other Funds	**54**	**53**	**53**	**56**	**49.5**
Grand Total City Employees	484	499	533	552	559.5

City of Pharr, TX
Description of Outstanding Bond Issues
As of 9/30/08

	Owning Fund	Issuance Authorized	Issuance Issued	Outstanding	Series	Revenue Source	Type	Interest Rates Lowest	Interest Rates Highest	Date Issued	Final Payment Through	Balance September 30, 2008
Governmental Activities	GO	2,165,000	2,165,000	$ -	1999	Prop Tax	Certificate of Obligation	5.53%	5.53%	03/15/1999	08/15/2010	$ 210,000
	GO	12,035,000	12,035,000	-	2001	Prop Tax	Certificate of Obligation	4.50%	5.00%	05/15/2001	08/15/2015	3,675,000
										Subtotal - Certificates of Obligation		3,885,000
	GO	16,110,000	16,110,000	-	2005B	Prop Tax	Refunding Bonds	3.50%	5.00%	08/15/2005	08/15/2021	15,840,000
										Subtotal - Refunding Bonds		15,840,000
	CDBG	$ 2,125,000	$ 2,125,000	$ -	2001A	HUD	Note	2.87%	2.90%	08/09/2001	08/01/2011	765,000
											Subtotal - Notes	765,000
											Governmental Total	$ 20,490,000
Business-Type Activities	Utility	$ 3,260,000	$ 3,260,000	$ -	1988	User Fees	Revenue Bonds Jr. Lien	0.00%	0.00%	06/01/1988	09/01/2013	$ 935,000
	Utility	29,000,000	29,000,000	-	2007	User Fees	Revenue Bonds - CWSRF	2.85%	3.50%	07/11/2007	09/01/2027	28,290,000
	Utility	14,000,000	14,000,000	-	2007A	User Fees	Revenue Bonds - DWSRF	2.30%	2.95%	08/03/2007	09/01/2027	14,000,000
	Utility	10,000,000	10,000,000	-	2007B	User Fees	Revenue Bonds - NADBank	3.75%	3.75%	12/04/2007	09/01/2027	9,565,000
										Subtotal - Revenue Bonds		52,790,000
	Bridge	9,755,000	9,755,000	-	2005A	Toll Fees	Refunding Bonds	3.38%	4.50%	08/15/2005	08/15/2022	8,315,000
	Utility	6,430,000	6,430,000	-	2008	User Fees	Refunding Bonds	3.60%	3.60%	07/24/2008	09/01/2018	6,240,000
										Subtotal - Refunding Bonds		14,555,000
	Bridge	$ 7,100,000	$ 7,100,000	$ -	2006	Toll Fees	Note	4.22%	4.24%	12/27/2006	08/15/2011	4,590,000
											Subtotal - Notes	4,590,000
											Business-Type Total	$ 71,935,000
											TOTAL CITY-WIDE DEBT	$ 92,425,000

City of Pharr, TX
Schedule of Principal & Interest on Outstanding Bond Issues

Debt Service Schedule

City of Pharr, Texas COMMUNITY DEVELOPMENT BLOCK GRANT
$2,125,000 HUD SECTION 108 DEBT, SERIES 2001A

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/01/2009	0	2.87%	21,965	21,965		765,000
08/01/2009	240,000	2.87%	21,965	261,965	283,931	525,000
02/01/2010	0	2.89%	15,161	15,161		525,000
08/01/2010	255,000	2.89%	15,161	270,161	285,323	270,000
02/01/2011	0	2.90%	7,830	7,830		270,000
08/01/2011	270,000	2.90%	7,830	277,830	285,660	0
Total	**765,000**		**89,913**	**854,913**	**854,913**	

City of Pharr, Texas GENERAL FUND
$2,165,000 Combination Tax & Limited Pledge Revenue
Certificates of Obligation, Series 1999

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/15/2009	0	-	5,807	5,807	0	210,000
08/15/2009	105,000	5.530%	5,807	110,807	116,613	105,000
02/15/2010	0	-	2,903	2,903	0	105,000
08/15/2010	105,000	5.530%	2,903	107,903	110,807	0
Total	**210,000**		**17,420**	**227,420**	**227,420**	

City of Pharr, Texas GENERAL FUND
$12,035,000 Combination Tax & Limited Pledge Revenue
Certificates of Obligation, Series 2001

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/15/2009	0	-	86,558	86,558	0	3,675,000
08/15/2009	450,000	4.500%	86,558	536,558	623,115	3,225,000
02/15/2010	0	-	76,433	76,433	0	3,225,000
08/15/2010	480,000	4.500%	76,433	556,433	632,865	2,745,000
02/15/2011	0	-	65,633	65,633	0	2,745,000
08/15/2011	500,000	4.500%	65,633	565,633	631,265	2,245,000
02/15/2012	0	-	54,383	54,383	0	2,245,000
08/15/2012	520,000	4.650%	54,383	574,383	628,765	1,725,000
02/15/2013	0	-	42,293	42,293	0	1,725,000
08/15/2013	545,000	4.800%	42,293	587,293	629,585	1,180,000
02/15/2014	0	-	29,213	29,213	0	1,180,000
08/15/2014	575,000	4.900%	29,213	604,213	633,425	605,000
02/15/2015	0	-	15,125	15,125	0	605,000
08/15/2015	605,000	5.000%	15,125	620,125	635,250	0
Total	**3,675,000**		**739,270**	**4,414,270**	**4,414,270**	

City of Pharr, Texas GENERAL FUND
$16,110,000 General Obligation Refunding Bonds
Series 2005B

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/15/2009	0	-	327,171	327,171	0	15,840,000
08/15/2009	710,000	3.500%	327,171	1,037,171	1,364,341	15,130,000
02/15/2010	0	-	314,746	314,746	0	15,130,000
08/15/2010	735,000	3.500%	314,746	1,049,746	1,364,491	14,395,000
02/15/2011	0	-	301,883	301,883	0	14,395,000
08/15/2011	865,000	3.625%	301,883	1,166,883	1,468,766	13,530,000
02/15/2012	0	-	286,205	286,205	0	13,530,000
08/15/2012	905,000	3.750%	286,205	1,191,205	1,477,410	12,625,000
02/15/2013	0	-	269,236	269,236	0	12,625,000
08/15/2013	940,000	3.750%	269,236	1,209,236	1,478,473	11,685,000
02/15/2014	0	-	251,611	251,611	0	11,685,000
08/15/2014	970,000	3.722%	251,611	1,221,611	1,473,223	10,715,000
02/15/2015	0	-	233,559	233,559	0	10,715,000
08/15/2015	1,005,000	3.900%	233,559	1,238,559	1,472,118	9,710,000
02/15/2016	0	-	213,964	213,964	0	9,710,000
08/15/2016	1,675,000	5.000%	213,964	1,888,964	2,102,928	8,035,000
02/15/2017	0	-	172,089	172,089	0	8,035,000
08/15/2017	1,760,000	5.000%	172,089	1,932,089	2,104,178	6,275,000
02/15/2018	0	-	128,089	128,089	0	6,275,000
08/15/2018	1,850,000	4.000%	128,089	1,978,089	2,106,178	4,425,000
02/15/2019	0	-	91,089	91,089	0	4,425,000
08/15/2019	1,415,000	4.100%	91,089	1,506,089	1,597,178	3,010,000
02/15/2020	0	-	62,081	62,081	0	3,010,000
08/15/2020	1,475,000	4.125%	62,081	1,537,081	1,599,163	1,535,000
02/15/2021	0	-	31,659	31,659	0	1,535,000
08/15/2021	1,535,000	4.125%	31,659	1,566,659	1,598,319	0
Total	**15,840,000**		**5,366,763**	**21,206,763**	**21,206,763**	

City of Pharr, Texas INTERNATIONAL BRIDGE
$9,755,000 Combination Tax & International Bridge Revenue Refunding Bonds
Series 2005A

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/15/2009	0	-	167,564	167,564	0	8,315,000
08/15/2009	510,000	3.375%	167,564	677,564	845,129	7,805,000
02/15/2010	0	-	158,958	158,958	0	7,805,000
08/15/2010	525,000	3.500%	158,958	683,958	842,916	7,280,000
02/15/2011	0	-	149,771	149,771	0	7,280,000
08/15/2011	540,000	3.625%	149,771	689,771	839,541	6,740,000
02/15/2012	0	-	139,983	139,983	0	6,740,000
08/15/2012	565,000	3.750%	139,983	704,983	844,966	6,175,000
02/15/2013	0	-	129,389	129,389	0	6,175,000
08/15/2013	510,000	4.500%	129,389	639,389	768,779	5,665,000
02/15/2014	0	-	117,914	117,914	0	5,665,000
08/15/2014	530,000	4.500%	117,914	647,914	765,829	5,135,000
02/15/2015	0	-	105,989	105,989	0	5,135,000
08/15/2015	555,000	4.500%	105,989	660,989	766,979	4,580,000
02/15/2016	0	-	93,502	93,502	0	4,580,000
08/15/2016	580,000	4.000%	93,502	673,502	767,004	4,000,000
02/15/2017	0	-	81,902	81,902	0	4,000,000
08/15/2017	600,000	4.000%	81,902	681,902	763,804	3,400,000
02/15/2018	0	-	69,902	69,902	0	3,400,000
08/15/2018	625,000	4.050%	69,902	694,902	764,804	2,775,000
02/15/2019	0	-	57,246	57,246	0	2,775,000
08/15/2019	650,000	4.100%	57,246	707,246	764,491	2,125,000
02/15/2020	0	-	43,921	43,921	0	2,125,000
08/15/2020	680,000	4.125%	43,921	723,921	767,841	1,445,000
02/15/2021	0	-	29,896	29,896	0	1,445,000
08/15/2021	705,000	4.125%	29,896	734,896	764,791	740,000
02/15/2022	0	-	15,355	15,355	0	740,000
08/15/2022	740,000	4.150%	15,355	755,355	770,710	0
Total	**8,315,000**		**2,722,584**	**11,037,584**	**11,037,584**	

City of Pharr, Texas INTERNATIONAL BRIDGE
$7,100,000 Tax Notes, Series 2006

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/15/2009	0	-	97,082	97,082	0	4,590,000
08/15/2009	1,465,000	4.230%	97,082	1,562,082	1,659,164	3,125,000
02/15/2010	0	-	66,097	66,097	0	3,125,000
08/15/2010	1,530,000	4.220%	66,097	1,596,097	1,662,194	1,595,000
02/15/2011	0	-	33,814	33,814	0	1,595,000
08/15/2011	1,595,000	4.240%	33,814	1,628,814	1,662,628	0
Total	**4,590,000**		**393,986**	**4,983,986**	**4,983,986**	

City of Pharr, Texas UTILITIES
$29,000,000 Waterworks & Sewer System Revenue Bonds, Series 2007
CWSRF

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
03/01/2009	0	-	460,810	460,810	0	28,290,000
09/01/2009	730,000	2.850%	460,810	1,190,810	1,651,620	27,560,000
03/01/2010	0	-	450,408	450,408	0	27,560,000
09/01/2010	745,000	2.900%	450,408	1,195,408	1,645,815	26,815,000
03/01/2011	0	-	439,605	439,605	0	26,815,000
09/01/2011	765,000	2.900%	439,605	1,204,605	1,644,210	26,050,000
03/01/2012	0	-	428,513	428,513	0	26,050,000
09/01/2012	790,000	2.900%	428,513	1,218,513	1,647,025	25,260,000
03/01/2013	0	-	417,058	417,058	0	25,260,000
09/01/2013	815,000	2.950%	417,058	1,232,058	1,649,115	24,445,000
03/01/2014	0	-	405,036	405,036	0	24,445,000
09/01/2014	975,000	3.000%	405,036	1,380,036	1,785,073	23,470,000
03/01/2015	0	-	390,411	390,411	0	23,470,000
09/01/2015	1,005,000	3.000%	390,411	1,395,411	1,785,823	22,465,000
03/01/2016	0	-	375,336	375,336	0	22,465,000
09/01/2016	1,030,000	3.050%	375,336	1,405,336	1,780,673	21,435,000
03/01/2017	0	-	359,629	359,629	0	21,435,000
09/01/2017	1,155,000	3.100%	359,629	1,514,629	1,874,258	20,280,000
03/01/2018	0	-	341,726	341,726	0	20,280,000
09/01/2018	1,550,000	3.200%	341,726	1,891,726	2,233,453	18,730,000
03/01/2019	0	-	316,926	316,926	0	18,730,000
09/01/2019	1,740,000	3.200%	316,926	2,056,926	2,373,853	16,990,000
03/01/2020	0	-	289,086	289,086	0	16,990,000
09/01/2020	1,800,000	3.250%	289,086	2,089,086	2,378,173	15,190,000
03/01/2021	0	-	259,836	259,836	0	15,190,000
09/01/2021	1,860,000	3.300%	259,836	2,119,836	2,379,673	13,330,000
03/01/2022	0	-	229,146	229,146	0	13,330,000
09/01/2022	1,920,000	3.350%	229,146	2,149,146	2,378,293	11,410,000
03/01/2023	0	-	196,986	196,986	0	11,410,000
09/01/2023	1,980,000	3.400%	196,986	2,176,986	2,373,973	9,430,000
03/01/2024	0	-	163,326	163,326	0	9,430,000
09/01/2024	2,240,000	3.400%	163,326	2,403,326	2,566,653	7,190,000
03/01/2025	0	-	125,246	125,246	0	7,190,000
09/01/2025	2,315,000	3.450%	125,246	2,440,246	2,565,493	4,875,000
03/01/2026	0	-	85,313	85,313	0	4,875,000
09/01/2026	2,395,000	3.500%	85,313	2,480,313	2,565,625	2,480,000
03/01/2027	0	-	43,400	43,400	0	2,480,000
09/01/2027	2,480,000	3.500%	43,400	2,523,400	2,566,800	0
Total	**28,290,000**		**11,555,595**	**39,845,595**	**39,845,595**	

City of Pharr, Texas UTILITIES
$14,000,000 Waterworks & Sewer System Revenue Bonds, Series 2007A
DWSRF

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
03/01/2009	0	-	183,813	183,813	0	13,630,000
09/01/2009	370,000	2.300%	183,813	553,813	737,625	13,260,000
03/01/2010	0	-	179,558	179,558	0	13,260,000
09/01/2010	380,000	2.350%	179,558	559,558	739,115	12,880,000
03/01/2011	0	-	175,093	175,093	0	12,880,000
09/01/2011	385,000	2.350%	175,093	560,093	735,185	12,495,000
03/01/2012	0	-	170,569	170,569	0	12,495,000
09/01/2012	380,000	2.350%	170,569	550,569	721,138	12,115,000
03/01/2013	0	-	166,104	166,104	0	12,115,000
09/01/2013	395,000	2.400%	166,104	561,104	727,208	11,720,000
03/01/2014	0	-	161,364	161,364	0	11,720,000
09/01/2014	455,000	2.450%	161,364	616,364	777,728	11,265,000
03/01/2015	0	-	155,790	155,790	0	11,265,000
09/01/2015	470,000	2.450%	155,790	625,790	781,580	10,795,000
03/01/2016	0	-	150,033	150,033	0	10,795,000
09/01/2016	475,000	2.500%	150,033	625,033	775,065	10,320,000
03/01/2017	0	-	144,095	144,095	0	10,320,000
09/01/2017	820,000	2.550%	144,095	964,095	1,108,190	9,500,000
03/01/2018	0	-	133,640	133,640	0	9,500,000
09/01/2018	840,000	2.650%	133,640	973,640	1,107,280	8,660,000
03/01/2019	0	-	122,510	122,510	0	8,660,000
09/01/2019	860,000	2.650%	122,510	982,510	1,105,020	7,800,000
03/01/2020	0	-	111,115	111,115	0	7,800,000
09/01/2020	885,000	2.700%	111,115	996,115	1,107,230	6,915,000
03/01/2021	0	-	99,168	99,168	0	6,915,000
09/01/2021	905,000	2.750%	99,168	1,004,168	1,103,335	6,010,000
03/01/2022	0	-	86,724	86,724	0	6,010,000
09/01/2022	930,000	2.800%	86,724	1,016,724	1,103,448	5,080,000
03/01/2023	0	-	73,704	73,704	0	5,080,000
09/01/2023	960,000	2.850%	73,704	1,033,704	1,107,408	4,120,000
03/01/2024	0	-	60,024	60,024	0	4,120,000
09/01/2024	985,000	2.850%	60,024	1,045,024	1,105,048	3,135,000
03/01/2025	0	-	45,988	45,988	0	3,135,000
09/01/2025	1,015,000	2.900%	45,988	1,060,988	1,106,975	2,120,000
03/01/2026	0	-	31,270	31,270	0	2,120,000
09/01/2026	1,045,000	2.950%	31,270	1,076,270	1,107,540	1,075,000
03/01/2027	0	-	15,856	15,856	0	1,075,000
09/01/2027	1,075,000	2.950%	15,856	1,090,856	1,106,713	0
Total	**13,630,000**		**4,532,828**	**18,162,828**	**18,162,828**	

City of Pharr, Texas UTILITIES
$10,000,000 Waterworks & Sewer System Revenue Bonds, Series 2007B
NADBank

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
03/01/2009	0	-	179,344	179,344	0	9,565,000
09/01/2009	355,000	3.750%	179,344	534,344	713,688	9,210,000
03/01/2010	0	-	172,688	172,688	0	9,210,000
09/01/2010	370,000	3.750%	172,688	542,688	715,375	8,840,000
03/01/2011	0	-	165,750	165,750	0	8,840,000
09/01/2011	380,000	3.750%	165,750	545,750	711,500	8,460,000
03/01/2012	0	-	158,625	158,625	0	8,460,000
09/01/2012	395,000	3.750%	158,625	553,625	712,250	8,065,000
03/01/2013	0	-	151,219	151,219	0	8,065,000
09/01/2013	410,000	3.750%	151,219	561,219	712,438	7,655,000
03/01/2014	0	-	143,532	143,532	0	7,655,000
09/01/2014	425,000	3.750%	143,532	568,532	712,063	7,230,000
03/01/2015	0	-	135,563	135,563	0	7,230,000
09/01/2015	440,000	3.750%	135,563	575,563	711,125	6,790,000
03/01/2016	0	-	127,313	127,313	0	6,790,000
09/01/2016	460,000	3.750%	127,313	587,313	714,625	6,330,000
03/01/2017	0	-	118,688	118,688	0	6,330,000
09/01/2017	475,000	3.750%	118,688	593,688	712,375	5,855,000
03/01/2018	0	-	109,782	109,782	0	5,855,000
09/01/2018	495,000	3.750%	109,782	604,782	714,563	5,360,000
03/01/2019	0	-	100,500	100,500	0	5,360,000
09/01/2019	510,000	3.750%	100,500	610,500	711,000	4,850,000
03/01/2020	0	-	90,938	90,938	0	4,850,000
09/01/2020	530,000	3.750%	90,938	620,938	711,875	4,320,000
03/01/2021	0	-	81,000	81,000	0	4,320,000
09/01/2021	550,000	3.750%	81,000	631,000	712,000	3,770,000
03/01/2022	0	-	70,688	70,688	0	3,770,000
09/01/2022	570,000	3.750%	70,688	640,688	711,375	3,200,000
03/01/2023	0	-	60,000	60,000	0	3,200,000
09/01/2023	595,000	3.750%	60,000	655,000	715,000	2,605,000
03/01/2024	0	-	48,844	48,844	0	2,605,000
09/01/2024	615,000	3.750%	48,844	663,844	712,688	1,990,000
03/01/2025	0	-	37,313	37,313	0	1,990,000
09/01/2025	640,000	3.750%	37,313	677,313	714,625	1,350,000
03/01/2026	0	-	25,313	25,313	0	1,350,000
09/01/2026	665,000	3.750%	25,313	690,313	715,625	685,000
03/01/2027	0	-	12,844	12,844	0	685,000
09/01/2027	685,000	3.750%	12,844	697,844	710,688	0
Total	**9,565,000**		**3,979,878**	**13,544,878**	**13,544,878**	

City of Pharr, Texas - UTILITIES
$6,430,000 Waterworks & Sewer System Revenue Refunding Bonds, Series 2008

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
						6,430,000
09/01/2008	190,000.00	3.600%	23,791.00	213,791	213,791	6,240,000
03/01/2009	-	-	112,320.00	112,320	0	6,240,000
09/01/2009	625,000.00	3.600%	112,320.00	737,320	849,640	5,615,000
03/01/2010	-	-	101,070.00	101,070	0	5,615,000
09/01/2010	650,000.00	3.600%	101,070.00	751,070	852,140	4,965,000
03/01/2011	-	-	89,370.00	89,370	0	4,965,000
09/01/2011	675,000.00	3.600%	89,370.00	764,370	853,740	4,290,000
03/01/2012	-	-	77,220.00	77,220	0	4,290,000
09/01/2012	710,000.00	3.600%	77,220.00	787,220	864,440	3,580,000
03/01/2013	-	-	64,440.00	64,440	0	3,580,000
09/01/2013	730,000.00	3.600%	64,440.00	794,440	858,880	2,850,000
03/01/2014	-	-	51,300.00	51,300	0	2,850,000
09/01/2014	760,000.00	3.600%	51,300.00	811,300	862,600	2,090,000
03/01/2015	-	-	37,620.00	37,620	0	2,090,000
09/01/2015	780,000.00	3.600%	37,620.00	817,620	855,240	1,310,000
03/01/2016	-	-	23,580.00	23,580	0	1,310,000
09/01/2016	815,000.00	3.600%	23,580.00	838,580	862,160	495,000
03/01/2017	-	-	8,910.00	8,910	0	495,000
09/01/2017	420,000.00	3.600%	8,910.00	428,910	437,820	75,000
03/01/2018	-	-	1,350.00	1,350	0	75,000
09/01/2018	75,000.00	3.600%	1,350.00	76,350	77,700	0
Total	**6,430,000**		**1,158,151**	**7,588,151**	**7,588,151**	

City of Pharr, Texas UTILITIES
$3,260,000 Waterworks & Sewer System Junior Lien Revenue Bonds, Series 1988

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
09/01/2009	185,000	-	0	185,000	185,000	750,000
09/01/2010	185,000	-	0	185,000	185,000	565,000
09/01/2011	185,000	-	0	185,000	185,000	380,000
09/01/2012	190,000	-	0	190,000	190,000	190,000
09/01/2013	190,000	-	0	190,000	190,000	0
Total	**935,000**		**0**	**935,000**	**935,000**	

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CITY OF PHARR
AD VALOREM TAX REVENUE AND DISTRIBUTION
SUMMARY

Calendar Year / Fiscal Year	2001 2001-2002	2002 2002-2003	2003 2003-2004	2004 2004-2005	2005 2005-2006	2006 2006-2007	2007 2007-2008	2008 2008-2009
LAND MARKET VALUE	$ 397,853,978	$ 415,732,780	$ 540,256,685	$ 567,337,401	$ 585,592,721	$ 691,917,328	$ 730,482,127	$ 1,012,889,618
IMPROVEMENTS-HOMESITE	214,458,835	247,179,894	273,103,088	326,961,752	354,792,703	381,314,593	450,843,430	465,618,398
IMPROVEMENTS-NON HOMESITES	411,159,721	440,946,751	510,495,053	570,742,113	618,888,462	687,892,767	780,514,223	865,068,624
PERSONAL PROPERTY	125,372,648	121,315,490	130,142,035	165,457,043	162,457,708	172,167,072	195,895,995	213,847,032
MINERALS	47,909,450	38,842,740	41,692,810	49,042,371	52,742,207	54,079,270	51,312,443	52,231,740
TOTAL MARKET VALUE	**1,196,754,632**	**1,264,017,655**	**1,495,689,671**	**1,679,540,680**	**1,774,473,801**	**1,987,371,030**	**2,209,048,218**	**2,609,655,412**
EXEMPTIONS:								
AG EXEMPTIONS	60,899,113	62,285,128	77,799,896	82,384,158	77,501,869	112,443,498	103,203,113	134,506,943
HOMESTEAD CAP	2,696,917	3,400,996	8,161,398	6,984,000	4,008,182	4,629,664	23,713,065	23,332,829
TAX ABATEMENTS	5,647,170	1,736,787	5,881,568	12,738,239	13,305,616	10,342,764	6,878,043	2,774,514
DISABLED VETERANS	1,418,334	1,389,901	1,433,189	1,602,920	1,696,421	1,854,587	2,139,440	2,301,422
FULL EXEMPTIONS	129,856,857	139,142,519	170,658,172	193,446,101	203,085,944	208,841,689	234,460,911	290,477,824
FREEPORT EXEMPTIONS	65,013	1,119,456	765,295	2,424,841	3,497,957	2,383,952	11,469,002	21,665,583
OVER 65	26,370,310	26,911,612	27,616,588	28,441,455	29,168,364	29,517,279	30,282,975	30,961,287
DISABLE PERSON	-	-	-	-	-	-	-	-
MOBILE HOME	-	233,857	113,944	7,069	6,844	6,632	-	-
HOUSE BILL	3,450	1,171	3,434	1,336	1,881	2,047	803	926
HISTORICAL	42,383	42,383	51,395	-	54,829	54,829	54,829	87,745
TOTAL EXEMPTIONS	**226,999,547**	**236,263,810**	**292,484,879**	**328,030,119**	**332,327,907**	**370,076,941**	**412,202,181**	**506,109,073**
PENDING PROTEST	276,819	7,990,983	10,234,103	10,001,589	15,529,806	14,551,335	32,487,104	77,796,098
NET TAXABLE VALUE	**$ 970,031,904**	**$ 1,035,744,828**	**$ 1,213,438,895**	**$ 1,361,512,150**	**$ 1,457,675,700**	**$ 1,631,845,424**	**$ 1,829,333,141**	**$ 2,181,342,437**
ASSESSMENT RATIO	100%	100%	100%	100%	100%	100%	100%	100%
PROPOSED TAX RATE/$100	$ 0.66231	$ 0.69000	$ 0.68312	$ 0.68312	$ 0.68312	$ 0.68312	$ 0.68312	$ 0.68185
ESTIMATED TAX LEVY	6,424,618	7,146,639	8,289,244	9,300,762	9,957,674	11,147,462	12,496,541	14,873,483
FROZEN LEVY LOSS	-	-	-	-	-	(33,763)	(79,445)	(120,000)
TOTAL LEVY	6,424,618	7,146,639	8,289,244	9,300,762	9,957,674	11,113,699	12,417,096	14,753,483
ESTIMATED % OF COLLECTION	90%	90%	90%	90.5%	90.5%	91%	91%	91%
ESTIMATED TAX COLLECTION	5,782,156	6,431,975	7,460,319	8,417,189	9,011,695	10,113,466	11,299,557	13,425,670
ESTIMATED DEL. TAX COLLECTION	275,000	465,000	510,000	675,000	770,000	825,000	789,140	750,000
ESTIMATED TAX FUNDS AVAILABLE	**$6,057,156**	**$6,896,975**	**$7,970,319**	**$9,092,189**	**$9,781,695**	**$10,938,466**	**$12,088,697**	**$14,175,670**

Calendar Year Fiscal Year	2001 2001-2002	2002 2002-2003	2003 2003-2004	2004 2004-2005	2005 2005-2006	2006 2006-2007	2007 2007-2008	2008 2008-2009
GENERAL FUND (M&O)								
CURRENT YEAR TAX :								
Current Tax Rate	$0.56472	$0.59021	$0.59622	$0.60165	$0.59313	$0.59313	$0.59613	$0.60294
Current Distribution Percentage	85%	86%	87%	88%	87%	87%	87%	88%
Amount	$4,930,168	$5,501,763	$6,511,289	$7,413,342	$7,824,550	$8,781,181	$9,860,647	$11,871,927
DELINQUENT TAX								
Amount	275,000	405,000	430,000	585,000	670,000	715,000	700,000	663,200
SUB TOTAL								
Current Tax Rate	$0.56472	$0.59021	$0.59622	$0.60165	$0.59313	$0.59313	$0.59613	$0.60294
Current Distribution Percentage	85%	86%	87%	88%	87%	87%	87%	88%
Amount	$5,205,168	$5,906,763	$6,941,289	$7,998,342	$8,494,550	$9,496,181	$10,560,647	$12,535,127
DEBT SERVICE FUND (I & S)								
CURRENT YEAR TAX								
Current Tax Rate	$0.09759	$0.09979	$0.08690	$0.08147	$0.08999	$0.08999	$0.08699	$0.07891
Current Distribution Percentage	15%	14%	13%	12%	13%	13%	13%	12%
Amount	$851,988.72	$930,212.79	$949,030.56	$1,003,847.67	$1,187,144.94	$1,332,285.43	$1,438,910.43	$1,553,742.92
DELINQUENT TAX								
Amount	-	60,000	80,000	90,000	100,000	110,000	89,140	86,800
SUB TOTAL								
Current Tax Rate	$0.0976	$0.0998	$0.0869	$0.0815	$0.0900	$0.0900	$0.0870	$0.0789
Current Distribution Percentage	15%	14%	13%	12%	13%	13%	13%	12%
Amount	$851,989	$990,213	$1,029,031	$1,093,848	$1,287,145	$1,442,285	$1,528,050	$1,640,543
TOTAL								
Current Tax Rate	**$0.66231**	**$0.69000**	**$0.68312**	**$0.68312**	**$0.68312**	**$0.68312**	**$0.68312**	**$0.68185**
Current Distribution Percentage	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**	**100%**
Amount	**$6,057,156**	**$6,896,975**	**$7,970,319**	**$9,092,189**	**$9,781,695**	**$10,938,466**	**$12,088,697**	**$14,175,670**

City of Pharr
Current Property Tax Collection Analysis (M&O & I&S)

MONTH	Tax Yr 2001 FY 01/02	Tax Yr 2002 FY 02/03	Tax Yr 2003 FY 03/04	Tax Yr 2004 FY 04/05	Tax Yr 2005 FY 05/06	Tax Yr 2006 FY 06/07	Tax Yr 2007 FY 07/08	Difference FY 07/08 - FY 06/07
OCT.	$ 211,329.06	$ 398,493.21	$ 431,388.71	$ 247,286.44	$ 215,225.71	$ 285,612.65	$ 555,092.25	$ 269,479.60
NOV.	434,766.86	437,003.21	535,237.58	624,423.47	764,147.95	917,250.90	912,641.77	(4,609.13)
DEC.	1,492,791.62	1,436,859.16	1,706,761.89	2,402,418.80	2,418,565.07	2,265,716.55	2,768,330.36	502,613.81
JAN.	2,433,049.39	2,858,039.11	3,225,774.05	3,401,724.51	3,769,150.83	4,758,269.75	4,913,544.88	155,275.13
FEB.	388,074.94	439,370.75	660,579.17	633,482.93	842,177.69	817,624.88	1,019,633.00	202,008.12
MAR.	168,728.58	200,963.14	273,365.93	247,544.27	356,837.19	340,723.36	319,477.02	(21,246.34)
APR.	142,982.01	141,296.04	164,409.30	164,901.38	153,707.85	149,180.76	231,843.60	82,662.84
MAY	96,343.71	114,753.79	132,652.43	209,324.25	185,903.08	192,237.90	270,594.17	78,356.27
JUN.	139,323.42	152,150.51	170,381.09	154,625.25	125,002.27	136,406.00	267,154.41	130,748.41
JUL.	84,067.26	62,022.62	79,164.49	90,301.38	82,213.07	137,111.00	158,829.12	21,718.12
AUG.	44,714.64	47,089.50	60,983.57	94,954.06	77,085.39	93,274.59	142,660.91	49,386.32
SEP.	49,293.27	40,005.37	39,821.44	85,422.63	82,113.82	62,800.72		
TOTAL	$ 5,685,464.76	$ 6,328,046.41	$ 7,480,519.65	$ 8,356,409.37	$ 9,072,129.92	$10,156,209.06	$11,559,801.49	$ 1,466,393.15
1st Six Month Collection & % of Total Collection	$ 5,128,740.45	$ 5,770,728.58	$ 6,833,107.33	$ 7,556,880.42	$ 8,366,104.44	$ 9,385,198.09	$10,488,719.28	
	90%	91%	91%	90%	92%	92%		
INCREASE/(DECREASE) IN CURRENT PROPERTY TAX COLLECTION		$ 642,581.65	$ 1,152,473.24	$ 875,889.72	$ 715,720.55	$ 1,084,079.14		
INCREASE FROM PREVIOUS YEAR		11.30%	18.21%	11.71%	8.56%	11.95%		
BUDGET VS. ACTUAL VARIANCE ANALYSIS								
Budget		$ 7,501,766.00	$ 8,463,693.00	$ 8,942,352.00	$10,116,891.00	$11,337,400.00		
Bud vs. Actual		$ (21,246.35)	$ (107,283.63)	$ 129,777.92	$ 39,318.06	$ 222,401.49		
% Difference		-0.28%	-1.27%	1.45%	0.39%	1.96%		

City of Pharr
Delinquent Property Tax Collection Analysis (M&O & I&S)

MONTH	Tax Yr 2001 FY 01/02	Tax Yr 2002 FY 02/03	Tax Yr 2003 FY 03/04	Tax Yr 2004 FY 04/05	Tax Yr 2005 FY 05/06	Tax Yr 2006 FY 06/07	Tax Yr 2007 FY 07/08	Difference FY 07/08 - FY 06/07
OCT.	$ 38,650.63	$ 37,720.12	$ 59,931.12	$ 81,800.83	$ 137,991.47	$ 59,828.76	$ 123,776.68	$ 63,947.92
NOV.	26,792.76	47,916.01	47,047.62	57,276.57	49,770.95	74,999.07	49,677.58	(25,321.49)
DEC.	42,356.27	55,182.44	50,373.39	49,060.26	73,001.29	63,171.67	85,738.65	22,566.98
JAN.	55,128.42	51,810.57	46,427.10	77,120.82	78,993.00	105,120.26	93,505.98	(11,614.28)
FEB.	40,496.67	58,060.26	61,719.43	57,650.80	72,978.31	66,639.10	105,978.76	39,339.66
MAR.	49,493.60	28,721.35	51,978.45	84,625.19	62,183.88	84,988.36	80,075.80	(4,912.56)
APR.	43,863.21	41,169.81	59,995.24	66,827.31	48,014.12	61,534.33	84,812.81	23,278.48
MAY	57,045.74	36,047.08	63,828.61	45,133.59	45,686.40	56,161.75	87,984.02	31,822.27
JUN.	45,993.15	38,673.45	43,972.74	44,776.94	77,652.11	49,058.84	57,192.37	8,133.53
JUL.	45,205.07	36,620.97	66,513.49	27,350.05	59,178.46	57,395.14	38,112.06	(19,283.08)
AUG.	47,091.91	57,858.06	36,453.52	43,182.01	40,591.66	64,849.45	42,113.11	(22,736.34)
SEP.	56,469.05	31,085.05	25,032.95	35,624.85	43,081.67	60,129.05		
TOTAL	$ 548,586.48	$ 520,865.17	$ 613,273.66	$ 670,429.22	$ 789,123.32	$ 803,875.78	$ 848,967.82	$ 105,221.09
AVERAGE PER MONTH	$45,715.54	$43,405.43	$51,106.14	$55,869.10	$65,760.28	$66,989.65	$ 77,178.89	
INCREASE/(DECREASE) IN DELINQUENT PROPERTY TAX COLLECTION		$ (27,721.31)	$ 92,408.49	$ 57,155.56	$ 118,694.10	$ 14,752.46		
INCREASE FROM PREVIOUS YEAR		-5.05%	17.74%	9.32%	17.70%	1.87%		
BUDGET VS. ACTUAL VARIANCE ANALYSIS								
Budget		$ 510,000.00	$ 600,000.00	$ 730,000.00	$ 825,000.00	$ 789,140.00		
Bud vs. Actual		$ 103,273.66	$ 70,429.22	$ 59,123.32	$ (21,124.22)	$ 125,589.49		
% Difference		20.25%	11.74%	8.10%	-2.56%	15.91%		

ORDINANCE NO: 0-2008-42

AN ORDINANCE SETTING THE TAX RATE AND LEVYING AD VALOREM TAXES FOR THE CITY OF PHARR, TEXAS BEGINNING FISCAL YEAR OCTOBER 1, 2008 AND ENDING SEPTEMBER 30, 2009, DIRECTING THE ASSESSMENT AND COLLECTION THEREOF, DECLARING AN EMERGENCY AND AN EFFECTIVE DATE

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR, TEXAS:

WHEREAS, the Board of Commissioners finds that the tax rate for the fiscal year 2008-2009, as hereinafter levied for current operating expenses, and capital outlays, to pay interest and to provide the sinking fund on outstanding bonds of the City issued for municipal purposes must be levied to provide the revenue requirements of the approved and adopted budget for said fiscal year.

WHEREAS, THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS:

SECTION 1: That there is hereby fixed, levied and assessed for the fiscal year beginning October 1, 2008, and ending September 30, 2009, an ad valorem tax of on each $100 valuation of property within the limits of the City of Pharr and not exempt from taxation by valid law; that such ad valorem tax shall be apportioned between the interest and sinking fund and the general fund as follows:

M & O	**$ .60294**
I & S	**$ .07891**
TOTAL RATE	**$ .68185**

SECTION 2: The City Assessor and Collector of the City of Pharr, is hereby directed to assess for such fiscal year the rate herein fixed and levied, and to collect such taxes in accordance with this Ordinance.

SECTION 3: The fact that the fixing and levying of Ad Valorem taxes is of great importance to the order, health, safety and general welfare of the public creates an emergency. The requirement that this Ordinance is to be read on three (3) separate meetings is hereby waived and dispensed with and this Ordinance shall take effect and be in full force from and after its passage and approval.

APPROVED AND ADOPTED BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the 16th day of September, 2008.

CITY OF PHARR

"D"

LEOPOLDO "POLO" PALACIOS, JR. MAYOR

ATTEST:

AIDA V. MONTOYA, CITY CLERK

ordin2008

GLOSSARY

Accrual Accounting: A form of accounting attempting to record the financial effects on an enterprise of transactions and other events and circumstances that have cash consequences for an enterprise in the period in which those transactions occur.

Ad Valorem Tax: Tax on property imposed at a rate percent and based on the value commonly referred to, as property taxes are the charges levied on all real, and certain personal property according to the property's assessed valuation and the tax rate, in compliance with the State Property Tax Code.

Appraised Value: To make as estimate of value for the purpose of taxation. (Property values are established by the Hidalgo County Appraisal District).

Appropriation: Authorization granted by a legislative body to make expenditures and to incur obligations. The appropriation contains specific limitations as to the amount purpose, and time when it may be expended.

Appropriation Ordinance: The office enactment, by the City Commission, to legally authorize City Staff to obligate and expend resources.

Assessed Value: The total taxable value placed on real estate and other property as a basis for levying taxes.

Authorized Personnel: Personnel slots, which are authorized in the adopted budget to be filled during the year.

Balanced Budget: A balanced budget is one in which total financial resources available, including prior year's ending financial resources plus projected resources, are equal to or greater than the budgeted expenditures/expenses.

Bond: A written promise to pay a sum of money on a specific date at a specific interest rate. The interest payments and repayment of the principal are detailed in a bond ordinance. The most common types of bonds are general obligation and revenue bonds. These are most frequently used for construction of large capital projects, such as buildings, streets, and bridges.

Budget: A plan of financial operation embodying an estimate of proposed expenditures for a given period (a fiscal year) and the proposed means of financing them. Prepared for adoption and approved by the City Commission.

Budget Calendar: The schedule of key dates that the City follows in the preparation and adoption of the budget.

Budget Document: The instrument used by the budget-making authority to present a comprehensive financial plan of operations to the City Commission.

Budget Message: A general discussion of the proposed budget as presented in writing by the City Manager and Finance Director to the City Commission.

Capital Projects Fund: A fund created to account for financial resources to be used for the acquisition or the construction of major capital facilities or equipment.

Capital Outlay: Expenditures which result in the acquisition of an addition to fixed assets, such as equipment, remodeling, minor building improvements and vehicles, that are funded from the operating budget benefiting current and future fiscal years.

City Commission: The Mayor and six Commissioners collectively acting as the legislative and policymaking body of the City.

City Manager: The individual selected by the City Commission, who is responsible for the administration of the affairs of the City.

Civil Service Personnel: All certified police officers and fire fighters.

Coding: A system of numbering used to designate funds, departments, division, etc., in such a manner that the number quickly reveals required information.

Contracted Services: Payment for goods or services rendered and furnished to a government based on a contract(s) used in operation benefiting the current fiscal year.

Current Taxes: Taxes levied and becoming due within one year from October 1 to September 30.

Debt Service: Payment of interest and principal to holders of a government's debt instruments.

Debt Service Fund: The Debt Service Fund, also known as the interest and sinking fund, was established to account for funds needed to make principal and interest payments on outstanding bonds when due.

Delinquent Taxes: Taxes remaining unpaid on and after the due date on which a penalty for nonpayment is attached.

Department: A functional and administrative entity created to carry out specified public services.

Depreciation: The portion of the cost of a fixed asset, which is charged as an expense during the fiscal year. In accounting for depreciation the cost of a fixed asset, less any salvage value, is prorated over the estimated life of such an asset, and each period is charged with a portion of such cost. Through this process the entire cost of the asset is ultimately charged off as an expense.

Distinguished Budget: A voluntary program administered by the Government Finance Officers Association. This program encourages governments to publish efficiently organized and easily readable budget documents and to provide peer recognition and technical assistance to the fiscal officers preparing them.

Encumbrance: The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for future expenditures.

Enterprise Fund: A fund established to account for operations that are financed and operated in a manner similar to private business enterprise-where the intent is that the cost of providing goods or services to the general public on a continual basis are financed or recovered primarily through user charges.

Expenditure: A decrease in the net financial resources for the purpose of acquiring an asset, service, or settling a loss.

Expense: Charges incurred (whether paid immediately or unpaid) for operation, maintenance, interest and other charges, which are presumed to benefit the current fiscal period.

Fiscal Year: The twelve-month financial period that is designated by the City signifying the beginning and ending period for recording financial transactions. The City of Pharr has specified October 1 to September 30 as its fiscal year.

Fixed Assets: An asset of a long-term nature, which is intended to continue to be held or used, such as land, building, improvements other than buildings, machinery, and equipment.

Flow of Financial Resources: The operating results of this measurement focus show the extent to which financial resources obtained during the period are sufficient to cover claims against financial resources incurred during the period.

Franchise: A special privilege granted by a government permitting the continued use of public property, such as City streets, improvements other than buildings, machinery, and equipment.

Franchise Fee: A fee paid by public service utilities for use of public property in providing their services to the citizens of the community.

Function: Classification of expenditures according to the principal purposes for which the expenditures are made.

Fund: A fiscal and accounting entity with a self balancing set of accounts that record financial transactions cash and /or other resources together with all related liabilities, obligations, reserves, and equities which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Fund Balance: The excess of fund assets over liabilities (assets minus liabilities). Accumulated balances are the result of continual excess of revenues over expenditures/expenses. A negative fund balance is a deficit balance.

GASB-34: The Governmental Accounting Standards Board (GASB) issued Statement 34 in June 1999. The intent of GASB Statement 34 is to more accurately reflect the financial activities of state and local governments in their financial reports. This statement represents the most significant changes made to governmental accounting and financial reporting standards since the Board's inception. GASB-34 provided the basic guidelines for the preparation of government financial statements and allowing comparisons among governments of similar size.

General Obligation Bonds: Bonds that finance a variety of public projects, which pledge the full faith and credit of the City.

General Fund: The largest fund within the City, the General Fund accounts for most of the financial resources of the government. General Fund Revenues include property taxes, licenses and permits, local taxes, service charges, and other types of revenue. This fund includes most of the basic operating services, such as fire and police protection, finance, parks and recreation, library, and general administration.

Governmental Funds: Four fund types used to account for a government's business-type activities. These are the General Fund, the Special Revenue Fund, the Debt Service Fund and the Capital Projects Fund.

Income: Proprietary fund excess of operating revenues, non-operating revenues and operating transfers in over operating expenses, non-operating expenses and operating transfers out.

Infrastructure: Long-term capital assets in the City of Pharr that are used to provide the standard services to the residents. Examples of these items include streets, water lines, wastewater lines, etc....

Internal Service Funds: Internal service funds were established to finance and account for services, materials and supplies furnished to the various departments of the City and, on a limited basis, to other local governmental agencies. These services are provided on a cost reimbursement basis.

Inter-Fund Transfers: Legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended; i.e. transfers from the General Fund to Special Revenue Fund.

Materials/Supplies: Purchase of expendable goods to be used in operation classified as a current operating expenditure benefiting the current fiscal period.

Maintenance: All materials or contract expenditures covering repair and upkeep of City buildings, machinery and equipment, systems, and land.

Modified Accrual: The accrual basis of accounting adapted to governmental fund type expendable trust funds and agency funds spending a measurement focus. Under it revenues are recognized when they become both "measurable" and "available to finance expenditures of the current period". Expenditures are recognized when the related fund liability is incurred.

Objective: A simply stated measurable statement of aim or expected accomplishment within the fiscal year. A good statement of objective should imply a specific standard for performance for a given program.

Operating Budget: Plans of current expenditures and the proposed means of financing them. The use of an annual operating budget is usually required by law to control government spending.

Operating Costs: Outlays for such current period items as expendable supplies, contractual services, and utilities.

Operating Transfers: Legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.

Ordinance: A formal legislative enactment by the governing board of a municipality. Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances. Ordinances and other legislation are not passed until the plans for and costs of endorsements are known.

Performance Indicator: Variables that measure the success of a department in meeting goals and objectives and/or the workload and performance of the department.

Personnel Services: The costs associated with compensating employees for their labor. This includes salaries and fringe benefits.

Projected Revenues: The amount of projected revenues to be collected, which are necessary to fund expenditures based on prior history and analysis of charges and fees that are assessed.

Proprietary Funds: Two fund types used to account for a government's business-type activities (e.g. activities that receive a significant portion of their funding through user charges). These are the Enterprise Fund and Internal Service Fund.

Reimbursement: Repayments of amount remitted on behalf of another party. Inter-fund transactions, which constitute reimbursements of a fund for expenditures initially made from it, which are properly applicable to another fund.

Retained Earnings: An equity account reflecting the accumulated earnings of an Enterprise or Internal Service Fund.

Revenue: An increase in assets due to the performance of a service or the sale of goods. In the General Fund revenues are recognized when earned, measurable, and reasonably assured to be received within sixty days.

Revenue Bonds: Bonds, which principal and interest, are payable exclusively from a revenue source pledged as the payment source before issuance.

Risk Management: An organized attempt to protect a government's assets against accidental loss in the most economical method.

Sinking Fund: Location where funds are deposited per the debt requirements and to be used to meet the semi-annual principal and/or interest payments.

Special Revenue Fund: A fund used to account for the proceeds of specific revenue sources that are legally restricted to expenditures of specific purposes.

Tax Base: The total value of all real and personal property in the City as of January 1st of each year, as certified by the Hidalgo County Appraisal District. The tax base represents net value after all exemptions.

Tax Levy: The total amount of tax is stated in terms of a unit of the tax base. The assessor applies the rate to taxable value to compute a tax due on each property.

Tax Rate: The amount of tax that is stated in terms of units of the tax base. The assessor applies the rate to taxable value to compute a tax due on each property.

Tax Rate Limit: The maximum rate at which a government may levy a tax. A maximum tax rate permitted by the Constitution of the State of Texas and City Charter is $2.50 per $100 of assessed value.

Traditional Budget: The budget of a government wherein expenditures are based entirely or primarily on objects of expenditures.

Working Capital: Current Assets less Current Liabilities.

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