



CITY OF PHARR, TEXAS



ANNUAL FINANCIAL BUDGET

**For the Fiscal Year
October 1, 2014 through September 30, 2015**



CITY OF PHARR
FISCAL YEAR 2014-2015 BUDGET
ADOPTED SEPTEMBER 16, 2014

This budget will raise more total property taxes than last year's budget by \$1,018,783 or 6.92% increase, and of that amount, \$373,402 is tax revenue to be raised from new property added to the tax roll this year.

The members of the governing body voted on the budget as follows:

FOR:

Mayor Leo "Polo" Palacios, Jr.
Commissioner 1-Arturto Cortez
Commissioner 2-Roberto Carrillo
Commissioner 3-Oscar Elizondo, Jr.
Commissioner 4-Edmund Maldonado
Commissioner 5-Aquiles
Commissioner 6-Adan Farias

AGAINST: None

PRESENT and not voting: None

ABSENT: None

Property Tax Rate Comparison

| | <u>2014-2015</u> | <u>2013-2014</u> |
|--|-------------------------|-------------------------|
| Property Tax Rate: | 0.680000 | 0.680000 |
| Effective Tax Rate: | 0.660400 | 0.668800 |
| Effective Maintenance & Operations Tax Rate: | 0.608100 | 0.605000 |
| Roll Tax Rate: | 0.724000 | 0.732500 |
| Debt Rate: | 0.071900 | 0.075000 |

The total debt obligation for the City of Pharr secured by property taxes: \$20,160,000

City of Pharr, TX

Annual Financial Budget

For the Fiscal Year
October 1, 2014 through September 30, 2015

ELECTED OFFICIALS

Leo "Polo" Palacios, Jr. - Mayor

Adan Farias
Aguiles Garza
Oscar Elizondo, Jr.

Bobby Carrillo
Edmundo Maldonado
Arturo J. Cortez

CITY MANAGER

Fred Sandoval

CHIEF FINANCIAL OFFICER

Juan G. Guerra, CPA, MBA

Prepared by the Finance Department

CITY OF PHARR, TX
ANNUAL FINANCIAL BUDGET
FOR THE FISCAL YEAR
OCTOBER 1, 2014 THROUGH SEPTEMBER 30, 2015

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INTRODUCTORY SECTION



"Triple Crown City"



MAYOR
Leo "Polo" Palacios, Jr.

COMMISSIONERS

Arturo J. Cortez
Roberto "Bobby" Carrillo
Oscar Elizondo, Jr.
Edmund Maldonado, Jr.
Aguiles "Jimmy" Garza
Adan Farias

CITY MANAGER
Fred Sandoval

October 7, 2014

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, 2014 through September 30, 2015. 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 8, 2014, copies will be available for public reviewing in the City Secretary's office and at the Pharr Public Library. After a public hearing and an adoption date of September 16, 2014, the budget will become effective October 1, 2014.

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 2014 tax rate was recommended and adopted at \$0.68000/\$100; this rate is equal to the 2011, 2012, & 2013 tax rate.

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 2014-2015, 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 one of the busiest International Bridge in the world and is the gateway to Latin America along U.S 281. Pharr is the terminus for Interstate Highway 69, the 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 U.S. commercial 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 three service areas: the parks maintenance division, recreation, and building maintenance. The Department oversees 57 acres of park space, 25 acres of landscaping, four public buildings, as well as recreation.

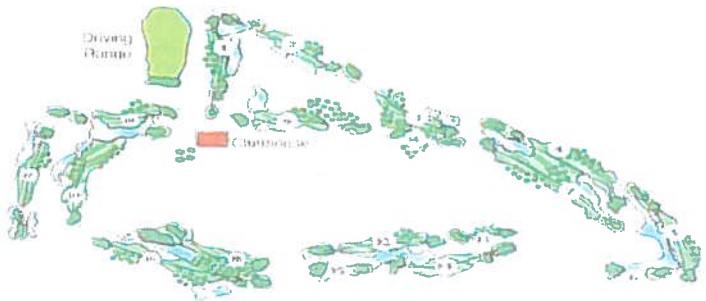


Water Treatment and Production

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 now 19 million gallons per day (MGD) plant. The WWTP is an 8.0 MGD plant. The WWTP, which was expanded back in 2012, is an activated aerobic sludge treatment plant and a biological nutrient removal.

Quality of Life – Tierra Del Sol Golf Course

The City of Pharr believes that providing venues for entertainment increases the quality of life for its citizens. The City owns and operates the Tierra Del Sol Golf Club, which is an 130 acre, 18 hole golf course, complete with a pro-shop, snack bar, and a rental hall in the club house.



Quality of Life – Pharr Events Center

The City owns and operates the Pharr Events Center, which is an 30,000 square foot venue with a maximum occupancy of 4,000 people, complete with an outsources snack bar. Our citizens and region have enjoyed over 60 concerts and events this fiscal year. More concerts happen in Pharr than anywhere else in the South Texas area.

ACCOMPLISHMENTS OF FISCAL YEAR 2013-14

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 2013-2014 are as follows:

General Fund

City Manager's Office

- Established a city-wide marketing and public information program using social media, media outlets and product branding.
- Enhanced city-wide clean-up program with City Hall on Call to establish the City of Pharr as the “Cleanest City of the Valley”.
- Grew the Hub Phest as the biggest single-day event in the RGV history in a new location.
- Completed the Produce Park District Subdivision to enhance bridge crossings and industrial development.
- Upgraded Laserfiche System by adding the Records Management initiative to allow city-wide departments to manage their records electronically.

Finance Department

- Completed the annual audit on time for the 7th straight year, not done prior 19 years
- Made all long-term debt payments and ensured compliance with debt covenants
- Was awarded the highest State of Texas fiscal transparency circle: Platinum
- Submitted and received the GFOA Budget Award
- Prepared and submitted the CAFR for the Certificate of Achievement award from GFOA
- Prepared and submitted the PAFR for the Popular Annual Financial Report award from GFOA
- Submitted comprehensive quarterly fiscal reports to the City Commission and posted them online
- Provided budget preparation training along with budget manual
- Managed Economic Development Corporation fiscal management operations
- Upgraded utility bill process from postcard to envelope sized allowing for better communication to our citizens
- Collected and processed over \$13 million in utility payments
- Completed 80% percent of Kronos Implementation Time Clock System

Police Department

- Developed program for 1st time Offender which will impact 1st time Juvenile Offenders.
- Reduced violent crime to include home invasions and kidnapping associated with narcotic traffic
- Established (P.O.E.T.) Partnering Ordinance Enforcement Team with other city departments
- Completed police activities for Department of Justice SMART POLICING INITIATIVE and seeking completed report from UTPA professor engaged in the project with the department.

Municipal Court

- Increased collections
- Implemented Scofflaw
- Warrant clerk issue more warrants enabling the Police Dept. to make more arrests
- Court clerk is sending a "Failure to attend school" cases to juvenile department.
- Clerks finishing work on time, for example: trials, property hearings, city ordinance reports. Finance Department is receiving timely reports.
- Warrant officers making phone contact with people to pay warrants

Fire Protection

- The 2012 International Fire Codes was adopted by the City of Pharr
- The ISO insurance services office performed an insurance grading on the City of Pharr. We are rated class 4 before grading, and after grading by the ISO, the City is now rated Class 3, meaning lower insurance premiums to most commercial businesses.
- Asst. Fire Marshall Pedraza was in the First Police Academy that graduated from South Texas College, and he obtained his State Law Enforcement License.
- The 12th Annual Fire Fest with the NFPA Fire Prevention theme (Prevent Kitchen Fires) took place
- Held neighborhood block parties and promote better standards of quality of life for all citizens.
- Fire inspector Cynthia Puente obtained her State Fire Commission Protection Fire Inspector License and Texas Department of Health Code Enforcement License.
- 5th Annual Thanksgiving Turkey Meal took place with great success
- 4th Annual Christmas Toy Drive was held at the Central Fire Station with great success
- Received grant funding and purchased 93) LUCAS devices. The device assists personnel when performing CPR
- Suppression division successfully completed an audit conducted by the Texas Commission on Fire Protection
- All Fire Personnel were recertified as AED/CPR provider
- Four(4) firefighters successfully completed an EMT-Basic Course, bringing the department's total up to 17 EMT's
- Honor guard team was created through the efforts and commitment of Pharr firefighters

Street Maintenance/Traffic Safety

- East Bell Avenue-Full Depth Reclamation Road Improvements and Sidewalks Improvement
- West Hall Acres Road-Street and Drainage Improvements with Sidewalk
- East Sam Houston Blvd-Street and Drainage Improvement with Sidewalk
- Rancho Blanco and Cage Blvd-Traffic Signal Installation
- HME Subdivision-Repair and Maintenance Improvements
- Old Ridge Road-Repairs and Maintenance Improvements
- North Fir Street (Bus 83 to Polk Ave)-Full Depth Reclamation Rd Improvement
- West Owassa Road-Repair and Maintenance Improvements
- Texas Commission on Environmental; Quality and BECC Grant Award \$15,000 Tire Disposal
- Environmental Cooperation Commission (BECC) Grant Award-\$20,000, Keep Pharr Beautiful
- Lower Rio Grande Valley Development Council Grant Award- \$60,000 Recycling
- Texas Department of Health Certified Animal Shelter Quarantine Facility

Municipal Library

- Provided Computers Classes to our patrons Added MS Office curriculum
- Revamped the café 121.
- Upgraded all of the desktops equipment with donation funds.

Parks & Recreation

- Provided learn to swim activities to 1,500 PSJA ISD 2nd Grade Students, in addition to competitive swimming to 200 Jr. High school and High school students. Offered lap swimming and aqua aerobics to 200 adults and seniors
- Approximately 50,000 patrons from across the Valley and Northern Mexico visited the Aquatic Center; three (3) 20 foot shade umbrellas were added, 42,000 square feet of Kool Deck, and 100 linear foot canopy at the entrance to project the guests from the sun as they wait in line
- TxDot Grant awarded to construct 22 miles of bicycle accessible lanes using existing shoulders and right-of-ways. Plans and specifications are currently being completed

Planning & Community Development

- Expanded the Code Compliance Division
- Successfully transitioned a Code Compliance Officer to a Code Compliance Coordinator
- Began city-wide clean-up efforts

CDBG

- Public service activities have assisted 11,275 in combined totals
- Ground-breaking and project commencement for Dr. Long City/school park on East Eldora road. \$651,454.14 in CDBG funds will be used on park development
- Six single-family residential units were assisted with rehabilitation services. Four single-family residential units were assisted with weatherization services

- Funds provided essential services to low-to-moderate income Pharr residents in dental services, prenatal health and nutrition, youth services, public transportation, food pantry, elderly meal deliveries, elderly medical equipment and medication, and human life-saving devices
- Street improvements to East Bell street from Cage Blvd to Veterans Blvd and Fir street from Business 83 to East Polk avenue
- Fourth year repayment to HUD on Section 108 \$5.6 million loan

Information Technology

- Upgraded centralized phone system to a five year capacity projection
- Complete redesign of online offering for all departments
- Completed a criminal Justice Information Systems audit (TxDPS/FBI) on key infrastructure
- Continue to expand “free wifi zones” around the city (4)
- Implemented Scofflaw systems and procedures with Court and Police Department
- Creation of the first Regional Technical Response Vehicle for emergencies within the City of Pharr and other jurisdictions upon request

City Engineer

- Provided coordination with Parks Department and the Architect in completing the New Pharr Aquatic Facility plans and specifications.
- Provided coordination with Public Works in completing the construction of the Pharr Produce Subdivision below budget on time
- Provided coordination with Public Utilities in completing plans and specifications for the LBJ elevated water storage tank
- Provided coordination with Bridge Department for Construction and engineering improvements.

Utility Fund

- Received Superior Rating from TCEQ
- Completed the LBJ Water Tower Rehab with new logs
- Received the recertification for NELAC at the WTP laboratory
- Completed the new water tower design and north water transmission line
- Completed the South WWCS design

Bridge Fund

- Constructed 6 Cold Storage inspection units
- Worked with State of Tamaulipas in Mexico Public Works Director to improve roads leading to Bridge
- Improved access road in the POE that leads to x-ray machines that are FAST Certified
- Provided area tours for state and federal elected officials
- Assisted federal agencies in improving bridge safety and crossings
- Created a Bridge Conference room in the administration building
- Bridge Beautification (landscaping, signs, painting all toll booth stations, striping , and lighting)
- Upgraded security camera system

- Sponsored the 4th Border to Border Transportation Conference, the Texas Border Coalition, The America Trades Produce Conference, the BTA Logistics Forum in Mexico City, the 1st Conference for Cadena de Frio, The Border Trade Alliance, INDEX Reynosa, and AMPHAC (Asociación Mexicana de Horticultura Protegida)
- Attended the 2012 Border to Border Conference on Nov/2012, The Border Trade Advisory
- Committee Conference in Austin, Texas on April/2013, the Border Coalition Conference in San Antonio, Texas on April/2013, the Bi-national Bridges and Border Crossings Conference in San Diego, California on May/2013.
- On March 27, 2013, The Bridge Department received the Congressional Visit of Congressman Juan Vargas, and Congresswoman Eddie Bernice Johnson. Congresswoman Johnson is member of House Transportation and Infrastructure Committee

Events Center

- 60 ticketed events
- \$105,000.00 revenue for advertising
- In house restaurant -Costa Mesa- 1 year contract \$20,000
- 1st annual Pharr Events Center Expo fundraiser October 24-25-26 2014

Golf Course Fund

- Improved main entrance to the golf course
- Improved AV on second floor
- Remodeled tunnel
- Remodeled administrative offices
- Updated and improved golf website

Debt Service Fund

- Made all long-term general obligation debt payments

MAJOR GOALS FOR FISCAL YEAR 2014-2015

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 indicated on the following page.

General Fund

City Manager's Office

- Plan and implement a residential growth program to include low-density residential condominiums and high quality multi-family apartments
- Update, enhance, and adopt a comprehensive plan for municipal growth and future operations
- Build out and incentivize the 1700-acre industrial area using the City of Pharr TIRZ zone
- Create and plan for Eagle Ford Shale opportunities for economic growth
- Begin construction of tennis and basketball complexes to enhance sports tourism component of economic development
- Create a professional and attainable state and federal legislative agenda to enhance city operations.

Finance

- Submit the CAFR for GFOA Award
- Submit budget for GFOA Award
- Submit PAFR for GFOA Award
- Complete 100% Kronos Implementation
- Conduct semi-annual courses to the City-wide training program
- Update our purchasing operations for the City to receive a governmental purchasing award

Police Department

- Establish a department strategic plan
- Identify the use of civilian personnel for department operations in handling of non-criminal calls for service
- Identify and establish a departmental-wide Quality Assurance program to promote ethics and integrity
- Continue operational partnerships with Federal and State agencies thru this upcoming year to maintain security in our city in the midst of surge of immigrants and drugs
- Expand our engagement between police personnel and our citizens thru Intel-Led Policing initiatives such as C.A.P.E and C.A.R.E.

Municipal Court

- Keep up collections and continue work on efficiency and productivity
- Implement the Scofflaw program
- Issue and execute more arrest warrants
- Implement an effective cross-training program
- Increase phone and mail contact with debtors

Fire Protection

- Request for proposed Fire Prevention Outreach Coordinator
- Request new fire prevention vehicle.
- Request bulletproof vests for all Fire Investigators and Fire Inspector

- Purchase LED Laser Technology-Driven Fire Extinguishers Training System that simulates the discharge of extinguishers with a completely clean, safe and cost effective training for everyone
- Host a mini two day training seminar given by the International Codes of Council for our building and Fire Inspectors and surrounding cities. (International Fire and Building Codes 2012)
- Purchase rehab equipment for firefighters for the preparation of MFPA 1584, which will become a standard in 2015.
- Finish outfitting firefighters with structural leather fire fitting boots to replace old rubber ones, replacing PBU hood and replacing extrication gloves
- Increase participation with charity groups and other projects such as OCS
- Finish process to acquire an \$8,000 grant to purchase a hazmat program
- Identify, create and present an ordinance for city approval to receive reimbursement for insurance companies when clients cause an accident
- Begin sending personnel to training in order to qualify in being in the Urban Search & Rescue Team
- Send four firefighters to EMT school for a total price of \$7,800.

Street Maintenance

- Traffic signal installation-intersection of Sioux road and Sugar road
- East Anaya road- repair and maintenance improvements
- Capote subdivision- Repair and maintenance improvements
- Lamar street- repair and maintenance improvements
- Waste management facility- Relocation
- Recycle Center- New
- City road- street and drainage improvements
- New street sweeping program for the general public
- New effective and efficient fleet maintenance program for all city fleet
- Strategic 5 year financial and construction plan for streets and drainage improvements

Information Technology

- Improve customer service through faster response to work orders / requests for service.
- Continue to consolidate information technology resources.
- Continue to serve on various regional boards/committees representing the city of Pharr
- Improve existing services to the community and look for new innovative ways of intra-city and intra-community
- Conducting timing runs during peaks hours to test signal coordination on all major corridors

Municipal Library

- Increase the library's total collection by 5,000 titles
- Increase the library's total membership to 50,000 patrons
- Increase Library Programs for adults
- Maintain constant level library awareness through advertising
- Partner w/ various community organizations
- Digitize historical material archiving
- Provide a merit increase to outstanding library employees.
- Increase digital collections, eBooks, emagazines and databases

Parks & Recreation

- Complete the construction of Dr. Long City/School Park that will include a park are specifically designed for children with special needs, a walking trail, outdoor basketball courts, barbeque areas, and landscaping. Availability will be for students during the day and to the public in the evenings and weekends.
- Request funds for necessary development for plans and specifications for the renovation of the civic center. Planned improvements consist of new gymnasium, game room, recreation program rooms and administrative offices
- Complete the construction of the aforementioned Bicycle Accessible Lane Project
- Expand the adult and senior recreation programs by offering volleyball, kick back, karate and Zumba.
- Update the city's comprehensive parks master plan. Last update was completed and adopted in 2008. We plan to update the plan using city staff versus contracting a consulting firm.

Planning & Community Development

- Continue with the pro-active code enforcement program – demolish and or repair of un-occupied structures
- Complete the new Unified Development Code
- Complete the re-vamping of the Zoning Code
- Update the Pharr Comprehensive Land Use Plan
- Hire an Assistant Director
- Transition to the 2012 Building Code

CDBG

- CDB funded public services will increase in beneficiary assistance
- Street improvements will rehabilitate streets in need of repair
- Repayment of Section 108 loan
- Satisfactory reporting on City audit

Engineering

- Continue providing coordination between departments for capital improvement projects
- Establish and update City of Pharr controls points within s standardized coordinate datum
- Development of standardized construction details and specifications for capital improvement projects

- Assist departments in providing engineering for small capital projects by providing in house plans and specifications

Utility Fund

- Rehab concrete manholes
- Complete construction of the water transmission line
- Continue to obtain superior ranking and NELAC certification for WTP
- To obtain no violation(s) from TCEQ at WWTP and WTP

Bridge Fund

- Border Master Plan projects
- BSIF (TxDot)
- ITS (Intelligent Traffic System)
- Northbound Lanes project Phase II
- Construction of additional officers for bridge administration, including a new conference room

Events Center

- Naming rights for the Pharr Events Center
\$150,000.00 for a 10 year contract
- 6 ticketed outdoor festival events at 15,000 tickets per event
- 2015 Hub-Phest site/fairgrounds
- 70 ticketed events

Golf Fund

- Examine all financial reporting (revenues and expenditures) and improve accountability
- Market the updated website
- Use internet tools and mechanisms to market the golf course (course trends, golf 18, golf now)
- Complete remodeling of clubhouse (women's restroom, kitchen, storage)
- Landscape hall acres
- Upgrade staffing and golf course equipment

Debt Service Fund

- Make all long-term general obligation debt payments

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 on the following page.

Financial Sustainability Issues

Financial Policy

The lack of written and Commission approved financial policies were identified as a major weakness by our external auditors for several fiscal years. The Commission first approved financial policies during FY08/09. It is very important to keep the financial policies in mind when directing activities and approving requests.

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. With these corrective actions in place, we were able to fully fund the unreserved fund balance. The unreserved fund balance in the General Fund has been fully funded at \$8.3 million.

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 cash flow is maintained on a responsible level. No problem with this activity is expected.

Audit Findings

The City has been able to complete the annual fiscal audit for seven straight years without delay. There are no worrisome internal control issues identified. All findings have been corrected.

Bond Issuances

There are no plans to issue any General Obligation bonds this fiscal year. The City, its independent funds, and its component units have entered into several industrial and economic development funding debt which limits the ability to pay for new debt. The Public Facilities Corporation #1 promissory note for \$15 million has been reduced already by \$3.9million; the balance is expected to be refinanced next fiscal year with a longer maturity date. The Utility fund is looking into possibly issuing approximately \$2,000,000 million at the end of next fiscal year to fund the purchase of water rights.

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, none are expected this fiscal year.

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 continued to show a welcomed increase for the past 10 out of the last 11 months, and out of the past eight months, averaging growth of 9%. The increase is attributable to the regional economy as well as the increased activity of the City's major retail and home improvement stores. More major retail and entertainment stores are expected in the very near future, which is projected to supplement this trend and continue to increase sales tax revenue. Property tax appraisals and collections have shown positive trends. This year, appraisals are up roughly 7% while current collections are budgeted up 7.5% from the previous fiscal year's budget. Building permit revenues have increased for the last four years and are expected to remain steady this fiscal year. 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

The City approved a \$750 raise to all City employees effective October 1, 2014. This raise will also take place this coming FY starting October 1, 2015. Certain employees may be provided an additional 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 contribution rate by each employee for the next calendar year will remain the same rate of 7%. The City matches that rate 2:1. After actuarial analysis, the contribution rate for the City is budgeted at 7.1%.

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. Each full time employee is counted as 1 position, and each part time employee is counted as .5 employee (based on the amount of hours worked). This method of counting positions is considered to be Full-Time Equivalents (FTE).

The General Fund had several changes to the personnel budget:

- City Manager
 - ❖ Two (2) Part-Time Pharr Now Employee Positions
 - ❖ One (1) Part-Time station supervisor transferred from Innovation & Technology Department.
 - ❖ The Department also made one of its previously Part Time Receptionist into a Full Time.
 - ❖ One (1) FT Government Public Affairs Director position was added
 - ❖ Two (2) FT Assistant City Manager positions were added also.
- Police
 - ❖ Two (2) Police Officer Positions were added and dropped one (1) Treasurer Case Worker Investigator
- Fire
 - ❖ One (1) Receptionist added
 - ❖ One (1) Fire Inspector added
 - ❖ One (1) Civilian Prevention Outreach added
- Innovation & Technology
 - ❖ One (1) FT Technical Support Manager,
 - ❖ Two (2) System specialists and dropped One (1) Part-Timer and 1 Full Time Technician
- Parks & Recreation
 - ❖ Two (2) Part Timer Positions were Dropped
 - ❖ One (1) Full Time Custodian added
- Planning & Zoning
 - ❖ One (1) Part-Time Clerk added
 - ❖ One (1) FT Building Inspector and
 - ❖ One (1) FT Assistant Planning & Zoning Director.

The Golf Course had the following changes:

- ❖ Two (2) Full Time Groundskeeper were added
- ❖ One (1) Part Time Car Attendant

The Event Center had the following changes:

- ❖ Nine (9) Part Timers were added
- ❖ One (1) Full Time Position was transferred to City Manager's office
- ❖ One (1) Full Time Clerk was dropped

The Bridge had the following changes:

- ❖ One (1) Full Time Bridge Director
- ❖ One (1) Full Time Assistant Bridge Director

- ❖ One (1) Full Time Assistant Director of Operations
- ❖ One (1) Full Time Secretary Position was added
- ❖ One (1) Full Time Building Maintenance Position was added

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

| GENERAL FUND | DIFFERENCE | | | |
|----------------------------------|---------------|---------------|---------------|--------------|
| | FY 12/13 | FY 13/14 | FY 14/15 | 13/14-14-15 |
| City Manager's Office | 8.5 | 8.5 | 15.0 | 6.50 |
| Finance Department | 14 | 14.0 | 14.0 | 0.00 |
| Police Department | 176.5 | 185.5 | 186.5 | 1.00 |
| Municipal Court | 8 | 7.5 | 7.0 | -0.50 |
| Fire Protection | 78 | 79.0 | 82.0 | 3.00 |
| (PAL)Administrative Services | 0 | 6.3 | 8.3 | 2.03 |
| Street Maintenance | 32 | 48.0 | 48.0 | 0.00 |
| Information Technology | 5 | 8.5 | 10.0 | 1.50 |
| Municipal Library | 23.5 | 24.0 | 25.0 | 1.00 |
| Parks & Recreation | 62.1 | 57.8 | 56.8 | -1.00 |
| Planning & Community Development | 20 | 20.0 | 22.5 | 2.50 |
| Engineer | 5.5 | 4.5 | 4.5 | 0.00 |
| | 433.10 | 463.60 | 479.63 | 16.03 |

| UTILITY FUND | | | | |
|-----------------------|--------------|--------------|--------------|-------------|
| Administration | 9 | 9.0 | 9.0 | 0.00 |
| Water Production | 13 | 15.0 | 15.0 | 0.00 |
| Water Distribution | 27 | 30.5 | 30.5 | 0.00 |
| Water Treatment Plant | 18 | 19.0 | 19.0 | 0.00 |
| Lift Station | 0 | 0.0 | 0.0 | 0.00 |
| | 67.00 | 73.50 | 73.50 | 0.00 |

| OTHER FUNDS | | | | |
|-----------------------|--------------|--------------|--------------|--------------|
| Bridge Fund | 23 | 23.0 | 28.0 | 5.00 |
| Golf Course Fund | 17 | 21.0 | 23.5 | 2.50 |
| Garage | 5 | 5.0 | 5.0 | 0.00 |
| Events Center | 8 | 14.0 | 17.5 | 3.50 |
| Community Development | 3.5 | 4.0 | 4.0 | 0.00 |
| | 56.50 | 67.00 | 78.00 | 11.00 |

Net Change City-Wide 27.03

THE 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 debt 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 \$88,908,401. This is a decrease of \$72,716,413 from last fiscal year's original budget of \$161,624,814. This decrease is mainly due to the following:

- A decrease in Bridge toll revenues and debt proceeds of \$29,368,830 budgeted last year for an expected Bridge expansion
- A decrease in Utility CIP revenues of \$12,129,390
- A decrease in General Capital Projects of \$8,208,970
- A decrease in Bridge Capital Project of \$26,088,310

Expenditures/Expenses and Transfers Out

Total expenditures/expenses for all funds are budgeted at \$109,677,461. This is a decrease of \$72,018,703 from last fiscal's year original budget of \$181,696,164. This decrease is mainly due to the following:

- A decrease in Bridge CIP expenditures for \$24,818,990 budgeted last year for Bridge expansion
- A decrease in General CIP expenditures for \$15,293,980
- A decrease in Bridge fund expenditures for \$29,368,830 for a transfer out to Bridge CIP for the project mentioned above
- A decrease in Utility Fund expenditures of \$4,551,720

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 five funds that have expenditures over their annual revenues. They are budgeted that way for a purposeful reason. The Asset Sharing, General, Bridge and Utility Capital Project funds and Bridge Operation Fund have accumulated resources in prior years to be able to utilize them in the future, this budget year they are projected to do so.

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 or updating long-term plans for the utility, planning, parks, streets, and finance. The City has a Water and Wastewater Master Plan which has helped guide several huge capital projects which concluded last fiscal year. The Master Plan also is assisting in guiding future projects for the development of infrastructure and calculation of utility rate needs. The City is updating the Five Year Consolidated Plan & Strategy for smart development that will assist in improving the tax base. The City's Parks Master Plan is consistently being used for capital project planning mainly due to the understanding that the City will soon increase its parks space via its partnership with our local school district. Finally, we are in the process of updating the Five Year Budget Plan so that potential revenue shortfalls will not affect our ability to continue to provide services to our citizens. A City-wide comprehensive master plan that integrates the departmental plans will also be conducted.

Fiscal Management

The history of the City's financial management was analyzed and the problems of five year ago 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 was identified in the September 30, 2007 audit was approved several years ago to enable proper fiscal management regardless of who is managing or leading the City's operations. This plan was executed during the Fiscal Year 08/09 and the fund balance has been corrected.

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 just opened up and are expected to impact the City financially. Additionally, security is a major concern for travelers going to Mexico. To remain a viable bridge, several improvements and long-term concerns must be addressed.

Infrastructure Development

The growth of the city the past 20 years has been causing a strain on the finances of the City. Once a small town community, now a retail, entertainment, 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 reducing the time it takes to cross the bridge and should see the outcome in several years.

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 now focused on diversifying the entertainment. The City converted the City's Convention Center to a first class entertainment venue, the Pharr Events Center. This has opened up a 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.

Recreational programs continue to grow with the assistance of local non-profit entities. The Pharr Police Athletic League Program now oversees all Baseball, Football, Rugby, Tennis, Soccer and Basketball giving the young citizens of Pharr the opportunity to enroll in healthy lifestyles activities.

Parks is also 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 new completed Aquatic Park has also contributed to the recreation opportunities in this City, since is now a popular destination location for our citizens. The City owned Tierra Del Sol golf course has undergone millions of dollars of improvements ever since being purchased.

Public Safety

The City limits are not wide, but are 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 escalation of violence across the international boundary has required a change in our strategies to of addressing narcotics, stolen vehicles, and violent crimes. 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. Plans are currently being discussed concerning the possibility of a new fire station and a police sub-station. The possible annexation of 15,000 acres of land is another source of concern for the current level of public safety personnel and equipment.

Population Growth

The population of the City has grown over the past 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. Should the City annex the available 15,000 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 the upcoming year. 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, and communicating with our auditors.

Outside of accounting, public safety, utilities, and development must contend with the constant changing rules and requirements of regulatory agencies: 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 award is valid for a period of one year only. This is the City’s fourth GFOA budget award. 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 and quarterly 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
Chief Financial Officer



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Pharr
Texas**

For the Fiscal Year Beginning

October 1, 2013



Executive Director

CURRENT CITY OFFICIALS

Elected Officials

| | |
|--------------------------|---------------------|
| Mayor | Leo "Polo" Palacios |
| Mayor-Pro Term | Adan Farias |
| Alternate Mayor-Pro Term | Arturo J. Cortez |
| Commissioner | Bobby Carrillo |
| Commissioner | Oscar Elizondo, Jr. |
| Commissioner | Aquiles Garza |
| Commissioner | Edmund Maldonado |

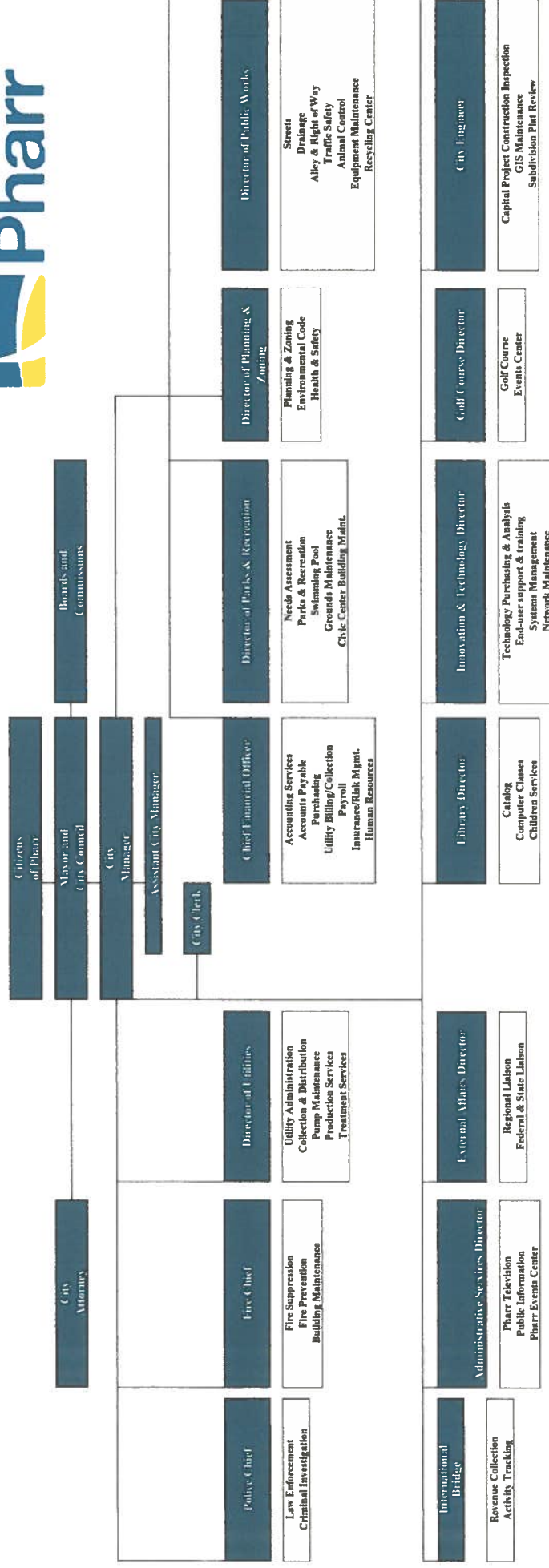
Appointed Officials

| | |
|--------------|---------------|
| City Manager | Fred Sandoval |
|--------------|---------------|

Department Directors

| | |
|--|------------------|
| City Clerk | Hilda Pedraza |
| Police Chief | Ruben Villescás |
| Fire Chief | Jaime Guzman |
| Director of Utilities/Assistant City Manager | David Garza |
| Chief Financial Officer | Juan G. Guerra |
| Director of Parks & Recreation | Frank Marin |
| Director of Library | Adolfo Garcia |
| Director of Planning & Zoning | Edward Wylie |
| Director of Public Works | Roy García |
| Director of Golf | Raul Garza |
| Director of Administrative Services | Roy Garcia |
| Director of Bridge (Interim) | Fred Brouwen |
| Director of External Affairs | Sergio Contreras |
| Director of Innovation & Technology | Jason Arms |
| City Engineering | William Ueckert |
| Court Judge | Rudy Martinez |

CITY OF PHARR ORGANIZATIONAL CHART 2014





FINANCIAL BUDGET SECTION

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 | | Utility Capital Project |
| | | Hotel/Motel | | Bridge Capital Project |
| | | Parkland Dedication Fee | | |
| | | Grants | | |
| | | Paving & Drainage | | |
| | | Special Revenues | | |

| | | |
|---------------------|--------------------|-------------------------|
| Fund Classification | Proprietary | |
| Fund Type | ENTERPRISE | INTERNAL SERVICE |
| City Funds: | Utility | City Garage |
| | Golf Course | |
| | Bridge | |

The Utility and Bridge capital project funds are listed as capital project funds but will become consolidated during the annual audit with the Utility and Bridge funds respectively. Based on the audit report ending September 30, 2013, the following funds are considered major funds: General Fund, and Capital projects. The table on the following page shows the relationship between funds and departments.

| | GENERAL FUND | | SPECIAL REVENUE FUNDS | | | | | |
|----------------------------------|--------------|---------------------|-----------------------|--------|-------------|---------------------|---------------|-------------------|
| | GENERAL FUND | GENERAL CONTINGENCY | CDBG | GRANTS | HOTEL/MOTEL | PARKLAND DEDICATION | ASSET SHARING | PAVING & DRAINAGE |
| DEPARTMENT | | | | | | | | |
| City Manager's Office | X | X | | X | X | | | |
| Finance Department | X | X | | | | | | |
| Police Department | X | | | X | | | X | |
| Municipal Court | X | | | | | | | |
| Fire Protection | X | | | X | | | | |
| Street & Alleys | X | | | | | | | X |
| Information Technology | X | | | | | | | |
| Municipal Library | X | | | X | | | | |
| Parks & Recreation | X | | | | X | X | | |
| Planning & Community Development | X | | X | | | | | |
| Engineering | X | | | | | | | |
| Utility | | | | | | | | |
| Bridge | | | | | | | | |
| Golf Course | | | | | | | | |
| Garage | | | | | | | | |

| | CAPITAL PROJECT FUNDS | | | DEBT SERVICE | ENTERPRISE FUNDS | | | INTERNAL SERVICE FUND |
|----------------------------------|--------------------------|-------------------------|--------------------------|--------------|------------------|--------|-------------|-----------------------|
| | GENERAL CAPITAL PROJECTS | BRIDGE CAPITAL PROJECTS | UTILITY CAPITAL PROJECTS | DEBT SERVICE | UTILITY | BRIDGE | GOLF COURSE | GARAGE |
| | | | | | | | | |
| DEPARTMENT | | | | | | | | |
| City Manager's Office | X | | | | | | | |
| Finance Department | | | | X | X | | | |
| Police Department | X | | | | | | | |
| Municipal Court | | | | | | | | |
| Fire Protection | X | | | | | | | |
| Street Maintenance | X | | | | | | | X |
| Information Technology | | | | | | | | |
| Municipal Library | X | | | | | | | |
| Parks & Recreation | X | | | | | | X | |
| Planning & Community Development | | | | | | | | |
| Engineering | | | | | | | | |
| Utility | | | X | | X | | | |
| Bridge | | X | | | | X | | |
| Golf Course | | | | | | | X | |
| Garage | | | | | | | | X |

GENERAL FUND

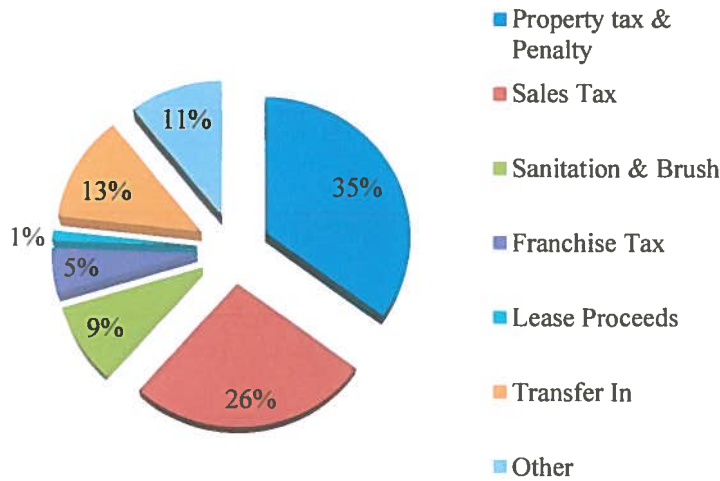
The General Fund is the general operating fund of the City. It is used to account for all financial resources traditionally associated with government, except those required to be accounted for in another fund.

Revenues

The General Fund is expected to generate \$42,581,791, which is an increase of approximately \$1.2 million or 2.8%, over last year's budget. This increase is primarily attributable to a net difference of increases and decreased caused by several reasons.

The first reason is an increase of nearly \$2.3 in tax revenue and \$560,000 in transfers. The second reason is a decrease in lease proceeds of nearly \$1.9 million.

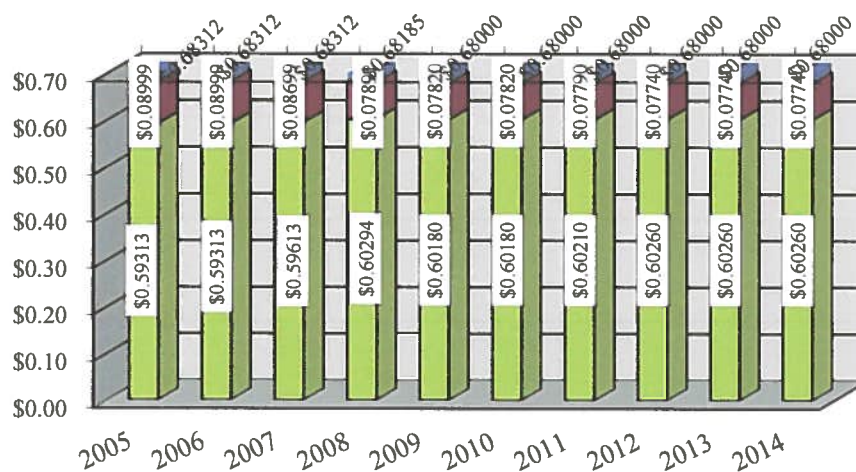
GENERAL FUND REVENUE BY SOURCE



As illustrated in this graph, four major revenue line items account for over \$32.2 million, which is 75.6% of total revenues. The major revenues are the Current Property Tax, \$14,962,900; Sales Tax, \$11,235,000; Sanitation & Brush, \$3,749,600; and Other Franchise Revenues, \$2,227,890.

Current Property Tax (31.9 % of budgeted revenues)

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 remain the same as last year. The tax rate this year is 68.000¢ per \$100 taxable assessed value, as determined by the Hidalgo County Appraisal District. The certified assessed value increased from \$2.267 billion to \$2.416 billion (net of protested property). This represents an increase of \$149.8 million, or about 6.6% over the prior year. Budgeted current advalorem tax revenues are \$13.8 million. This represents an increase of \$1.2, or about 10% over the prior year original budget. The 68.000¢ 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 is a distribution of the tax rate for the past ten years:



The green section of the column is our M&O tax rate while the maroon section of the column is our I&S tax rate. The tax rate has either been reduced or stayed the same for the past ten years. This is yet another strong indicator of the City's fiscal health. Along with the proper management of our tax rate, the City has experienced a healthy trend in the collection of property tax revenues. The City budgeted the estimated 94% collection of the tax levy. The percentage of levy collected has steadily increased in the last ten years, as stated in the following table:

| Fiscal Year Ended | Tax Year | Total Tax Levy for Fiscal Year | Collections within the Fiscal Years of the Levy | |
|----------------------|-------------|--------------------------------------|--|-----------------------|
| | | | Amount | Percentage of Levy |
| 2004 | 2003 | \$ 8,220,042 | \$ 7,422,859 | 90.3% |
| 2005 | 2004 | \$ 9,232,739 | \$ 8,335,423 | 90.3% |
| 2006 | 2005 | \$ 9,830,866 | \$ 8,980,357 | 91.3% |
| 2007 | 2006 | \$ 11,014,296 | \$ 10,084,357 | 91.6% |
| 2008 | 2007 | \$ 12,274,614 | \$ 11,231,002 | 91.5% |
| 2009 | 2008 | \$ 14,567,322 | \$ 13,390,856 | 91.9% |
| 2010 | 2009 | \$ 14,823,730 | \$ 13,672,751 | 92.2% |
| 2011 | 2010 | \$ 14,676,859 | \$ 13,558,630 | 92.4% |
| 2012 | 2011 | \$ 14,580,201 | \$ 13,770,839 | 94.4% |
| 2013 | 2012 | \$ 14,756,722 | \$ 14,049,408 | 95.2% |

Sales Tax (26.8% of budgeted revenues)

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. It is a gauge of the City's economic health and is 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 seven years, the general trend for sales tax receipts is hard to identify.

From fiscal year 2005/06 till last fiscal year, sales tax increased or decreased from one year to the next without any proper reason as to why. We have consistently budgeted very conservative with this revenue source. Our 2013/14 sales tax collection through the month of September 2014 shows an increase of 9.5% in sales tax revenues compared to the prior fiscal year. The fiscal year 2014/15 sales tax revenues are budgeted at \$11.2 million. This represents a 13% increase in revenues from the past fiscal year's original budget and a 5% increase from projected year end actual sales tax revenue. This 5% increase is estimated due to the conservative nature of budgeting as well as the fluctuation in the overall economy. The table on the following page provides a good illustration as to the fluctuations in sales tax collections; all collections are identified using the cash basis and is not proper use for financial reporting.

Sales Tax Collection Activities

| MONTH | FY 07/08 | FY 08/09 | FY 09/10 | FY 10/11* | FY 11/12 | FY 12/13 | FY 13/14 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| OCT. | \$ 676,618 | \$ 697,020 | \$ 569,780 | \$ 644,328 | \$ 715,896 | \$ 821,818 | \$ 821,549 |
| NOV. | 668,214 | 724,840 | 640,102 | 701,143 | 769,262 | 757,310 | 798,368 |
| DEC. | 688,392 | 773,417 | 534,751 | 663,417 | 685,645 | 799,257 | 863,298 |
| JAN. | 660,067 | 634,330 | 532,300 | 637,432 | 696,798 | 798,752 | 874,989 |
| FEB. | 774,025 | 672,782 | 663,103 | 772,331 | 910,841 | 849,149 | 975,950 |
| MAR. | 639,141 | 660,698 | 573,170 | 608,494 | 719,383 | 761,129 | 817,995 |
| APR. | 683,575 | 620,894 | 650,931 | 642,820 | 734,429 | 774,960 | 840,628 |
| MAY | 781,909 | 737,033 | 761,514 | 818,973 | 938,060 | 905,307 | 999,155 |
| JUN. | 716,256 | 654,026 | 635,718 | 694,182 | 823,674 | 806,678 | 929,864 |
| JUL. | 688,386 | 609,918 | 630,175 | 661,340 | 856,789 | 815,890 | 929,270 |
| AUG. | 742,289 | 732,364 | 741,889 | 798,921 | 920,112 | 902,594 | 963,078 |
| SEP. | 682,796 | 613,229 | 647,997 | 720,280 | 848,391 | 775,630 | 887,530 |
| TOTAL | \$ 8,401,668 | \$ 8,130,552 | \$ 7,581,430 | \$ 8,363,662 | \$ 9,619,280 | \$ 9,768,475 | \$ 10,701,674 |
| AVERAGE PER MONTH | \$ 700,139 | \$ 677,546 | \$ 631,786 | \$ 696,972 | \$ 874,480 | \$ 814,040 | \$ 891,806 |
| INCREASE/(DECREASE) IN SALES TAX COLLECTION | \$ (271,116) | \$ (549,121) | \$ 782,231 | \$ 1,127,508 | \$ 149,195 | \$ 821,300 | |
| INCREASE FROM PREVIOUS YEAR | -3.23% | -6.75% | 10.32% | 14.75% | 1.55% | 9.55% | |

Sanitation & Brush Collection (8.7% of budgeted revenues)

Sanitation and Brush Collection is the activity of collecting and disposing of refuse. The budgeted amount for the fiscal year is \$3.8 million, which represents an increase of \$89,600 or 3.5%. This year, the budget for these revenues represents last year's projected ending balance. Sanitation and brush collections are based on the number of new water accounts. There is no major increase in water accounts expected for the upcoming fiscal year. The budget is based on the trend in collections in the tables on the following page. All collections are identified using the cash basis and is not proper use for financial reporting.

Sanitation Collection Activities

| MONTH | FY 07/08 | FY 08/09 | FY 09/10 | FY 10/11 | FY 11/12 | FY 12/13 | FY 13/14 |
|--|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|---------------------|
| OCT. | \$ 314,061 | \$ 340,856 | \$ 171,209 | \$ 177,081 | \$ 185,357 | \$ 206,284 | \$ 216,654 |
| NOV. | 244,710 | 321,878 | 158,831 | 179,947 | 189,358 | 206,618 | 216,132 |
| DEC. | 257,571 | 216,607 | 178,313 | 167,138 | 187,083 | 208,424 | 217,398 |
| JAN. | 330,581 | 168,144 | 169,643 | 188,928 | 196,099 | 208,943 | 217,983 |
| FEB. | 292,663 | 170,395 | 177,587 | 179,455 | 181,385 | 209,533 | 218,494 |
| MAR. | 328,877 | 178,236 | 198,296 | 196,784 | 210,880 | 210,062 | 219,221 |
| APR. | 291,751 | 166,448 | 171,345 | 167,923 | 176,839 | 214,936 | 223,902 |
| MAY | 330,824 | 163,378 | 167,741 | 195,316 | 182,083 | 214,901 | 222,669 |
| JUN. | 316,709 | 206,852 | 181,568 | 174,854 | 182,877 | 214,597 | 223,052 |
| JUL. | 290,740 | 179,700 | 179,296 | 180,285 | 191,392 | 214,836 | 223,197 |
| AUG. | 348,653 | 159,158 | 176,004 | 184,839 | 205,833 | 215,034 | - |
| SEP. | 305,151 | 172,756 | 173,190 | 183,638 | 165,980 | 168,829 | - |
| TOTAL | \$ 3,652,291 | \$ 2,444,408 | \$ 2,103,023 | \$ 2,176,188 | \$ 2,255,166 | \$ 2,492,997 | \$ 2,198,702 |
| AVERAGE PER MONTH | | | | | | | |
| | \$ 304,358 | \$ 203,701 | \$ 175,252 | \$ 181,349 | \$ 187,931 | \$ 207,750 | \$ 183,225 |
| INCREASE/(DECREASE) IN SALES TAX COLLECTION | | | | | | | |
| | \$ (1,207,883) | \$ (341,385) | \$ 73,165 | \$ 78,978 | \$ 237,831 | \$ 89,568 | |
| INCREASE FROM PREVIOUS YEAR | | | | | | | |
| | -33.07% | -13.97% | 3.48% | 3.63% | 10.55% | 4.25% | |

Brush Collection Activities

| MONTH | FY 07/08 | FY 08/09 | FY 09/10 | FY 10/11 | FY 11/12 | FY 12/13 | FY 13/14 |
|--|-------------------|-------------------|-------------------|-------------------|-------------------|---------------------|-------------------|
| OCT. | \$ 88,388 | \$ 75,194 | \$ 76,287 | \$ 76,490 | \$ 78,680 | \$ 87,908 | \$ 91,430 |
| NOV. | 71,277 | 63,913 | 70,047 | 77,853 | 80,500 | 88,240 | 91,408 |
| DEC. | 70,184 | 89,075 | 77,232 | 72,846 | 80,655 | 88,798 | 91,976 |
| JAN. | 90,617 | 77,722 | 73,299 | 80,867 | 82,870 | 89,165 | 92,197 |
| FEB. | 81,169 | 76,623 | 76,210 | 75,320 | 76,033 | 89,396 | 92,360 |
| MAR. | 83,240 | 80,583 | 86,349 | 84,262 | 89,437 | 89,506 | 92,683 |
| APR. | 75,922 | 78,091 | 73,407 | 71,667 | 74,487 | 91,008 | 94,085 |
| MAY | 85,234 | 73,780 | 72,455 | 82,752 | 76,371 | 90,767 | 93,504 |
| JUN. | 84,843 | 95,020 | 77,653 | 73,807 | 77,590 | 90,597 | 93,338 |
| JUL. | 76,511 | 80,301 | 77,703 | 76,687 | 80,458 | 90,614 | 93,420 |
| AUG. | 93,440 | 71,558 | 76,165 | 77,880 | 87,773 | 90,658 | - |
| SEP. | 78,878 | 76,145 | 73,740 | 78,429 | 87,826 | 130,395 | - |
| TOTAL | \$ 979,703 | \$ 938,005 | \$ 910,547 | \$ 928,860 | \$ 972,680 | \$ 1,117,052 | \$ 926,401 |
| AVERAGE PER MONTH | | | | | | | |
| | \$ 81,642 | \$ 78,167 | \$ 75,879 | \$ 77,405 | \$ 81,057 | \$ 93,088 | \$ 92,640.10 |
| INCREASE/(DECREASE) IN SALES TAX COLLECTION | | | | | | | |
| | \$ (41,698) | \$ (27,458) | \$ 18,313 | \$ 43,820 | \$ 144,372 | \$ 30,402 | |
| INCREASE FROM PREVIOUS YEAR | | | | | | | |
| | -4.26% | -2.93% | 2.01% | 4.72% | 18.11% | 3.39% | |

Franchise Taxes (5.2% of budgeted revenues)

Franchise taxes are collected from the electric, telephone, gas, and 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 nearly \$2.22 million. This is a increase of \$27,890 or 1.2% from the prior budget.

Other Revenues (10.8% of budgeted revenues)

Other revenues are budgeted at \$4.6 million. Other revenues mainly consists of license and permits (\$876,620), fines and fees (\$1,185,000), charges for services (\$1,317,600), bingo & mixed beverage tax (\$167,700), Intergovernmental (\$393,630 and miscellaneous revenues (\$655,751).

Transfers (12.5 % of budgeted revenues)

Transfer revenues are budgeted at \$5.3 million. Transfers are due from four sources: Bridge revenues over operations (\$4,862,120), PEDC reimbursement for administrative services (\$160,900) and Utility Fund's reimbursement for administrative services (\$465,900).

Expenditures

The General Fund's overall expenditures, including transfers-out are \$42.6 million, an increase of \$.46 million or 1.1% of last year's original budget. There are two main reasons for this increase. First is the increase of over \$629,607 dollars in General Government mainly due to increase in personnel services in Administration Department and Fire Department \$882,300 decrease in capital outlay. A second reason is the increase of \$.67 million in transfers out; mainly due to more budgeted to transfer to Golf and to PAL Sports Program.

Chart 1-Expenditure by Function

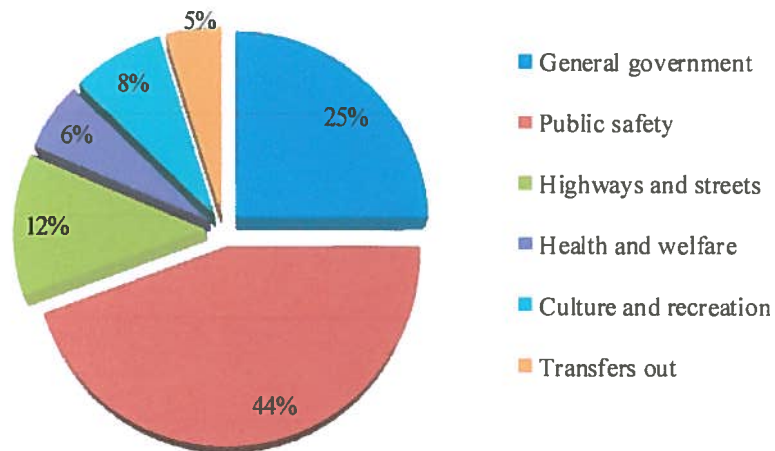


Chart 2-Expenditure by Department

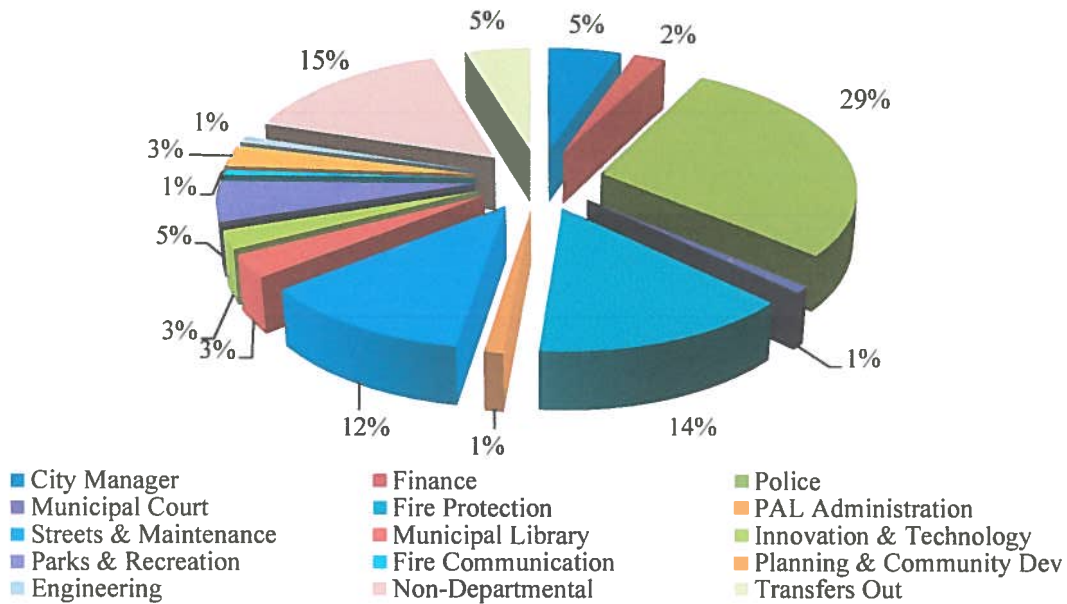
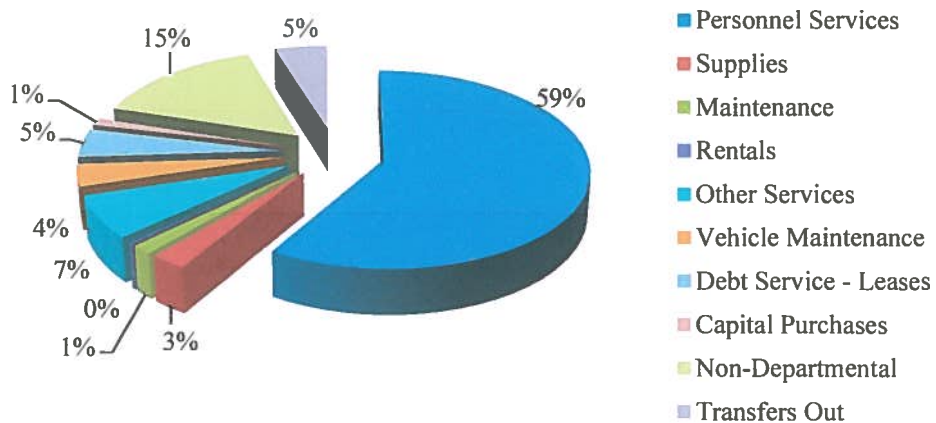


Chart 3-Expenditure by Activity



To allow more analysis of the expenditures, the following tables are presented. The major changes are a decrease in Public Safety due a decrease in capital outlay for Fire Department, an increase in Transfers Out from some additional transfer to Golf and PAL.

Table 1 – Change in Departmental Budget-Original Prior Year Budget Compared to this Year’s Budget

| DEPARTMENT | FISCAL YEAR | | Increase/ (Decrease) | Percent Change |
|--------------------------|---------------------------|---------------------------|-------------------------|-------------------|
| | 2014-15 Gl exp by dept | 2013-14 Gl exp by dept | | |
| City Manager | \$ 2,251,871 | \$ 1,843,570 | \$ 408,301 | 22.1% |
| Finance | 974,840 | 950,740 | 24,100 | 2.5% |
| Police | 12,163,200 | 12,451,660 | (288,460) | -2.3% |
| Municipal Court | 383,470 | 472,200 | (88,730) | -18.8% |
| Fire Protection | 6,127,450 | 6,695,650 | (568,200) | -8.5% |
| PAL Administration | 456,010 | 432,524 | 23,486 | 5.4% |
| Streets & Maintenance | 5,041,290 | 5,076,670 | (35,380) | -0.7% |
| Municipal Library | 1,311,970 | 1,310,800 | 1,170 | 0.1% |
| Innovation & Technology | 1,051,640 | 1,148,010 | (96,370) | -8.4% |
| Parks & Recreation | 2,296,060 | 2,147,120 | 148,940 | 6.9% |
| Fire Communication | 317,190 | 281,600 | 35,590 | 12.6% |
| Planning & Community Dev | 1,229,490 | 1,070,460 | 159,030 | 14.9% |
| Engineering | 383,850 | 393,890 | (10,040) | 100.0% |
| Non-Departmental | 6,583,270 | 6,499,710 | 83,560 | 1.3% |
| Transfers Out | 2,010,190 | 1,339,020 | 671,170 | 50.1% |
| TOTAL | \$ 42,581,791 | \$ 42,113,624 | \$ 468,167 | |

On the following page, Table 2 has several major changes. The Fire Department has a reduction of over \$500,000 due to the capital purchase of a fire truck last fiscal year. The Transfer Out Increase difference of over \$760,000 is due to higher transfers to Golf and Event Center.

Table 2- Change In Departmental Budget-Amended Prior Year's Budget Compared to this Year's Budget

| DEPARTMENT | 2014-2015 | Amended Budget 2013-2014 | Increase/ (Decrease) | Budget Year FY 14/15 % Change | % of FY 14/15 Budget |
|--------------------------|----------------------|--------------------------------|-------------------------|-------------------------------------|----------------------------|
| City Manager | \$ 2,251,871 | \$ 1,834,940 | \$ 416,931 | 22.7% | 5.3% |
| Finance | 974,840 | 1,005,890 | (31,050) | -3.1% | 2.3% |
| Police | 12,163,200 | 12,905,541 | (742,341) | -5.8% | 28.6% |
| Municipal Court | 383,470 | 469,680 | (86,210) | -18.4% | 0.9% |
| Fire Protection | 6,127,450 | 6,648,590 | (521,140) | -7.8% | 14.4% |
| PAL Administration | 456,010 | 469,728 | (13,718) | -2.9% | 1.1% |
| Streets & Maintenance | 5,041,290 | 5,087,580 | (46,290) | -0.9% | 11.8% |
| Municipal Library | 1,311,970 | 1,391,885 | (79,915) | -5.7% | 3.1% |
| Innovation & Technology | 1,051,640 | 1,148,010 | (96,370) | 0.0% | 2.5% |
| Parks & Recreation | 2,296,060 | 2,454,320 | (158,260) | -6.4% | 5.4% |
| Fire Communication | 317,190 | 281,860 | 35,330 | 12.5% | 0.7% |
| Planning & Community Dev | 1,229,490 | 1,070,460 | 159,030 | 14.9% | 2.9% |
| Engineering | 383,850 | 391,980 | (8,130) | 100.0% | 0.9% |
| Non-Departmental | 6,583,270 | 6,499,710 | 83,560 | 1.3% | 15.5% |
| Transfers Out | 2,010,190 | 1,250,294 | 759,896 | 60.8% | 4.7% |
| Total | \$ 42,581,791 | \$ 42,910,468 | \$ (328,677) | | |

Table 3 – Departmental Change in Budget without Capital Purchases

| DEPARTMENT | FY 13/14 Amended Budget w/o Capital Purchases | FY 14/15 Budget w/o Capital Purchases | Increase/ (Decrease) | Budgeted Difference In FY's |
|-----------------------|---|---|-------------------------|-----------------------------------|
| City Manager | \$ 1,834,940 | \$ 2,251,871 | \$ 416,931 | 22.7% |
| Finance | 955,890 | 974,840 | 18,950 | 2.0% |
| Police | 12,287,681 | 12,163,200 | (124,481) | -1.0% |
| Municipal Court | 438,860 | 383,470 | (55,390) | -12.6% |
| Fire Protection | 5,994,590 | 6,127,450 | 132,860 | 2.2% |
| PAL Administration | 469,728 | 456,010 | (13,718) | -2.9% |
| Streets & Maintenance | 4,112,930 | 4,561,290 | 448,360 | 10.9% |
| Municipal Library | 1,302,185 | 1,311,970 | 9,785 | 0.8% |
| Innovation & Technolo | 1,083,815 | 1,051,640 | (32,175) | -3.0% |
| Parks & Recreation | 2,140,320 | 2,271,060 | 130,740 | 6.1% |
| Fire Communication | 261,860 | 317,190 | 55,330 | 21.1% |
| Planning & Community | 1,070,460 | 1,229,490 | 159,030 | 14.9% |
| Engineering | 352,480 | 383,850 | 31,370 | 8.9% |
| Total | \$ 32,305,739 | \$ 33,483,331 | \$ 1,177,592 | |

As a reminder, the detailed information used for these graphs can be obtained in the General Fund section of this budget.

GENERAL CONTINGENCY RESERVE

This fund accounts for the 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 September 30, 2010, the unreserved fund balance was fully funded at \$8 million. By City charter, 3% to no more than 5% must be budgeted as contingency reserve. These funds are not combined with the pooled cash bank account but are in a separate bank account to be used only for emergency situations. Consequently, with the contingency reserve being fully funded at \$8.3 million, this year contingency reserve is budgeted at \$0.

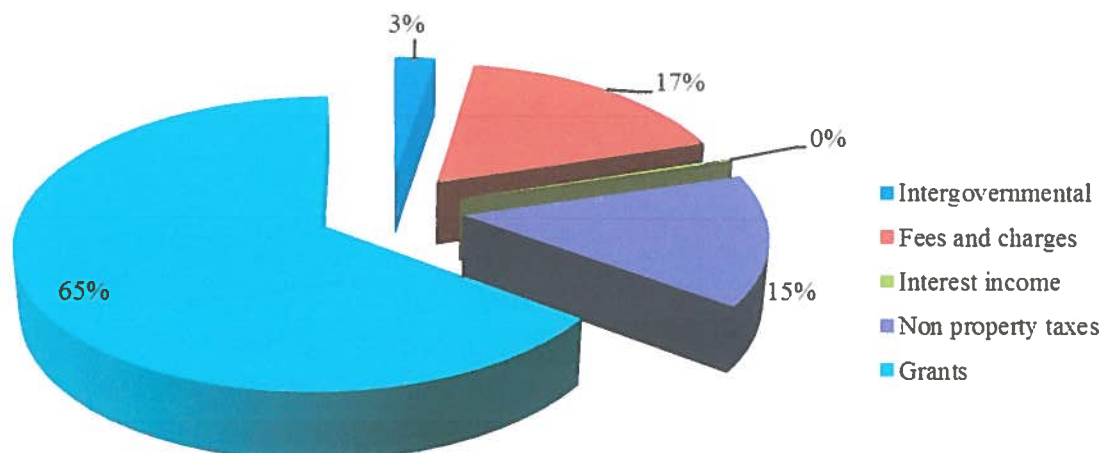
SPECIAL REVENUE

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

Revenues

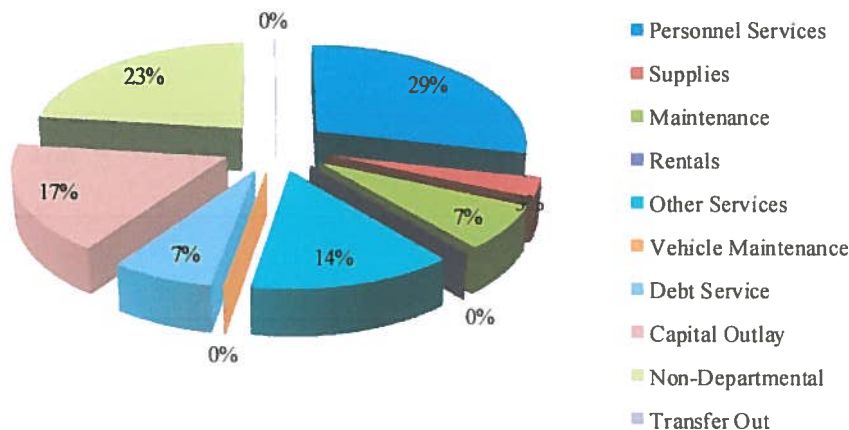
The funds received that are specified for a specific purpose are separated from the general fund and put into a group of funds called special revenue funds. A total of \$5,776,280 special revenue funds are budgeted. Grants and intergovernmental account for \$3,902,580 of revenues, non-property tax account for \$850,500, fees and charges account for \$1,005,000, and interest income accounts for the remaining \$18,700. 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.

Special Revenue by Source



Expenditures

A total of \$6,406,280 special revenue expenditure funds are budgeted. Personnel account for \$1,777,490 of expenditures, supplies account for \$196,310 maintenance, rentals and vehicle maintenance account for \$596,800, other services account for \$891,590, debt service accounts for \$426,960; capital outlay accounts for \$1,078,140, non-departmental expenditures account for \$1,429,190, and the remaining \$5,200 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 \$2,121,030 HUD funds this fiscal year. This fund has \$920,090 in unspent funds from prior years dating back to 2012/2013. Total budgeted revenues and expenditures for this fund are \$2,121,030.

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 \$160,000, its expenditure budget is \$790,000 which will be funded by this funds reserves.

Parkland Dedication

Created by Ordinance O-99-49 on August 1, 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.

Total budgeted revenues for this fund are \$5,200.

Grants

This fund was established to account for general grant revenues award to the City. Six departments will utilize this fund: Police, Court, Fire, PAL, Public Works, and Parks & Recreation.

Total budgeted revenues for this fund are \$1,631,550. Police Department grant revenues are budgeted at \$808,410; Fire Department grant revenues are budgeted at \$42,000; PAL at \$29,000, Public Works at \$80,000 and Parks & Recreations at \$644,140.

Paving & Drainage

Created by Ordinance O-2006-50 on September 19, 2006, this fund accounts for fees assessed to all utility service accounts. The fees are to be used for paving and drainage improvements in the City of Pharr. On September 2, 2014, paving and drainage fees were increased by \$.50 cents for regular residential, senior citizen and commercial accounts by Ordinance O-2014-40.

Total budgeted revenues and expenditures for this fund are \$1,008,000 respectively.

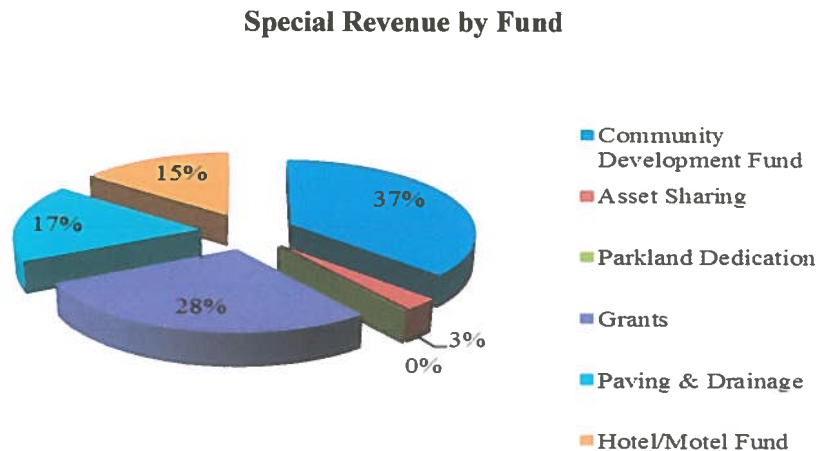
Hotel/Motel

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. Additionally, this fund will account for revenues generated by the new Pharr Events Center.

Total budgeted revenues and expenditures for this fund are \$850,500.

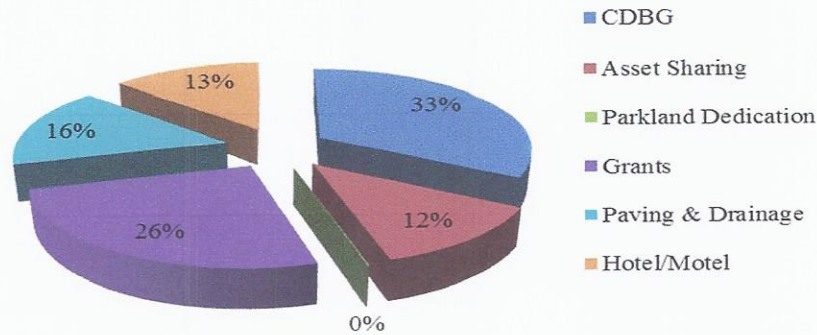
Special Revenue by Fund

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 \$6,406,280. The graph on the following page should help in analyzing which special revenue funds are budgeted in comparison to one another.

Special Revenue Expenditure by Fund



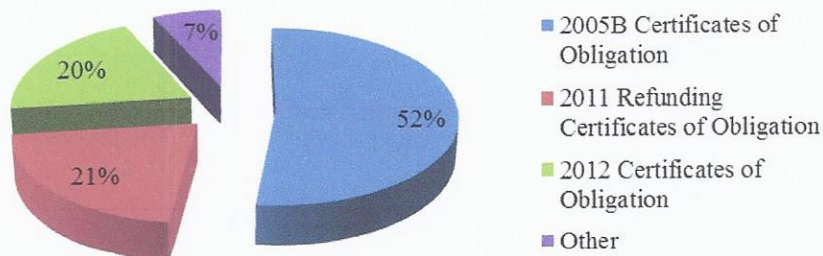
DEBT SERVICE

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 \$2,831,260. In the calculation of the tax rate, only bond liabilities were used to calculate the amount needed for liabilities. No new debt payments are budgeted from previous fiscal year levies. The collection of taxes should be sufficient to cover the expenditures of the outstanding liability. At a collection rate estimated at 94%, current property tax revenues are estimated to generate \$1,633,200 other tax collections are budgeted at \$120,000, and other revenue is budgeted at \$1,078,060.

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

Debt Service Expenditures



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; they are financed by general and proprietary resources.

GENERAL CAPITAL PROJECTS

The City's capital projects, once put on hold for several years in order to correct our fiscal situation, has been restarted. Our current plans range in purpose from public service, cultural, and street. Total budgeted expenditures are \$4,165,910. Funding for these projects will come from different sources including unrestricted fund balances, grants, and contributions from the local school district.

The following is a brief description of the capital projects budgeted for Fiscal Year 2014-2015:

- ❖ Economic Revitalization/Jackson- In an effort to stimulate growth and implement blight removal, the PEDC identified areas of the city that had fallen into disrepair and/or had a criminal reputation. A plan was then implemented and costs associated with the purchase and cleanup of the area were undertaken with a five-year plan to re-develop then sell off the assemblage to a national development group.
- ❖ Downtown Drainage- Hurricane Dolly funded project through Texas General Land Office. Upgraded current downtown drainage system to a larger scale of storm water volume capacity to prevent flooding.
- ❖ Civic Center and Tennis Court-The Civic Center Park area is approximately two acres and the improvements consist of the renovation of the tennis courts, and the installation of a play structure, as well as a water fountain. This is the first play structure of its kind in the state, and consists of a web of interconnected cables, spinners, overhead events, slides, bridges, and a watermill climber.
- ❖ Bike Path Striping-Project consists of striping and signage of twenty two (22) miles of bicycle accessible lanes within existing TxDot right of way in the City of Pharr. The project will include a trail head with bike racks and a landscaping area.
- ❖ Dora Garza Park-This ½ acre park renovation project includes the installation of a nature-inspired Nature Play structure. This play area includes boulder climbers, web cables, mushroom steppers, a wood plank wiggle ladder, and slides.
- ❖ State Park-This proposed project will consist of the installation of an 8000 s.f. concrete skate plaza complete with 50' x 30' concrete bowl. If approved, it will feature a quarter pipe with steel coping, down ledges, mini ramp bowl with ramps, and two quarter pipes and banks. This facility would include a shade pavilion and water fountain.
- ❖ Northside Park-This is a five (5) acres neighborhood park located along Eldora Road adjacent to Dr. Long Elementary School. The Park consists of a playground for special needs children and a quarter mile walking trail with restrooms.
- ❖ Police Driveway Behind Station-The project consists of providing a secondary access to the Pharr Police Department through Moore Road. The Project includes drainage, lighting and perimeter fencing with a controlled access gate for secondary and limited access.
- ❖ Relocation Waste Management-Relocation of waste management facility to Veterans Road.

- ❖ Sam Houston-a TxDot funded project up to 97% for the widening of a two way lane roadway to a two way lane with a continuous left turn lane including a four lane intersection with the installation of a traffic signal at the intersection of Fir and Sam Houston.
- ❖ Egly/Sugar-Drainage Improvement project to alleviate the flooding occurring at the intersection. Improvement consists of a building a regional detention facility in conjunction with the Pharr Housing Authority and diverting the storm water into a pond for detaining and then releasing.
- ❖ Transmaritime-Participation with private development on building the extension of Juniper Street for improving Industrial Freight Mobility. Extended from HiLine Road to Military Highway.
- ❖ Traffic Signal Sioux Rd- Design and installation of a traffic control signal for the traffic safety and traffic flow of the intersection. Improvements to include pedestrian signals and street lighting.

The following table outlines the project and the related financing needs for the general capital projects:

| Project Name | City Funding | | | Total Funds |
|--|--------------|---------------|---------------|--------------|
| | Required | Funds on Hand | Grant Funding | Available |
| Economic Revitalization - Jackson/Exp | \$ - | \$ 120,900 | \$ - | \$ 120,900 |
| Downtown Drainage | - | 500,000 | - | 500,000 |
| Civic Center Tennis Court & Playground Equip | - | 100,000 | - | 100,000 |
| Bilke Path Striping | - | 139,940 | - | 139,940 |
| Dora Garza Park | - | 39,300 | - | 39,300 |
| Skate Park | - | 200,000 | - | 200,000 |
| Northside Park | - | 468,000 | - | 468,000 |
| Police Driveway Behind Station | - | 200,000 | - | 200,000 |
| Relocate Waste Management | - | 850,000 | - | 850,000 |
| Sam Houston Widening | - | 262,940 | - | 262,940 |
| Drainage/Egly | - | 300,000 | - | 300,000 |
| Industrial Development Intersection | - | 500,000 | - | 500,000 |
| Transmaritime | - | 35,900 | - | 35,900 |
| Traffic Signal Sioux Road | - | 175,000 | - | 175,000 |
| Beautification | - | 273,930 | - | 273,930 |
| | \$ - | \$ 4,165,910 | \$ - | \$ 4,165,910 |

UTILITY CAPITAL PROJECTS

The utility project revenues are budgeted at \$5,177,300. The expenditures are budgeted at \$16,827,300. For this fiscal year, there are four projects: 1) Lift Station upgrade for \$2,500,000; 2) Waste Water Treatment Plant Clarifier for \$350,000, 3) Dt. Long Park Well for \$150,000, Sewer Line Videoing for \$150,000 and 4) El Dora WT & Utility Transmission Lines for \$11,677,300. The funding for these projects will come from Texas Water Development Board Grant \$3,177,300, Texas Water Development Board debt proceeds of \$2,000,000 and a total of \$11,650,000 from available reserves.

The following is a brief description of the main Utility capital projects budgeted for Fiscal Year 2014-2015:

- ❖ Lift Station & Forcemain Upgrade-To upsize the force main from Lift Station 25 on Nolana to Sioux Rd from an 8" inch to 16" inch and upsize the pumps from 4" inch pumps to a 6" pumps and increase the capacity wet well at LS 25.
- ❖ El Dora Water Tower and Utility Transmission Lines-Constructing an 1 MG Water Tower on the North side of Pharr; plus, installing a 20" and 16" water transmission line to transfer water from the WTP to the Expressway Water Tower, LBJ Water Tower, and the new water tower. Project cost is approximately \$12 million with the city receiving a loan forgiveness from TWDB for about \$3.6 million.

BRIDGE CAPITAL PROJECTS

The bridge project revenues are budgeted at \$6,366,690. The expenditures are budgeted at \$9,601,010. The difference to cover the expenditures will be used from cash of hand of \$3,234,320. For this fiscal year, there are five main projects: 1) Parking Lot inside the Port for \$1,084,500, 2) Entrance Booth & Road Expansion for \$2,587,430, 3) Exit Booth Expansion \$1,704,080, 4) Internal Trade Center Building for \$3,225,000 and 5) BSIF Connector & FAST Lane for \$1,000,000.

The following is a brief description of the main Bridge capital projects budgeted for Fiscal Year 2014-2015:

- ❖ Entrance Booth and Road Expansion- The expansion of the roadway leading to the Mexico customs export lot, along with the entrance booth will help expedite the flow of commercial traffic from Mexico to the U.S., allowing for more capacity on the bridge and the ability to inspect more trucks at one time. Additionally, it will create a direct passage for secure, certified and empty trucks, also known as gate-to-gate.
- ❖ Exit Booth Expansion- The exit booth expansion and relocation will help expedite the flow of traffic inside the port. Trucks will be able to make more crossings both Northbound and Southbound. The City will in-turn collect more revenues due to increased commercial Northbound traffic, which naturally travels back Southbound into Mexico.
- ❖ International Trade Center Building- The projected economic benefits from the trade center will be: Increased cross-border traffic (commercial/domestic), Growth in manufacturing (light/heavy), logistics, cold storage and other related industries, Higher demand for skilled workers/higher demand for specialized training, Continued attraction of service industries, Expansion of markets, Expansion of suppliers, Boom in property tax revenue from new commercial and residential, Increase in tourism and entertainment venues, Attraction of more retail and restaurants, Spike in sales tax revenue, Decrease in unemployment rate, Creation of more jobs/higher paying jobs.
- ❖ BSIF Connector and Fast Lane- The Border Safety Inspection Facility (BSIF) connector and fast lane will help connect the Pharr POE to the new BSIF where trucks will be inspected faster by the Texas Department of Public Safety (DPS). The connectivity to the BSIF will make our bridge more attractive for new potential clients, in-turn increasing our commercial traffic.

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 necessary for management accountability. There are three enterprise funds: Utility Fund, Bridge Fund, and Golf Course Fund.

Utility Fund

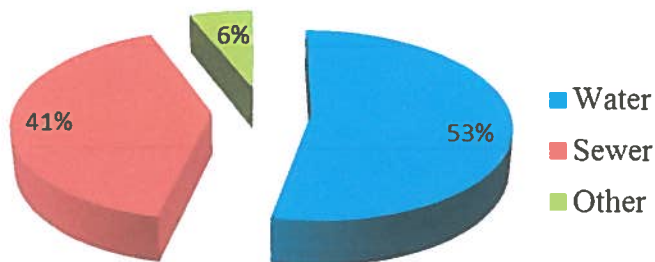
The Utility Fund was established to account for the City's water and sewer/wastewater system operations.

Revenues

The Utility Fund is expected to generate \$14,211,360, which is an increase of 3.26% compared last year's original budget.

As illustrated in the following graph, there are three main revenue sources. The major revenue source comes from water and sewer revenues due to consumption. Water is budgeted at \$7.6 million; this is an increase of 8.9% from the previous budget. The increase is mainly attributable to the scheduled utility consumption trend; during dry years, water consumption increases. Sewer is budgeted at \$5.7 million; this is a 1.7% increase from the previous budget. Other revenue is budgeted at \$856,060; this is an increase of 3.26% from the previous budget. The following pie-chart identifies the revenue sources that make up the funds revenues.

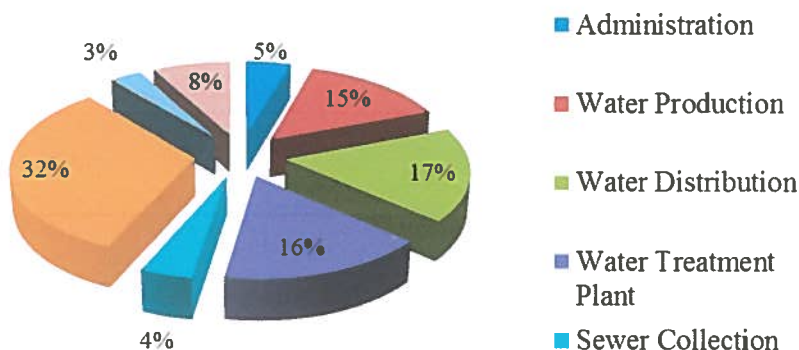
Utility Fund Revenue By Source



Expenses

The Waterworks and Sewer System's overall appropriation, including expenses and transfers-out is \$14.2 million, a decrease of \$4.5 million or 24.3 % of last year's budget. The major reason for this decrease is due to the decrease of \$5 million dollars in transfer out to Utility CIP Fund. The pie-chart on the following page depicts how the expenses are allocated among activities.

Utility Fund Expense By Activity



The table below identifies the budget comparison per department:

| Department | Fiscal Year | | Increase/ (Decrease) | Percent Change |
|-----------------------|----------------------|----------------------|-------------------------|-------------------|
| | 2014/15 | 2013/14 | | |
| Administration | \$ 641,810 | \$ 619,440 | \$ 22,370 | 3.6% |
| Water Production | 2,073,470 | 2,101,110 | (27,640) | -1.3% |
| Water Distribution | 2,464,280 | 2,011,400 | 452,880 | 22.5% |
| Water Treatment Plant | 2,288,910 | 2,345,700 | (56,790) | -2.4% |
| Sewer Collection | 563,900 | 655,710 | (91,810) | -14.0% |
| Debt Service | 4,598,930 | 4,572,660 | 26,270 | 0.6% |
| Transfers Out | 465,900 | 404,900 | 61,000 | 15.1% |
| Non-Departmental | 1,114,160 | 6,052,160 | (4,938,000) | -81.6% |
| | <u>\$ 14,211,360</u> | <u>\$ 18,763,080</u> | <u>\$ (4,551,720)</u> | |

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.

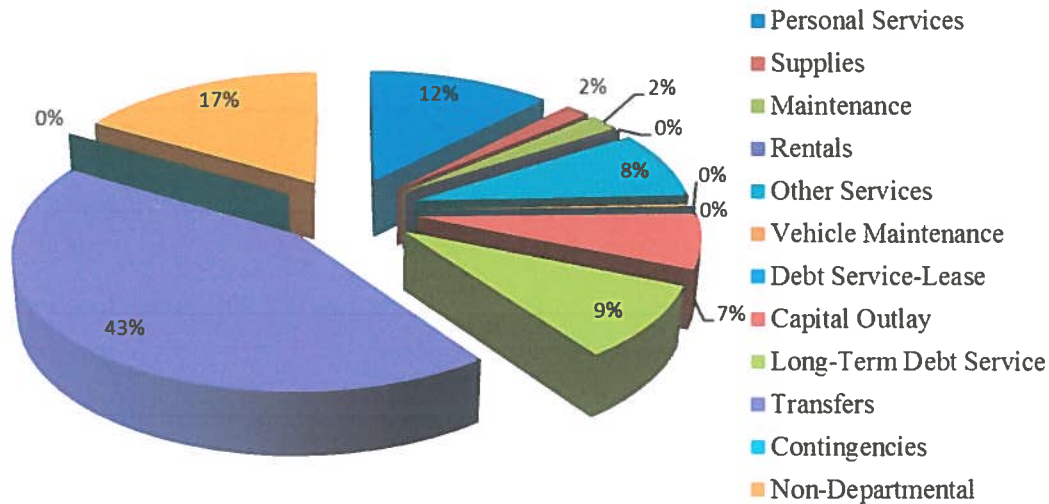
Revenues

The Bridge Fund revenues are budgeted at \$9,330,960 which is a decrease of \$29.4 million, or 76%, of last year's budget. The reason for this significant decrease is mainly due to financing sources projected to be received during 2014-2015 for \$27.1 million for the expected bridge expansion and for the toll rates increase along with the stabilization of projected bridge traffic.

Expenses

The bridge's overall appropriation, including expenses and transfers-out is \$10.8 million, a decrease of \$29.3 million or -73.1% of last year's budget. The decrease is mainly due to the transfer out of \$28.2 million expected in 2013-2014 to the Bridge Capital Projects Fund. The following pie-chart depicts how the expenses are allocated among activities.

Bridge Expense by Activity



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 \$1,503,300 which is an increase of nearly \$151,000 or 11.1%, over last year's expense budget. The increase is mainly attributable to an increase in transfer in of \$151,000, mainly for golf course operations.

INTERNAL SERVICE FUNDS

The internal service fund is used 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. 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 and expenses for this fund are \$718,290. The General Fund makes up 71.2% of garage activity, the Utility Fund makes up 24% of garage activity, and other funds make up the remaining 5% of garage activity.

FIDUCIARY FUND

Fiduciary funds are used to account for activities that belong to other entities but managed by the City. The City does not have any fiduciary funds.

CITYWIDE

The City has sixteen 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, no funds were added to the budgeted list.

Revenues for the fiscal year are \$88,908,401. The difference between funds was stated earlier in this Executive Summary. The comparisons between fiscal years are as follows:

| Fund | FISCAL YEAR | | Increase/ (Decrease) | Percent Change |
|------------------------------|----------------------|-----------------------|-------------------------|-------------------|
| | 2014-15 | 2013-14 | | |
| General Fund | \$ 42,581,791 | \$ 41,400,024 | \$ 1,181,767 | 2.9% |
| Community Development Fund | 2,121,030 | 2,229,180 | (108,150) | -4.9% |
| Asset Sharing | 160,000 | 160,000 | - | 0.0% |
| Parkland Dedication | 5,200 | 5,200 | - | 0.0% |
| Grants | 1,631,550 | 978,910 | 652,640 | 66.7% |
| Paving & Drainage | 1,008,000 | 820,000 | 188,000 | 22.9% |
| Hotel/Motel Fund | 850,500 | 831,460 | 19,040 | 2.3% |
| General Capital Project Fund | 411,170 | 8,620,140 | (8,208,970) | -95.2% |
| Utility Capital Project Fund | 5,177,300 | 17,306,690 | (12,129,390) | -70.1% |
| Bridge Capital Project Fund | 6,366,690 | 32,455,000 | (26,088,310) | -100.0% |
| Debt Service Fund | 2,831,260 | 2,317,640 | 513,620 | 22.2% |
| Garage Fund | 718,290 | 684,860 | 33,430 | 4.9% |
| Utility Fund | 14,211,360 | 13,763,080 | 448,280 | 3.3% |
| Bridge Fund | 9,330,960 | 38,699,790 | (29,368,830) | -75.9% |
| Golf Course Fund | 1,503,300 | 1,352,840 | 150,460 | 11.1% |
| | <u>\$ 88,908,401</u> | <u>\$ 161,624,814</u> | <u>\$ (72,716,413)</u> | <u>-45.0%</u> |

Expenditures for the fiscal year are \$109,677,461. The difference between funds was stated earlier in this Executive Summary. The comparisons between fiscal years are identified as follows:

| Fund | FISCAL YEAR | | Increase/ (Decrease) | Percent Change |
|------------------------------|-----------------------|-----------------------|-------------------------|-------------------|
| | 2014-15 | 2013-14 | | |
| General Fund | \$ 42,581,791 | 42,113,624 | \$ 468,167 | 1.1% |
| Community Development Fund | 2,121,030 | 2,229,180 | (108,150) | -4.9% |
| Asset Sharing | 790,000 | 213,000 | 577,000 | 270.9% |
| Parkland Dedication | 5,200 | 5,200 | - | 0.0% |
| Grants | 1,631,550 | 978,910 | 652,640 | 66.7% |
| Paving & Drainage | 1,008,000 | 820,000 | 188,000 | 22.9% |
| Hotel/Motel Fund | 850,500 | 831,460 | 19,040 | 2.3% |
| General Capital Project Fund | 4,165,910 | 19,459,890 | (15,293,980) | 0.0% |
| Utility Capital Project Fund | 16,827,300 | 17,306,690 | (479,390) | -2.8% |
| Bridge Capital Project Fund | 9,601,010 | 34,420,000 | (24,818,990) | 0.0% |
| Debt Service Fund | 2,831,260 | 2,317,640 | 513,620 | 22.2% |
| Garage Fund | 718,290 | 684,860 | 33,430 | 4.9% |
| Utility Fund | 14,211,360 | 18,763,080 | (4,551,720) | -24.3% |
| Bridge Fund | 10,830,960 | 40,199,790 | (29,368,830) | -73.1% |
| Golf Course Fund | 1,503,300 | 1,352,840 | 150,460 | 11.1% |
| | <u>\$ 109,677,461</u> | <u>\$ 181,696,164</u> | <u>\$ (72,018,703)</u> | <u>-39.6%</u> |

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 table on the following page identifies the fund that transfers the budget out and the fund that has the transfers going into it. The transfer out must equal the transfers in, which is the case this fiscal year.

| TRANSFERS | IN | Out | PURPOSE |
|-------------------------------|---------------------|---------------------|--|
| General Fund - Bridge | \$ 1,500,000 | - | General Operations |
| General Fund - Bridge | - | - | Funds for Golf Course Improvements |
| General Fund - Bridge | 985,000 | - | Funds for PPFC #1 Debt Payment |
| General Fund - Bridge | 1,500,000 | - | Funds for Incentives |
| General Fund - PEDC - Gen Ops | 160,900 | - | Reimbursement of Admin. Expenses |
| General Fund - Utility | 465,900 | - | Reimbursement of Admin. Expenses |
| General Fund - Parkland | 5,200 | - | Reimbursement of Past General Payments |
| General Fund - Golf | - | 689,700 | See Corresponding "IN" Comment |
| General Fund - Hotel | - | - | See Corresponding "IN" Comment |
| General Fund - PPFC #1 | - | 985,000 | See Corresponding "IN" Comment |
| | | | |
| | | | |
| Parkland Fund - General Fund | - | 5,200 | See Corresponding "IN" Comment |
| | | | |
| Debt Service Fund - Bridge | - | 189,140 | See Corresponding "IN" Comment |
| Debt Service Fund - PEDC | 1,058,060 | - | Reimbursement of Long-Term Debt Issuance |
| | | | |
| Utility Fund - General | | 465,900 | See Corresponding "IN" Comment |
| Utility Fund - Utility CIP | | - | See Corresponding "IN" Comment |
| | | | |
| Bridge Fund - General | - | 1,500,000 | See Corresponding "IN" Comment |
| Bridge Fund - General | - | 985,000 | See Corresponding "IN" Comment |
| Bridge Fund - General | - | 1,500,000 | See Corresponding "IN" Comment |
| Bridge Fund - General CIP | | - | See Corresponding "IN" Comment |
| Bridge Fund - Debt Service | 189,140 | - | Pay for Long-Term GO Debt Issuance |
| | | | |
| Bridge CIP - Bridge | | | |
| | | | |
| Golf Fund - General | 689,700 | - | To Help Balance the Fund |
| | | | |
| PPFC #1 - General Fund | 985,000 | - | To Help Balance the Fund |
| | | | |
| PAL - General Fund | 211,260 | - | To Help Balance the Fund |
| | | | |
| PEDC - Gen Operations | - | 160,900 | See Corresponding "IN" Comment |
| PEDC - Debt Service | - | 1,058,060 | See Corresponding "IN" Comment |
| | | | |
| | \$ 7,750,160 | \$ 7,750,160 | |

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.

| <u>Fund</u> | <u>Department</u> | <u>Capital Asset Purchases</u> | | <u>Purpose/Description</u> |
|-------------|--------------------|--------------------------------|----------------------|----------------------------|
| | | <u>Account</u> | <u>Amount</u> | |
| General | Public Works | 01-517-8804 | 400,000 | Dynapac F10000W Paver |
| General | Public Works | 01-517-8804 | 80,000 | Dynapac CP142 Roller |
| General | Parks | 01-522-8806 | 25,000 | Online Enrollment Software |
| | | | <u>\$ 505,000</u> | |
| Utility | Water Distribution | 60-583-8803 | \$ 340,000 | Vactor Truck |
| | | | <u>\$ 340,000</u> | |
| Golf | Administration | 75-510-8804 | \$ 55,000 | Gang Mower |
| Golf | Administration | 75-510-8804 | 20,000 | Utility Cart (2) |
| | | | <u>\$ 75,000</u> | |
| | | Total | <u>\$ 920,000.00</u> | |

CITY-WIDE BUDGET SUMMARY



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CITY OF PHARR, TX
CITY-WIDE REVENUE AND EXPENDITURE/EXPENSES BUDGET

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | PROPOSED BUDGET 2014-2015 |
|------------------------------------|---------------------|---------------------------------|--------------------------------|----------------------------------|---------------------------------|
| REVENUES | | | | | |
| <i>General:</i> | | | | | |
| General Fund | \$ 53,372,251 | \$ 41,400,024 | \$ 41,640,128 | \$ 42,174,088 | \$ 42,581,791 |
| General Contingency Reserve Fund | - | - | - | - | - |
| <i>Total General Funds</i> | <u>53,372,251</u> | <u>41,400,024</u> | <u>41,640,128</u> | <u>42,174,088</u> | <u>42,581,791</u> |
| <i>Special Revenue Funds:</i> | | | | | |
| Community Development Fund | 1,259,345 | 2,229,180 | 2,229,180 | 1,089,980 | 2,121,030 |
| Asset Sharing | 401,986 | 160,000 | 50,000 | 625,000 | 160,000 |
| Parkland Dedication | 6,919 | 5,200 | 5,200 | 22,975 | 5,200 |
| Grants | 1,344,399 | 978,910 | 942,850 | 570,350 | 1,631,550 |
| Paving & Drainage | 826,302 | 820,000 | 820,000 | 788,000 | 1,008,000 |
| Hotel/Motel Fund | 1,328,177 | 831,460 | 831,460 | 867,350 | 850,500 |
| <i>Total Special Revenue Funds</i> | <u>5,167,129</u> | <u>5,024,750</u> | <u>4,878,690</u> | <u>3,963,655</u> | <u>5,776,280</u> |
| <i>Capital Project Fund:</i> | | | | | |
| General Capital Project Fund | 8,339,087 | 8,620,140 | 8,620,140 | 3,300,000 | 411,170 |
| Utility Capital Project Fund | 3,500,000 | 17,306,690 | 17,306,690 | 4,245,000 | 5,177,300 |
| Bridge Capital Project Fund | 4,500,000 | 32,455,000 | 32,455,000 | 100,000 | 6,366,690 |
| | <u>16,339,087</u> | <u>58,381,830</u> | <u>58,381,830</u> | <u>7,645,000</u> | <u>11,955,160</u> |
| <i>Debt Service Fund:</i> | | | | | |
| Debt Service Fund | 2,843,981 | 2,317,640 | 2,900,700 | 2,876,300 | 2,831,260 |
| <i>Internal Service Fund:</i> | | | | | |
| Garage Fund | 604,079 | 684,860 | 684,860 | 561,734 | 718,290 |
| <i>Enterprise Funds:</i> | | | | | |
| Utility Fund | 16,605,508 | 13,763,080 | 13,763,080 | 13,382,000 | 14,211,360 |
| Bridge Fund | 14,584,182 | 38,699,790 | 38,699,790 | 12,965,547 | 9,330,960 |
| Golf Course Fund | 2,034,599 | 1,352,840 | 1,034,640 | 1,310,460 | 1,503,300 |
| <i>Total Enterprise Funds</i> | <u>33,224,289</u> | <u>53,815,710</u> | <u>53,497,510</u> | <u>27,658,007</u> | <u>25,045,620</u> |
| Total Revenues | 111,550,816 | 161,624,814 | 161,983,718 | 84,878,784 | 88,908,401 |

EXPENDITURES/EXPENSES

General:

| | | | | | |
|----------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| General Fund | \$ 64,211,583 | \$ 42,113,624 | \$ 42,910,468 | \$ 43,328,524 | \$ 42,581,791 |
| General Contingency Reserve Fund | - | - | - | - | - |
| <i>Total General Funds</i> | <u>64,211,583</u> | <u>42,113,624</u> | <u>42,910,468</u> | <u>43,328,524</u> | <u>42,581,791</u> |

Special Revenue Funds:

| | | | | | |
|------------------------------------|------------------|------------------|------------------|------------------|------------------|
| Community Development Fund | 1,259,375 | 2,229,180 | 2,229,180 | 1,088,980 | 2,121,030 |
| Asset Sharing | 1,034,660 | 213,000 | 213,000 | 318,500 | 790,000 |
| Parkland Dedication | 5,200 | 5,200 | 5,200 | 5,200 | 5,200 |
| Grants | 1,344,399 | 978,910 | 978,910 | 567,350 | 1,631,550 |
| Paving & Drainage | 630,251 | 820,000 | 820,000 | 788,000 | 1,008,000 |
| Hotel/Motel Fund | 1,042,727 | 831,460 | 834,460 | 614,577 | 850,500 |
| <i>Total Special Revenue Funds</i> | <u>5,316,612</u> | <u>5,077,750</u> | <u>5,080,750</u> | <u>3,382,607</u> | <u>6,406,280</u> |

Capital Project Fund:

| | | | | | |
|------------------------------|-------------------|-------------------|-------------------|------------------|-------------------|
| General Capital Project Fund | 13,587,158 | 19,459,890 | 19,459,890 | 7,047,870 | 4,165,910 |
| Utility Capital Project Fund | 19,818,169 | 17,306,690 | 17,306,690 | 2,462,570 | 16,827,300 |
| Bridge Capital Project Fund | 2,244,198 | 34,420,000 | 34,420,000 | 104,200 | 9,601,010 |
| | <u>35,649,525</u> | <u>71,186,580</u> | <u>71,186,580</u> | <u>9,614,640</u> | <u>30,594,220</u> |

Debt Service Fund:

| | | | | | |
|-------------------|-----------|-----------|-----------|-----------|-----------|
| Debt Service Fund | 2,826,527 | 2,317,640 | 2,900,700 | 2,876,300 | 2,831,260 |
|-------------------|-----------|-----------|-----------|-----------|-----------|

Internal Service Fund:

| | | | | | |
|-------------|---------|---------|---------|---------|---------|
| Garage Fund | 605,694 | 684,860 | 691,690 | 724,467 | 718,290 |
|-------------|---------|---------|---------|---------|---------|

Enterprise Funds:

| | | | | | |
|-------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Utility Fund | 19,738,043 | 18,763,080 | 18,823,110 | 17,432,890 | 14,211,360 |
| Bridge Fund | 15,545,051 | 40,199,790 | 40,199,790 | 10,317,171 | 10,830,960 |
| Golf Course Fund | 1,278,609 | 1,352,840 | 1,389,453 | 1,310,460 | 1,503,300 |
| <i>Total Enterprise Funds</i> | <u>36,561,703</u> | <u>60,315,710</u> | <u>60,412,353</u> | <u>29,060,521</u> | <u>26,545,620</u> |

Total Expenditures/Expenses

| | | | | | |
|--|--------------------|--------------------|--------------------|-------------------|--------------------|
| | <u>145,171,643</u> | <u>181,696,164</u> | <u>183,182,541</u> | <u>88,987,059</u> | <u>109,677,461</u> |
|--|--------------------|--------------------|--------------------|-------------------|--------------------|

Net Revenues Over/(Under) Expenditures/Expenses,

| | | | | | |
|-------------------------------|------------------------|------------------------|------------------------|-----------------------|------------------------|
| Change in Available Resources | <u>\$ (33,620,828)</u> | <u>\$ (20,071,350)</u> | <u>\$ (21,198,823)</u> | <u>\$ (4,108,275)</u> | <u>\$ (20,769,060)</u> |
|-------------------------------|------------------------|------------------------|------------------------|-----------------------|------------------------|

**CITY OF PHARR, TX COMPONENT UNITS
REVENUE AND EXPENDITURE BUDGET**

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | PROPOSED BUDGET 2014-2015 |
|--|---------------------|---------------------------------|--------------------------------|----------------------------------|---------------------------------|
|--|---------------------|---------------------------------|--------------------------------|----------------------------------|---------------------------------|

REVENUES

| | | | | | |
|-----------------------|-------------------|------------------|------------------|------------------|------------------|
| Pharr EDC | \$ 25,631,440 | \$ 3,370,910 | \$ 3,370,910 | \$ 4,832,870 | \$ 3,788,610 |
| PAL | 313,150 | 276,200 | 521,780 | 493,810 | 483,310 |
| Pharr PFC #1 | 1,986,480 | 972,600 | 972,600 | 2,942,600 | 985,000 |
| TIRZ | 18,120 | 99,670 | 99,670 | 125,150 | 118,600 |
| Total Revenues | 27,949,190 | 4,719,380 | 4,964,960 | 8,394,430 | 5,375,520 |

EXPENDITURES

| | | | | | |
|---------------------------|------------------|------------------|------------------|------------------|------------------|
| Pharr EDC | 7,050,220 | 3,370,910 | 3,880,410 | 5,539,980 | 3,788,610 |
| PAL | 358,160 | 529,170 | 570,480 | 502,740 | 483,310 |
| Pharr PFC #1 | - | 972,600 | 972,600 | 2,942,600 | 985,000 |
| TIRZ | - | 99,670 | 99,670 | - | - |
| Total Expenditures | 7,408,380 | 4,972,350 | 5,523,160 | 8,985,320 | 5,256,920 |

Net Revenues Over/(Under) Expenditures,
Change in Available Resources

| | | | | | |
|--|---------------|--------------|--------------|--------------|------------|
| | \$ 20,540,810 | \$ (252,970) | \$ (558,200) | \$ (590,890) | \$ 118,600 |
|--|---------------|--------------|--------------|--------------|------------|



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

| | ESTIMATED BEGINNING AVAILABLE FUND BALANCE/ NET ASSETS 9/30/14 | BUDGETED OPERATING REVENUES 2014-2015 | DEBT PROCEEDS 2014-2015 | TRANSFER IN 2014-2015 | TRANSFER OUT 2014-2015 |
|------------------------------------|---|--|--|--------------------------------------|---------------------------------------|
| <i>General:</i> | | | | | |
| General Fund | \$ - | \$ 36,748,771 | \$ 505,000 | \$ 5,328,020 | \$ (2,010,190) |
| General Contingency Reserve Fund | 8,300,000 | - | - | - | - |
| <i>Total General Funds</i> | <u>8,300,000</u> | <u>36,748,771</u> | <u>505,000</u> | <u>5,328,020</u> | <u>(2,010,190)</u> |
| <i>Special Revenue Funds:</i> | | | | | |
| Community Development Fund | - | 2,074,900 | - | 46,130 | - |
| Grants | - | 1,631,550 | - | - | - |
| Hotel/Motel Fund | - | 850,500 | - | - | - |
| Parkland Dedication | - | 5,200 | - | - | (5,200) |
| Asset Sharing | 630,000 | 160,000 | - | - | - |
| Paving & Drainage | - | 1,008,000 | - | - | - |
| <i>Total Special Revenue Funds</i> | <u>630,000</u> | <u>5,730,150</u> | <u>-</u> | <u>46,130</u> | <u>(5,200)</u> |
| <i>Capital Project Fund:</i> | | | | | |
| General Capital Project Fund | 3,754,740 | 411,170 | - | - | - |
| Bridge Capital Project Fund | 3,234,320 | 6,366,690 | - | - | - |
| Utility Capital Project Fund | 11,650,000 | 5,177,300 | - | - | - |
| | <u>18,639,060</u> | <u>11,955,160</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| <i>Debt Service Fund:</i> | | | | | |
| Debt Service Fund | - | 1,773,200 | - | 1,058,060 | (189,140) |
| <i>Enterprise Funds:</i> | | | | | |
| Utility Fund | - | 13,871,360 | 340,000 | - | (465,900) |
| Bridge Fund | 1,500,000 | 9,141,820 | - | 189,140 | (4,701,220) |
| Golf Course Fund | - | 738,600 | 75,000 | 689,700 | - |
| <i>Total Enterprise Funds</i> | <u>1,500,000</u> | <u>23,751,780</u> | <u>415,000</u> | <u>878,840</u> | <u>(5,167,120)</u> |
| <i>Internal Service Fund:</i> | | | | | |
| Garage Fund | - | 718,290 | - | - | - |
| TOTALS | <u>\$ 29,069,060</u> | <u>\$ 80,677,351</u> | <u>\$ 920,000</u> | <u>\$ 7,311,050</u> | <u>\$ (7,371,650)</u> |

| OPERATING EXPENDITURES/ EXPENSES 2014-2015 | CAPITAL OUTLAY 2014-2015 | LONG-TERM DEBT SERVICE 2014-2015 | TOTAL APPROPRIATIONS (NOT INCLUDING TRANSFERS) 2014-2015 | REVENUES OVER/ (UNDER) EXPENDITURES/ EXPENSES 2014-2015 | PROJECTED ENDING FUND BALANCE/ NET ASSETS 9/30/15 |
|---|--------------------------------|---|--|--|---|
| \$ (40,066,601) | \$ (505,000) | \$ - | \$ (40,571,601) | \$ - | \$ - |
| - | - | - | - | - | 8,300,000 |
| (40,066,601) | (505,000) | - | (40,571,601) | - | 8,300,000 |
| (1,696,030) | - | (425,000) | (2,121,030) | - | - |
| (927,410) | (704,140) | - | (1,631,550) | - | - |
| (850,500) | - | - | (850,500) | - | - |
| - | - | - | - | - | - |
| (416,000) | (374,000) | - | (790,000) | (630,000) | - |
| (1,008,000) | - | - | (1,008,000) | - | - |
| (4,897,940) | (1,078,140) | (425,000) | (6,401,080) | (630,000) | - |
| - | (4,165,910) | - | (4,165,910) | (3,754,740) | - |
| - | (9,601,010) | - | (9,601,010) | (3,234,320) | - |
| - | (16,827,300) | - | (16,827,300) | (11,650,000) | - |
| - | (30,594,220) | - | (30,594,220) | (18,639,060) | - |
| (6,000) | - | (2,636,120) | (2,642,120) | - | - |
| (8,258,510) | (888,020) | (4,598,930) | (13,745,460) | - | - |
| (4,447,740) | (720,000) | (962,000) | (6,129,740) | (1,500,000) | - |
| (1,298,300) | (205,000) | - | (1,503,300) | - | - |
| (14,004,550) | (1,813,020) | (5,560,930) | (21,378,500) | (1,500,000) | - |
| (718,290) | - | - | (718,290) | - | - |
| <u>\$ (59,693,381)</u> | <u>\$ (33,990,380)</u> | <u>\$ (8,622,050)</u> | <u>\$ (102,305,811)</u> | <u>\$ (20,769,060)</u> | <u>\$ 8,300,000</u> |

CITY OF PHARR, TX
CITY-WIDE BUDGET SUMMARY OF MAJOR REVENUES & EXPENDITURES/EXPENSES
FISCAL YEAR 2014-2015

| | GENERAL FUND | | SPECIAL REVENUE FUNDS | | | | | |
|-----------------------------------|---------------|---------------------|-----------------------|--------------|------------|--------------------|---------------|-------------------|
| | GENERAL FUND | GENERAL CONTINGENCY | CDBG | GRANTS | HOTEL | PARKLAND DEDICATIO | ASSET SHARING | PAVING & DRAINAGE |
| REVENUES | | | | | | | | |
| Taxes | | | | | | | | |
| Property Tax | \$ 14,512,900 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Property Tax Penalty and Interest | 450,000 | - | - | - | - | - | - | - |
| Sales Tax | 11,235,000 | - | - | - | - | - | - | - |
| Franchise Tax | 2,227,890 | - | - | - | - | - | - | - |
| Hotel Tax | - | - | - | - | 850,000 | - | - | - |
| Other Taxes | 167,700 | - | - | - | - | - | - | - |
| Total Taxes | 28,593,490 | - | - | - | 850,000 | - | - | - |
| Sanitation and Brush | | | | | | | | |
| Sanitation | 2,649,600 | - | - | - | - | - | - | - |
| Brush | 1,100,000 | - | - | - | - | - | - | - |
| Total Sanitation and Brush | 3,749,600 | - | - | - | - | - | - | - |
| Revenue Producing Facilities | | | | | | | | |
| Fines | 1,185,000 | - | - | - | - | - | - | - |
| License and Permits | 876,620 | - | - | - | - | - | - | - |
| Charges For Current Services | 1,317,600 | - | - | - | - | 5,000 | - | 1,000,000 |
| Intergovernmental | 393,630 | - | 2,074,900 | 1,631,550 | - | - | 150,000 | - |
| Other | 332,831 | - | - | - | - | - | - | - |
| Interest | 300,000 | - | - | - | 500 | 200 | 10,000 | 8,000 |
| Total Operating Revenues | 36,748,771 | - | 2,074,900 | 1,631,550 | 850,500 | 5,200 | 160,000 | 1,008,000 |
| Debt/ Capital Lease Proceeds | 505,000 | - | - | - | - | - | - | - |
| Transfers In | 5,328,020 | - | 46,130 | - | - | - | - | - |
| Total Revenues | \$ 42,581,791 | \$ - | \$ 2,121,030 | \$ 1,631,550 | \$ 850,500 | \$ 5,200 | \$ 160,000 | \$ 1,008,000 |

| | | | | | | | | |
|------------------------------------|---------------|------|--------------|--------------|------------|----------|--------------|--------------|
| EXPENDITURES/EXPENSES | | | | | | | | |
| Personnel Services | \$ 24,971,821 | \$ - | \$ 240,740 | \$ 829,920 | \$ 419,830 | \$ - | \$ 283,000 | \$ - |
| Supplies | 1,101,400 | - | 6,000 | 92,490 | 29,820 | - | 68,000 | - |
| Maint., Rentals, & Vehicle Maint. | 2,373,010 | - | 8,400 | - | 27,000 | - | 20,000 | 550,000 |
| Other Services | 3,019,280 | - | 21,700 | 5,000 | 361,890 | - | 45,000 | 458,000 |
| Debt Service | 2,017,820 | - | 425,000 | - | 1,960 | - | - | - |
| Capital Outlay | 505,000 | - | - | 704,140 | - | - | 374,000 | - |
| Transfers Out | 2,010,190 | - | - | - | - | 5,200 | - | - |
| Non-Departmental | 6,583,270 | - | 1,419,190 | - | 10,000 | - | - | - |
| Total Expenditures/Expenses | \$ 42,581,791 | \$ - | \$ 2,121,030 | \$ 1,631,550 | \$ 850,500 | \$ 5,200 | \$ 790,000 | \$ 1,008,000 |
| Revenues Over/(Under) Expenditures | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ (630,000) | \$ - |

| CAPITAL PROJECT FUNDS | | | DEBT SERVICE | ENTERPRISE FUNDS | | | INTERNAL SERVICE FUND | |
|-----------------------|---------------------|---------------------|---------------------|----------------------|---------------------|---------------------|-----------------------|----------------------|
| GENERAL CAPITAL | BRIDGE CAPITAL | UTILITY CAPITAL | DEBT SERVICE | UTILITY | BRIDGE | GOLF COURSE | GARAGE | TOTAL ALL FUNDS |
| \$ - | \$ - | \$ - | \$ 1,713,200 | \$ - | \$ - | \$ - | \$ - | \$ 16,226,100 |
| - | - | - | 40,000 | - | - | - | - | 490,000 |
| - | - | - | - | - | - | - | - | 11,235,000 |
| - | - | - | - | - | - | - | - | 2,227,890 |
| - | - | - | - | - | - | - | - | 850,000 |
| - | - | - | - | - | - | - | - | 167,700 |
| - | - | - | 1,753,200 | - | - | - | - | 31,196,690 |
| - | - | - | - | - | - | - | - | 2,649,600 |
| - | - | - | - | - | - | - | - | 1,100,000 |
| - | - | - | - | - | - | - | - | 3,749,600 |
| - | - | - | - | - | - | - | - | - |
| - | - | - | - | - | - | - | - | 1,185,000 |
| - | - | - | - | - | - | - | - | 876,620 |
| - | - | - | - | 13,355,300 | 8,776,820 | 640,000 | 718,290 | 25,813,010 |
| 411,170 | 6,366,690 | 3,177,300 | - | - | - | - | - | 14,205,240 |
| - | - | - | - | 62,500 | 235,000 | 98,000 | - | 728,331 |
| - | - | - | 20,000 | 453,560 | 130,000 | 600 | - | 922,860 |
| 411,170 | 6,366,690 | 3,177,300 | 1,773,200 | 13,871,360 | 9,141,820 | 738,600 | 718,290 | 78,677,351 |
| - | - | 2,000,000 | - | 340,000 | - | 75,000 | - | 2,920,000 |
| - | - | - | 1,058,060 | - | 189,140 | 689,700 | - | 7,311,050 |
| <u>\$ 411,170</u> | <u>\$ 6,366,690</u> | <u>\$ 5,177,300</u> | <u>\$ 2,831,260</u> | <u>\$ 14,211,360</u> | <u>\$ 9,330,960</u> | <u>\$ 1,503,300</u> | <u>\$ 718,290</u> | <u>\$ 88,908,401</u> |

| | | | | | | | | |
|-----------------------|-----------------------|------------------------|---------------------|----------------------|-----------------------|---------------------|-------------------|------------------------|
| \$ - | \$ - | \$ - | \$ - | \$ 3,219,740 | \$ 1,318,380 | \$ 794,890 | \$ 204,960 | \$ 32,283,281 |
| - | - | - | - | 1,258,600 | 179,550 | 185,100 | 8,180 | 2,929,140 |
| - | - | - | - | 979,730 | 267,000 | 113,700 | 457,900 | 4,796,740 |
| - | - | - | 6,000 | 1,591,410 | 892,220 | 104,500 | 39,200 | 6,544,200 |
| - | - | - | 2,636,120 | 4,693,800 | 962,000 | 94,820 | 8,050 | 10,839,570 |
| 4,165,910 | 9,601,010 | 16,827,300 | - | 888,020 | 720,000 | 205,000 | - | 33,990,380 |
| - | - | - | 189,140 | 465,900 | 4,701,220 | - | - | 7,371,650 |
| - | - | - | - | 1,114,160 | 1,790,590 | 5,290 | - | 10,922,500 |
| <u>\$ 4,165,910</u> | <u>\$ 9,601,010</u> | <u>\$ 16,827,300</u> | <u>\$ 2,831,260</u> | <u>\$ 14,211,360</u> | <u>\$ 10,830,960</u> | <u>\$ 1,503,300</u> | <u>\$ 718,290</u> | <u>\$ 109,677,461</u> |
| <u>\$ (3,754,740)</u> | <u>\$ (3,234,320)</u> | <u>\$ (11,650,000)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (1,500,000)</u> | <u>\$ -</u> | <u>\$ -</u> | <u>\$ (20,769,060)</u> |



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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, 2014 THROUGH SEPTEMBER 30, 2015

Note: payroll fund not included

| | ACTUAL | ORIGINAL | AMENDED | PROJECTED | |
|-----------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | <u>2012-2013</u> | <u>BUDGET</u> | <u>BUDGET</u> | <u>ACTUAL</u> | <u>BUDGET</u> |
| | | <u>2013-2014</u> | <u>2013-2014</u> | <u>2013-2014</u> | <u>2014-2015</u> |
| REVENUES | | | | | |
| General Tax Revenue | | | | | |
| Property | \$ 13,550,260 | \$ 13,966,100 | \$ 13,966,100 | \$ 13,915,000 | \$ 14,962,900 |
| Sales | 9,809,264 | 9,947,600 | 10,127,600 | 10,700,000 | 11,235,000 |
| Franchise | 2,143,885 | 2,200,000 | 2,200,000 | 2,163,000 | 2,227,890 |
| Other | 145,004 | 150,000 | 150,000 | 165,000 | 167,700 |
| Total | <u>25,648,413</u> | <u>26,263,700</u> | <u>26,443,700</u> | <u>26,943,000</u> | <u>28,593,490</u> |
| Licenses and permits | | | | | |
| Building | 555,421 | 450,000 | 450,000 | 500,000 | 500,000 |
| Professional services | 144,695 | 130,000 | 130,000 | 153,000 | 130,000 |
| Other | 281,718 | 261,620 | 261,620 | 255,500 | 246,620 |
| Total | <u>981,834</u> | <u>841,620</u> | <u>841,620</u> | <u>908,500</u> | <u>876,620</u> |
| Intergovernmental | | | | | |
| Grants | - | - | - | - | - |
| School | 220,746 | 260,540 | 260,540 | 240,000 | 223,630 |
| Aquatic Park | - | - | - | - | 150,000 |
| County fire runs | 9,750 | 20,000 | 20,000 | 10,000 | 20,000 |
| Total | <u>230,496</u> | <u>280,540</u> | <u>280,540</u> | <u>250,000</u> | <u>393,630</u> |
| Fees and charges: | | | | | |
| Sanitation | 2,533,099 | 2,560,000 | 2,560,000 | 2,680,000 | 2,649,600 |
| Brush | 1,069,730 | 1,100,000 | 1,100,000 | 1,100,000 | 1,100,000 |
| Swimming | 273,130 | 476,000 | 476,000 | 385,000 | 400,000 |
| Events Center | 392,030 | 539,000 | 583,000 | 280,000 | 459,000 |
| City Hall rental | 93,600 | 91,600 | 91,600 | 93,000 | 91,600 |
| Other rentals | 211,518 | 204,500 | 204,500 | 231,000 | 187,000 |
| Other fees | 176,846 | 157,000 | 157,000 | 197,000 | 180,000 |
| Total | <u>4,749,953</u> | <u>5,128,100</u> | <u>5,172,100</u> | <u>4,966,000</u> | <u>5,067,200</u> |
| Fines | | | | | |
| Court fines | 734,508 | 900,000 | 900,000 | 820,000 | 900,000 |
| Police records/fees | 190,756 | 170,000 | 170,000 | 310,000 | 275,000 |
| Library fines | 10,407 | 35,000 | 35,000 | 8,000 | 10,000 |
| Total | <u>935,671</u> | <u>1,105,000</u> | <u>1,105,000</u> | <u>1,138,000</u> | <u>1,185,000</u> |
| Interest income | Total 373,192 | 311,000 | 311,000 | 300,000 | 300,000 |
| Other | | | | | |
| Miscellaneous | 313,053 | 310,150 | 310,150 | 296,210 | 322,831 |
| Oil and gas royalties | 7,049 | 10,640 | 10,640 | 7,000 | 10,000 |
| Total | <u>320,102</u> | <u>320,790</u> | <u>320,790</u> | <u>303,210</u> | <u>332,831</u> |
| Total revenues | <u><u>33,239,661</u></u> | <u><u>34,250,750</u></u> | <u><u>34,474,750</u></u> | <u><u>34,808,710</u></u> | <u><u>36,748,771</u></u> |

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|--|-----------------------------|--|---|---|-----------------------------|
| EXPENDITURES | | | | | |
| Current: | | | | | |
| General government | 13,960,999 | 10,125,694 | 10,288,593 | 10,535,047 | 10,755,301 |
| Public safety | | 19,901,110 | 20,305,671 | 19,882,850 | 18,991,310 |
| Highways and streets | 3,616,201 | 5,076,670 | 5,087,580 | 4,540,020 | 5,041,290 |
| Health and welfare | 2,371,340 | 2,376,000 | 2,376,000 | 2,461,000 | 2,436,000 |
| Culture and recreation | 3,886,336 | 3,295,130 | 3,602,330 | 3,703,227 | 3,347,700 |
| Debt service | - | - | - | - | - |
| Total expenditures | <u>23,834,875</u> | <u>40,774,604</u> | <u>41,660,174</u> | <u>41,122,144</u> | <u>40,571,601</u> |
| Excess (deficiency) of revenues over (under) expenditures | <u>9,404,786</u> | <u>(6,523,854)</u> | <u>(7,185,424)</u> | <u>(6,313,434)</u> | <u>(3,822,830)</u> |
| OTHER FINANCING SOURCES (USES) | | | | | |
| Transfers in | | | | | |
| Bridge | 5,143,100 | 4,160,600 | 4,160,600 | 4,160,600 | 4,701,220 |
| PEDC | 4,750,010 | 152,300 | 152,300 | 152,300 | 160,900 |
| Other | 155,200 | 5,200 | 5,200 | 5,200 | - |
| Utility | 420,410 | 404,900 | 404,900 | 404,900 | 465,900 |
| Golf Course | - | - | - | - | - |
| Total | <u>10,468,720</u> | <u>4,723,000</u> | <u>4,723,000</u> | <u>4,723,000</u> | <u>5,328,020</u> |
| Transfers (out) | | | | | |
| CIP | (677,500) | - | - | - | - |
| Golf Course | - | (318,200) | - | (599,660) | (689,700) |
| PPFC #1 | (1,986,462) | (972,600) | (972,600) | (992,600) | (985,000) |
| PAL Sports Program | - | - | (229,474) | (231,720) | (211,260) |
| Other | (17,035,374) | (48,220) | (48,220) | (82,400) | (124,230) |
| Total | <u>(19,699,336)</u> | <u>(1,339,020)</u> | <u>(1,250,294)</u> | <u>(1,906,380)</u> | <u>(2,010,190)</u> |
| Lease proceeds | - | 2,380,700 | 2,380,700 | 2,380,700 | 505,000 |
| Total other financing sources and uses | <u>(9,230,616)</u> | <u>5,764,680</u> | <u>5,853,406</u> | <u>5,197,320</u> | <u>3,822,830</u> |
| Net change in fund balance | 174,170 | (759,174) | (1,332,018) | (1,116,114) | - |
| Fund balance (deficit) - beginning | 15,131,907 | 7,306,077 | 7,306,077 | 15,306,077 | 14,189,963 |
| Reserved for Contingency - Cash | <u>(8,000,000)</u> | <u>-</u> | <u>-</u> | <u>(8,000,000)</u> | <u>(8,000,000)</u> |
| Fund balance - ending | <u>\$ 7,306,077</u> | <u>\$ 6,546,903</u> | <u>\$ 5,974,059</u> | <u>\$ 6,189,963</u> | <u>\$ 6,189,963</u> |

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

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|--|---------------------|---------------------------------|--------------------------------|----------------------------------|---------------------|
| Revenues | | | | | |
| 500 - General Tax Revenue | \$ 23,423,335 | \$ 23,988,700 | \$ 24,168,700 | \$ 24,690,000 | \$ 26,272,900 |
| 520 - Gross Receipts | 2,225,078 | 2,275,000 | 2,275,000 | 2,253,000 | 2,320,590 |
| 530 - Revenue Producing Facilities | 4,580,072 | 4,978,100 | 5,022,100 | 4,781,000 | 4,897,200 |
| 540 - Fines and Fees | 990,668 | 1,135,000 | 1,135,000 | 1,190,000 | 1,235,000 |
| 550 - Licenses and Permits | 981,834 | 841,620 | 841,620 | 908,500 | 876,620 |
| 560 - Charges for Current Services | 1,015,552 | 1,032,330 | 1,032,330 | 1,186,210 | 1,146,461 |
| 580 - Lease Proceeds | - | 2,380,700 | 2,380,700 | 2,380,700 | 505,000 |
| 580 - Transfers/Others | 20,155,712 | 4,768,574 | 4,784,678 | 4,784,678 | 5,328,020 |
| Total Revenues | \$ 53,372,251 | \$ 41,400,024 | \$ 41,640,128 | \$ 42,174,088 | \$ 42,581,791 |
| Expenditures | | | | | |
| 10 - City Manager's Office | \$ 5,223,832 | \$ 1,843,570 | \$ 1,834,940 | \$ 1,692,524 | \$ 2,251,871 |
| 11 - Finance Department | 1,043,039 | 950,740 | 1,005,890 | 993,242 | 974,840 |
| 12 - Police Department | 12,921,653 | 12,451,660 | 12,905,541 | 12,838,010 | 12,163,200 |
| 14 - Municipal Court | 361,555 | 472,200 | 469,680 | 431,510 | 383,470 |
| 15 - Fire Protection | 5,883,703 | 6,977,250 | 6,648,590 | 6,340,310 | 6,127,450 |
| 16 - PAL | 445,472 | 432,524 | 469,728 | 572,810 | 456,010 |
| 17 - Street Maintenance | 3,616,201 | 5,076,670 | 5,087,580 | 4,540,020 | 5,041,290 |
| 18 - Information Technology | 1,852,330 | 1,310,800 | 1,391,885 | 1,476,320 | 1,311,970 |
| 20 - Municipal Library | 1,157,807 | 1,148,010 | 1,148,010 | 1,003,897 | 1,051,640 |
| 22 - Parks & Recreation | 2,728,529 | 2,147,120 | 2,454,320 | 2,699,330 | 2,296,060 |
| 25- Communications | - | - | 281,860 | 273,020 | 317,190 |
| 27 - Planning & Community Development | 984,152 | 1,070,460 | 1,070,460 | 1,030,341 | 1,229,490 |
| 28 - Engineering | 368,089 | 393,890 | 391,980 | 336,600 | 383,850 |
| 30 - Non-Departmental | 27,625,223 | 7,838,730 | 7,750,004 | 9,100,590 | 8,593,460 |
| Total Expenditures | \$ 64,211,583 | \$ 42,113,624 | \$ 42,910,468 | \$ 43,328,524 | \$ 42,581,791 |
| Net Revenues Over/(Under) Expenditures | \$ (10,839,332) | \$ (713,600) | \$ (1,270,340) | \$ (1,154,436) | \$ - |

**CITY OF PHARR, TX
GENERAL FUND
SUMMARY OF EXPENDITURES**

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|---------------------------------------|-----------------------------|--|---|---|-----------------------------|
| Department | | | | | |
| 10 - City Manager's Office | \$ 5,223,832 | \$ 1,843,570 | \$ 1,834,940 | \$ 1,692,524 | \$ 2,251,871 |
| 11 - Finance Department | 1,043,039 | 950,740 | 1,005,890 | 993,242 | 974,840 |
| 12 - Police Department | 12,921,653 | 12,451,660 | 12,905,541 | 12,838,010 | 12,163,200 |
| 14 - Municipal Court | 361,555 | 472,200 | 469,680 | 431,510 | 383,470 |
| 15 - Fire Protection | 5,883,703 | 6,977,250 | 6,648,590 | 6,340,310 | 6,127,450 |
| 16 - Administrative Services | 445,472 | 432,524 | 469,728 | 572,810 | 456,010 |
| 17 - Street Maintenance | 3,616,201 | 5,076,670 | 5,087,580 | 4,540,020 | 5,041,290 |
| 18 - Information Technology | 1,852,330 | 1,310,800 | 1,391,885 | 1,476,320 | 1,311,970 |
| 20 - Municipal Library | 1,157,807 | 1,148,010 | 1,148,010 | 1,003,897 | 1,051,640 |
| 22 - Parks & Recreation | 2,728,529 | 2,147,120 | 2,454,320 | 2,699,330 | 2,296,060 |
| 25 - Communication | - | - | 281,860 | 273,020 | 317,190 |
| 27 - Planning & Community Development | 984,152 | 1,070,460 | 1,070,460 | 1,030,341 | 1,229,490 |
| 28 - Engineering Department | 368,089 | 393,890 | 391,980 | 336,600 | 383,850 |
| 30 - Non-Departmental | 27,625,223 | 7,838,730 | 7,750,004 | 9,100,590 | 8,593,460 |
| Total Expenditures | \$ 64,211,583 | \$ 42,113,624 | \$ 42,910,468 | \$ 43,328,524 | \$ 42,581,791 |
| Activity | | | | | |
| 1100- Personnel Services | \$ 22,812,877 | \$ 23,014,214 | \$ 23,544,609 | \$ 23,457,250 | \$ 24,971,821 |
| 2200- Supplies | 1,106,529 | 1,133,490 | 1,144,140 | 1,031,620 | 1,101,400 |
| 3300- Maintenance | 507,377 | 656,720 | 665,720 | 625,270 | 645,500 |
| 4400- Rentals | 140,923 | 166,170 | 166,170 | 128,998 | 142,800 |
| 5500- Other Services | 2,584,615 | 2,945,180 | 3,089,800 | 2,726,934 | 3,019,280 |
| 6600- Vehicle Maintenance | 1,441,635 | 1,574,670 | 1,574,670 | 1,426,091 | 1,584,710 |
| 7700- Debt Service | 5,500,704 | 2,250,550 | 2,066,460 | 2,061,335 | 2,017,820 |
| 8800- Capital Outlay | 2,491,701 | 2,533,900 | 2,908,895 | 2,770,436 | 505,000 |
| 9900- Transfers Out | 21,209,797 | 1,339,020 | 1,250,294 | 2,206,380 | 2,010,190 |
| 9900- Non-Departmental | 6,415,425 | 6,499,710 | 6,499,710 | 6,894,210 | 6,583,270 |
| Total Expenditures | \$ 64,211,583 | \$ 42,113,624 | \$ 42,910,468 | \$ 43,328,524 | \$ 42,581,791 |
| Function | | | | | |
| General government | \$ 13,960,999 | \$ 10,125,694 | \$ 10,288,593 | \$ 10,535,047 | \$ 10,755,301 |
| Public safety | 19,166,911 | 19,901,110 | 20,305,671 | 19,882,850 | 18,991,310 |
| Highways and streets | 3,616,201 | 5,076,670 | 5,087,580 | 4,540,020 | 5,041,290 |
| Health and welfare | 2,371,340 | 2,376,000 | 2,376,000 | 2,461,000 | 2,436,000 |
| Culture and recreation | 3,886,336 | 3,295,130 | 3,602,330 | 3,703,227 | 3,347,700 |
| Transfers Out | 21,209,797 | 1,339,020 | 1,250,294 | 2,206,380 | 2,010,190 |
| Total Expenditures | \$ 64,211,583 | \$ 42,113,624 | \$ 42,910,468 | \$ 43,328,524 | \$ 42,581,791 |

City of Pharr, Texas

| Department: City Manager's Office | Function: General | | Fund: General | | |
|-----------------------------------|---------------------|-----------------------------|----------------------------|------------------------------|---------------------|
| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
| Salaries | \$ 517,679 | \$ 531,150 | \$ 531,150 | \$ 514,160 | \$ 926,060 |
| Employee Benefits | 127,832 | 131,490 | 131,490 | 126,380 | 226,431 |
| Supplies | 27,868 | 28,050 | 28,050 | 19,100 | 19,700 |
| Maintenance | 7,988 | 10,680 | 10,680 | 9,000 | 9,000 |
| Rentals | 5,725 | 9,020 | 9,020 | 5,950 | 6,000 |
| Contractual Services | 40,697 | 90,000 | 90,000 | 45,000 | 90,000 |
| Other Services | 179,361 | 251,140 | 241,140 | 188,550 | 242,250 |
| Vehicle Maintenance | 3,180 | 9,300 | 9,300 | 2,200 | 9,500 |
| Debt Service | 4,313,502 | 738,570 | 729,940 | 728,014 | 722,930 |
| Capital Outlay | - | 44,170 | 54,170 | 54,170 | - |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 5,223,832 | \$ 1,843,570 | \$ 1,834,940 | \$ 1,692,524 | \$ 2,251,871 |

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 12-13 | Budget 13-14 | Amend Budget 13-14 | Projected 13-14 | Budget 14-15 |
|--|-----------------|-----------------|-----------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Full time employees | 8 | 9 | - | 9 | 9 |
| Part-time employees | 1 | 1 | - | 1 | 1 |
| Department expenditures * | \$ 910,330 | \$ 1,060,830 | \$ 1,050,830 | \$ 910,340 | \$ 1,528,941 |
| Outputs: | | | | | |
| City Commission meetings attended including workshops and special meetings | 35 | 36 | - | 36 | 36 |
| E-agendas packed | 24 | 24 | - | 24 | 24 |
| Public Notices posted per month | 45 | 45 | - | 45 | 45 |
| Minutes prepared | 29 | 30 | - | 30 | 30 |
| Appointments | 360 | 400 | - | 400 | 400 |
| Ordinances published, codified, scanned, index | 51 | 55 | - | 55 | 55 |
| Resolutions processed | 96 | 78 | - | 78 | 78 |
| Proclamations | 20 | 25 | - | 25 | 25 |
| Requests for information received/processed | 288 | 292 | - | 292 | 292 |
| Requests for information revenue | \$ 729 | \$ 250 | - | \$ 250 | \$ 250 |
| Permits issued (open air events, parades, TABC) | 148 | 180 | - | 180 | 180 |
| Permits revenue | \$ 17,514 | \$ 21,029 | - | \$ 21,029 | \$ 21,029 |
| Birth Certificates (filed) | 2 | - | - | - | - |
| Birth Certificates (issued) | 374 | 380 | - | 380 | 380 |
| Death Certificates (filed) | 119 | 120 | - | 120 | 120 |
| Death Certificates (issued) | 145 | 150 | - | 150 | 150 |
| Vital Statistics revenue | \$ 7,590 | \$ 4,211 | - | \$ 8,000 | \$ 8,000 |
| Effectiveness Measures: | | | | | |
| % information requests satisfied | 100% | 100% | - | 100% | 100% |
| Minutes prepared within 2 weeks | 1 | 1 | - | 1 | 1 |
| Resolutions/Ordinances processed within 2 weeks | 7 | 10 | - | 10 | 10 |
| Average submission time of Vital Statistics to the State (days) | 1 | 2 | - | 2 | 2 |
| Average birth/death certificates issued daily | 5 | 8 | - | 8 | 10 |
| Efficiency Measures: | | | | | |
| Average cost per birth certificate issued | \$ 22 | \$ 22 | - | \$ 22 | \$ 22 |
| Average cost per death certificate issued | \$ 20 | \$ 20 | - | \$ 20 | \$ 20 |
| Expenditures per capita | \$ 12.30 | \$ 14.34 | \$ 14.20 | \$ 12.30 | \$ 20.66 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

Department: Finance

Function:

General

Fund: General

| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
|-------------------------|---------------------|-----------------------------|----------------------------|------------------------------|-------------------|
| Salaries | \$ 576,457 | \$ 596,170 | \$ 596,170 | \$ 590,990 | \$ 616,470 |
| Employee Benefits | 178,089 | 181,570 | 182,820 | 165,580 | 185,780 |
| Supplies | 38,663 | 40,500 | 39,500 | 37,500 | 32,400 |
| Maintenance | 446 | 2,000 | 2,000 | 800 | 1,000 |
| Rentals | 4,736 | 3,500 | 3,500 | 4,075 | 4,500 |
| Contractual Services | 90,658 | 90,600 | 90,600 | 90,600 | 90,600 |
| Other Services | 28,947 | 35,400 | 35,150 | 29,490 | 34,000 |
| Vehicle Maintenance | - | - | - | - | - |
| Debt Service | 22,549 | 1,000 | 6,150 | 6,641 | 4,490 |
| Capital Outlay | 102,494 | - | 50,000 | 67,566 | - |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 1,043,039 | \$ 950,740 | \$ 1,005,890 | \$ 993,242 | \$ 969,240 |

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, investments, personnel management, and risk mitigation.

Divisions

Accounting, Accounts Payable, Purchasing, Human Resources, Payroll, and Risk Management

Mission Statement

The Finance Department strives to serve the citizens of the city of Pharr by providing financial, management, personnel administration, 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 12-13 | Budget 13-14 | Amend. Budget 13-14 | Projected 13-14 | Budget 14-15 |
|------------------------------------|-----------------|-----------------|------------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Full time employees | 14 | 14 | 14 | 14 | 14 |
| Part-time employees | - | - | - | - | - |
| Department expenditures * | \$ 917,996 | \$ 949,740 | \$ 949,740 | \$ 919,035 | \$ 964,750 |
| Outputs: | | | | | |
| Prepare CAFR | Y | Y | Y | Y | Y |
| Prepare Official Budget Document | Y | Y | Y | Y | Y |
| Number of Qtrly Investement Report | 4 | 4 | 4 | 4 | 4 |
| GFOA's CAFR Award | Y | Y | Y | Y | Y |
| GFOA's Budget Award | Y | Y | Y | Y | Y |
| GTOT Investment Policy Award | Y | Y | Y | Y | Y |
| Efficiency Measures: | | | | | |
| Expenditures per capita | \$ 12.41 | \$ 12.83 | \$ 12.83 | \$ 12.42 | \$ 13.04 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

| Department: Police | | Function: Public Safety | | Fund: General | |
|-------------------------|----------------------|-----------------------------|----------------------------|------------------------------|----------------------|
| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
| Salaries | \$ 7,726,924 | \$ 7,453,910 | \$ 7,945,851 | \$ 7,988,430 | \$ 7,816,840 |
| Employee Benefits | 2,387,820 | 2,259,180 | 2,259,180 | 2,263,750 | 2,432,240 |
| Supplies | 169,001 | 175,520 | 178,170 | 173,637 | 124,000 |
| Maintenance | 46,486 | 29,470 | 29,470 | 29,470 | 28,000 |
| Rentals | 62,814 | 61,710 | 61,710 | 53,473 | 55,000 |
| Contractual Services | 100,607 | 173,570 | 170,920 | 100,000 | 100,000 |
| Other Services | 317,930 | 380,080 | 380,080 | 363,850 | 439,880 |
| Vehicle Maintenance | 728,589 | 720,900 | 720,900 | 718,900 | 725,000 |
| Debt Service | 453,741 | 579,460 | 541,400 | 554,000 | 442,240 |
| Capital Outlay | 927,741 | 617,860 | 617,860 | 592,500 | - |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 12,921,653 | \$ 12,451,660 | \$ 12,905,541 | \$ 12,838,010 | \$ 12,163,200 |

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; proactively identify problems; create and maintain a feeling of security in the community.

Divisions

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

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 12-13 | Budget 13-14 | Amend Budget 13-14 | Projected 13-14 | Budget 14-15 |
|---|-----------------|-----------------|-----------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Sworn personnel | 126 | 126 | - | 126 | - |
| Non-sworn personnel | 49 | 49 | - | 49 | - |
| Department expenditures* | \$ 11,540,171 | \$ 11,254,340 | \$ 11,746,281 | \$ 11,691,510 | \$ 11,720,960 |
| Outputs: | | | | | |
| Calls for service | 57,473 | 54,379 | - | 45,429 | - |
| Total UCR's Index Crimes | 2,594 | 2,737 | - | 2,766 | - |
| Total Violent Crimes | 270 | 228 | - | 282 | - |
| Total Property Crimes | 2,324 | 2,509 | - | 2,484 | - |
| Effectiveness Measures: | | | | | |
| Average dispatch to arrival response time | 10 | 10 | - | 10 | 10 |
| Average call to dispatch response time | 5 | 5 | - | 5 | 5 |
| Efficiency Measures: | | | | | |
| Number of sworn personnel per 1000 population | 1.7 | 1.7 | - | 1.7 | 1.7 |
| Sworn personnel to calls for service ratio | 2 | 2 | - | 2 | 2 |
| Number of crimes per 1000 population | 36 | 37 | - | 37 | 37 |
| Number of calls per service per 1000 population | 787 | 737 | - | 614 | 614 |
| Compare to U.S. sworn personnel per 1000 population | 2.3 | 2.3 | - | 2.3 | 2.3 |
| Expenditures per capita | \$ 155.95 | \$ 152.09 | \$ 158.73 | \$ 157.99 | \$ 158.39 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

| Department: | Municipal Court | Function: | Public Safety | Fund: | General |
|----------------------|-----------------|-----------------------------|----------------------------|------------------------------|-----------------|
| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
| Salaries | \$ 221,370 | \$ 235,770 | \$ 235,770 | \$ 221,720 | \$ 204,420 |
| Employee Benefits | 59,204 | 65,840 | 65,840 | 53,080 | 53,770 |
| Supplies | 15,491 | 20,250 | 20,250 | 16,800 | 30,500 |
| Maintenance | 590 | 40,000 | 40,000 | 40,000 | 10,000 |
| Rentals | 2,094 | 2,640 | 2,640 | 2,600 | 2,600 |
| Contractual Services | 52,000 | 52,000 | 52,000 | 52,100 | 58,000 |
| Other Services | 9,628 | 17,200 | 17,200 | 11,750 | 17,000 |
| Vehicle Maintenance | 1,178 | 2,000 | 2,000 | 600 | 2,500 |
| Debt Service | - | 5,680 | 3,160 | 3,160 | 4,680 |
| Capital Outlay | - | 30,820 | 30,820 | 29,700 | - |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 361,555 | \$ 472,200 | \$ 469,680 | \$ 431,510 | \$ 383,470 |

Purpose

To ensure the timely and efficient delivery and administration of justice.

Main Duties

Adjudication of cases, setting of fines not otherwise set by state law or City ordinances, the provision of magistrate services by law enforcement agencies, and coordinating the administrative operations of the court.

Divisions

Administration, Court

Mission Statement

To be the most respected, effective, efficient, and impartial Municipal Court in Texas.

| PERFORMANCE INDICATORS | Actual 12-13 | Budget 13-14 | Amend Budget 13-14 | Projected 13-14 | Budget 14-15 |
|---|-----------------|-----------------|-----------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Full time employees | 5 | 7 | - | 6 | 8 |
| Part time employees | 4 | 1 | - | 2 | - |
| Judges | 2 | 2 | - | 2 | 2 |
| Department expenditures* | \$ 361,555 | \$ 435,700 | \$ 435,700 | \$ 398,650 | \$ 378,790 |
| Outputs: | | | | | |
| Number of cases filed with the court | 10,642 | 12,500 | - | 12,500 | 13,500 |
| Number of hearings held | 11,787 | 22,000 | - | 22,000 | 25,000 |
| Number of trials held | - | - | - | - | - |
| Number of new traffic citations | 9,489 | 8,694 | - | 10,000 | 10,000 |
| Number of cases of warrants | 3,984 | 1,640 | - | 3,500 | 4,000 |
| Number of trauancies | 164 | 134 | - | 134 | 140 |
| Number of arrest warrants executed (misdemeanors) | 52 | 52 | - | 75 | 80 |
| Number of arrest warrants executed (felonies) | 88 | 78 | - | 85 | 90 |
| Number of persons processed through the jail | 1,964 | 1,395 | - | 1,500 | 1,800 |
| Effectiveness Measures: | | | | | |
| Collection rate | 81% | 82% | - | 85% | 85% |
| Average wait time per walk in custer in minutes | 8 | 8 | - | 10 | 10 |
| Efficiency Measures: | | | | | |
| Average # of payments processed daily | 24 | 15 | - | 25 | 29 |
| Expenditures per capita | \$ 4.89 | \$ 5.89 | \$ 5.89 | \$ 5.39 | \$ 5.12 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

Department: Fire

Function: Public Safety

Fund: General

| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
|-------------------------|---------------------|-----------------------------|----------------------------|------------------------------|---------------------|
| Salaries | \$ 3,443,850 | \$ 3,750,080 | \$ 3,750,080 | \$ 3,587,680 | \$ 4,239,990 |
| Employee Benefits | 1,351,990 | 1,479,300 | 1,240,910 | 1,158,330 | 1,009,990 |
| Supplies | 144,384 | 149,940 | 145,800 | 135,400 | 143,400 |
| Maintenance | 83,600 | 99,500 | 94,500 | 87,000 | 90,000 |
| Rentals | 15,526 | 12,000 | 12,000 | 15,000 | 15,000 |
| Contractual Services | 21,042 | 25,350 | 25,350 | 20,000 | 35,530 |
| Other Services | 98,029 | 125,830 | 120,500 | 88,500 | 146,960 |
| Vehicle Maintenance | 200,439 | 205,500 | 205,500 | 196,700 | 208,500 |
| Debt Service | 373,779 | 455,750 | 399,950 | 399,950 | 238,080 |
| Capital Outlay | 151,064 | 674,000 | 654,000 | 651,750 | - |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 5,883,703 | \$ 6,977,250 | \$ 6,648,590 | \$ 6,340,310 | \$ 6,127,450 |

Purpose

Provide an educational and effective public service through aspects of fire prevention and public safety.

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

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. To plan, train and prepare for catastrophic events.

| PERFORMANCE INDICATORS | Actual 12-13 | Budget 13-14 | Amend Budget 13-14 | Projected 13-14 | Budget 14-15 |
|---|-----------------|-----------------|-----------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Number of firefighters | 62 | 62 | - | 62 | 65 |
| Number of inspectors | 3 | 4 | - | 4 | 5 |
| Number of fire marshals | 3 | 4 | - | 4 | 5 |
| Department expenditures* | \$ 5,358,860 | \$ 5,847,500 | \$ 5,594,640 | \$ 5,288,610 | \$ 5,889,370 |
| Outputs: | | | | | |
| Number of alarm responses | 2,345 | 2,100 | - | 2,100 | 2,000 |
| Number of out of city alarm responses | 13 | 13 | - | 3 | 12 |
| Number of vehicles maintained | 25 | 25 | - | 25 | 27 |
| Total man hours at fires | 4 | 3 | - | 3 | 2 |
| Fire hydrant maintenance man hours | 750 | 700 | - | 700 | 600 |
| Effectiveness Measures: | | | | | |
| Average response time (minutes) | 10.36 | 5 | - | 5 | 5 |
| Response to arrival (travel time) | 5.29 | 2 | - | 2 | 2 |
| Efficiency Measures: | | | | | |
| Average number of inspections per inspector per month | 41 | 45 | - | 50 | 60 |
| Number of firefighters per 1000 residents | 0.25 | 0.25 | - | 0.50 | 0.50 |
| Number of firefighters per square mile | 1.15 | 1.15 | - | 1.25 | 1.25 |
| Expenditures per capita | \$ 72.42 | \$ 79.02 | \$ 75.60 | \$ 71.47 | \$ 79.59 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

| Department: Police Athletic League Administration Function: PAL Fund: General | | | | | |
|---|-------------------|-----------------------------|----------------------------|------------------------------|-------------------|
| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
| Salaries | \$ 371,387 | \$ 343,172 | \$ 374,272 | \$ 470,510 | \$ 359,470 |
| Employee Benefits | 74,085 | 89,352 | 95,456 | 102,300 | 96,540 |
| Supplies | - | - | - | - | - |
| Maintenance | - | - | - | - | - |
| Rentals | - | - | - | - | - |
| Contractual Services | - | - | - | - | - |
| Other Services | - | - | - | - | - |
| Vehicle Maintenance | - | - | - | - | - |
| Debt Service | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 445,472 | \$ 432,524 | \$ 469,728 | \$ 572,810 | \$ 456,010 |

Purpose

To cement a bond between Pharr Police Officers and the youth in our community to minimize crime

Main Duties

Sport activities programs with youth

Divisions

Administration and Sports Programs

Mission Statement

To minimize youth crime through educational athletic and other recreational activities.

| PERFORMANCE INDICATORS | Actual 2012-2013 | Goal 2013-2014 | Estimated 2013-2014 | Goal 2014-2015 |
|-----------------------------|---------------------|-------------------|------------------------|-------------------|
| Full time employees | 6 | 6 | 7 | 7 |
| Part time employees | 54 | 60 | 60 | 60 |
| Outputs: | | | | |
| Number of programs offered | 14 | 12 | 13 | 12 |
| Schools served | 18 | 18 | 18 | 18 |
| Flag Football | 448 | 400 | 390 | 402 |
| Tackle Football | 216 | 222 | 287 | 296 |
| Boxing | 25 | 26 | 25 | 26 |
| Basketball | 779 | 802 | 807 | 831 |
| Soccer | 1 | 774 | 505 | 520 |
| Crossfit (Adults) | N/A | N/A | 50 | 52 |
| Wrestling | 16 | 16 | 15 | 15 |
| Rugby | 150 | 155 | 144 | 148 |
| Pony Baseball/Softball | 536 | 552 | 511 | 526 |
| Volleyball | 312 | 321 | 350 | 361 |
| Mentoring | - | - | - | 25 |
| Explorer Program | 15 | 20 | 35 | 36 |
| Events | - | - | 14 | 14 |
| Sports Tournaments | 2 | 3 | 10 | 10 |
| Sports Camps | 6 | 6 | 8 | 8 |
| Efficiency Measures: | | | | |
| Expenditure per capita | \$ - | \$ - | \$ - | \$ - |

City of Pharr, Texas

| | | | | | |
|----------------------|--------------------|-----------------------------|----------------------------|------------------------------|-----------------|
| Department: | Street Maintenance | Function: | Highways & Streets | Fund: | General |
| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
| Salaries | \$ 1,521,270 | \$ 1,502,860 | \$ 1,502,860 | \$ 1,441,200 | \$ 1,684,570 |
| Employee Benefits | 596,015 | 617,690 | 617,690 | 568,760 | 669,620 |
| Supplies | 250,881 | 276,480 | 276,480 | 255,536 | 280,100 |
| Maintenance | 31,186 | 146,000 | 146,000 | 136,000 | 141,000 |
| Rentals | 6,879 | 36,000 | 36,000 | 7,100 | 16,500 |
| Contractual Services | 5,092 | 62,500 | 62,500 | 42,261 | 62,500 |
| Other Services | 673,711 | 726,910 | 818,370 | 689,413 | 818,000 |
| Vehicle Maintenance | 378,223 | 478,970 | 478,970 | 378,000 | 480,500 |
| Debt Service | 79,143 | 254,610 | 174,060 | 156,000 | 408,500 |
| Capital Outlay | 73,801 | 974,650 | 974,650 | 865,750 | 480,000 |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 3,616,201 | \$ 5,076,670 | \$ 5,087,580 | \$ 4,540,020 | \$ 5,041,290 |

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, and Recycling

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 12-13 | Budget 13-14 | Amend Budget 13-14 | Projected 13-14 | Budget 14-15 |
|---|-----------------|-----------------|-----------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Full time employees | 45 | 45 | - | 45 | 45 |
| Part time employees | - | - | - | - | - |
| Department expenditures* | \$ 3,463,257 | \$ 3,847,410 | \$ 3,938,870 | \$ 3,518,270 | \$ 4,152,790 |
| Outputs: | | | | | |
| Number of solid waste collection routes per week | 2 | 2 | - | 2 | 2 |
| Number of recycling collection routs per week | 2 | 2 | - | 2 | 2 |
| Gutter miles swept | 214 | 214 | - | 214 | 214 |
| Total pothole workorders | 545 | 800 | - | 8,000 | 6,000 |
| Number of rabies vaccination clinics | 2 | 2 | - | 2 | 2 |
| Number of dead animals disposed | 2,762 | 2,900 | - | 2,900 | 2,900 |
| Number of live animals rescued | 6,066 | 6,000 | - | 6,000 | 6,000 |
| Effectiveness Measures: | | | | | |
| Number of employees per square mile (street repa | 1 | 1 | - | 1 | 1 |
| Number of traffic signals maintained | 61 | 61 | - | 61 | 61 |
| Number of traffic signs maintained | 1,000 | 1,000 | - | 1,000 | 1,000 |
| Miles of drain canals maintained | 75 | 75 | - | 75 | 75 |
| Miles of roadways maintained | 214 | 214 | - | 214 | 214 |
| Miles of storm water pipes | 97 | 97 | - | 97 | 97 |
| Efficiency Measures: | | | | | |
| Residential street sweeping cycles per year | 2 | 2 | - | 2 | 2 |
| Pothole patching work order per day | 10 | 20 | - | 20 | 15 |
| Number of animal control calls per full time empl | 2,207 | 2,225 | - | 2,225 | 2,225 |
| Expenditures per capita | \$ 46.80 | \$ 51.99 | \$ 53.23 | \$ 47.54 | \$ 56.12 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

Department: Information Technologies

Function: General

Fund: General

| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
|-------------------------|---------------------|-----------------------------|----------------------------|------------------------------|---------------------|
| Salaries | \$ 275,890 | \$ 345,900 | \$ 345,900 | \$ 337,340 | \$ 422,950 |
| Employee Benefits | 75,056 | 96,110 | 96,110 | 93,790 | 121,490 |
| Supplies | 168,892 | 102,100 | 102,100 | 96,500 | 76,500 |
| Maintenance | 214,347 | 193,400 | 202,400 | 218,500 | 255,000 |
| Rentals | 34 | - | - | - | - |
| Contractual Services | 21,920 | 20,000 | 17,500 | 25,000 | 25,000 |
| Other Services | 427,114 | 369,800 | 431,160 | 490,400 | 297,000 |
| Vehicle Maintenance | 11,811 | 16,000 | 16,000 | 14,500 | 18,000 |
| Debt Service | 178,536 | 118,290 | 116,520 | 118,290 | 96,030 |
| Capital Outlay | 478,731 | 49,200 | 64,195 | 82,000 | - |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 1,852,330 | \$ 1,310,800 | \$ 1,391,885 | \$ 1,476,320 | \$ 1,311,970 |

Purpose

Provide procurement, management and maintenance of all city data networks, hardware, software, peripherals and telecommunications. Ensure data security, standards, and compliance.

Main Duties

Security of electronic data, standardization of information technology hardware/software, increase efficiency and productivity via software programming.

Divisions

Systems Engineering, Networking, Thin Clients

Mission Statement

The IT Department provides technology support and solutions to all City staff, elected officials, and its citizens to improve employee productivity, ensure data security, and improving service to all the stakeholders of Pharr.

| PERFORMANCE INDICATORS | Actual 12-13 | Budget 13-14 | Amend Budget 13-14 | Projected 13-14 | Budget 14-15 |
|--|-----------------|-----------------|-----------------------|--------------------|-----------------|
| Input: | | | | | |
| Number of support personnel | N/A | 4 | - | 4 | 5 |
| Number of project personnel | N/A | - | - | - | 1 |
| Department Expenditures* | \$ 1,195,064 | \$ 1,143,310 | \$ 1,211,170 | \$ 1,276,030 | \$ 1,215,940 |
| Outputs: | | | | | |
| Number of Users supported | N/A | 330 | - | 330 | 350 |
| Number of PC's/laptops supported | N/A | 312 | - | 312 | 330 |
| Number of Servers supported | N/A | 21 | - | 21 | 24 |
| Number of Printers & Scanners supported | N/A | 48 | - | 48 | 60 |
| Number of Networks supported | N/A | 35 | - | 35 | 40 |
| Number of Applications supported | N/A | 22 | - | 22 | 35 |
| Number of Work Orders Closed | N/A | 2,545 | - | 3,393 | 3,500 |
| Effectiveness Measures: | | | | | |
| Average days to close work orders | N/A | 4 | - | 4 | 3 |
| Percent of support hours | N/A | 85 | - | 85 | 60 |
| Percent of project hours | N/A | 15 | - | 15 | 40 |
| Efficiency Measures: | | | | | |
| Average monthly requests closed per person | N/A | 53 | - | 53 | 58 |
| Expenditures per capita | \$ 16.15 | \$ 15.45 | \$ 16.37 | \$ 17.24 | \$ 16.43 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

Department: Library

Function:

Culture & Rec.

Fund: General

| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
|-------------------------|---------------------|-----------------------------|----------------------------|------------------------------|---------------------|
| Salaries | \$ 573,907 | \$ 622,670 | \$ 622,670 | \$ 567,090 | \$ 656,800 |
| Employee Benefits | 177,181 | 181,020 | 181,020 | 168,340 | 195,890 |
| Supplies | 46,741 | 57,400 | 57,400 | 41,647 | 43,600 |
| Maintenance | 20,788 | 50,670 | 50,670 | 16,500 | 22,000 |
| Rentals | 23,980 | 19,300 | 19,300 | 20,000 | 20,000 |
| Contractual Services | - | - | - | - | - |
| Other Services | 99,054 | 125,150 | 125,150 | 114,220 | 112,640 |
| Vehicle Maintenance | 1,143 | 2,100 | 2,100 | 600 | 710 |
| Debt Service | - | - | - | - | - |
| Capital Outlay | 215,013 | 89,700 | 89,700 | 75,500 | - |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 1,157,807 | \$ 1,148,010 | \$ 1,148,010 | \$ 1,003,897 | \$ 1,051,640 |

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, judgment, 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

Administration, Cataloging, Circulation, Reference, and Children's Department

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 12-13 | Budget 13-14 | | Projected 13-14 | Budget 14-15 |
|-------------------------------------|-----------------|-----------------|--------------|--------------------|-----------------|
| Inputs: | | | | | |
| Full time employees | 20 | 20 | - | 20 | 20 |
| Part time employees | 6 | 6 | - | 6 | 6 |
| Department expenditures* | \$ 942,793 | \$ 1,058,310 | \$ 1,058,310 | \$ 928,397 | \$ 1,051,640 |
| Outputs: | | | | | |
| Number of library items circulated | 87,568 | 100,000 | - | 100,000 | 110,000 |
| Number of active card registrations | 33,592 | 35,000 | - | 35,000 | 40,000 |
| Number of internet users | 75,000 | 120,000 | - | 120,000 | 15,000 |
| Number of library items owned | 95,000 | 100,000 | - | 100,000 | 105,000 |
| Efficiency Measures: | | | | | |
| Average daily walk in visits | 845 | 1,000 | - | 1,000 | 1,200 |
| Expenditures per capita | \$ 12.74 | \$ 14.30 | \$ 14.30 | \$ 12.55 | \$ 14.21 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

| Department: | Parks & Recreation | Function: | Culture & Rec. | Fund: | General |
|----------------------|--------------------|-----------------------------|----------------------------|------------------------------|-----------------|
| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
| Salaries | \$ 1,146,473 | \$ 1,065,990 | \$ 1,065,990 | \$ 1,344,370 | \$ 935,770 |
| Employee Benefits | 359,004 | 325,350 | 325,350 | 322,730 | 482,990 |
| Supplies | 209,903 | 220,750 | 220,750 | 218,700 | 298,000 |
| Maintenance | 73,665 | 80,000 | 80,000 | 83,000 | 80,000 |
| Rentals | 6,949 | 10,500 | 10,500 | 10,300 | 10,500 |
| Contractual Services | 76,402 | 68,400 | 68,400 | 70,000 | 80,000 |
| Other Services | 225,901 | 203,000 | 210,200 | 207,700 | 220,100 |
| Vehicle Maintenance | 68,980 | 78,400 | 78,400 | 69,800 | 78,500 |
| Debt Service | 68,352 | 80,730 | 80,730 | 80,730 | 85,200 |
| Capital Outlay | 492,899 | 14,000 | 314,000 | 292,000 | 25,000 |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 2,728,529 | \$ 2,147,120 | \$ 2,454,320 | \$ 2,699,330 | \$ 2,296,060 |

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

Responsible for maintaining 57 acres of parks, approx. 25 acres of landscaping, four public buildings, as well as recreation and athletic programs for the community.

Divisions

Administration, Park Maintenance, Building Maintenance, Recreation and Athletics

Mission Statement

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

| PERFORMANCE INDICATORS | Actual 12-13 | Budget 13-14 | Amend Budget 13-14 | Projected 13-14 | Budget 14-15 |
|---|-----------------|-----------------|-----------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Full-time employees | 26 | 27 | - | 27 | 27 |
| Part time employees | 130 | 130 | - | 130 | 130 |
| Department expenditures | \$ 2,167,278 | \$ 2,052,390 | \$ 2,059,590 | \$ 2,326,600 | \$ 2,185,860 |
| Outputs: | | | | | |
| Number of rental pavillions available | 1 | 1 | - | 1 | 1 |
| Number of pools available | 1 | 1 | - | 1 | 1 |
| Number of properties maintained | 51 | 51 | - | 51 | 52 |
| Number of park acres maintained | 79 | 79 | - | 79 | 84 |
| Number of pavillions maintained | 3 | 3 | - | 3 | 3 |
| Number of playscape areas maintained | 7 | 7 | - | 7 | 10 |
| Number of athletic fields maintained | 7 | 7 | - | 7 | 7 |
| Number of special events supported | 14 | 15 | - | 15 | 17 |
| Number of recreational programs offered | 60 | 70 | - | 70 | 70 |
| Effectiveness Measures: | | | | | |
| Number of pavillion rentals | 52 | 52 | - | 52 | 52 |
| Efficiency Measures: | | | | | |
| Number of acres maintained per full time employee | 5.6 | 5.6 | - | 5.6 | 5.6 |
| Expenditures per capita | \$ 29.29 | \$ 27.74 | \$ 27.83 | \$ 31.44 | \$ 29.54 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

| Department: Fire Communication' | | Function: Public Safety | | Fund: General | |
|---------------------------------|-----------------|-----------------------------|----------------------------|------------------------------|-------------------|
| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
| Salaries | \$ - | \$ - | \$ 185,800 | \$ 192,210 | \$ 217,450 |
| Employee Benefits | - | - | 52,590 | 51,260 | 60,840 |
| Supplies | - | - | 13,140 | 4,500 | 11,700 |
| Maintenance | - | - | 5,000 | 2,000 | 5,000 |
| Rentals | - | - | - | - | 1,200 |
| Contractual Services | - | - | 5,330 | 3,050 | 21,000 |
| Other Services | - | - | - | - | - |
| Vehicle Maintenance | - | - | - | - | - |
| Debt Service | - | - | - | - | - |
| Capital Outlay | - | - | 20,000 | 20,000 | - |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ - | \$ - | \$ 281,860 | \$ 273,020 | \$ 317,190 |

Purpose

Provide an educational and effective public service through aspects of fire prevention and public safety.

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

Communication

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. To plan, train and prepare for catastrophic events.

***Performance Indicators are included in Fire Department

City of Pharr, Texas

| Department: Planning & Code Enforcement | | Function: General | | Fund: General | |
|---|-------------------|-----------------------------|----------------------------|------------------------------|---------------------|
| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
| Salaries | \$ 613,246 | \$ 661,190 | \$ 661,190 | \$ 667,890 | \$ 782,490 |
| Employee Benefits | 191,030 | 205,180 | 205,180 | 204,170 | 251,920 |
| Supplies | 26,660 | 31,500 | 31,500 | 18,500 | 20,700 |
| Maintenance | 14,220 | 1,500 | 1,500 | 1,000 | 1,500 |
| Rentals | 8,072 | 7,500 | 7,500 | 7,500 | 7,500 |
| Contractual Services | 32,398 | 27,000 | 27,000 | 22,000 | 28,500 |
| Other Services | 50,464 | 80,250 | 80,250 | 62,150 | 80,550 |
| Vehicle Maintenance | 39,730 | 48,000 | 48,000 | 38,791 | 48,000 |
| Debt Service | 8,333 | 8,340 | 8,340 | 8,340 | 8,330 |
| Capital Outlay | - | - | - | - | - |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 984,152 | \$ 1,070,460 | \$ 1,070,460 | \$ 1,030,341 | \$ 1,229,490 |

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; avoid undue concentration of population; facilitate the adequate provisions of transportation, water, sewage, schools, parks, and other public requirements, empower community self-help programs, establish community priorities to target code compliance and health issues; and protect and preserve places and areas of historical and cultural importance.

Divisions

Building Safety, Planning & Zoning, Code Compliance, and Public Health

Mission Statement

We work in partnership with the people of the City to preserve and enhance the safety, appearance, and economic stability of our community through diligent enforcement of applicable ordinances and land use regulations in order to provide a safe and desirable living and working environment.

| PERFORMANCE INDICATORS | Actual 12-13 | Budget 13-14 | Amend Budget 13-14 | Projected 13-14 | Budget 14-15 |
|-----------------------------|-----------------|-----------------|-----------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Department expenditures* | \$ 975,819 | \$ 1,062,120 | \$ 1,062,120 | \$ 1,022,001 | \$ 1,221,160 |
| Efficiency Measures: | | | | | |
| Expenditures per capita | \$ 13.19 | \$ 14.35 | \$ 14.35 | \$ 13.81 | \$ 16.50 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

Department: Engineering

Function:

General

Fund: General

| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
|----------------------|-----------------|-----------------------------|----------------------------|------------------------------|-----------------|
| Salaries | \$ 197,397 | \$ 219,100 | \$ 219,100 | \$ 201,740 | \$ 255,290 |
| Employee Benefits | 49,721 | 54,170 | 54,170 | 53,450 | 65,750 |
| Supplies | 8,045 | 31,000 | 31,000 | 13,800 | 19,200 |
| Maintenance | 14,061 | 3,500 | 3,500 | 2,000 | 3,000 |
| Rentals | 4,114 | 4,000 | 4,000 | 3,000 | 4,000 |
| Contractual Services | 25,316 | - | - | - | - |
| Other Services | 8,345 | 21,000 | 21,000 | 10,900 | 19,770 |
| Vehicle Maintenance | 8,362 | 13,500 | 13,500 | 6,000 | 9,500 |
| Debt Service | 2,770 | 8,120 | 6,210 | 6,210 | 7,340 |
| Capital Outlay | 49,958 | 39,500 | 39,500 | 39,500 | - |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 368,089 | \$ 393,890 | \$ 391,980 | \$ 336,600 | \$ 383,850 |

Purpose

Management of the City's capital improvements and assist in the development of goals and objectives for the city.

Main Duties

Provide management of staff, engineering and architectural consultants in City projects; provide subdivision preliminary plat reviews for consistency and compliance with City standards; review, inspect, and manage infrastructure construction for all new development and capital projects in the City; maintain a geographical information system (GIS) of the City.

Divisions

Subdivision platting, GIS, Project Management

Mission Statement

The Engineering Department will enhance health, safety, and welfare in the City by providing economical, responsive, and cost effective professional engineering and architectural services. We employ qualified and competent professionals, cultivating an innovative work environment while striving to continuously improve.

| PERFORMANCE INDICATORS | Actual 12-13 | Budget 13-14 | Amend Budget 13-14 | Projected 13-14 | Budget 14-15 |
|-----------------------------|-----------------|-----------------|-----------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Department expenditures* | \$ 315,361 | \$ 346,270 | \$ 346,270 | \$ 290,890 | \$ 376,510 |
| Efficiency Measures: | | | | | |
| Expenditures per capita | \$ 4.26 | \$ 4.68 | \$ 4.68 | \$ 3.93 | \$ 5.09 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

Department: Non-Departmental

Function:

General

Fund: General

| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
|-------------------------|----------------------|-----------------------------|----------------------------|------------------------------|---------------------|
| Sanitation | \$ 1,785,309 | \$ 1,788,000 | \$ 1,788,000 | \$ 1,850,000 | \$ 1,825,000 |
| Debris/Brush | 586,031 | 588,000 | 588,000 | 611,000 | 611,000 |
| Street Lights | 604,842 | 650,000 | 650,000 | 675,000 | 635,000 |
| Legal | 162,092 | 190,000 | 190,000 | 240,000 | 200,000 |
| Engineering | 228,630 | 202,000 | 202,000 | 117,000 | 152,500 |
| City Hall | 210,934 | 320,000 | 320,000 | 170,000 | 129,270 |
| City Commission | 66,256 | 100,000 | 100,000 | 42,000 | 100,000 |
| Transfers | 21,209,797 | 1,339,020 | 1,250,294 | 2,206,380 | 2,010,190 |
| Land Purchase | 114,037 | 10,000 | 10,000 | 290,000 | - |
| Other | 2,657,294 | 2,651,710 | 2,651,710 | 2,899,210 | 2,930,500 |
| DEPARTMENT TOTAL | \$ 27,625,223 | \$ 7,838,730 | \$ 7,750,004 | \$ 9,100,590 | \$ 8,593,460 |



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SPECIAL REVENUES FUNDS

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

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.

Paving & Drainage – This fund accounts for fees added to utility bills and restricted for the purpose of street improvements.

CITY OF PHARR, TX
COMBINED SPECIAL REVENUE FUNDS
SUMMARY OF REVENUES AND EXPENDITURES

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|--|-----------------------------|--|---|---|-----------------------------|
| Revenues | | | | | |
| 500 - General Tax Revenue | \$ 820,417 | \$ 782,740 | \$ 782,740 | \$ 860,000 | \$ 850,000 |
| 560 - Charges for Current Services | 1,216,908 | 821,000 | 821,000 | 802,500 | 1,005,000 |
| 560 - Intergovernmental | 311,617 | 150,000 | 50,000 | 610,000 | 150,000 |
| 570 - Grants | 2,066,046 | 3,208,090 | 3,172,030 | 1,659,330 | 3,706,450 |
| 580 - Others | 30,997 | 14,700 | 4,700 | 31,825 | 18,700 |
| 580 - Transfers/Others | 75,277 | - | - | - | 46,130 |
| Total Revenues | \$ 4,521,263 | \$ 4,976,530 | \$ 4,830,470 | \$ 3,963,655 | \$ 5,776,280 |
| Expenditures | | | | | |
| General government | \$ 971,309 | \$ 1,869,450 | \$ 1,869,450 | \$ 1,015,250 | \$ 1,634,620 |
| Public safety | 2,331,306 | 1,115,510 | 1,115,510 | 812,940 | 2,319,860 |
| Highways and streets | 951,822 | 1,197,820 | 1,197,820 | 954,950 | 1,089,250 |
| Culture and recreation | 875,547 | 884,970 | 887,970 | 543,507 | 1,362,550 |
| Transfer Out | 150,000 | - | - | - | - |
| Total Expenditures | \$ 5,279,984 | \$ 5,067,750 | \$ 5,070,750 | \$ 3,326,647 | \$ 6,406,280 |
| Net Revenues Over/(Under) Expenditures | \$ (758,721) | \$ (91,220) | \$ (240,280) | \$ 637,008 | \$ (630,000) |

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

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|--|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Grants-CDBG - Current Year | \$ 100,792 | \$ 2,070,610 | \$ 2,070,610 | \$ 1,023,610 | \$ 1,153,560 |
| Grants-Other CDBG Program Funds | 620,855 | 158,570 | 158,570 | 65,370 | 921,340 |
| Misc | - | - | - | 1,000 | - |
| Transfer In | 277 | - | - | - | 46,130 |
| Total Revenues | \$ 721,924 | \$ 2,229,180 | \$ 2,229,180 | \$ 1,089,980 | \$ 2,121,030 |
| <u>EXPENDITURES</u> | | | | | |
| Personnel | \$ 179,273 | \$ 236,080 | \$ 236,080 | \$ 230,380 | \$ 240,740 |
| Supplies | 7,367 | 6,000 | 6,000 | 4,250 | 6,000 |
| Maintenance | - | 800 | 800 | 300 | 800 |
| Rentals | 3,572 | 3,600 | 3,600 | 3,400 | 3,600 |
| Other | 38,181 | 21,700 | 21,700 | 15,380 | 21,700 |
| Vehicle Maintenance | 5,717 | 4,000 | 4,000 | 3,900 | 4,000 |
| Debt Service | 425,778 | 359,250 | 359,250 | 294,000 | 425,000 |
| Capital Outlay | - | - | - | - | - |
| Non-Departmental | 599,487 | 1,597,750 | 1,597,750 | 537,370 | 1,419,190 |
| Total Expenditures | \$ 1,259,375 | \$ 2,229,180 | \$ 2,229,180 | \$ 1,088,980 | \$ 2,121,030 |
| Net Revenues Over/(Under) Expenditures | \$ (537,451) | \$ - | \$ - | \$ 1,000 | \$ - |
| <u>EXPENDITURES</u> | | | | | |
| General government | 863,929 | 1,706,350 | 1,706,350 | 948,980 | 1,468,330 |
| Public safety | - | - | - | - | 651,450 |
| Culture and recreation | 95,000 | 165,010 | 165,010 | - | - |
| Highways and streets | 300,446 | 357,820 | 357,820 | 140,000 | 1,250 |
| Total Expenditures | \$ 1,259,375 | \$ 2,229,180 | \$ 2,229,180 | \$ 1,088,980 | \$ 2,121,030 |

City of Pharr, Texas

Department: Administration

Fund: CDBG

| EXPENSES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
|-------------------------|---------------------|-----------------------------|----------------------------|------------------------------|---------------------|
| Salaries | \$ 139,742 | \$ 183,500 | \$ 183,500 | \$ 181,720 | \$ 200,500 |
| Employee Benefits | 39,531 | 52,580 | 52,580 | 48,660 | 40,240 |
| Supplies | 7,367 | 6,000 | 6,000 | 4,250 | 6,000 |
| Maintenance | - | 800 | 800 | 300 | 800 |
| Rentals | 3,572 | 3,600 | 3,600 | 3,400 | 3,600 |
| Contractual Services | 25,000 | - | - | - | - |
| Other Services | 13,181 | 21,700 | 21,700 | 15,380 | 21,700 |
| Vehicle Maintenance | 5,717 | 4,000 | 4,000 | 3,900 | 4,000 |
| Debt Service | 425,778 | 359,250 | 359,250 | 294,000 | 425,000 |
| Capital Outlay | - | - | - | - | - |
| Non-Departmental | - | - | - | - | - |
| Community Programs | 599,487 | 1,597,750 | 1,597,750 | 537,370 | 1,419,190 |
| DEPARTMENT TOTAL | \$ 1,259,375 | \$ 2,229,180 | \$ 2,229,180 | \$ 1,088,980 | \$ 2,121,030 |

Purpose

The planning and administration of the U.S. Department of Housing and Urban Development - Community Development Block Grant (CDBG) program in meeting the national objectives of providing a viable living environment through housing low to moderate income individuals, elimination of slums and blights, and economic development eligible projects/activities.

Main Duties

Administration, implementation, management, monitoring of HUD funded activities; preparation, completion, and submission of annual Action Plan and Comprehensive Annual Performance & Evaluation Report to HUD to meet Administration, implementation, management, monitoring of HUD funded activities; preparation, completion, and

Divisions

Administration

Mission Statement

To meet HUD's national objectives in housing, elimination of slum/blighted areas and increase economic development opportunities, principally for low to moderate income beneficiaries.

| PERFORMANCE INDICATORS | Actual 12-13 | Budget 13-14 | Amend Budget 13-14 | Projected 13-14 | Budget 14-15 |
|-------------------------------------|-----------------|-----------------|-----------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Full time employees | 3 | 4 | - | 4 | 4 |
| Part time employees | 0 | 0 | - | 0 | 0 |
| Department expenditures* | \$ 833,597 | \$ 1,869,930 | \$ 1,869,930 | \$ 794,980 | \$ 1,696,030 |
| Outputs: | | | | | |
| Housing Rehabilitation Construction | 8 | 10 | - | 10 | 10 |
| Demolition Program Servicing | 8 | 2 | - | 2 | 6 |
| Monitored Public Service Agencies | 6 | 14 | - | 14 | 14 |
| Efficiency Measures: | | | | | |
| Expenditures per capita | \$ 11.26 | \$ 25.27 | \$ 25.27 | \$ 10.74 | \$ 22.92 |

* Expenditures excluding Debt Service/Capital Outlay

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

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|--|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Intergovernmental | \$ 311,617 | \$ 150,000 | \$ 50,000 | \$ 610,000 | \$ 150,000 |
| Interest | 15,369 | 10,000 | - | 15,000 | 10,000 |
| Transfer In | 75,000 | - | - | - | - |
| Total | \$ 401,986 | \$ 160,000 | \$ 50,000 | \$ 625,000 | \$ 160,000 |
| <u>EXPENDITURES</u> | | | | | |
| Public Safety: | | | | | |
| Personnel | \$ 68,166 | \$ 25,000 | \$ 25,000 | \$ 23,000 | \$ 283,000 |
| Supplies | 169,585 | 100,000 | 100,000 | 126,000 | 68,000 |
| Maintenance | 30,963 | - | - | 36,000 | 20,000 |
| Rentals | - | - | - | - | - |
| Other | 175,470 | 78,000 | 78,000 | 101,500 | 45,000 |
| Vehicle Maintenance | 11,943 | 10,000 | 10,000 | 7,000 | - |
| Debt Service | - | - | - | - | - |
| Capital Outlay | 578,533 | - | - | 25,000 | 374,000 |
| Total | \$ 1,034,660 | \$ 213,000 | \$ 213,000 | \$ 318,500 | \$ 790,000 |
| Net Revenues Over/(Under) Expenditures | \$ (632,674) | \$ (53,000) | \$ (163,000) | \$ 306,500 | \$ (630,000) |

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

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|--|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Police | \$ 1,219,815 | \$ 724,450 | \$ 724,450 | \$ 458,000 | \$ 808,410 |
| Court | 26,628 | 36,060 | - | 31,000 | 28,000 |
| Fire | 76,832 | 142,000 | 142,000 | - | 42,000 |
| PAL | - | - | - | - | 29,000 |
| Library | - | 56,400 | 56,400 | - | - |
| Public Works | 21,125 | 20,000 | 20,000 | 81,350 | 80,000 |
| Parks & Recreation | - | - | - | - | 644,140 |
| Total Revenues | <u>\$ 1,344,399</u> | <u>\$ 978,910</u> | <u>\$ 942,850</u> | <u>\$ 570,350</u> | <u>\$ 1,631,550</u> |
| <u>EXPENDITURES BY FUNCTION</u> | | | | | |
| Public Safety: | | | | | |
| Police | \$ 1,219,815 | \$ 760,510 | \$ 760,510 | \$ 494,440 | \$ 808,410 |
| Fire | 76,831 | 142,000 | 142,000 | - | 42,000 |
| Court | - | - | - | - | 28,000 |
| | <u>1,296,646</u> | <u>902,510</u> | <u>902,510</u> | <u>494,440</u> | <u>878,410</u> |
| Culture and Recreation: | | | | | |
| PAL | - | - | - | - | 29,000 |
| Library | - | 56,400 | 56,400 | - | - |
| Parks & Recreation | - | - | - | - | 644,140 |
| | <u>-</u> | <u>56,400</u> | <u>56,400</u> | <u>-</u> | <u>673,140</u> |
| Environmental: | | | | | |
| Public Works | <u>21,125</u> | <u>20,000</u> | <u>20,000</u> | <u>26,950</u> | <u>80,000</u> |
| | 21,125 | 20,000 | 20,000 | 26,950 | 80,000 |
| General: | | | | | |
| General | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total Expenditures | <u>\$ 1,317,771</u> | <u>\$ 978,910</u> | <u>\$ 978,910</u> | <u>\$ 521,390</u> | <u>\$ 1,631,550</u> |
| Net Revenues Over/(Under) Expenditures | <u>\$ 26,628</u> | <u>\$ -</u> | <u>\$ (36,060)</u> | <u>\$ 48,960</u> | <u>\$ -</u> |
| <u>EXPENDITURES BY ACTIVITY</u> | | | | | |
| Personnel | \$ 1,136,341 | \$ 760,510 | \$ 760,510 | \$ 436,000 | \$ 829,920 |
| Supplies | 31,963 | - | - | 4,950 | 92,490 |
| Maintenance | - | - | - | - | - |
| Rentals | - | - | - | - | - |
| Other | 47,818 | 19,400 | 19,400 | 12,800 | 5,000 |
| Vehicle Maintenance | 18,459 | - | - | - | - |
| Debt Service | - | - | - | - | - |
| Capital Outlay | <u>83,190</u> | <u>199,000</u> | <u>199,000</u> | <u>67,640</u> | <u>704,140</u> |
| Total Expenditures | <u>\$ 1,317,771</u> | <u>\$ 978,910</u> | <u>\$ 978,910</u> | <u>\$ 521,390</u> | <u>\$ 1,631,550</u> |

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

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|--|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Hotel/Motel Tax | \$ 820,417 | \$ 782,740 | \$ 782,740 | \$ 860,000 | \$ 850,000 |
| Events Center | 392,031 | - | - | - | - |
| Other | 6,009 | - | - | 6,000 | - |
| Interest | 1,275 | 500 | 500 | 1,350 | 500 |
| Transfer In - General Fund | 108,445 | 48,220 | 48,220 | - | - |
| Total | \$ 1,328,177 | \$ 831,460 | \$ 831,460 | \$ 867,350 | \$ 850,500 |
| <u>EXPENDITURES</u> | | | | | |
| General government: | | | | | |
| Other Services | \$ 107,380 | \$ 163,100 | \$ 163,100 | \$ 66,270 | \$ 156,290 |
| Non-Departmental | 10,000 | 10,000 | 10,000 | 10,000 | 10,000 |
| | \$ 117,380 | \$ 173,100 | \$ 173,100 | \$ 76,270 | \$ 166,290 |
| Culture and Recreation: | | | | | |
| Personnel | \$ 367,075 | \$ 447,260 | \$ 419,860 | \$ 369,200 | \$ 419,830 |
| Supplies | 72,114 | 22,000 | 25,000 | 30,800 | 29,820 |
| Maintenance | 59,326 | 30,000 | 30,000 | 26,000 | 26,000 |
| Rentals | 1,857 | 1,000 | 1,000 | 950 | 1,000 |
| Contractual | 60,387 | 20,000 | 50,000 | 49,000 | 90,000 |
| Other: Misc | 179,399 | 128,100 | 125,500 | 58,600 | 115,600 |
| Debt Service | - | - | - | - | 1,960 |
| Capital Outlay | 35,189 | 10,000 | 10,000 | 3,757 | - |
| Transfer Out | 150,000 | - | - | - | - |
| Sub Total | 925,347 | 658,360 | 661,360 | 538,307 | 684,210 |
| Total | \$ 1,042,727 | \$ 831,460 | \$ 834,460 | \$ 614,577 | \$ 850,500 |
| Net Revenues Over/(Under) Expenditures | \$ 285,450 | \$ - | \$ (3,000) | \$ 252,773 | \$ - |

City of Pharr, Texas

| Department: Events Center | Function: Cultural | | | Fund: Hotel/Motel | |
|---------------------------|--------------------|-----------------------------|----------------------------|------------------------------|-------------------|
| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
| Salaries | \$ 274,911 | \$ 356,750 | \$ 329,750 | \$ 297,580 | \$ 335,500 |
| Employee Benefits | 92,164 | 90,510 | 90,110 | 71,620 | 84,330 |
| Supplies | 72,114 | 22,000 | 25,000 | 30,800 | 29,820 |
| Maintenance | 59,326 | 30,000 | 30,000 | 26,000 | 26,000 |
| Rentals | 1,857 | 1,000 | 1,000 | 950 | 1,000 |
| Contractual Services | 60,387 | 20,000 | 50,000 | 49,000 | 90,000 |
| Other Services | 179,399 | 128,100 | 125,500 | 58,600 | 115,600 |
| Vehicle Maintenance | - | - | - | - | - |
| Debt Service | - | - | - | - | 1,960 |
| Capital Outlay | - | - | - | - | - |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 740,158 | \$ 648,360 | \$ 651,360 | \$ 534,550 | \$ 684,210 |

Purpose

To provide a venue in the City to rent for ticketed events/concerts and to non-ticketed events to bring people, promoters, and artists to the city of Pharr, increasing usage of the hotels within the city.

Main Duties

Event booking, ticket sales, cash handling, production preparation, security and staffing for events, liaison with local hotels.

Divisions

Venue Management, Ticket Sales

Mission Statement

The Pharr Events Center hosts a diverse range of entertainment events in one of the most premier venues in the Rio Grande Valley. We are committed to delivering the highest level of customer service and the highest degree of entertainment experience to our customers.

| PERFORMANCE INDICATORS | Actual 12-13 | Budget 13-14 | Amend Budget 13-14 | Projected 13-14 | Budget 14-15 |
|--------------------------------------|-----------------|-----------------|-----------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Full time employees | 5 | 5 | - | 5 | 5 |
| Part time employees | 11 | 11 | - | 11 | 20 |
| Event space available (sqft) | 17,073.1 | 17,073.1 | - | 17,073.1 | 17,073.1 |
| Department expenditures* | \$ 740,158 | \$ 648,360 | \$ 651,360 | \$ 534,550 | \$ 682,250 |
| Outputs: | | | | | |
| Event Center events (ticketed) | 47 | 48 | - | 50 | 60 |
| Event Center bookings (non-ticketed) | 24 | 15 | - | 20 | 25 |
| Effectiveness Measures: | | | | | |
| Event Center gross revenue | \$ 392,031 | \$ - | \$ - | \$ - | \$ - |
| Event Center occupancy % | 20% | 17% | 0% | 19% | 23% |
| Efficiency Measures: | | | | | |
| Expenditures per capita | \$ 10.00 | \$ 8.76 | \$ 8.80 | \$ 7.22 | \$ 9.22 |

* Expenditures excluding Debt Service Capital Outlay

City of Pharr, Texas

| Department: Non-Departmental | | Function: Governmental | | Fund: Hotel/Motel | |
|------------------------------|-------------------|-----------------------------|----------------------------|------------------------------|-------------------|
| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
| Salaries | \$ 274,911 | \$ 356,750 | \$ 329,750 | \$ 297,580 | \$ - |
| Employee Benefits | 92,164 | 90,510 | 90,110 | 71,620 | - |
| Supplies | 72,114 | 22,000 | 25,000 | 30,800 | - |
| Maintenance | 59,326 | 30,000 | 30,000 | 26,000 | - |
| Rentals | 1,857 | 1,000 | 1,000 | 950 | - |
| Contractual Services | 60,387 | 20,000 | 50,000 | 49,000 | - |
| Other Services | 179,399 | 128,100 | 125,500 | 58,600 | 156,290 |
| Vehicle Maintenance | - | - | - | - | - |
| Debt Service | - | - | - | - | - |
| Capital Outlay | 35,189 | 10,000 | 10,000 | 3,757 | - |
| Non-Departmental | 150,000 | - | - | - | 10,000 |
| DEPARTMENT TOTAL | <u>\$ 925,347</u> | <u>\$ 658,360</u> | <u>\$ 661,360</u> | <u>\$ 538,307</u> | <u>\$ 166,290</u> |

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

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|--|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Parkland Dedication Fees | \$ 6,896 | \$ 5,000 | \$ 5,000 | \$ 22,500 | \$ 5,000 |
| Interest | 23 | 200 | 200 | 475 | 200 |
| Total | \$ 6,919 | \$ 5,200 | \$ 5,200 | \$ 22,975 | \$ 5,200 |
| <u>EXPENDITURES</u> | | | | | |
| Culture and Recreation: | | | | | |
| Transfers Out | \$ 5,200 | \$ 5,200 | \$ 5,200 | \$ 5,200 | \$ 5,200 |
| Total | \$ 5,200 | \$ 5,200 | \$ 5,200 | \$ 5,200 | \$ 5,200 |
| Net Revenues Over/(Under) Expenditures | \$ 1,719 | \$ - | \$ - | \$ 17,775 | \$ - |

CITY OF PHARR, TX
PAVING & DRAINAGE FUND
SUMMARY OF REVENUES AND EXPENDITURES

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|--|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Paving & Drainage Fee | \$ 817,981 | \$ 816,000 | \$ 816,000 | \$ 780,000 | \$ 1,000,000 |
| Interest Income | 8,321 | 4,000 | 4,000 | 8,000 | 8,000 |
| Total | \$ 826,302 | \$ 820,000 | \$ 820,000 | \$ 788,000 | \$ 1,008,000 |
| <u>EXPENDITURES</u> | | | | | |
| Highways and Streets: | | | | | |
| Maintenance | 563 | - | - | - | 550,000 |
| Other | 168,339 | 445,430 | 445,430 | 457,970 | 458,000 |
| Debt Service | 447,394 | 374,570 | 374,570 | 318,030 | - |
| Capital Outlay | 13,646 | - | - | 12,000 | - |
| Transfer Out | 308 | - | - | - | - |
| Total | \$ 630,251 | \$ 820,000 | \$ 820,000 | \$ 788,000 | \$ 1,008,000 |
| Net Revenues Over/(Under) Expenditures | \$ 196,051 | \$ - | \$ - | \$ - | \$ - |

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 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|--|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Intergovernmental | \$ 4,388,711 | \$ - | \$ - | \$ 300,000 | \$ - |
| Debt Proceeds | - | - | - | - | - |
| Transfers In | 3,166,940 | 3,000,000 | 3,000,000 | 3,000,000 | - |
| Grants | 783,436 | 5,620,140 | 5,620,140 | - | 411,170 |
| Other | - | - | - | - | - |
| Total Revenues | <u>\$ 8,339,087</u> | <u>\$ 8,620,140</u> | <u>\$ 8,620,140</u> | <u>\$ 3,300,000</u> | <u>\$ 411,170</u> |
| <u>EXPENDITURES</u> | | | | | |
| Street Projects | \$ 2,363,666 | \$ 1,100,000 | \$ 1,100,000 | \$ 296,200 | \$ 1,273,840 |
| Other | <u>11,223,492</u> | <u>18,359,890</u> | <u>18,359,890</u> | <u>6,751,670</u> | <u>2,892,070</u> |
| Total Expenditures | <u>\$ 13,587,158</u> | <u>\$ 19,459,890</u> | <u>\$ 19,459,890</u> | <u>\$ 7,047,870</u> | <u>\$ 4,165,910</u> |
| Net Revenues Over/(Under) Expenditures | <u>\$ (5,248,071)</u> | <u>\$ (10,839,750)</u> | <u>\$ (10,839,750)</u> | <u>\$ (3,747,870)</u> | <u>\$ (3,754,740)</u> |

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

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|------------------------------------|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Transfer In | \$ 4,500,000 | \$ 28,364,040 | \$ 28,364,040 | \$ 100,000 | \$ - |
| Grants | - | 4,090,960 | 4,090,960 | - | 6,366,690 |
| Total Revenues | \$ 4,500,000 | \$ 32,455,000 | \$ 32,455,000 | \$ 100,000 | \$ 6,366,690 |
| <u>EXPENSES</u> | | | | | |
| Capital Projects | \$ 2,244,198 | \$ 34,420,000 | \$ 34,420,000 | \$ 104,200 | \$ 9,601,010 |
| Other | - | - | - | - | - |
| Total Expenses | \$ 2,244,198 | \$ 34,420,000 | \$ 34,420,000 | \$ 104,200 | \$ 9,601,010 |
| Net Revenues Over/(Under) Expenses | \$ 2,255,802 | \$ (1,965,000) | \$ (1,965,000) | \$ (4,200) | \$ (3,234,320) |

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

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|------------------------------------|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Loan Proceeds - TWDB -CW | \$ - | \$ 8,725,000 | \$ 8,725,000 | \$ - | \$ - |
| Loan Proceeds - TWDB -EDAP | - | - | - | - | 2,000,000 |
| Transfer In | 3,500,000 | 8,581,690 | 8,581,690 | 4,245,000 | - |
| Total Revenues | \$ 3,500,000 | \$ 17,306,690 | \$ 17,306,690 | \$ 4,245,000 | \$ 5,177,300 |
| <u>EXPENSES</u> | | | | | |
| Capital Projects | \$ 19,818,169 | \$ 17,306,690 | \$ 17,306,690 | \$ 2,462,570 | \$ 16,827,300 |
| Total Expenses | \$ 19,818,169 | \$ 17,306,690 | \$ 17,306,690 | \$ 2,462,570 | \$ 16,827,300 |
| Net Revenues Over/(Under) Expenses | \$ (16,318,169) | \$ - | \$ - | \$ 1,782,430 | \$ (11,650,000) |



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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 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|--|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Property Tax (Current & Delinquent) | \$ 1,685,086 | \$ 1,718,400 | \$ 1,718,400 | \$ 1,696,000 | \$ 1,713,200 |
| Property Tax Penalty and Interest | 61,405 | 72,000 | 72,000 | 65,000 | 40,000 |
| Interest | 34,230 | 30,000 | 30,000 | 35,000 | 20,000 |
| Transfer In | 1,063,260 | 497,240 | 1,080,300 | 1,080,300 | 1,058,060 |
| Total Revenues | \$ 2,843,981 | \$ 2,317,640 | \$ 2,900,700 | \$ 2,876,300 | \$ 2,831,260 |
| <u>EXPENDITURES</u> | | | | | |
| Principal | \$ 1,485,000 | \$ 1,535,000 | \$ 1,840,000 | \$ 1,840,000 | \$ 1,890,000 |
| Interest | 864,909 | 543,390 | 821,450 | 821,450 | 746,120 |
| Other | 5,268 | 6,000 | 6,000 | 6,000 | 6,000 |
| Transfer Out | 176,350 | 233,250 | 233,250 | 208,850 | 189,140 |
| Total Expenditures | \$ 2,531,527 | \$ 2,317,640 | \$ 2,900,700 | \$ 2,876,300 | \$ 2,831,260 |
| Net Revenues Over/(Under) Expenditures | \$ 312,454 | \$ - | \$ - | \$ - | \$ - |



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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, TX
COMBINED ENTERPRISE FUNDS
SUMMARY OF REVENUES AND EXPENSES

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|------------------------------------|-----------------------------|--|---|---|-----------------------------|
| Revenues | | | | | |
| Water Fees | \$ 8,019,690 | \$ 7,625,000 | \$ 7,625,000 | \$ 7,370,000 | \$ 7,585,300 |
| Sewer Fees | 5,888,576 | 5,670,000 | 5,670,000 | 5,339,000 | 5,770,000 |
| Toll Fees | 11,646,954 | 10,982,500 | 10,982,500 | 12,304,861 | 8,776,820 |
| Direct Golf Course Fees | 506,151 | 813,750 | 813,750 | 595,000 | 640,000 |
| Other | 3,873,764 | 805,680 | 487,480 | 425,392 | 395,500 |
| Interest | 847,707 | 606,490 | 606,490 | 815,244 | 584,160 |
| Lease Proceeds | - | 27,079,040 | 27,079,040 | - | 415,000 |
| Transfer In | 2,420,548 | 233,250 | 233,250 | 808,510 | 878,840 |
| Total Revenues | \$ 33,203,389 | \$ 53,815,710 | \$ 53,497,510 | \$ 27,658,007 | \$ 25,045,620 |
| Expenses | | | | | |
| Personnel Services | \$ 3,859,546 | \$ 4,623,660 | \$ 4,666,873 | \$ 4,330,410 | \$ 5,333,010 |
| Supplies | 1,538,421 | 1,592,120 | 1,607,370 | 1,379,900 | 1,623,250 |
| Maintenance | 903,683 | 914,100 | 1,008,298 | 879,878 | 908,600 |
| Rentals | 72,684 | 83,710 | 77,885 | 64,952 | 83,740 |
| Other Services | 2,043,352 | 2,481,480 | 2,866,357 | 2,356,496 | 2,588,130 |
| Vehicle Maintenance | 284,172 | 309,390 | 392,855 | 304,683 | 368,090 |
| Long Term Debt Service | 4,494,445 | 5,343,490 | 5,343,490 | 5,368,030 | 5,560,930 |
| Debt Service-Lease | 11,221 | 140,270 | 140,300 | 140,300 | 189,690 |
| Capital Outlay | 47,715 | 1,268,300 | 1,091,620 | 463,000 | 1,813,020 |
| Transfer Out | 12,552,950 | 33,268,940 | 33,268,940 | 4,904,900 | 5,167,120 |
| Non-Departmental | 10,557,513 | 10,290,250 | 9,948,365 | 8,867,972 | 2,910,040 |
| Total Expenditures | \$ 36,365,703 | \$ 60,315,710 | \$ 60,412,353 | \$ 29,060,521 | \$ 26,545,620 |
| Net Revenues Over/(Under) Expenses | \$ (3,162,313) | \$ (6,500,000) | \$ (6,914,843) | \$ (1,402,514) | \$ (1,500,000) |

CITY OF PHARR, TEXAS
BUDGETED REPORT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
UTILITY FUND
FOR THE FISCAL YEAR OCTOBER 1, 2014 THROUGH SEPTEMBER 30, 2015

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|---|-----------------------------|--|---|---|-----------------------------|
| REVENUES | | | | | |
| Operating revenues: | | | | | |
| Charges for sales and services: | | | | | |
| Water sales | \$ 7,743,869 | \$ 7,400,000 | \$ 7,400,000 | \$ 7,100,000 | \$ 7,350,300 |
| Sewer service | 5,671,878 | 5,500,000 | 5,500,000 | 5,120,000 | 5,590,000 |
| Tap fees | 382,169 | 300,000 | 300,000 | 385,000 | 320,000 |
| Other | 117,450 | 99,000 | 99,000 | 110,000 | 99,000 |
| Total operating revenues | <u>13,915,366</u> | <u>13,299,000</u> | <u>13,299,000</u> | <u>12,715,000</u> | <u>13,359,300</u> |
| EXPENSES | | | | | |
| Operating expenses: | | | | | |
| Personnel services | 2,438,810 | 3,063,880 | 3,123,680 | 2,913,220 | 3,240,900 |
| Supplies and Materials | 2,313,966 | 2,491,290 | 2,534,913 | 2,186,470 | 2,425,540 |
| Contractual Services | 2,441,560 | 2,470,050 | 2,553,337 | 2,178,300 | 2,592,070 |
| Depreciation | 3,351,917 | - | - | - | - |
| Total operating expenses | <u>10,546,253</u> | <u>8,025,220</u> | <u>8,211,930</u> | <u>7,277,990</u> | <u>8,258,510</u> |
| Operating income (loss) | <u>3,369,113</u> | <u>5,273,780</u> | <u>5,087,070</u> | <u>5,437,010</u> | <u>5,100,790</u> |
| Nonoperating revenues (expenses): | | | | | |
| Investment earnings | 620,378 | 410,600 | 410,600 | 615,000 | 453,560 |
| Interest expense | (1,654,263) | (1,702,660) | (1,702,660) | (1,728,000) | (1,648,930) |
| Principal expense | (2,540,000) | (2,870,000) | (2,870,000) | (2,870,000) | (2,950,000) |
| Amortization expense | (30,977) | - | - | - | - |
| Capital Outlay | (46,140) | (860,300) | (733,620) | (252,000) | (888,020) |
| Lease Proceeds | - | - | - | - | 340,000 |
| Other | 69,507 | 53,480 | 53,480 | 52,000 | 58,500 |
| Total nonoperating revenues (expenses) | <u>(3,581,496)</u> | <u>(4,968,880)</u> | <u>(4,842,200)</u> | <u>(4,183,000)</u> | <u>(4,634,890)</u> |
| Income before contributions and transfers | <u>(212,382)</u> | <u>304,900</u> | <u>244,870</u> | <u>1,254,010</u> | <u>465,900</u> |
| Transfers in | - | - | - | - | - |
| Transfers out | | | | | |
| General Fund | (420,410) | (404,900) | (404,900) | (404,900) | (465,900) |
| Capital contributions | <u>1,686,062</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Changes in net assets | <u>1,053,270</u> | <u>(100,000)</u> | <u>(160,030)</u> | <u>849,110</u> | <u>-</u> |
| Total net assets (non-GAAP) - beginning | - | 1,053,270 | 1,053,270 | 1,053,270 | 1,902,380 |
| Prior period adjustment | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> |
| Total net assets (non-GAAP) - ending | <u>\$ 1,053,270</u> | <u>\$ 953,270</u> | <u>\$ 893,240</u> | <u>\$ 1,902,380</u> | <u>\$ 1,902,380</u> |

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

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|------------------------------------|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Water | \$ 8,019,690 | \$ 7,625,000 | \$ 7,625,000 | \$ 7,370,000 | \$ 7,585,300 |
| Sewer | 5,888,576 | 5,670,000 | 5,670,000 | 5,339,000 | 5,770,000 |
| Lease Proceeds | - | - | - | - | 340,000 |
| Other | 2,076,865 | 57,480 | 57,480 | 58,000 | 62,500 |
| Interest | 620,378 | 410,600 | 410,600 | 615,000 | 453,560 |
| Total Revenues | \$ 16,605,508 | \$ 13,763,080 | \$ 13,763,080 | \$ 13,382,000 | \$ 14,211,360 |
| <u>EXPENSES</u> | | | | | |
| 81 Administration | \$ 586,157 | \$ 619,440 | \$ 649,440 | \$ 625,710 | \$ 641,810 |
| 82 Water Production | 1,578,896 | 2,101,110 | 2,062,860 | 1,648,490 | 2,073,470 |
| 83 Water Distribution | 1,746,760 | 2,011,400 | 2,101,545 | 1,857,250 | 2,464,280 |
| 84 Water Treatment Plant | 1,725,845 | 2,345,700 | 2,335,710 | 2,170,810 | 2,288,910 |
| 86 Sewer Collection | 394,556 | 655,710 | 715,720 | 432,570 | 563,900 |
| 87 Non-Departmental | 9,480,589 | 6,457,060 | 6,385,175 | 6,100,060 | 1,580,060 |
| 72 Debt Service | 4,225,240 | 4,572,660 | 4,572,660 | 4,598,000 | 4,598,930 |
| Total Expenses | \$ 19,738,043 | \$ 18,763,080 | \$ 18,823,110 | \$ 17,432,890 | \$ 14,211,360 |
| Net Revenues Over/(Under) Expenses | \$ (3,132,534) | \$ (5,000,000) | \$ (5,060,030) | \$ (4,050,890) | \$ - |
| 1100- Personnel Services | \$ 2,417,650 | \$ 3,042,720 | \$ 3,102,520 | \$ 2,892,060 | \$ 3,219,740 |
| 2200- Supplies | 1,266,047 | 1,316,380 | 1,291,630 | 1,087,400 | 1,258,600 |
| 3300- Maintenance | 647,042 | 661,600 | 745,798 | 694,000 | 653,600 |
| 4400- Rentals | 14,504 | 13,310 | 7,485 | 5,070 | 13,340 |
| 5500- Other Services | 1,389,974 | 1,531,460 | 1,593,137 | 1,483,080 | 1,591,410 |
| 6600- Vehicle Maintenance | 245,811 | 256,500 | 339,965 | 270,100 | 312,790 |
| 72/73 Long Term Debt Service | 4,225,240 | 4,572,660 | 4,572,660 | 4,598,000 | 4,598,930 |
| 7700- Debt Service-Lease | 5,045 | 51,090 | 51,120 | 51,120 | 94,870 |
| 8800- Capital Outlay | 46,140 | 860,300 | 733,620 | 252,000 | 888,020 |
| 9900- Transfer Out | 420,410 | 404,900 | 404,900 | 404,900 | 465,900 |
| 9900- Non-Departmental | 9,060,179 | 6,052,160 | 5,980,275 | 5,695,160 | 1,114,160 |
| | \$ 19,738,043 | \$ 18,763,080 | \$ 18,823,110 | \$ 17,432,890 | \$ 14,211,360 |

City of Pharr, Texas

| Department: Debt Service | | Fund: Utility | | | |
|------------------------------|---------------------|-----------------------------|----------------------------|------------------------------|---------------------|
| EXPENSES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
| Financial Services | \$ 36,143 | \$ 20,000 | \$ 20,000 | \$ 45,000 | \$ 50,000 |
| 2007 CWSRF Interest - TWDB | 832,111 | 810,080 | 810,080 | 810,000 | 780,830 |
| 2007A DWSRF Interest - TWDB | 324,799 | 322,740 | 322,740 | 323,000 | 311,580 |
| 2007B Interest - NADBank | 301,156 | 287,080 | 287,080 | 287,000 | 271,130 |
| 2008 Refunding - Interest | 126,690 | 102,600 | 102,600 | 103,000 | 75,240 |
| 2013 DWSRF Interest - TWDB | 33,364 | 160,160 | 160,160 | 160,000 | 160,150 |
| Amortization Expense | 30,977 | - | - | - | - |
| 2007 CWSRF Principal - TWDB | 815,000 | 975,000 | 975,000 | 975,000 | 1,005,000 |
| 2007A DWSRF Principal - TWDB | 395,000 | 455,000 | 455,000 | 455,000 | 470,000 |
| 2007B Principal - NADBank | 410,000 | 425,000 | 425,000 | 425,000 | 440,000 |
| 2008 Refunding - Principal | 730,000 | 760,000 | 760,000 | 760,000 | 780,000 |
| 2013 DWSRF Principal - TWDB | - | 255,000 | 255,000 | 255,000 | 255,000 |
| 1998 Jr Lien Bonds | 190,000 | - | - | - | - |
| DEPARTMENT TOTAL | \$ 4,225,240 | \$ 4,572,660 | \$ 4,572,660 | \$ 4,598,000 | \$ 4,598,930 |

City of Pharr, Texas

Department: Administration

Fund: Utility

| EXPENSES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
|-------------------------|-------------------|-----------------------------|----------------------------|------------------------------|-------------------|
| Salaries | \$ 228,843 | \$ 238,200 | \$ 238,200 | \$ 228,820 | \$ 239,700 |
| Employee Benefits | 45,101 | 84,560 | 85,560 | 88,010 | 88,250 |
| Supplies | 171,399 | 172,000 | 171,000 | 158,000 | 156,500 |
| Maintenance | 29,425 | 35,000 | 35,000 | 55,000 | 50,000 |
| Rentals | 12,781 | 2,220 | 2,220 | 2,220 | 2,200 |
| Contractual Services | 13,041 | 2,160 | 2,160 | 2,160 | 2,160 |
| Other Services | 85,568 | 85,300 | 115,300 | 91,500 | 103,000 |
| Vehicle Maintenance | - | - | - | - | - |
| Debt Service | - | - | - | - | - |
| Capital Outlay | - | - | - | - | - |
| Non-Departmental | | | | | |
| DEPARTMENT TOTAL | \$ 586,157 | \$ 619,440 | \$ 649,440 | \$ 625,710 | \$ 641,810 |

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 12-13 | Budget 13-14 | Amend. Budget 13-14 | Projected 13-14 | Budget 14-15 |
|-------------------------------|-----------------|-----------------|------------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Number of Full time employees | 9 | 9 | - | 9 | 9 |
| Department Expenditures* | \$ 586,157 | \$ 619,440 | \$ 649,440 | \$ 625,710 | \$ 641,810 |
| Efficiency Measures: | | | | | |
| Expenditures per capita | \$ 7.92 | \$ 8.37 | \$ 8.78 | \$ 8.46 | \$ 8.67 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

Department: Water Production

Fund: Utility

| EXPENSES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
|-------------------------|---------------------|-----------------------------|----------------------------|------------------------------|---------------------|
| Salaries | \$ 383,958 | \$ 498,970 | \$ 486,370 | \$ 422,610 | \$ 512,820 |
| Employee Benefits | 83,469 | 174,620 | 177,220 | 146,800 | 185,940 |
| Supplies | 452,022 | 563,350 | 563,350 | 420,650 | 524,550 |
| Maintenance | 184,985 | 150,000 | 146,000 | 110,000 | 165,000 |
| Rentals | 217 | 2,240 | 2,080 | - | 2,240 |
| Contractual Services | - | - | 160 | - | - |
| Other Services | 454,251 | 481,500 | 485,500 | 469,500 | 490,500 |
| Vehicle Maintenance | 18,874 | 23,500 | 25,500 | 15,300 | 24,500 |
| Debt Service | 480 | 4,630 | 4,630 | 4,630 | 3,420 |
| Capital Outlay | 640 | 202,300 | 172,050 | 59,000 | 164,500 |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 1,578,896 | \$ 2,101,110 | \$ 2,062,860 | \$ 1,648,490 | \$ 2,073,470 |

Purpose

Distribute safe potable drinking water that meet TCEQ requirement.

Main Duties

Provide safe potable water that meet TCEQ requirements or better; meet the demand of growing community and to continue to improve in working efficiently and providing quality water at the lowest possible cost.

Divisions

Administration, Water Treatment Plant, Water Distribution, Wastewater 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 12-13 | Budget 13-14 | Amend. Budget 13-14 | Projected 13-14 | Budget 14-15 |
|--------------------------|-----------------|-----------------|------------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Full time employees | 11 | 11 | - | 11 | 11 |
| Department expenditures* | \$ 1,577,776 | \$ 1,894,180 | \$ 1,886,180 | \$ 1,584,860 | \$ 1,905,550 |
| Outputs: | | | | | |
| Expenditures per capita | \$ 21.32 | \$ 25.60 | \$ 25.49 | \$ 21.42 | \$ 25.75 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

Department: Water Distribution

Fund: Utility

| EXPENSES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
|-------------------------|---------------------|-----------------------------|----------------------------|------------------------------|---------------------|
| Salaries | \$ 798,219 | \$ 859,560 | \$ 889,560 | \$ 794,500 | \$ 882,650 |
| Employee Benefits | 150,043 | 306,930 | 306,930 | 272,240 | 319,150 |
| Supplies | 498,225 | 363,230 | 351,630 | 329,100 | 359,700 |
| Maintenance | 57,762 | 35,000 | 31,000 | 35,000 | 37,000 |
| Rentals | 1,332 | 4,200 | 1,200 | 1,200 | 4,200 |
| Contractual Services | - | - | 280 | - | - |
| Other Services | 53,062 | 65,500 | 68,500 | 58,420 | 74,750 |
| Vehicle Maintenance | 185,579 | 170,000 | 253,785 | 209,800 | 219,790 |
| Debt Service | 2,538 | 26,980 | 26,990 | 26,990 | 77,040 |
| Capital Outlay | - | 180,000 | 171,670 | 130,000 | 490,000 |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 1,746,760 | \$ 2,011,400 | \$ 2,101,545 | \$ 1,857,250 | \$ 2,464,280 |

Purpose

Distribute safe potable drinking water.

Main Duties

Distribute safe potable water that meet TCEQ requirements or better; maintain all water lines, valves, water meters in the WD system to ensure uninterrupted service.

Divisions

Administration, Water Treatment Plant, Water Distribution, Wastewater 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 12-13 | Budget 13-14 | Amend. Budget 13-14 | Projected 13-14 | Budget 14-15 |
|--|-----------------|-----------------|------------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Full time employees | 25 | 25 | - | 25 | 25 |
| Part time employees | 1 | 1 | - | 1 | 1 |
| Department expenditures* | \$ 1,744,222 | \$ 1,804,420 | \$ 1,902,885 | \$ 1,700,260 | \$ 1,897,240 |
| Outputs: | | | | | |
| Number of meters read (average/month) | 19,060 | 19,441 | - | 19,441 | 19,829 |
| Number of srvice orders completed | 5,872 | 5,800 | - | 5,800 | 5,800 |
| Number of new taps | 372 | 350 | - | 350 | 350 |
| Average daily consumption (mgd) | 6.9 | 6.19 | - | 6.19 | 6.19 |
| Maximum daily consumption (mgd) | 10.0 | 9.2 | - | 9.2 | 9.2 |
| Effectiveness Measures: | | | | | |
| Main & service line repairs | 892 | 800 | - | 800 | 800 |
| Fire hydrants replaced/repared | 64 | 60 | - | 60 | 60 |
| Efficiency Measures: | | | | | |
| Number of completed service orders | 5,872 | 5,800 | - | 5,800 | 5,800 |
| Number of meters read daily per meter read | 254 | 300 | - | 300 | 300 |
| Meters exchanged (average/month) | 4 | 4 | - | 4 | 4 |
| Meters installed (average/month) | 31 | 29 | - | 29 | 29 |
| Requests/complaints completed monthly | 489 | 483 | - | 483 | 483 |
| Water lines maintained (miles) | 304 | 304 | - | 304 | 304 |
| Fire hydrants maintained | 2,214 | 2,400 | - | 2,400 | 2,400 |
| Expenditures per capita | \$ 23.57 | \$ 24.38 | \$ 25.71 | \$ 22.98 | \$ 25.64 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

Department: Water Treatment Plant

Fund: Utility

| EXPENSES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
|-------------------------|---------------------|-----------------------------|----------------------------|------------------------------|---------------------|
| Salaries | \$ 609,899 | \$ 668,150 | \$ 706,950 | \$ 732,180 | \$ 760,300 |
| Employee Benefits | 118,077 | 211,730 | 211,730 | 206,900 | 230,930 |
| Supplies | 87,397 | 140,650 | 131,500 | 126,650 | 140,700 |
| Maintenance | 321,359 | 396,600 | 396,398 | 379,000 | 356,600 |
| Rentals | 174 | 2,650 | 1,985 | 1,650 | 2,700 |
| Contractual Services | - | - | 215 | - | - |
| Other Services | 570,564 | 667,500 | 693,922 | 651,500 | 691,500 |
| Vehicle Maintenance | 18,072 | 27,500 | 27,180 | 17,000 | 29,500 |
| Debt Service | 303 | 2,920 | 2,930 | 2,930 | 2,160 |
| Capital Outlay | - | 228,000 | 162,900 | 53,000 | 74,520 |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 1,725,845 | \$ 2,345,700 | \$ 2,335,710 | \$ 2,170,810 | \$ 2,288,910 |

Purpose

Treat influent and discharge effluent that meet TCEQ requirement and to produce quality Recycle water.

Main Duties

Treat sewer influent and discharge quality wastewater effluent that meets all permit requirements through our regulatory agency TCEQ; to produce recycle water to irrigate our golf course.

Divisions

Administration, Water Treatment Plant, Water Distribution, Wastewater 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 12-13 | Budget 13-14 | Amend. Budget 13-14 | Projected 13-14 | Budget 14-15 |
|--------------------------|-----------------|-----------------|------------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Full time employees | 18 | 18 | - | 18 | 18 |
| Department expenditures* | \$ 1,725,541 | \$ 2,114,780 | \$ 2,169,880 | \$ 2,114,880 | \$ 2,212,230 |
| Outputs: | | | | | |
| Expenditures per capita | \$ 23.32 | \$ 28.58 | \$ 29.32 | \$ 28.58 | \$ 29.90 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

Department: Wastewater (Sewer) Collection System

Fund: Utility

| EXPENSES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
|-------------------------|-------------------|-----------------------------|----------------------------|------------------------------|-------------------|
| Salaries | \$ - | \$ - | \$ - | \$ - | \$ - |
| Employee Benefits | 41 | - | - | - | - |
| Supplies | 57,004 | 77,150 | 74,150 | 53,000 | 77,150 |
| Maintenance | 53,512 | 45,000 | 137,400 | 115,000 | 45,000 |
| Rentals | - | 2,000 | - | - | 2,000 |
| Contractual Services | - | - | - | - | - |
| Other Services | 213,488 | 229,500 | 227,100 | 210,000 | 229,500 |
| Vehicle Maintenance | 23,286 | 35,500 | 33,500 | 28,000 | 39,000 |
| Debt Service | 1,723 | 16,560 | 16,570 | 16,570 | 12,250 |
| Capital Outlay | 45,500 | 250,000 | 227,000 | 10,000 | 159,000 |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 394,556 | \$ 655,710 | \$ 715,720 | \$ 432,570 | \$ 563,900 |

Purpose

To collect sewer through gravity pipes and pump stations and push to our Wastewater Treatment Plant.

Main Duties

To maintain all Lift stations and gravity lines in the sewer collection system. To have interrupted sewer service and to avoid sanitary sewer overflow.

Divisions

Administration, Water Treatment Plant, Water Distribution, Wastewater 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 12-13 | Budget 13-14 | Amend. Budget 13-14 | Projected 13-14 | Budget 14-15 |
|--------------------------|-----------------|-----------------|------------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Department expenditures* | \$ 347,333 | \$ 389,150 | \$ 472,150 | \$ 406,000 | \$ 392,650 |
| Outputs: | | | | | |
| Expenditures per capita | \$ 4.69 | \$ 5.26 | \$ 6.38 | \$ 5.49 | \$ 5.31 |

* Expenditures excluding Debt Service/Capital Outlay

City of Pharr, Texas

| Department: Non-Departmental | | | Fund: Utility | | |
|---------------------------------|---------------------|-----------------------------|----------------------------|------------------------------|---------------------|
| EXPENSES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
| Legal | \$ 52,240 | \$ 75,000 | \$ 67,615 | \$ 55,000 | \$ 75,000 |
| Engineering | 129,982 | 250,000 | 225,000 | 70,000 | 250,000 |
| Water rights | 248,774 | 200,000 | 175,750 | 190,000 | 150,000 |
| Raw water | 386,372 | 500,000 | 490,000 | 400,000 | 500,000 |
| Depreciation | 3,351,917 | - | - | - | - |
| Transfer out - General Fund | 420,410 | 404,900 | 404,900 | 404,900 | 465,900 |
| Transfer out - Capital Projects | - | - | - | - | - |
| Other | 4,890,893 | 5,027,160 | 5,021,910 | 4,980,160 | 139,160 |
| DEPARTMENT TOTAL | \$ 9,480,589 | \$ 6,457,060 | \$ 6,385,175 | \$ 6,100,060 | \$ 1,580,060 |

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

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|------------------------------------|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Toll Fees | \$ 11,646,954 | \$ 10,982,500 | \$ 10,982,500 | \$ 12,304,861 | \$ 8,776,820 |
| Debt Proceeds | - | 27,079,040 | 27,079,040 | - | - |
| Other | 275,505 | 215,000 | 215,000 | 252,392 | 235,000 |
| Interest | 220,275 | 190,000 | 190,000 | 199,444 | 130,000 |
| Transfer In - Hotel/Motel | 2,244,198 | - | - | - | - |
| Transfer In - Other | 176,350 | 233,250 | 233,250 | 208,850 | 189,140 |
| Total | \$ 14,563,282 | \$ 38,699,790 | \$ 38,699,790 | \$ 12,965,547 | \$ 9,330,960 |
| <u>EXPENSES</u> | | | | | |
| Personnel | \$ 798,689 | \$ 870,900 | \$ 871,100 | \$ 788,280 | \$ 1,318,380 |
| Supplies | 105,570 | 117,610 | 157,610 | 139,150 | 179,550 |
| Maintenance | 226,655 | 220,000 | 230,000 | 165,378 | 220,000 |
| Rentals | 1,453 | 13,000 | 13,000 | 3,582 | 13,000 |
| Other | 552,444 | 859,020 | 1,128,820 | 743,196 | 892,220 |
| Vehicle Maintenance | 20,099 | 31,590 | 31,590 | 17,033 | 34,000 |
| Long Term Debt Service | 269,205 | 770,830 | 770,830 | 770,030 | 962,000 |
| Debt Service-Lease | - | - | - | - | - |
| Capital Outlay | - | 220,000 | 170,000 | 23,000 | 720,000 |
| Transfer Out | 12,132,540 | 32,864,040 | 32,864,040 | 4,500,000 | 4,701,220 |
| Non-Departmental | 1,242,396 | 4,232,800 | 3,962,800 | 3,167,522 | 1,790,590 |
| Total | \$ 15,349,051 | \$ 40,199,790 | \$ 40,199,790 | \$ 10,317,171 | \$ 10,830,960 |
| Net Revenues Over/(Under) Expenses | \$ (785,769) | \$ (1,500,000) | \$ (1,500,000) | \$ 2,648,376 | \$ (1,500,000) |

City of Pharr, Texas

Department: Administration

Fund: Bridge

| EXPENSES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
|------------------------------------|----------------------|-----------------------------|----------------------------|------------------------------|----------------------|
| Salaries | \$ 655,312 | \$ 638,000 | \$ 638,000 | \$ 583,430 | \$ 1,073,820 |
| Employee Benefits | 151,117 | 240,640 | 240,840 | 212,590 | 244,560 |
| Supplies | 105,570 | 117,610 | 157,610 | 139,150 | 179,550 |
| Maintenance | 226,655 | 220,000 | 230,000 | 165,378 | 220,000 |
| Rentals | 1,453 | 13,000 | 13,000 | 3,582 | 13,000 |
| Contractual Services | 31,277 | 229,920 | 449,720 | 175,405 | 179,920 |
| Other Services | 521,167 | 629,100 | 679,100 | 567,791 | 712,300 |
| Vehicle Maintenance | 20,099 | 31,590 | 31,590 | 17,033 | 34,000 |
| Debt Service - Bonds/Notes | 465,205 | 770,830 | 770,830 | 770,030 | 962,000 |
| Capital Outlay | - | 220,000 | 170,000 | 23,000 | 720,000 |
| Non-Departmental | | | | | |
| Depreciation | 851,782 | - | - | - | - |
| Transfers Out - General Fund Ops | 5,143,100 | 1,500,000 | 1,500,000 | 1,500,000 | 1,500,000 |
| Transfers Out - General Fund Other | - | 1,160,600 | 1,160,600 | 1,160,600 | 2,485,000 |
| Transfers Out - CIP Funds | 6,989,440 | 31,364,040 | 31,364,040 | 3,000,000 | 716,220 |
| Contingency | - | - | - | - | - |
| Other | 382,874 | 1,564,460 | 1,294,460 | 499,182 | 1,790,590 |
| DEPARTMENT TOTAL | \$ 15,545,051 | \$ 38,699,790 | \$ 38,699,790 | \$ 8,817,171 | \$ 10,830,960 |

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 12-13 | Budget 13-14 | Amend. Budget 13-14 | Projected 13-14 | Budget 14-15 |
|--------------------------|-----------------|-----------------|------------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Full time employees | | | | | |
| Department expenditures* | \$ 15,079,846 | \$ 37,708,960 | \$ 37,758,960 | \$ 8,024,141 | \$ 9,148,960 |
| Outputs: | | | | | |
| Expenditures per capita | \$ 203.78 | \$ 509.58 | \$ 510.26 | \$ 108.43 | \$ 123.63 |

* Expenditures excluding Debt Service/Capital Outlay

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

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|------------------------------------|-----------------------------|--|---|---|-----------------------------|
| REVENUES | | | | | |
| Green & Member Fees | \$ 332,073 | \$ 519,750 | \$ 519,750 | \$ 385,000 | \$ 400,000 |
| Cart Rental | 105,082 | 189,000 | 189,000 | 130,000 | 135,000 |
| Food & Beverage | 68,996 | 105,000 | 105,000 | 80,000 | 105,000 |
| Other | 1,521,394 | 533,200 | 215,000 | 115,000 | 98,000 |
| Interest | 7,054 | 5,890 | 5,890 | 800 | 600 |
| Lease Proceeds | - | - | - | - | 75,000 |
| Transfer In | - | - | - | 599,660 | 689,700 |
| Total Revenues | \$ 2,034,599 | \$ 1,352,840 | \$ 1,034,640 | \$ 1,310,460 | \$ 1,503,300 |
| EXPENSES | | | | | |
| Personnel | \$ 643,207 | \$ 710,040 | \$ 693,253 | \$ 650,070 | \$ 794,890 |
| Supplies | 166,804 | 158,130 | 158,130 | 153,350 | 185,100 |
| Maintenance | 29,986 | 32,500 | 32,500 | 20,500 | 35,000 |
| Rentals | 56,727 | 57,400 | 57,400 | 56,300 | 57,400 |
| Other | 100,934 | 91,000 | 144,400 | 130,220 | 104,500 |
| Vehicle Maintenance | 18,262 | 21,300 | 21,300 | 17,550 | 21,300 |
| Debt Service-Lease | 6,176 | 89,180 | 89,180 | 89,180 | 94,820 |
| Capital Outlay | 1,575 | 188,000 | 188,000 | 188,000 | 205,000 |
| Non-Departmental | 254,938 | 5,290 | 5,290 | 5,290 | 5,290 |
| Total Expenses | \$ 1,278,609 | \$ 1,352,840 | \$ 1,389,453 | \$ 1,310,460 | \$ 1,503,300 |
| Net Revenues Over/(Under) Expenses | \$ 755,990 | \$ - | \$ (354,813) | \$ - | \$ - |

City of Pharr, Texas

Department: Administration

Fund: Golf Course

| EXPENSES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
|----------------------|-----------------|-----------------------------|----------------------------|------------------------------|-----------------|
| Salaries | \$ 456,429 | \$ 532,210 | \$ 516,023 | \$ 481,940 | \$ 591,960 |
| Employee Benefits | 192,068 | 183,120 | 182,520 | 173,420 | 208,220 |
| Supplies | 166,804 | 158,130 | 158,130 | 153,350 | 185,100 |
| Maintenance | 29,986 | 32,500 | 32,500 | 20,500 | 35,000 |
| Rentals | 56,727 | 57,400 | 57,400 | 56,300 | 57,400 |
| Contractual Services | 28,810 | - | 52,800 | 52,000 | 20,000 |
| Other Services | 72,124 | 91,000 | 91,600 | 78,220 | 84,500 |
| Vehicle Maintenance | 18,262 | 21,300 | 21,300 | 17,550 | 21,300 |
| Debt Service | 6,176 | 89,180 | 89,180 | 89,180 | 94,820 |
| Capital Outlay | 1,575 | 188,000 | 188,000 | 188,000 | 205,000 |
| Non-Departmental | | | | | |
| Depreciation | 249,648 | - | - | - | - |
| Transfer Out | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 1,278,609 | \$ 1,352,840 | \$ 1,389,453 | \$ 1,310,460 | \$ 1,503,300 |

Purpose

To manage a quality of life facility in the city, allowing all visitors to enjoy it while obtaining exercise and a social network.

Main Duties

Manage a 130 acre golfing facility, providing customer service to all visitors, serve food, and provide a well groomed and maintained golf course.

Divisions

Pro Shop, Snack Bar, Maintenance

Mission Statement

The mission of the Tierra Del Sol Golf Club is to provide the best South Texas golfing experience that will allow people of any gender and age to exercise, compete, and enjoy; allow them to engage in a social network and, at the same time, provide the atmosphere of a true golf club that is a responsible member of our community.

| PERFORMANCE INDICATORS | Actual 12-13 | Budget 13-14 | Amend. Budget 13-14 | Projected 13-14 | Budget 14-15 |
|---|-----------------|-----------------|------------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Full time employees | 17 | 18 | - | 18 | 19 |
| Part time employees | 5 | 5 | - | 5 | 6 |
| Department expenditures* | \$ 1,270,858 | \$ 1,075,660 | \$ 1,112,273 | \$ 1,033,280 | \$ 1,203,480 |
| Outputs: | | | | | |
| Golf facility in acres | 130 | 130 | - | 130 | 130 |
| Total number of rounds | 20,621 | 27,000 | - | 29,000 | 3,100 |
| Number of tournament rounds | 1,391 | 1,900 | - | 2,100 | 2,500 |
| Annual number of cart rentals | 8,027 | 14,000 | - | 14,000 | 15,000 |
| Efficiency Measures: | | | | | |
| Daily average number of operating cars | 60 | 60 | - | 55 | 70 |
| Average hours per week of operation for driving range & cart rental | 12 | 12 | - | 12 | 14 |
| Expenditures per capita | \$ 17.17 | \$ 14.54 | \$ 15.03 | \$ 13.96 | \$ 16.26 |

* Expenditures excluding Debt Service/Capital Outlay

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.

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

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|------------------------|---------------------|---------------------------------|--------------------------------|----------------------------------|---------------------|
| <u>REVENUES</u> | | | | | |
| General Fund | \$ 475,672 | \$ 491,670 | \$ 491,670 | \$ 420,841 | \$ 510,400 |
| Utility Fund | 118,340 | 109,500 | 109,500 | 135,800 | 173,290 |
| Bridge Fund | 5,684 | 15,590 | 15,590 | 3,293 | 19,000 |
| Golf Course Fund | 733 | 1,300 | 1,300 | 550 | 1,300 |
| CDBG Fund | 2,643 | 1,000 | 1,000 | 1,200 | 1,000 |
| PAL | 927 | 11,800 | 11,800 | - | 11,800 |
| PEDC | 80 | 1,000 | 1,000 | 50 | 1,500 |
| Debt Proceeds | - | 53,000 | 53,000 | - | - |
| Total | \$ 604,079 | \$ 684,860 | \$ 684,860 | \$ 561,734 | \$ 718,290 |

| | | | | | |
|------------------------------------|------------|------------|------------|--------------|------------|
| <u>EXPENSES</u> | | | | | |
| Personnel | \$ 174,518 | \$ 197,350 | \$ 197,350 | \$ 185,090 | \$ 204,960 |
| Supplies | (9,467) | 10,740 | 10,740 | 5,802 | 8,180 |
| Maintenance | 361 | 5,000 | 5,000 | 5,950 | 7,000 |
| Rentals | - | 780 | 780 | - | - |
| Other | 6,185 | 8,470 | 8,470 | 30,650 | 39,200 |
| Vehicle Maintenance | 402,080 | 399,750 | 410,950 | 490,932 | 450,900 |
| Debt Service | - | 9,770 | 5,400 | 6,043 | 8,050 |
| Capital Outlay | 32,017 | 53,000 | 53,000 | - | - |
| Total | \$ 605,694 | \$ 684,860 | \$ 691,690 | \$ 724,467 | \$ 718,290 |
| Net Revenues Over/(Under) Expenses | \$ (1,615) | \$ - | \$ (6,830) | \$ (162,733) | \$ - |

City of Pharr, Texas

Department: Administration

Fund: Garage

| EXPENSES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
|-------------------------|-------------------|-----------------------------|----------------------------|------------------------------|-------------------|
| Salaries | \$ 132,047 | \$ 138,250 | \$ 138,250 | \$ 133,860 | \$ 142,900 |
| Employee Benefits | 42,471 | 59,100 | 59,100 | 51,230 | 62,060 |
| Supplies | (9,467) | 10,740 | 10,740 | 5,802 | 8,180 |
| Maintenance | 361 | 5,000 | 5,000 | 5,950 | 7,000 |
| Rentals | - | 780 | 780 | - | - |
| Other Services | 6,185 | 8,470 | 8,470 | 30,650 | 39,200 |
| Vehicle Maintenance | 402,080 | 399,750 | 410,950 | 490,932 | 450,900 |
| Debt Service | - | 9,770 | 5,400 | 6,043 | 8,050 |
| Capital Outlay | 32,017 | 53,000 | 53,000 | - | - |
| Non-Departmental | - | - | - | - | - |
| DEPARTMENT TOTAL | \$ 605,694 | \$ 684,860 | \$ 691,690 | \$ 724,467 | \$ 718,290 |

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 12-13 | Budget 13-14 | Amend. Budget 13-14 | Projected 13-14 | Budget 14-15 |
|--|-----------------|-----------------|------------------------|--------------------|-----------------|
| Inputs: | | | | | |
| Full time employees | 5 | 5 | - | 5 | 5 |
| Department expenditures* | \$ 573,677 | \$ 622,090 | \$ 633,290 | \$ 718,424 | \$ 710,240 |
| Outputs: | | | | | |
| Total City Fleet (vehicles) | 300 | 320 | - | 320 | 320 |
| Total City Fleet (mobile) | 190 | 190 | - | 190 | 190 |
| Number of departments divisional service | 5 | 5 | - | 5 | 5 |
| Work orders created | 900 | 1,032 | - | 1,032 | 1,500 |
| Work orders completed | 900 | 1,032 | - | 1,032 | 1,500 |
| Effectiveness Measures: | | | | | |
| Number of vehicles per mechanic | 163 | 170 | - | 170 | 170 |
| Efficiency Measures: | | | | | |
| Number of jobs completed per mechanic | 462 | 450 | - | 450 | 450 |
| Expenditures per capita | \$ 7.75 | \$ 8.41 | \$ 8.56 | \$ 9.71 | \$ 9.60 |

* Expenditures excluding Debt Service/Capital Outlay

COMPONENT UNITS

COMPONENT UNITS

Component Units

Blended Component Units: Separate legal entities whose governing body is the same or substantially the same as the City Commission or the component unit provides services entirely to the City.

Pharr Economic Development Corporation) -is a nonprofit industrial development corporation organized for the same purpose as the PEDC 4a but with the legal authority to use sales tax funds for a wider range of projects.

Pharr Public Facilities Corporation No. 1 - PPFC#1 is a separate entity with its own EIN, whose board consists of the same members of the City Commission. PPFC#1 was used for funding and purchase of land for economic development activities via a loan from Frost Bank of \$15,000,000.

Tax Increment Reinvestment Zone No. 1- TIRZ is a separate entity with its own EIN, whose three of its board members consists of the same members of the City Commission. TIRZ No. 1 was established to provide a financing mechanism to facilitate a high quality development in the Pharr area.

Discretely Component Units: Separate legal entities in which the primary government is financially accountable and is able to impose will on the organization.

Police Athletic League- PAL is a separate entity with its own EIN, with the purpose of Youth Crime Prevention.

**CITY OF PHARR, TX
BLENDED COMPONENT UNIT
PEDC II FUND
SUMMARY OF REVENUES AND EXPENSES**

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|------------------------------------|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Sales Tax | \$ 3,269,755 | \$ 3,315,900 | \$ 3,315,900 | \$ 3,566,700 | \$ 3,745,000 |
| Interest | 26,734 | 25,010 | 25,010 | 15,000 | 13,610 |
| Other | <u>22,334,952</u> | <u>30,000</u> | <u>30,000</u> | <u>1,251,170</u> | <u>30,000</u> |
| Total | <u>\$ 25,631,441</u> | <u>\$ 3,370,910</u> | <u>\$ 3,370,910</u> | <u>\$ 4,832,870</u> | <u>\$ 3,788,610</u> |
| <u>EXPENSES</u> | | | | | |
| Personnel | \$ 288,883 | \$ 351,520 | \$ 352,820 | \$ 276,670 | \$ 327,940 |
| Supplies | 6,012 | 28,000 | 28,100 | 33,300 | 19,000 |
| Maintenance | 16,397 | 35,000 | 35,000 | 30,000 | 30,000 |
| Rentals | 2,053 | 4,000 | 4,000 | 4,500 | 5,500 |
| Contractual services | 300,418 | 499,900 | 484,900 | 321,250 | 471,400 |
| Vehicle Maintenance | 509 | 3,000 | 3,000 | 1,750 | 3,000 |
| Debt Service | 1,189,180 | 1,864,690 | 1,864,690 | 1,891,420 | 1,956,310 |
| Capital Outlay | 205,293 | 50,000 | 65,000 | 94,360 | 50,000 |
| Non-Departmental | 291,473 | 382,500 | 890,600 | 784,500 | 764,560 |
| Transfers Out | <u>4,750,005</u> | <u>152,300</u> | <u>152,300</u> | <u>2,102,230</u> | <u>160,900</u> |
| Total | <u>\$ 7,050,223</u> | <u>\$ 3,370,910</u> | <u>\$ 3,880,410</u> | <u>\$ 5,539,980</u> | <u>\$ 3,788,610</u> |
| Net Revenues Over/(Under) Expenses | <u>\$ 18,581,218</u> | <u>\$ -</u> | <u>\$ (509,500)</u> | <u>\$ (707,110)</u> | <u>\$ -</u> |

City of Pharr, Texas

| Department: PEDC | | | | | |
|--------------------------------|-----------------|-----------------------------|----------------------------|------------------------------|-----------------|
| Function: Economic Development | | | | | |
| Fund: Administration | | | | | |
| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
| Salaries | \$ 232,639 | \$ 280,830 | \$ 282,130 | \$ 222,580 | \$ 267,950 |
| Employee Benefits | 56,244 | 70,690 | 70,690 | 54,090 | 59,990 |
| Supplies | 6,012 | 28,000 | 28,100 | 33,300 | 19,000 |
| Maintenance | 16,397 | 35,000 | 35,000 | 30,000 | 30,000 |
| Rentals | 2,053 | 4,000 | 4,000 | 4,500 | 5,500 |
| Contractual Services | 300,418 | 499,900 | 484,900 | 321,250 | 471,400 |
| Vehicle Maintenance | 509 | 3,000 | 3,000 | 1,750 | 3,000 |
| Debt Service | 1,189,180 | 1,864,690 | 1,864,690 | 1,891,420 | 1,956,310 |
| Capital Outlay | 205,293 | 50,000 | 65,000 | 94,360 | 50,000 |
| Non-Departmental | 291,473 | 382,500 | 890,600 | 784,500 | 764,560 |
| Transfer Out | 4,750,005 | 152,300 | 152,300 | 2,102,230 | 160,900 |
| DEPARTMENT TOTAL | \$ 7,050,223 | \$ 3,370,910 | \$ 3,880,410 | \$ 5,539,980 | \$ 3,788,610 |

| PERFORMANCE INDICATORS | Actual 2012-2013 | Goal 2013-2014 | Estimated 2013-2014 | Goal 2014-2015 |
|--|---------------------|-------------------|------------------------|-------------------|
| Inputs: | | | | |
| Full time employees | 4 | 5 | 5 | 6 |
| Part time employees | 1 | 1 | 1 | 1 |
| Outputs: | | | | |
| Total corporate investment (\$) | N/A | N/A | N/A | \$ 10,000,000 |
| Number of Jobs created and retained by project coordination, economic development incentives and contracted services by PEDC | N/A | N/A | N/A | 350 |
| Number of small business clients receiving business start up information from PEDC | N/A | N/A | N/A | 5 |
| Number of meeting with companies to assist them in expanding and/or opening markets for their products/services | N/A | N/A | N/A | 125 |
| Numbers of Trade missions conducted | N/A | N/A | N/A | 2 |
| Efficiency Measures: | | | | |
| Expenditure per capita | \$ - | \$ - | \$ - | \$ - |

**CITY OF PHARR, TX
DISCRETELY COMPONENT UNIT
PHARR ATHLETIC LEAGUE SPORTS PROGRAM FUND
SUMMARY OF REVENUES AND EXPENSES**

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|------------------------------------|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Interest | \$ - | \$ - | \$ - | \$ - | \$ 50 |
| Other | 15,874 | 16,000 | 16,000 | 57,280 | 500 |
| Sports Fee | 67,577 | 158,200 | 158,200 | 77,000 | 187,250 |
| Concession | 37,358 | 45,000 | 45,000 | 21,000 | 22,000 |
| Gate | 22,630 | 23,000 | 23,000 | 22,000 | 25,000 |
| Sponsorship | 11,520 | 25,000 | 25,000 | 17,150 | 25,000 |
| Donations | 9,205 | 9,000 | 9,000 | 23,620 | 12,250 |
| Grants | - | - | 16,104 | 39,000 | - |
| Transfers In - Seized Assets | 40,000 | - | - | - | - |
| Transfers In - General Fund | 63,914 | - | 229,474 | 231,720 | 211,260 |
| Total | \$ 268,079 | \$ 276,200 | \$ 521,778 | \$ 488,770 | \$ 483,310 |
| <u>EXPENSES</u> | | | | | |
| Supplies | 210,480 | 216,100 | 282,100 | 279,834 | 253,360 |
| Maintenance | 11,562 | 10,500 | 13,500 | 16,500 | 19,300 |
| Rentals | 380 | 1,000 | 1,000 | 1,610 | 1,000 |
| Other services | 109,924 | 176,500 | 145,600 | 147,560 | 179,650 |
| Vehicle Maintenance | 6,175 | 30,000 | 17,900 | 21,500 | 30,000 |
| Capital Outlay | - | 26,000 | - | - | - |
| Transfers Out | - | 45,574 | 61,678 | - | - |
| Total | \$ 338,521 | \$ 505,674 | \$ 521,778 | \$ 467,004 | \$ 483,310 |
| Net Revenues Over/(Under) Expenses | <u>\$ (70,442)</u> | <u>\$ (229,474)</u> | <u>\$ -</u> | <u>\$ 21,766</u> | <u>\$ -</u> |

City of Pharr, Texas

| Department: Police Athletic League Administration | | Function: PAL | | Fund: PAL | |
|---|-------------------|-----------------------------|----------------------------|------------------------------|-------------------|
| EXPENDITURES | Actual 12-13 | Original Budget 13-14 | Amended Budget 13-14 | Projected Actual 13-14 | Budget 14-15 |
| Supplies | \$ 210,480 | \$ 216,100 | \$ 282,100 | \$ 279,834 | \$ 253,360 |
| Maintenance | 11,562 | 10,500 | 13,500 | 16,500 | 19,300 |
| Rentals | 380 | 1,000 | 1,000 | 1,610 | 1,000 |
| Other Services | 109,924 | 176,500 | 145,600 | 147,560 | 179,650 |
| Vehicle Maintenance | 6,175 | 30,000 | 17,900 | 21,500 | 30,000 |
| Capital Outlay | - | 26,000 | - | - | - |
| Non-Departmental | - | 45,574 | 61,678 | - | - |
| DEPARTMENT TOTAL | \$ 338,521 | \$ 505,674 | \$ 521,778 | \$ 467,004 | \$ 483,310 |

Purpose

To cement a bond between Pharr Police Officers and the youth in our community to minimize crime

Main Duties

Sport activities programs with youth

Divisions

Administration and Sports Programs

Mission Statement

To minimize youth crime through educational athletic and other recreational activities.

| PERFORMANCE INDICATORS | Actual 2012-2013 | Goal 2013-2014 | Estimated 2013-2014 | Goal 2014-2015 |
|-----------------------------|---------------------|-------------------|------------------------|-------------------|
| Full time employees | 6 | 6 | 7 | 7 |
| Part time employees | 54 | 60 | 60 | 60 |
| Outputs: | | | | |
| Number of programs offered | 14 | 12 | 13 | 12 |
| Schools served | 18 | 18 | 18 | 18 |
| Flag Football | 448 | 400 | 390 | 402 |
| Tackle Football | 216 | 222 | 287 | 296 |
| Boxing | 25 | 26 | 25 | 26 |
| Basketball | 779 | 802 | 807 | 831 |
| Soccer | 1 | 774 | 505 | 520 |
| Crossfit (Adults) | N/A | N/A | 50 | 52 |
| Wrestling | 16 | 16 | 15 | 15 |
| Rugby | 150 | 155 | 144 | 148 |
| Pony Baseball/Softball | 536 | 552 | 511 | 526 |
| Volleyball | 312 | 321 | 350 | 361 |
| Mentoring | - | - | - | 25 |
| Explorer Program | 15 | 20 | 35 | 36 |
| Events | - | - | 14 | 14 |
| Sports Tournaments | 2 | 3 | 10 | 10 |
| Sports Camps | 6 | 6 | 8 | 8 |
| Efficiency Measures: | | | | |
| Expenditure per capita | \$ - | \$ - | \$ - | \$ - |

**CITY OF PHARR, TX
 BLENDED COMPONENT UNIT
 PHARR PUBLIC FACILITIES CORPORATION #1 FUND
 SUMMARY OF REVENUES AND EXPENSES**

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|------------------------------------|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Contributions - Gen Fund | \$ - | \$ 972,600 | \$ 972,600 | \$ 992,600 | \$ 985,000 |
| Contributions - PEDC | - | - | - | 1,950,000 | - |
| Total | <u>\$ -</u> | <u>\$ 972,600</u> | <u>\$ 972,600</u> | <u>\$ 2,942,600</u> | <u>\$ 985,000</u> |
| <u>EXPENSES</u> | | | | | |
| Debt Service | - | 972,600 | 972,600 | 2,942,570 | 985,000 |
| Total | <u>\$ -</u> | <u>\$ 972,600</u> | <u>\$ 972,600</u> | <u>\$ 2,942,600</u> | <u>\$ 985,000</u> |
| Net Revenues Over/(Under) Expenses | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> |

**CITY OF PHARR, TX
 BLENDED COMPONENT UNIT
 TAX INCREMENT REINVESTMENT ZONE #1 FUND
 SUMMARY OF REVENUES AND EXPENSES**

| | ACTUAL 2012-2013 | ORIGINAL BUDGET 2013-2014 | AMENDED BUDGET 2013-2014 | PROJECTED ACTUAL 2013-2014 | BUDGET 2014-2015 |
|------------------------------------|-----------------------------|--|---|---|-----------------------------|
| <u>REVENUES</u> | | | | | |
| Property Tax | \$ - | \$ 99,670 | \$ 99,670 | \$ 124,700 | \$ 118,100 |
| Other | <u>-</u> | <u>-</u> | <u>-</u> | <u>450</u> | <u>500</u> |
| Total | <u>\$ -</u> | <u>\$ 99,670</u> | <u>\$ 99,670</u> | <u>\$ 125,150</u> | <u>\$ 118,600</u> |
| <u>EXPENSES</u> | | | | | |
| Debt Service | <u>-</u> | <u>99,670</u> | <u>99,670</u> | <u>-</u> | <u>-</u> |
| Total | <u>\$ -</u> | <u>\$ 99,670</u> | <u>\$ 99,670</u> | <u>\$ -</u> | <u>\$ -</u> |
| Net Revenues Over/(Under) Expenses | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ -</u></u> | <u><u>\$ 125,150</u></u> | <u><u>\$ 118,600</u></u> |

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 Position by Component
Last Nine Fiscal Years¹
(Accrual Basis of Accounting)
(amount expressed in thousands)

| | Fiscal Year | | | | | | | | |
|---|------------------|------------------|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Governmental activities | | | | | | | | | |
| Net Invested in capital assets | \$ 28,230 | \$ 28,849 | \$ 40,172 | \$ 50,941 | \$ 50,764 | \$ 53,417 | \$ 36,205 | \$ 36,205 | \$ 39,362 |
| Restricted | 6,490 | 6,763 | 14,781 | 8,115 | 7,904 | 5,234 | 7,159 | 23,652 | 35,099 |
| Unrestricted | 5,147 | 8,067 | 2,620 | 4,822 | 13,275 | 18,999 | 16,463 | 18,274 | 8,076 |
| Total governmental activities net position | <u>\$ 39,867</u> | <u>\$ 43,679</u> | <u>\$ 57,573</u> | <u>\$ 63,878</u> | <u>\$ 71,943</u> | <u>\$ 77,650</u> | <u>\$ 59,827</u> | <u>\$ 78,131</u> | <u>\$ 82,537</u> |
| Business-type activities | | | | | | | | | |
| Net Invested in capital assets | \$ 39,635 | \$ 38,336 | \$ 46,566 | \$ 59,224 | \$ 78,359 | \$ 82,609 | \$ 82,300 | \$ 82,757 | \$ 86,011 |
| Restricted | 2,943 | 1,950 | 3,018 | 5,762 | 7,759 | 7,375 | 10,195 | 8,529 | 21,394 |
| Unrestricted | 3,390 | 11,401 | 4,593 | 2,568 | 2,572 | 9,691 | 12,435 | 15,940 | 5,770 |
| Total business-type activities net position | <u>\$ 45,968</u> | <u>\$ 51,687</u> | <u>\$ 54,177</u> | <u>\$ 67,534</u> | <u>\$ 88,690</u> | <u>\$ 99,675</u> | <u>\$ 104,930</u> | <u>\$ 107,226</u> | <u>\$ 113,175</u> |
| Primary government | | | | | | | | | |
| Net Invested in capital assets | \$ 66,865 | \$ 67,185 | \$ 86,738 | \$ 110,165 | \$ 129,123 | \$ 136,026 | \$ 118,505 | \$ 118,962 | \$ 125,374 |
| Restricted | 9,433 | 8,713 | 17,799 | 13,877 | 15,663 | 12,609 | 17,354 | 32,181 | 56,493 |
| Unrestricted | 8,537 | 19,468 | 7,213 | 7,390 | 15,847 | 28,690 | 28,898 | 34,214 | 13,846 |
| Total primary government net position | <u>\$ 84,835</u> | <u>\$ 95,366</u> | <u>\$111,750</u> | <u>\$ 131,432</u> | <u>\$ 160,633</u> | <u>\$ 177,325</u> | <u>\$ 164,757</u> | <u>\$ 185,357</u> | <u>\$ 195,712</u> |

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

City of Pharr, Texas
Changes in Net Position
Last Nine Fiscal Years¹
(Accrual Basis of Accounting)
(amount expressed in thousands)

| Expenses | Fiscal Year | | | | | | | | |
|---|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Governmental activities: | | | | | | | | | |
| General government | \$ 5,463 | \$ 7,181 | \$ 8,178 | \$ 8,265 | \$ 7,594 | \$ 8,061 | \$ 10,917 | \$ 16,251 | \$ 9,970 |
| Public safety | 14,069 | 15,000 | 16,504 | 18,495 | 19,177 | 19,775 | 21,546 | 22,427 | 22,700 |
| Streets | 2,276 | 2,361 | 2,442 | 2,114 | 2,268 | 3,102 | 3,757 | 4,490 | 5,330 |
| Sanitation | 3,519 | 3,227 | 3,518 | 4,537 | 2,312 | 2,008 | 2,749 | 2,699 | 1,880 |
| Culture and recreation | 3,248 | 3,253 | 3,340 | 3,831 | 3,563 | 3,890 | 3,239 | 4,133 | 4,306 |
| Economic development | 2,198 | 1,754 | 2,653 | - | - | - | - | - | 8,085 |
| Debt service | 1,478 | 1,365 | 1,433 | 1,122 | 1,041 | 885 | 736 | 1,293 | 1,926 |
| Total governmental activities expenses | <u>32,251</u> | <u>34,141</u> | <u>38,068</u> | <u>38,364</u> | <u>35,955</u> | <u>37,721</u> | <u>42,944</u> | <u>51,293</u> | <u>54,196</u> |
| Business-type activities: | | | | | | | | | |
| Utility | 6,885 | 7,576 | 7,879 | 9,291 | 9,125 | 9,140 | 10,382 | 11,829 | 12,241 |
| Toll Bridge | 3,830 | 3,156 | 3,454 | 3,300 | 2,975 | 3,428 | 3,082 | 3,137 | 3,413 |
| Tierra Del Sol Golf Course | 988 | 1,054 | 1,241 | 1,171 | 1,047 | 1,035 | 1,236 | 1,110 | 1,279 |
| Total business-type activities expenses | <u>11,703</u> | <u>11,786</u> | <u>12,574</u> | <u>13,762</u> | <u>13,147</u> | <u>13,603</u> | <u>14,700</u> | <u>16,076</u> | <u>16,933</u> |
| Total primary government expenses | <u>\$ 43,954</u> | <u>\$ 45,927</u> | <u>\$ 50,642</u> | <u>\$ 52,126</u> | <u>\$ 49,102</u> | <u>\$ 51,324</u> | <u>\$ 57,644</u> | <u>\$ 67,369</u> | <u>\$ 71,128</u> |
| Program Revenues | | | | | | | | | |
| Governmental activities: | | | | | | | | | |
| Charges for services: | | | | | | | | | |
| General government | \$ 2,051 | \$ 208 | \$ 1,790 | \$ 2,375 | \$ 1,970 | \$ 1,734 | \$ 1,962 | \$ 2,014 | \$ 1,980 |
| Public Safety | 63 | 571 | 1,908 | 1,662 | 3,841 | 999 | 1,184 | 1,180 | 1,210 |
| Streets | - | 85 | 472 | 67 | 3 | 1,093 | 782 | 807 | 878 |
| Sanitation | 3,464 | 3,006 | 3,274 | 4,969 | 3,256 | 3,347 | 3,560 | 3,585 | 3,658 |
| Culture and recreation | 489 | 131 | 911 | 372 | 131 | 128 | 257 | 665 | 579 |
| Economic development | - | - | - | - | - | - | - | - | - |
| Debt service | - | - | - | - | - | - | - | - | - |
| Operating grants and contributions | 1,753 | 1,648 | 1,867 | 2,465 | 2,448 | 4,227 | 3,451 | 6,221 | 9,521 |
| Capital grants and contributions | - | 1,094 | 0 | 1,481 | 256 | 508 | 25 | 59 | 1,111 |
| Total governmental activities program revenues | <u>7,820</u> | <u>6,743</u> | <u>10,222</u> | <u>13,391</u> | <u>11,905</u> | <u>12,036</u> | <u>11,221</u> | <u>14,531</u> | <u>18,937</u> |
| Business-type activities: | | | | | | | | | |
| Charges for services: | | | | | | | | | |
| Utility | 7,645 | 11,200 | 10,851 | 12,483 | 12,461 | 11,892 | 13,553 | 13,814 | 13,977 |
| Toll Bridge | 7,611 | 7,714 | 8,058 | 8,281 | 9,301 | 10,660 | 10,415 | 11,002 | 11,915 |
| Tierra Del Sol Golf Course | 809 | 350 | 631 | 766 | 856 | 805 | 812 | 776 | 597 |
| Operating grants and contributions | - | - | - | - | - | - | - | 17 | 71 |
| Capital grants and contributions | 250 | - | - | 6,940 | 13,899 | 2,512 | 548 | 316 | 1,686 |
| Total business-type activities program revenues | <u>16,315</u> | <u>19,264</u> | <u>19,540</u> | <u>28,470</u> | <u>36,517</u> | <u>25,869</u> | <u>25,328</u> | <u>25,926</u> | <u>28,245</u> |
| Total primary government program revenues | <u>\$ 24,135</u> | <u>\$ 26,007</u> | <u>\$ 29,762</u> | <u>\$ 41,861</u> | <u>\$ 48,422</u> | <u>\$ 37,905</u> | <u>\$ 36,549</u> | <u>\$ 40,456</u> | <u>\$ 47,182</u> |

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

| | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> |
|--------------------------------------|-----------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|------------------|
| General Fund | | | | | | | | | | |
| Reserved, Nonspendable, Restricted | \$ 3,037 | \$ 3,903 | \$ 7,405 | \$ 11,002 | \$ 1,049 | \$ 102 | \$ 231 | \$ 3,354 | \$ 20,807 | \$ 10,752 |
| Unreserved, undesignated, unassigned | 1,433 | 602 | 195 | (6,402) | 2,081 | 8,338 | 14,901 | 5,809 | 748 | 3,593 |
| Designated, Committed, Assigned | - | 1,327 | - | - | 756 | - | - | 8,054 | 9,046 | - |
| Total general fund | <u>\$ 4,470</u> | <u>\$ 5,832</u> | <u>\$ 7,600</u> | <u>\$ 4,600</u> | <u>\$ 3,886</u> | <u>\$ 8,440</u> | <u>\$ 15,132</u> | <u>\$ 17,217</u> | <u>\$ 30,601</u> | <u>\$ 14,346</u> |
| All other governmental funds | | | | | | | | | | |
| Reserved, Nonspendable, | \$ 1,369 | \$ 2,894 | \$ 5,447 | \$ 7,572 | \$ 4,718 | \$ 6,407 | \$ 2,501 | \$ - | \$ (1,611) | \$ 1,212 |
| Restricted, reported in: | | | | | | | | | | |
| Special revenue funds | - | - | - | - | - | - | - | 387 | 1,339 | - |
| Debt service fund | - | - | - | - | - | - | - | 63 | 20 | - |
| Economic Development fund | - | - | - | - | - | - | - | 3,197 | 3,085 | 20,014 |
| Unreserved, unassigned, reported in: | | | | | | | | | | |
| Special revenue funds | 824 | 3,573 | 142 | 2,425 | 3,238 | 1,333 | 1,086 | (2,929) | - | - |
| Capital projects funds | - | - | (2,590) | (1,508) | - | - | 1,251 | - | - | 11,747 |
| Debt service funds | - | - | 1,044 | - | - | - | - | - | - | 37 |
| Assigned | - | - | - | - | - | - | - | 1,943 | 17,392 | - |
| Total all other governmental funds | <u>\$ 2,193</u> | <u>\$ 6,467</u> | <u>\$ 4,043</u> | <u>\$ 8,489</u> | <u>\$ 7,956</u> | <u>\$ 7,740</u> | <u>\$ 4,838</u> | <u>\$ 2,661</u> | <u>\$ 20,224</u> | <u>\$ 33,009</u> |
| Total governmental fund balances | <u>\$ 6,663</u> | <u>\$ 12,299</u> | <u>\$ 11,642</u> | <u>\$ 13,089</u> | <u>\$ 11,842</u> | <u>\$ 16,180</u> | <u>\$ 19,970</u> | <u>\$ 19,878</u> | <u>\$ 50,825</u> | <u>\$ 47,355</u> |

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 | | | | | | | | | |
|---|-------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| Revenues | | | | | | | | | | |
| Taxes | \$ 20,022 | \$ 21,929 | \$ 24,350 | \$ 25,972 | \$ 27,370 | \$ 28,215 | \$ 28,707 | \$ 29,814 | \$ 31,391 | \$ 31,504 |
| Licenses and permits | 555 | 681 | 1,468 | 886 | 685 | 682 | 550 | 762 | 664 | 818 |
| Intergovernmental | 3,431 | 2,296 | 1,178 | 1,751 | 2,455 | 2,448 | 4,579 | 3,451 | 6,221 | 9,521 |
| Charges for services | 3,647 | 3,971 | 4,287 | 5,073 | 6,382 | 4,468 | 5,226 | 5,010 | 5,525 | 5,778 |
| Fines | 1,056 | 1,415 | 968 | 800 | 880 | 1,122 | 1,107 | 914 | 977 | 936 |
| Investment earnings | 162 | 306 | 419 | 445 | 349 | 296 | 361 | 440 | 415 | 474 |
| Miscellaneous | 1,079 | 1,481 | 2,127 | 1,970 | 644 | 254 | 533 | 375 | 692 | 644 |
| Total Revenues | 29,952 | 32,079 | 34,797 | 36,897 | 38,765 | 37,486 | 41,064 | 40,766 | 45,885 | 49,675 |
| Expenditures | | | | | | | | | | |
| General government | 8,287 | 6,985 | 14,218 | 12,943 | 6,034 | 6,220 | 6,609 | 14,398 | 13,336 | 10,337 |
| Public safety | 11,558 | 13,452 | 15,391 | 15,642 | 19,392 | 18,846 | 18,522 | 19,963 | 22,058 | 22,253 |
| Highways and streets | 2,076 | 5,351 | 2,542 | 2,121 | 4,443 | 2,499 | 4,012 | 4,404 | 7,401 | 7,056 |
| Sanitation | 3,059 | - | 3,021 | 3,483 | 4,306 | 2,318 | 2,423 | 2,555 | 2,654 | 2,371 |
| Culture and recreation | 3,168 | 3,323 | 977 | 3,422 | 5,661 | 3,472 | 3,664 | 6,010 | 5,524 | 12,999 |
| Economic development | 2,149 | 2,109 | 3,120 | 5,757 | 2,067 | 2,165 | 1,360 | 1,538 | 2,677 | 8,259 |
| Debt service - Principal | 1,690 | 1,554 | 1,912 | 3,904 | 3,371 | 3,335 | 1,781 | 1,635 | 2,588 | 9,339 |
| Debt service - Interest | 1,537 | 1,657 | 891 | 1,225 | 1,009 | 978 | 819 | 712 | 1,156 | 1,750 |
| Total expenditures | 33,524 | 34,431 | 42,072 | 48,497 | 46,283 | 39,833 | 39,191 | 51,215 | 57,393 | 74,365 |
| Excess of revenues over (under) expenditures | (3,572) | (2,352) | (7,275) | (11,600) | (7,518) | (2,347) | 1,872 | (10,449) | (11,508) | (24,690) |
| Other financing sources (uses) | | | | | | | | | | |
| Transfers in | 2,302 | 10,721 | 4,044 | 9,298 | 16,941 | 6,066 | 9,951 | 11,615 | 42,210 | 34,633 |
| Transfers out | (662) | (4,359) | (1,756) | (669) | (14,415) | (2,882) | (8,110) | (4,393) | (35,508) | (28,316) |
| Proceeds from sale of assets | 312 | 16,567 | 3,120 | 2,480 | 2,877 | - | - | 805 | 120 | 551 |
| Issuance of debt | - | (15,149) | 979 | 3,479 | 1,819 | 3,587 | 245 | 2,372 | 30,572 | 14,306 |
| Total other financing sources (uses) | 1,952 | 7,780 | 6,387 | 14,588 | 7,222 | 6,771 | 2,086 | 10,399 | 37,395 | 21,175 |
| Net change in fund balances | \$ (1,620) | \$ 5,428 | \$ (888) | \$ 2,988 | \$ (297) | \$ 4,424 | \$ 3,959 | \$ (50) | \$ 25,887 | \$ (3,515) |
| Debt service as a percentage of noncapital expenditures | 10.7% | 10.3% | 7.1% | 11.8% | 10.5% | 12.1% | 7.1% | 4.8% | 7.0% | 17.5% |

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

| <u>Fiscal Year Ended</u> | <u>Tax Year</u> | <u>Residential Property</u> | <u>Commercial Property</u> | <u>Industrial Property</u> | <u>Minerals</u> | <u>Other</u> | <u>Total Assessed</u> | <u>Less: Ag Loss & Tax Exempt Real Property</u> | <u>Total Taxable Assessed Value</u> | <u>Total Direct Tax Rate</u> | <u>Estimated Actual Taxable Value</u> | <u>Assessed Value¹ as a Percentage of Actual Value</u> |
|--------------------------|-----------------|-----------------------------|----------------------------|----------------------------|-----------------|--------------|-----------------------|---|-------------------------------------|------------------------------|---------------------------------------|---|
| 2004 | 2003 | \$ 1,029,748 | \$ 283,257 | \$ 10,850 | \$ 41,693 | \$ 130,142 | \$ 1,495,690 | \$ 292,485 | \$ 1,203,205 | \$ 0.68 | \$ 1,203,205 | 124.31% |
| 2005 | 2004 | \$ 1,142,164 | \$ 310,068 | \$ 12,810 | \$ 49,042 | \$ 165,457 | \$ 1,679,541 | \$ 328,030 | \$ 1,351,511 | \$ 0.68 | \$ 1,351,511 | 124.27% |
| 2006 | 2005 | \$ 1,217,836 | \$ 327,593 | \$ 13,845 | \$ 52,742 | \$ 162,458 | \$ 1,774,474 | \$ 332,328 | \$ 1,442,146 | \$ 0.68 | \$ 1,442,146 | 123.04% |
| 2007 | 2006 | \$ 1,383,161 | \$ 362,968 | \$ 14,996 | \$ 54,079 | \$ 172,167 | \$ 1,987,371 | \$ 332,328 | \$ 1,655,043 | \$ 0.68 | \$ 1,655,043 | 120.08% |
| 2008 | 2007 | \$ 1,549,417 | \$ 397,886 | \$ 14,537 | \$ 51,312 | \$ 195,896 | \$ 2,209,035 | \$ 412,202 | \$ 1,796,833 | \$ 0.68 | \$ 1,796,833 | 122.94% |
| 2009 | 2008 | \$ 1,831,559 | \$ 496,061 | \$ 15,957 | \$ 52,232 | \$ 213,847 | \$ 2,609,655 | \$ 506,079 | \$ 2,103,576 | \$ 0.68 | \$ 2,103,576 | 124.06% |
| 2010 | 2009 | \$ 1,852,609 | \$ 528,963 | \$ 16,672 | \$ 49,303 | \$ 242,187 | \$ 2,689,735 | \$ 527,968 | \$ 2,161,766 | \$ 0.68 | \$ 2,161,766 | 124.42% |
| 2011 | 2010 | \$ 1,903,835 | \$ 561,456 | \$ 14,999 | \$ 16,865 | \$ 265,722 | \$ 2,762,876 | \$ 591,022 | \$ 2,171,854 | \$ 0.68 | \$ 2,171,854 | 127.21% |
| 2012 | 2011 | \$ 1,913,524 | \$ 574,336 | \$ 13,337 | \$ 11,027 | \$ 256,980 | \$ 2,769,204 | \$ 604,760 | \$ 2,164,444 | \$ 0.68 | \$ 2,164,444 | 127.94% |
| 2013 | 2012 | \$ 1,198,825 | \$ 591,866 | \$ 12,310 | \$ 11,038 | \$ 265,359 | \$ 2,858,847 | \$ 604,760 | \$ 2,254,087 | \$ 0.68 | \$ 2,254,087 | 126.83% |

Source: Hidalgo County Central Appraisal District

Note: Assessed values are determined as of August 1, 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.

¹Includes tax-exempt property.

City of Pharr, Texas
Property Tax Rates¹ and Tax Levies
Direct and Overlapping² Governments
Last Ten Fiscal Years

| Fiscal Year Ending | City of Pharr Tax Rate | | | Overlapping Tax Rates | | | | | | P.S.J.A ISD | | |
|--------------------------|------------------------|-----------------|---------|-----------------------|-----------------|---------|-----------|-----------------|---------|-------------|-----------------|---------|
| | Drainage District #1 | | | Hidalgo County | | | | | | | | |
| | Operating | Debt Service | Total | Operating | Debt Service | Total | Operating | Debt Service | Total | Operating | Debt Service | Total |
| 2004 | \$ 0.60 | \$ 0.08 | \$ 0.68 | \$ 0.04 | \$ - | \$ 0.04 | \$ 0.53 | \$ 0.06 | \$ 0.59 | \$ 1.50 | \$ 0.11 | \$ 1.61 |
| 2005 | \$ 0.59 | \$ 0.09 | \$ 0.68 | \$ 0.04 | \$ - | \$ 0.04 | \$ 0.53 | \$ 0.06 | \$ 0.59 | \$ 1.50 | \$ 0.11 | \$ 1.61 |
| 2006 | \$ 0.59 | \$ 0.09 | \$ 0.68 | \$ 0.04 | \$ - | \$ 0.04 | \$ 0.52 | \$ 0.07 | \$ 0.59 | \$ 1.50 | \$ 0.11 | \$ 1.61 |
| 2007 | \$ 0.60 | \$ 0.09 | \$ 0.68 | \$ 0.04 | \$ 0.01 | \$ 0.05 | \$ 0.52 | \$ 0.08 | \$ 0.59 | \$ 1.04 | \$ 0.17 | \$ 1.21 |
| 2008 | \$ 0.60 | \$ 0.08 | \$ 0.68 | \$ 0.04 | \$ 0.03 | \$ 0.07 | \$ 0.52 | \$ 0.07 | \$ 0.59 | \$ 1.04 | \$ 0.23 | \$ 1.27 |
| 2009 | \$ 0.60 | \$ 0.08 | \$ 0.68 | \$ 0.04 | \$ 0.03 | \$ 0.07 | \$ 0.51 | \$ 0.08 | \$ 0.59 | \$ 1.04 | \$ 0.26 | \$ 1.30 |
| 2010 | \$ 0.60 | \$ 0.08 | \$ 0.68 | \$ 0.04 | \$ 0.03 | \$ 0.07 | \$ 0.51 | \$ 0.08 | \$ 0.59 | \$ 1.04 | \$ 0.17 | \$ 1.21 |
| 2011 | \$ 0.60 | \$ 0.08 | \$ 0.68 | \$ 0.04 | \$ 0.03 | \$ 0.07 | \$ 0.52 | \$ 0.07 | \$ 0.59 | \$ 1.17 | \$ 0.19 | \$ 1.36 |
| 2012 | \$ 0.60 | \$ 0.08 | \$ 0.68 | \$ 0.05 | \$ 0.03 | \$ 0.08 | \$ 0.52 | \$ 0.07 | \$ 0.59 | \$ 1.17 | \$ 0.19 | \$ 1.36 |
| 2013 | \$ 0.60 | \$ 0.08 | \$ 0.68 | \$ 0.06 | \$ 0.04 | \$ 0.10 | \$ 0.52 | \$ 0.07 | \$ 0.59 | \$ 1.17 | \$ 0.19 | \$ 1.36 |

| Fiscal Year Ending | South Texas ISD | | | South Texas College | | | Total | | |
|--------------------------|-----------------|-----------------|---------|---------------------|-----------------|---------|-----------|-----------------|---------|
| | Operating | Debt Service | Total | Operating | Debt Service | Total | Operating | Debt Service | Total |
| | Operating | Debt Service | Total | Operating | Debt Service | Total | Operating | Debt Service | Total |
| 2004 | \$ 0.04 | \$ - | \$ 0.04 | \$ 0.11 | \$ 0.05 | \$ 0.16 | \$ 0.11 | \$ 0.05 | \$ 0.16 |
| 2005 | \$ 0.04 | \$ - | \$ 0.04 | \$ 0.11 | \$ 0.05 | \$ 0.16 | \$ 0.11 | \$ 0.05 | \$ 0.16 |
| 2006 | \$ 0.04 | \$ - | \$ 0.04 | \$ 0.11 | \$ 0.04 | \$ 0.15 | \$ 0.11 | \$ 0.04 | \$ 0.15 |
| 2007 | \$ 0.05 | \$ - | \$ 0.05 | \$ 0.11 | \$ 0.04 | \$ 0.15 | \$ 0.11 | \$ 0.04 | \$ 0.15 |
| 2008 | \$ 0.05 | \$ - | \$ 0.05 | \$ 0.11 | \$ 0.04 | \$ 0.15 | \$ 0.11 | \$ 0.04 | \$ 0.15 |
| 2009 | \$ 0.05 | \$ - | \$ 0.05 | \$ 0.11 | \$ 0.04 | \$ 0.15 | \$ 0.11 | \$ 0.04 | \$ 0.15 |
| 2010 | \$ 0.05 | \$ - | \$ 0.05 | \$ 0.11 | \$ 0.04 | \$ 0.15 | \$ 0.11 | \$ 0.04 | \$ 0.15 |
| 2011 | \$ 0.05 | \$ - | \$ 0.05 | \$ 0.11 | \$ 0.04 | \$ 0.15 | \$ 0.11 | \$ 0.04 | \$ 0.15 |
| 2012 | \$ 0.05 | \$ - | \$ 0.05 | \$ 0.11 | \$ 0.04 | \$ 0.15 | \$ 0.11 | \$ 0.04 | \$ 0.15 |
| 2013 | \$ 0.05 | \$ - | \$ 0.05 | \$ 0.11 | \$ 0.04 | \$ 0.15 | \$ 0.11 | \$ 0.04 | \$ 0.15 |

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

¹Tax rate is per \$100 of taxable assessed value

²Overlapping 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 2013 and 2003
(amounts expressed in thousands)

| Taxpayer | 2013 | | | 2003 | | |
|--------------------------------|------------------------|------|--|------------------------|------|--|
| | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value | Taxable Assessed Value | Rank | Percentage of Total Taxable Assessed Value |
| HEB Grocery Company LP | \$ 18,528 | 1 | 0.82% | \$ - | | - |
| H E Butt Grocery Company | \$ - | | - | \$ 4,979 | 8 | 0.48% |
| Capote Farms LTD | \$ 13,176 | 2 | 0.58% | \$ - | | - |
| Wilder Corporation of Delaware | \$ 12,873 | 3 | 0.57% | \$ 13,538 | 1 | 1.32% |
| Costco Wholesale Corp | \$ 12,645 | 4 | 0.56% | \$ - | | - |
| AEP Texas Central Company | \$ 11,779 | 5 | 0.52% | \$ 10,822 | 3 | - |
| Frank Smith Toyota-Isuzu | \$ 11,590 | 6 | 0.51% | \$ - | | - |
| FJRS Investments LTD | \$ 9,579 | 7 | 0.42% | \$ - | | - |
| Capote Buildings E LLC | \$ 9,503 | 8 | 0.42% | \$ - | | - |
| Costco Wholesale Corp | \$ 9,288 | 9 | 0.41% | \$ - | | - |
| McAllen LEVCAL, LLC | \$ 9,121 | 10 | 0.40% | \$ - | | - |
| Spigel Stanley | \$ - | | - | \$ 10,359 | 2 | 1.01% |
| Southwestern Bell Telephone | \$ - | | - | \$ 10,321 | 4 | 1.00% |
| Central Power & Light | \$ - | | - | \$ 8,418 | 5 | 0.82% |
| Totalfinaelf E&P USA Inc | \$ - | | - | \$ 7,389 | 6 | 0.72% |
| Home Depot, The | \$ - | | - | \$ 6,386 | 7 | 0.62% |
| El Pueblo Dorado Apartments LP | \$ - | | - | \$ 4,601 | 9 | 0.45% |
| Brownsville West Sea, LTD | \$ - | | - | \$ 3,769 | 10 | 0.37% |
| | | | | | | 0.00% |
| Totals | \$ 118,082 | | 5.2% | \$ 80,582 | | 6.8% |
| Assessed Taxable Value | \$ 2,254,087 | | | \$ 1,027,754 | | |

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 in Subsequent Years | Total Collections to Date | |
|------------------------------------|---------------------------|--|---|-------------------------------------|---|----------------------------------|-------------------------------------|
| | | | Amount | Percentage of Levy | | Amount | Percentage of Levy |
| 2004 | 2003 | \$ 8,220 | \$ 7,423 | 90.3% | \$ 723 | \$ 8,146 | 99.1% |
| 2005 | 2004 | \$ 9,233 | \$ 8,335 | 90.3% | \$ 804 | \$ 9,139 | 99.0% |
| 2006 | 2005 | \$ 9,831 | \$ 8,980 | 91.3% | \$ 747 | \$ 9,727 | 98.9% |
| 2007 | 2006 | \$ 11,014 | \$ 10,094 | 91.6% | \$ 802 | \$ 10,896 | 98.9% |
| 2008 | 2007 | \$ 12,275 | \$ 11,231 | 91.5% | \$ 902 | \$ 12,133 | 98.8% |
| 2009 | 2008 | \$ 14,567 | \$ 13,391 | 91.9% | \$ 967 | \$ 14,358 | 98.6% |
| 2010 | 2009 | \$ 14,824 | \$ 13,673 | 92.2% | \$ 860 | \$ 14,532 | 98.0% |
| 2011 | 2010 | \$ 14,674 | \$ 13,559 | 92.4% | \$ 706 | \$ 14,265 | 97.2% |
| 2012 | 2011 | \$ 14,576 | \$ 13,771 | 94.5% | \$ (0.13) | \$ 13,771 | 94.5% |
| 2013 | 2012 | \$ 14,821 | \$ 14,049 | 94.8% | \$ - | \$ 14,049 | 94.8% |

*Tax Levy including modifications throughout the year

Sources: City of Pharr Tax Assessor/Collector
Hidalgo County 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)

| Fiscal Year | Governmental Activities | | | | Business-Type Activities | | | | | |
|-------------|--------------------------|----------------------------|-----------|----------------|-----------------------------------|----------------|-------|--------------------------|--------------------------------|-------------|
| | General Obligation Bonds | Certificates of Obligation | Notes | Capital Leases | Utility & Toll Bridge Bonds/Notes | Capital Leases | Notes | Total Primary Government | Percentage of Personal Income¹ | Per Capita¹ |
| 2004 | \$ - | \$ 23,330 | \$ 5,278 | \$ 471 | \$ 31,707 | \$ 305 | 2 | \$ 61,093 | 0.06% | \$ 1,076 |
| 2005 | \$ 16,110 | \$ 7,085 | \$ 4,683 | \$ 698 | \$ 21,444 | \$ 86 | - | \$ 50,106 | 0.08% | \$ 849 |
| 2006 | \$ 16,025 | \$ 6,070 | \$ 5,746 | \$ 1,544 | \$ 20,042 | \$ 246 | - | \$ 49,673 | 0.08% | \$ 810 |
| 2007 | \$ 15,935 | \$ 5,000 | \$ 4,962 | \$ 1,550 | \$ 61,711 | \$ 815 | 5,995 | \$ 95,968 | 0.04% | \$ 1,492 |
| 2008 | \$ 15,840 | \$ 3,885 | \$ 2,801 | \$ 3,550 | \$ 66,975 | \$ 337 | 4,590 | \$ 97,978 | 0.04% | \$ 1,483 |
| 2009 | \$ 15,130 | \$ 3,330 | \$ 731 | \$ 2,503 | \$ 64,510 | \$ 1,016 | 3,125 | \$ 90,345 | 0.04% | \$ 1,351 |
| 2010 | \$ 14,395 | \$ 2,745 | \$ 270 | \$ 1,621 | \$ 61,345 | \$ 713 | 1,595 | \$ 82,684 | 0.03% | \$ 1,230 |
| 2011 | \$ 15,750 | \$ - | \$ - | \$ 2,738 | \$ 58,415 | \$ 952 | - | \$ 77,855 | 0.04% | \$ 1,106 |
| 2012 | \$ 14,300 | \$ 7,600 | \$ 21,500 | \$ 3,405 | \$ 55,385 | \$ 537 | - | \$ 102,726 | 0.03% | \$ 1,417 |
| 2013 | \$ 12,800 | \$ 7,300 | \$ 28,500 | \$ 3,200 | \$ 61,000 | \$ 463 | - | \$ 113,263 | 0.03% | \$ 1,562 |

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

¹See 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)

| <u>Fiscal Year</u> | <u>General Obligation Bonds</u> | <u>Percentage of Estimated Actual Taxable Value¹ of Property</u> | <u>Per Capita²</u> |
|------------------------|---|---|-----------------------------------|
| 2004 | \$ - | 0.00% | \$ - |
| 2005 | \$ 16,110 | 1.15% | \$ 272.9 |
| 2006 | \$ 16,025 | 1.08% | \$ 261.2 |
| 2007 | \$ 15,935 | 0.96% | \$ 247.8 |
| 2008 | \$ 15,840 | 0.86% | \$ 239.7 |
| 2009 | \$ 15,130 | 0.70% | \$ 226.2 |
| 2010 | \$ 14,395 | 0.54% | \$ 214.2 |
| 2011 | \$ 15,750 | 0.57% | \$ 223.7 |
| 2012 | \$ 14,300 | 0.52% | \$ 197.2 |
| 2013 | \$ 12,800 | 0.46% | \$ 176.5 |

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

¹See 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, 2013
(amounts expressed in thousands)

| <u>Governmental Unit</u> | <u>Debt Outstanding</u> | <u>Estimated Percentage Applicable¹</u> | <u>Estimated Share of Overlapping Debt</u> |
|--|-------------------------|--|--|
| Debt repaid with property taxes: | | | |
| Hidalgo County | \$ 162,385 | 8.2% | \$ 13,305 |
| Hidalgo Irrigation District #1 | \$ - | 8.2% | - |
| South Texas College | \$ 52,831 | 37.0% | \$ 19,547 |
| South Texas ISD | \$ - | 0.0% | \$ - |
| Pharr, San Juan, Alamo Independent School District | \$ 369,925 | 53.2% | \$ 196,931 |
| Overlapping debt | | | \$ 229,784 |
| City of Pharr direct debt | \$ 20,160 | 100.0% | \$ 20,160 |
| Total direct and overlapping debt | | | <u>\$ 249,944</u> |

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. Data as of 12/31/2010.

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 Pharr. 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.

¹The 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 | | | | | | | | | |
|---|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> |
| Debt Limit | \$ 123,907 | \$ 139,673 | \$ 148,988 | \$ 166,146 | \$ 184,767 | \$ 260,966 | \$ 268,973 | \$ 276,288 | \$ 276,920 | \$ 285,885 |
| Total net debt applicable to limit | 23,330 | 23,195 | 22,095 | 20,935 | 19,725 | 15,130 | 14,395 | 15,750 | 21,940 | 12,800 |
| Legal debt margin | <u>\$ 100,577</u> | <u>\$ 116,478</u> | <u>\$ 126,893</u> | <u>\$ 145,211</u> | <u>\$ 165,042</u> | <u>\$ 245,836</u> | <u>\$ 254,578</u> | <u>\$ 260,538</u> | <u>\$ 254,980</u> | <u>\$ 273,085</u> |
| Total net debt applicable to the limit as a percentage of debt limit | 18.8% | 16.6% | 14.8% | 12.6% | 10.7% | 5.8% | 5.4% | 5.70% | 7.9% | 4.5% |

Legal Debt Margin Calculation for Fiscal Year 2012

| | |
|--|--------------------------|
| Assessed Value | \$ 2,196,317 |
| Add Back: exempt property | <u>662,530</u> |
| Total Assessed Value | \$ 2,858,847 |
| Debt limit (10% of total assessed value) | 285,885 |
| Debt applicable to limit: | |
| General obligation bonds | <u>12,800</u> |
| Legal debt margin | <u><u>\$ 273,085</u></u> |

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 Sewer Charges and Other | Less: Operating Expenses | Net Available Revenue | Debt Service | | | | Coverage |
| | | | | Principal | Interest | | | |
| 2004 | \$ 6,605 | \$ 4,311 | \$ 2,294 | \$ 1,231 | \$ 646 | | | 1.22 |
| 2005 | \$ 7,829 | \$ 4,881 | \$ 2,948 | \$ 1,291 | \$ 604 | | | 1.56 |
| 2006 | \$ 11,594 | \$ 5,695 | \$ 5,899 | \$ 937 | \$ 542 | | | 3.99 |
| 2007 | \$ 11,954 | \$ 5,427 | \$ 6,527 | \$ 851 | \$ 595 | | | 4.51 |
| 2008 | \$ 13,820 | \$ 5,910 | \$ 7,910 | \$ 2,265 | \$ 1,872 | | | 1.91 |
| 2009 | \$ 13,259 | \$ 5,714 | \$ 7,545 | \$ 2,330 | \$ 1,807 | | | 1.82 |
| 2010 | \$ 12,473 | \$ 5,750 | \$ 6,723 | \$ 2,385 | \$ 1,749 | | | 1.63 |
| 2011 | \$ 13,553 | \$ 6,946 | \$ 6,607 | \$ 2,465 | \$ 1,670 | | | 1.60 |
| 2012 | \$ 13,814 | \$ 7,465 | \$ 6,349 | \$ 2,540 | \$ 1,598 | | | 1.53 |
| 2013 | \$ 13,977 | \$ 7,043 | \$ 6,934 | \$ 2,540 | \$ 1,618 | | | 1.67 |

Note: Details regarding the government's outstanding debt can be found in the notes to the financial statements. Utility charges and other revenues include only utility service charges, investment earnings, and 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 | | School Enrollment ³ | Unemployment Rate ⁴ |
|----------------|-------------------------|-------------------------------|-------------------------------------|---------------|---|--|-----------------------------------|-----------------------------------|
| | | | | | Schooling ² | | | |
| 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% |
| 2008 | 66,078 | 38,967* | 9,462* | 27.8* | 47.3%* | | 29,999 | 7.2% |
| 2009 | 66,874 | 38,967* | 9,462* | 27.8* | 47.3%* | | 30,618 | 11.2% |
| 2010 | 67,217 | 28,000 | 11,421 | 27.1 | 58.1% | | 31,329 | 10.5% |
| 2011 | 70,400 | 28,000 | 11,420 | 27.1 | 58.1% | | 31,508 | 10.7% |
| 2012 | 72,513 | 30,486 | 12,328 | 27.3 | 59.7% | | 31,633 | 8.4% |
| 2013 | 73,138 | 30,486 | 12,328 | 28.0 | 59.7% | | 32,050 | 9.3% |

Data Sources: U.S. Census, Texas Workforce Commission, U.S. Bureau of Labor Statistics, and PSJA ISD

¹Population data from 2004 to 2007 taken from Planning/Zoning department. 2010 population estimate based on percentage increase of US Census Bureau totals for 2008 and 2009. 2011 population estimate based on percentage increase of US Census Bureau totals for 2009 and 2010. 2012 population estimate based on percentage increase of US Census Bureau totals for 2010 and 2011. 2013 population estimate based on percentage increase of US Census Bureau totals for 2011 and 2012.

²Represents population age 25 or greater that has graduated from high school.

³School Enrollment data for 2004 to 2013 includes enrollment for Pharr San Juan and Alamo School District. (As of October 2012)

⁴Unemployment rate as of August 2013. (Source: Bureau of Labor Statistics)

* Data Not Available

City of Pharr, Texas
Principal Employers
Fiscal Year Ending 2013 and 2004

| 2013 | | | |
|--------------------------------|---------------------|-------------|--|
| <u>Employer</u> | <u>Employees</u> | <u>Rank</u> | <u>Percentage of Total City Employment¹</u> |
| Pharr-San Juan-Alamo ISD | 3,084 | 1 | 13.54% |
| Ticketmaster | 748 | 2 | 3.28% |
| Valley View ISD | 705 | 3 | 3.10% |
| City of Pharr | 682 | 4 | 3.00% |
| Convergy's | 650 | 5 | 2.85% |
| VDP Healthcare | 415 | 6 | 1.82% |
| Royal Freight | 375 | 7 | 1.65% |
| Lack's Valley Store Ltd | 370 | 8 | 1.62% |
| Highway & Transportation Dept. | 325 | 9 | 1.43% |
| HEB | 290 | 10 | 1.27% |
| Total | <u>7,644</u> | | <u>33.57%</u> |

| 2004* | | | |
|------------------------------------|------------------|-------------|--|
| <u>Employer</u> | <u>Employees</u> | <u>Rank</u> | <u>Percentage of Total City Employment</u> |
| Pharr-San Juan-Alamo ISD | Unknown | - | 0.00% |
| Convergy's | Unknown | - | 0.00% |
| Lack's | Unknown | - | 0.00% |
| City of Pharr | Unknown | - | 0.00% |
| Ticketmaster | Unknown | - | 0.00% |
| Texas Department of Transportation | Unknown | - | 0.00% |
| HEB Food Stores | Unknown | - | 0.00% |
| Lowe's | Unknown | - | 0.00% |
| Frank Smith Toyota | Unknown | - | 0.00% |
| Home Depot | Unknown | - | 0.00% |
| Total | <u>-</u> | | <u>0.00%</u> |

Source: EMSI Dec. 2013, Workforce Solutions Lower RGV

* 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, 2013 | | | | | | | | | | |
|---|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|
| | 2004 | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 |
| GENERAL FUND | | | | | | | | | | |
| City Manager | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 9.0 | 8.0 | 7.5 | 9.5 | 8.5 |
| Finance | 10.0 | 12.0 | 12.5 | 13.5 | 14.0 | 5.5 | 9.0 | 9.0 | 14.0 | 14.0 |
| Police Department | 130.0 | 134.0 | 146.0 | 155.0 | 167.0 | 161.0 | 160.0 | 172.0 | 174.5 | 176.5 |
| Traffic Safety | 13.0 | 16.0 | 13.0 | 16.0 | 17.0 | 16.0 | 16.0 | 16.0 | 17.0 | 17.0 |
| Municipal Court | 6.0 | 6.0 | 6.0 | 6.0 | 6.0 | 5.0 | 6.5 | 7.5 | 7.5 | 8.0 |
| Fire Protection | 54.0 | 57.0 | 57.0 | 65.0 | 68.0 | 66.0 | 65.0 | 74.0 | 73.0 | 78.0 |
| Administrative Services | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 7.0 | 7.5 | 7.0 | 0.0 | 0.0 |
| Street Maintenance | 24.0 | 25.0 | 28.0 | 30.0 | 29.0 | 29.0 | 31.0 | 33.0 | 32.0 | 32.0 |
| Information Technology | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 2.5 | 2.0 | 5.0 |
| Municipal Library | 23.0 | 23.0 | 25.0 | 26.0 | 26.0 | 26.0 | 22.5 | 22.5 | 22.5 | 23.5 |
| Parks & Recreation | 53.0 | 70.0 | 71.0 | 73.0 | 73.0 | 102.0 | 102.0 | 64.3 | 68.1 | 62.1 |
| Planning & Community Dev | 19.0 | 22.0 | 20.0 | 23.0 | 23.0 | 22.0 | 18.5 | 18.5 | 18.5 | 20.0 |
| Engineer | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 4.0 | 5.5 |
| Total General Fund | 341.0 | 374.0 | 387.5 | 416.5 | 432.0 | 448.5 | 446.0 | 433.8 | 442.6 | 450.1 |
| UTILITY FUND | | | | | | | | | | |
| Administrative | 8.0 | 9.0 | 9.5 | 10.5 | 11.0 | 12.5 | 9.5 | 9.0 | 9.0 | 9.0 |
| Water Production | 9.0 | 9.0 | 9.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 10.0 | 13.0 |
| Water Distribution | 21.0 | 23.0 | 25.0 | 26.0 | 26.0 | 23.0 | 23.5 | 24.0 | 26.5 | 27.0 |
| Water Treatment Plant | 11.0 | 11.0 | 11.0 | 13.0 | 13.0 | 13.0 | 13.0 | 13.0 | 17.0 | 18.0 |
| Lift Station | 4.0 | 4.0 | 4.0 | 4.0 | 4.0 | 3.0 | 1.0 | 1.0 | 0.0 | 0.0 |
| Total Utility Fund | 53.0 | 56.0 | 58.5 | 63.5 | 64.0 | 61.5 | 57.0 | 57.0 | 62.5 | 67.0 |
| 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 | 3.0 | 3.0 | 4.0 | 4.0 | 4.0 | 4.0 | 3.0 | 3.0 | 3.0 | 4.0 |
| Total Internal Svc Fund | 4.0 | 4.0 | 5.0 | 5.0 | 5.0 | 5.0 | 4.0 | 4.0 | 4.0 | 5.0 |
| Director | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 | 1.0 |
| Others | 25.0 | 25.0 | 26.0 | 26.0 | 28.0 | 24.0 | 24.5 | 24.0 | 22.0 | 22.0 |
| Total Int'l Bridge | 26.0 | 26.0 | 27.0 | 27.0 | 29.0 | 25.0 | 25.5 | 25.0 | 23.0 | 23.0 |
| OTHER | | | | | | | | | | |
| CDBG | 6.0 | 6.0 | 6.0 | 6.0 | 5.0 | 4.0 | 5.5 | 5.5 | 4.5 | 3.5 |
| Golf Course | 18.0 | 18.0 | 15.0 | 15.0 | 17.0 | 15.5 | 15.0 | 15.5 | 15.5 | 17.0 |
| Events Center | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 0.0 | 6.4 | 8.0 |
| Total Other | 24.0 | 24.0 | 21.0 | 21.0 | 22.0 | 19.5 | 20.5 | 21.0 | 26.4 | 28.5 |
| GRAND TOTAL | 448.0 | 484.0 | 499.0 | 533.0 | 552.0 | 559.5 | 553.0 | 540.8 | 558.5 | 573.6 |

Source: City of Pharr Budget Reports

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

| Function | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> |
|---|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|--------------------|
| Police | | | | | | | | | | |
| Physical arrests | 2,897 | 3,857 | 2,858 | 2,808 | 2,944 | 4,839 | 15,660 | 3,395 | 3,477 | 2,197 |
| Parking & Traffic Violations | 10,897 | 15,983 | 13,742 | 12,742 | 15,194 | 25,689 | 12,556 | 10,742 | 9,654 | 12,607 |
| Fire | | | | | | | | | | |
| Number of calls answered | 1,737 | 1,624 | 1,701 | 1,794 | 2,238 | 2,148 | 2,144 | 2,018 | 1,850 | 2,491 |
| Inspections | 1,235 | 877 | 809 | 1,108 | 1,344 | 1,325 | 1,160 | 1,842 | 2,620 | 2,263 |
| Highways and streets | | | | | | | | | | |
| Street resurfacing (miles) | unknown | unknown | 2 | 7 | 2 | 7 | 9 | 9 | 7 | 6.44 |
| Potholes repaired | unknown | unknown | unknown | unknown | 137 | 825 | 775 | 4000 | 1500 | 545 |
| International Bridge | | | | | | | | | | |
| Car Crossings | 1,785,564 | 1,780,599 | 1,716,751 | 1,683,048 | 1,649,983 | 1,444,912 | 1,264,573 | 1,038,430 | 946,847 | 937,829 |
| Truck Crossings | , | 384,572 | 404,103 | 433,880 | 461,559 | 409,336 | 447,122 | 440,705 | 463,714 | 485,299 |
| Culture and recreation | | | | | | | | | | |
| Pharr Events Center | 72 | 95 | 86 | 95 | 216 | 84 | 50 | 20 | 72 | 60 |
| Other Community Center Events | 269 | 231 | 206 | 268 | 597 | 414 | 378 | 329 | 703 | 442 |
| Water | | | | | | | | | | |
| New connections | 867 | 832 | 1,204 | 638 | 324 | 220 | 278 | 428 | 304 | 372 |
| Water mains breaks | unknown | unknown | 3,948 | 4,156 | 578 | 445 | 711 | 768 | ~1365 | ~1625 |
| Average daily consumption (millions of gallons) | | | | | | | | | | |
| Wastewater | 4.7 MGD | 6.1 MGD | 6.6 MGD | 5.6 MGD | 6.5MGD | 7.3 MGD | 6.3 MGD | 6.6 MGD | 7.0 MGD | 6.9 MGD |
| Average daily sewage treatment (thousands of gallons) | | | | | | | | | | |
| | 5.0 MGD | 5.0 MGD | 5.0 MGD | 5.0 MGD | 4.94 MGD | 4.8 MGD | 4.76MGD | 4.9 MGD | 4.9MGD | 4.8 MGD |

Sources: Various City Departments

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

| | Fiscal Year | | | | | | | | | |
|--|--------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| | <u>2004</u> | <u>2005</u> | <u>2006</u> | <u>2007</u> | <u>2008</u> | <u>2009</u> | <u>2010</u> | <u>2011</u> | <u>2012</u> | <u>2013</u> |
| Public Safety | | | | | | | | | | |
| Police: | | | | | | | | | | |
| Stations | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 | 2 |
| Patrol units | 69 | 76 | 82 | 84 | 90 | 93 | 128 | 125 | 62 | 61 |
| Fire stations | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 | 3 |
| Highways and streets | | | | | | | | | | |
| Streets (miles) | unknown | 180 | 213 | 213 | 213 | 214 | 214 | 214 | 214 | 214 |
| Streetlights | unknown | unknown | unknown | unknown | unknown | unknown | unknown | unknown | unknown | unknown |
| Traffic signals | unknown | 47 | 51 | 51 | 51 | 55 | 56 | 58 | 61 | 68 |
| Culture and recreation | | | | | | | | | | |
| Parks Acreage (Developed) | 41 | 41 | 57 | 57 | 57 | 57 | 57 | 57 | 79 | 46 |
| Swimming pools | 2 | 2 | 2 | 2 | 2 | 2 | - | - | - | 1 |
| 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) | ~170 | ~182 | ~190 | 191.6 | ~313.4 | 315 | 313 | 325 | ~304 | ~304 |
| Fire hydrants | 1,750 | 1,820 | 1,918 | 2,010 | 2,030 | 1,896 | 1,946 | 1,946 | ~2,214 | ~2,214 |
| Maximum daily capacity (thousands of gallons) | 10.0 MGD | 10.0 MGD | 10.0 MGD | 10.0 MGD | 8.28 MGD | 12.01 MGD | 9.9 MGD | 10 MGD | 10 MGD | 10 MGD |
| Sewer | | | | | | | | | | |
| Sanitary sewers (miles) | ~204 | ~224 | ~246 | ~262 | ~265 | 265 | 266 | 269 | 267 | ~267 |
| Storm sewers (miles) | unknown | unknown | unknown | unknown | 57 | 82 | 94.43 | 97.2 | Unknown | 96.63 |
| Maximum daily treatment capacity (thousands of gallons) | 4.15 MGD | 4.19 MGD | 4.25 MGD | 4.45 MGD | 5.7 MGD | 5.9 MGD | 5.3 MGD | 8 MGD | 8 MGD | 7.4 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 revenue and expense related 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 third year that the City submits an official budget and participate in the program. We have received the budget award the previous two fiscal years and we believe that this budget continues to meet the GFOA requirements.

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 City Manager, 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 with revenue and expenditure activities. 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 principles. 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 and unauthorized use, 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 that have revenue and expenditure related activities. 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 managers. 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 Committed Fund Balance

The City shall strive to maintain the General Fund (not the combined reporting General Fund which consists of the Payroll, Contingency, and the General funds) committed fund balance at 90 days (25%) of the current year's original budget appropriation for operations and maintenance, which is defined as the total budget less capital outlay purchase and the annual transfer from the General Fund to the other funds (Charter mandated contingency funding will not take place so long as the contingency fund is fully funded).

Retained Earnings of Other Operating Funds

In 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 original budget appropriation for operation and maintenance, which is defined as the total budget less debt service and capital project expenditures. The Bridge Fund's contingency account will be equal to the annual operating cost (expenses minus long-term debt and minus non-operating General Fund transfers) plus one year of the highest long-term debt service payment (principal and interest).

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. The use of these funds will be approved by the City Commission.

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 capital replacement purposes, then retirement/extinguishing of debt.

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 expended.

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 Management Policies.

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. Except for economic development projects with a quick turnaround, 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, unless dealing with economic/industrial development activity. 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 February. 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

All employees will be paid via direct deposit, excluding the employee's last pay check.

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 to the City conveniently and securely.

INVESTMENT POLICIES

Investment policies are guided by a separate report adopted by the City Commission.

HUMAN RESOURCE POLICIES

Personnel Policies & Procedures manual adopted by the City Commission.

BUDGET CALENDAR FOR FISCAL YEAR 2014-2015

| DATE | RESPONSIBLE | EVENT |
|--------------------|------------------------------|---|
| MAY 9 | 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. |
| JUNE 6 | Finance | Projected Current Payroll Budget Ending Status - Salary expenditures need to be calculated to properly get to the year end projected expenditures. |
| JUNE 12* | City Commission | BUDGET WORKSHOP: Initial Budget Workshop (Lunch Meeting) - Long Term Prioritization, Budget Projections and Overview. |
| JUNE 13 | Departments | Departmental Goals & Payroll Changes Budget Request - STEP 1 and 2 are due. |
| JUNE 13 | IT/Garage | Departmental IT & Vehicle Fleet Budget Requests/Needs - Reconciliation with City Garage and IT Department is due and need to be turned. Only to be turned in by IT & Garage to Finance. |
| JUNE 20 | Departments | Departmental CIP Budget Requests (narrative) are due to Finance. |
| JUNE 20 | Departments | Departmental grant budgets are due to Finance Department. STEP 5 is due. |
| JUNE 27 | Finance | Projected Current Budget Ending Status - The projected year end balance of the current budget needs to be estimated based on expected results. |
| JUNE 27 | Departments | Departmental Budget Requests - Remaining Budget Manual Steps 3 and 4 are due. |
| JUNE 27 | Finance | Preliminary Revenue Estimates - must be calculated based on historical information and expected future changes. |
| JULY 3 | Finance | Updated Budget Estimates - Update preliminary budget revenues and expenditures for City Manager and Departmental review. |
| July 7 through 11 | Finance/Departments | Budget Request Review - Finance will review budget requests with departments to prioritize before presenting to City Manager. |
| July 14 through 18 | City Manager/Finance | Budget Request Review - will review budget requests with departments to prioritize before presenting to City Commissioners. |
| JULY 31** | Appraisal District | Certified Appraisal Roll Totals. |
| Aug 4 through 8* | City Commission | Budget Workshop - Commission is presented with departmental budget request and Finance overview. Present draft budget. |
| AUGUST 19 | Finance | Present proposed budget. |
| AUGUST 19** | Finance/City Commission | Certify Anticipated Debt Collection Rate. |
| AUGUST 19** | Finance/City Commission | Certify Effective & Rollback Tax Rate; discussion of tax rates (vote on intention to raise taxes). |
| AUGUST 27** | Finance/County Tax Collector | Publish Certified Effective & Rollback Tax Rate. |
| AUGUST 27 | Finance | Publish Budget Public Hearing. |
| SEPTEMBER 2 | City Commission | Public hearing on budget. |
| SEPTEMBER 2 | City Commission | City Commission adoption of tax rate. |
| SEPTEMBER 2 | Finance/City Commission | Present updated proposed budget to the City Commission. |
| SEPTEMBER 16 | City Commission | City Commission adoption of the budget. |
| OCTOBER 7 | 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

| | <u>FY 10/11*</u> | <u>FY 11/12*</u> | <u>FY 12/13*</u> | <u>FY 13/14*</u> | <u>FY 14/15*</u> |
|-------------------------------------|------------------|------------------|------------------|------------------|------------------|
| <u>GENERAL FUND</u> | | | | | |
| 10 - City Manager's Office | 7.5 | 9.5 | 8.5 | 8.50 | 15.0 |
| 11 - Finance Department | 9.0 | 14.0 | 14.0 | 14.00 | 14.0 |
| 12 - Police Department | 172.0 | 174.5 | 176.5 | 181.50 | 186.5 |
| 14 - Municipal Court | 7.5 | 7.5 | 8.0 | 7.50 | 7.0 |
| 15 - Fire Protection | 74.0 | 73.0 | 78.0 | 79.00 | 82.0 |
| 16 - (PAL)Administrative Services | 7.0 | 0.0 | 0.0 | 6.33 | 8.3 |
| 17 - Street Maintenance | 33.0 | 32.0 | 32.0 | 48.00 | 48.0 |
| 18 - Information Technology | 2.5 | 2.0 | 5.0 | 8.50 | 10.0 |
| 20 - Municipal Library | 22.5 | 22.5 | 23.5 | 24.00 | 25.0 |
| 22 - Parks & Recreation | 64.33 | 68.1 | 62.08 | 57.76 | 56.8 |
| 27 - Planning & Community Developm | 18.5 | 18.5 | 20.0 | 20.00 | 22.5 |
| 28 - Engineer | 0.0 | 4.0 | 5.5 | 4.50 | 4.5 |
| Total General Fund Employees | 433.8 | 442.6 | 450.1 | 463.6 | 479.6 |
| <u>UTILITY FUND</u> | | | | | |
| 81- Administration | 9.0 | 9.0 | 9.0 | 9.00 | 9.0 |
| 82- Water Production | 10.0 | 10.0 | 13.0 | 15.00 | 15.0 |
| 83- Water Distribution | 24.0 | 26.5 | 27.0 | 30.50 | 30.5 |
| 84- Water Treatment Plant | 13.0 | 17.0 | 18.0 | 19.00 | 19.0 |
| 86- Lift Station | 1.0 | 0.0 | 0.0 | 0.00 | 0.0 |
| Total Utility Fund Employees | 57.0 | 62.5 | 67.0 | 73.5 | 73.5 |
| <u>OTHER FUNDS</u> | | | | | |
| Bridge Fund | 25.0 | 23.0 | 23.0 | 23.00 | 28.0 |
| Golf Course Fund | 15.5 | 15.5 | 17.0 | 19.50 | 23.5 |
| Garage | 4.0 | 4.0 | 5.0 | 5.00 | 5.0 |
| Events Center | 0.0 | 6.4 | 8.0 | 14.00 | 17.5 |
| Community Development | 5.5 | 4.5 | 3.5 | 4.00 | 4.0 |
| Total Other Funds | 50.0 | 53.4 | 56.5 | 65.5 | 78.0 |
| Grand Total City Employees | 540.8 | 558.5 | 573.6 | 602.6 | 631.1 |

LONG TERM DEBT OBLIGATIONS

| | Original Issuance | Series | Type | Name | Payment Installments | Installments | | Interest Rates | | Payment Through | Current Balance |
|--------------------------|----------------------|--------|---------------------------|----------|-------------------------|--------------|--------------|---------------------------|------------------------------------|--------------------|--------------------|
| | | | | | | Lowest | Highest | Lowest | Highest | | |
| Governmental Activities | \$ 16,110,000 | 2005B | Refunding Bonds | GO | Annual | \$ 905,000 | \$ 1,535,000 | 3.75% | 5.00% | 8/15/2021 | \$ 10,715,000 |
| | 2,220,000 | 2011 | Refunding Bonds | GO | Annual | \$ 530,000 | \$ 580,000 | 2.00% | 4.00% | 8/15/2015 | \$ 580,000 |
| | | | | | | | | | Subtotal-Refunding Bonds | | \$ 12,830,000 |
| | \$ 7,625,000 | 2012 | Certificate of Obligation | GO | Annual | \$ 295,000 | \$ 535,000 | 0.60% | 4.98% | 8/15/2032 | \$ 7,025,000 |
| | | | | | | | | | Subtotal-Certificate of Obligation | | \$ 7,330,000 |
| | \$ 5,600,000 | | HUD Section 108 Loan | HUD 108 | Annual | \$ 294,000 | \$ 295,000 | 1.28% | 1.73% | 8/15/2031 | \$ 5,012,000 |
| | | | | | | | | Subtotal-Section 108 Loan | | \$ 5,012,000 | |
| | | | | | | | | Governmental Total | | \$ 25,172,000 | |
| | | | | | | | | Governmental Total | | \$ 25,172,000 | |
| Business-Type Activities | \$ 3,260,000 | 1988 | Revenue Bonds Jr. Lien | WW & SS | Annual | \$ 185,000 | \$ 190,000 | 0.00% | 0.00% | 9/1/2013 | \$ - |
| | \$ 29,000,000 | 2007 | Revenue Bonds-CWSRF | WW & SS | Annual | \$ 790,000 | \$ 2,480,000 | 2.90% | 3.50% | 9/1/2027 | \$ 23,470,000 |
| | \$ 13,310,000 | 2007A | Revenue Bonds-DWSFR | WW & SS | Annual | \$ 380,000 | \$ 1,075,000 | 2.35% | 3.50% | 9/1/2027 | \$ 11,265,000 |
| | \$ 10,000,000 | 2007B | Revenue Bonds-NADBANK | WW & SS | Annual | \$ 385,000 | \$ 685,000 | 3.75% | 3.75% | 9/1/2027 | \$ 7,230,000 |
| | \$ 8,725,000 | 2013 | Revenue Bonds-DWSFR | WW & SS | Annual | \$ 255,000 | \$ 400,000 | 0.00% | 2.71% | 9/1/2042 | \$ 8,470,000 |
| | | | | | | | | | Subtotal-Revenue Bonds | | \$ 50,435,000 |
| | \$ 9,755,000 | 2005A | Refunding Bonds | CT & IBR | Annual | \$ 510,000 | \$ 740,000 | 3.63% | 4.50% | 8/15/2022 | \$ 5,135,000 |
| | \$ 6,430,000 | 2008 | Refunding Bonds | WW & SS | Annual | \$ 75,000 | \$ 815,000 | 3.60% | 3.60% | 9/1/2018 | \$ 2,090,000 |
| | | | | | | | | | Subtotal-Refunding Bonds | | \$ 8,515,000 |
| | | | | | | | | | Business-Type Total | | \$ 58,950,000 |

CT&IBR=Combination Tax & International Bridge Revenue
CWSRF=Clean Water State Revolving Fund
DWSRF=Drinking Water State Revolving Fund
NADBANK=North American Development Bank
WW&SS=Waterworks & Sewer System

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

Debt Service Schedule

City of Pharr, Texas GENERAL FUND
\$2,220,000 General Obligation Refunding Bonds
Series 2011

| | Principal | Coupon | Interest | Total P+I | Fiscal Total | Balance |
|--------------|-------------------|--------|------------------|-------------------|-------------------|---------|
| 2/15/2015 | - | - | 11,600 | 11,600 | - | 580,000 |
| 8/15/2015 | 580,000 | 4.000% | 11,600 | 591,600 | 603,200 | - |
| Total | \$ 580,000 | | \$ 23,200 | \$ 603,200 | \$ 603,200 | |

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

| | Principal | Coupon | Interest | Total P+I | Fiscal Total | Balance |
|--------------|----------------------|--------|---------------------|----------------------|----------------------|------------|
| 2/15/2015 | - | - | 233,559 | 233,559 | - | 10,715,000 |
| 8/15/2015 | 1,005,000 | 3.900% | 233,559 | 1,238,559 | 1,472,118 | 9,710,000 |
| 2/15/2016 | - | - | 213,964 | 213,964 | - | 9,710,000 |
| 8/15/2016 | 1,675,000 | 5.000% | 213,964 | 1,888,964 | 2,102,928 | 8,035,000 |
| 2/15/2017 | - | - | 172,089 | 172,089 | - | 8,035,000 |
| 8/15/2017 | 1,760,000 | 5.000% | 172,089 | 1,932,089 | 2,104,178 | 6,275,000 |
| 2/15/2018 | - | - | 128,089 | 128,089 | - | 6,275,000 |
| 8/15/2018 | 1,850,000 | 4.000% | 128,089 | 1,978,089 | 2,106,178 | 4,425,000 |
| 2/15/2019 | - | - | 91,089 | 91,089 | - | 4,425,000 |
| 8/15/2019 | 1,415,000 | 4.100% | 91,089 | 1,506,089 | 1,597,178 | 3,010,000 |
| 2/15/2020 | - | - | 62,081 | 62,081 | - | 3,010,000 |
| 8/15/2020 | 1,475,000 | 4.125% | 62,081 | 1,537,081 | 1,599,163 | 1,535,000 |
| 2/15/2021 | - | - | 31,659 | 31,659 | - | 1,535,000 |
| 8/15/2021 | 1,535,000 | 4.125% | 31,659 | 1,566,659 | 1,598,319 | - |
| Total | \$ 10,715,000 | | \$ 1,865,059 | \$ 12,580,059 | \$ 12,580,059 | |

City of Pharr, Texas

**\$7,625,000 General Obligation Refunding Bonds
Series 2012**

| | Principal | Coupon | Interest | Total P + I | Fiscal Total | Balance |
|-----------|--------------------|--------|--------------------|---------------------|---------------------|-----------|
| 2/15/2015 | | | 127,887 | 127,887 | - | 7,025,000 |
| 8/15/2015 | 305,000 | 1.60% | 127,887 | 432,887 | 560,774 | 6,720,000 |
| 2/15/2016 | | | 126,271 | 126,271 | - | 6,720,000 |
| 8/15/2016 | 305,000 | 1.37% | 126,271 | 431,271 | 557,541 | 6,415,000 |
| 2/15/2017 | | | 124,181 | 124,181 | - | 6,415,000 |
| 8/15/2017 | 315,000 | 1.83% | 124,181 | 439,181 | 563,363 | 6,100,000 |
| 2/15/2018 | | | 121,299 | 121,299 | - | 6,100,000 |
| 8/15/2018 | 320,000 | 2.14% | 121,299 | 441,299 | 562,598 | 5,780,000 |
| 2/15/2019 | | | 117,875 | 117,875 | - | 5,780,000 |
| 8/15/2019 | 325,000 | 2.48% | 117,875 | 442,875 | 560,750 | 5,455,000 |
| 2/15/2020 | | | 113,845 | 113,845 | - | 5,455,000 |
| 8/15/2020 | 335,000 | 2.86% | 113,845 | 448,845 | 562,690 | 5,120,000 |
| 2/15/2021 | | | 109,055 | 109,055 | - | 5,120,000 |
| 8/15/2021 | 340,000 | 3.17% | 109,055 | 449,055 | 558,109 | 4,780,000 |
| 2/15/2022 | | | 103,666 | 103,666 | - | 4,780,000 |
| 8/15/2022 | 355,000 | 3.32% | 103,666 | 458,666 | 562,331 | 4,425,000 |
| 2/15/2023 | | | 97,773 | 97,773 | - | 4,425,000 |
| 8/15/2023 | 370,000 | 3.68% | 97,773 | 467,773 | 565,545 | 4,055,000 |
| 2/15/2024 | | | 90,965 | 90,965 | - | 4,055,000 |
| 8/15/2024 | 380,000 | 3.88% | 90,965 | 470,965 | 561,929 | 3,675,000 |
| 2/15/2025 | | | 83,593 | 83,593 | - | 3,675,000 |
| 8/15/2025 | 395,000 | 4.06% | 83,593 | 478,593 | 562,185 | 3,280,000 |
| 2/15/2026 | | | 75,574 | 75,574 | - | 3,280,000 |
| 8/15/2026 | 410,000 | 4.18% | 75,574 | 485,574 | 561,148 | 2,870,000 |
| 2/15/2027 | | | 67,005 | 67,005 | - | 2,870,000 |
| 8/15/2027 | 430,000 | 4.32% | 67,005 | 497,005 | 564,010 | 2,440,000 |
| 2/15/2028 | | | 57,717 | 57,717 | - | 2,440,000 |
| 8/15/2028 | 445,000 | 4.45% | 57,717 | 502,717 | 560,434 | 1,995,000 |
| 2/15/2029 | | | 47,816 | 47,816 | - | 1,995,000 |
| 8/15/2029 | 465,000 | 4.55% | 47,816 | 512,816 | 560,632 | 1,530,000 |
| 2/15/2030 | | | 37,237 | 37,237 | - | 1,530,000 |
| 8/15/2030 | 485,000 | 4.72% | 37,237 | 522,237 | 559,474 | 1,045,000 |
| 2/15/2031 | | | 25,791 | 25,791 | - | 1,045,000 |
| 8/15/2031 | 510,000 | 4.89% | 25,791 | 535,791 | 561,582 | 535,000 |
| 2/15/2032 | | | 13,322 | 13,322 | - | 535,000 |
| 8/15/2032 | 535,000 | 4.98% | 13,322 | 548,322 | 561,643 | \$0 |
| | \$7,025,000 | | \$3,081,737 | \$10,106,737 | \$10,106,737 | |

City of Pharr, Texas COMMUNITY DEVELOPMENT BLOCK GRANT
\$5,600,000 HUD SECTION 108 DEBT

| | Principal | Coupon | Interest | Total P+I | Fiscal Total | Balance |
|--------------|---------------------|--------|---------------------|---------------------|---------------------|--------------|
| 2/15/2015 | \$ - | \$ - | \$ 64,262 | \$ 64,262 | \$ - | \$ 5,012,000 |
| 8/15/2015 | 294,000 | 1.28% | 64,262 | 358,262 | 422,524 | 4,718,000 |
| 2/15/2016 | - | - | 62,895 | 62,895 | - | 4,718,000 |
| 8/15/2016 | 294,000 | 1.33% | 62,895 | 356,895 | 419,790 | 4,424,000 |
| 2/15/2017 | - | - | 61,102 | 61,102 | - | 4,424,000 |
| 8/15/2017 | 294,000 | 1.38% | 61,102 | 355,102 | 416,203 | 4,130,000 |
| 2/15/2018 | - | - | 58,838 | 58,838 | - | 4,130,000 |
| 8/15/2018 | 295,000 | 1.42% | 58,838 | 353,838 | 412,676 | 3,835,000 |
| 2/15/2019 | - | - | 56,227 | 56,227 | - | 3,835,000 |
| 8/15/2019 | 295,000 | 1.47% | 56,227 | 351,227 | 407,454 | 3,540,000 |
| 2/15/2020 | - | - | 53,203 | 53,203 | - | 3,540,000 |
| 8/15/2020 | 295,000 | 1.50% | 53,203 | 348,203 | 401,407 | 3,245,000 |
| 2/15/2021 | - | - | 49,590 | 49,590 | - | 3,245,000 |
| 8/15/2021 | 295,000 | 1.53% | 49,590 | 344,590 | 394,179 | 2,950,000 |
| 2/15/2022 | - | - | 45,814 | 45,814 | - | 2,950,000 |
| 8/15/2022 | 295,000 | 1.55% | 45,814 | 340,814 | 386,627 | 2,655,000 |
| 2/15/2023 | - | - | 41,831 | 41,831 | - | 2,655,000 |
| 8/15/2023 | 295,000 | 1.58% | 41,831 | 336,831 | 378,662 | 2,360,000 |
| 2/15/2024 | - | - | 37,539 | 37,539 | - | 2,360,000 |
| 8/15/2024 | 295,000 | 1.59% | 37,539 | 332,539 | 370,078 | 2,065,000 |
| 2/15/2025 | - | - | 33,173 | 33,173 | - | 2,065,000 |
| 8/15/2025 | 295,000 | 1.61% | 33,173 | 328,173 | 361,346 | 1,770,000 |
| 2/15/2026 | - | - | 28,733 | 28,733 | - | 1,770,000 |
| 8/15/2026 | 295,000 | 1.62% | 28,733 | 323,733 | 352,466 | 1,475,000 |
| 2/15/2027 | - | - | 24,175 | 24,175 | - | 1,475,000 |
| 8/15/2027 | 295,000 | 1.64% | 24,175 | 319,175 | 343,351 | 1,180,000 |
| 2/15/2028 | - | - | 19,603 | 19,603 | - | 1,180,000 |
| 8/15/2028 | 295,000 | 1.66% | 19,603 | 314,603 | 334,206 | 885,000 |
| 2/15/2029 | - | - | 14,868 | 14,868 | - | 885,000 |
| 8/15/2029 | 295,000 | 1.68% | 14,868 | 309,868 | 324,736 | 590,000 |
| 2/15/2030 | - | - | 10,060 | 10,060 | - | 590,000 |
| 8/15/2030 | 295,000 | 1.71% | 10,060 | 305,060 | 315,119 | 295,000 |
| 2/15/2031 | - | - | 5,104 | 5,104 | - | 295,000 |
| 8/15/2031 | 295,000 | 1.73% | 5,104 | 300,104 | 305,207 | 0 |
| Total | \$ 5,012,000 | | \$ 1,334,028 | \$ 6,346,028 | \$ 6,346,028 | |

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 |
|--------------|---------------------|--------|-------------------|---------------------|---------------------|--------------|
| 2/15/2015 | \$ - | \$ - | \$ 105,989 | \$ 105,989 | \$ - | \$ 5,135,000 |
| 8/15/2015 | 555,000 | 4.500% | 105,989 | 660,989 | 766,979 | 4,580,000 |
| 2/15/2016 | - | - | 93,502 | 93,502 | - | 4,580,000 |
| 8/15/2016 | 580,000 | 4.000% | 93,502 | 673,502 | 767,004 | 4,000,000 |
| 2/15/2017 | - | - | 81,902 | 81,902 | - | 4,000,000 |
| 8/15/2017 | 600,000 | 4.000% | 81,902 | 681,902 | 763,804 | 3,400,000 |
| 2/15/2018 | - | - | 69,902 | 69,902 | - | 3,400,000 |
| 8/15/2018 | 625,000 | 4.050% | 69,902 | 694,902 | 764,804 | 2,775,000 |
| 2/15/2019 | - | - | 57,246 | 57,246 | - | 2,775,000 |
| 8/15/2019 | 650,000 | 4.100% | 57,246 | 707,246 | 764,491 | 2,125,000 |
| 2/15/2020 | - | - | 43,921 | 43,921 | - | 2,125,000 |
| 8/15/2020 | 680,000 | 4.125% | 43,921 | 723,921 | 767,841 | 1,445,000 |
| 2/15/2021 | - | - | 29,896 | 29,896 | - | 1,445,000 |
| 8/15/2021 | 705,000 | 4.125% | 29,896 | 734,896 | 764,791 | 740,000 |
| 2/15/2022 | - | - | 15,355 | 15,355 | - | 740,000 |
| 8/15/2022 | 740,000 | 4.150% | 15,355 | 755,355 | 770,710 | - |
| Total | \$ 5,135,000 | | \$ 995,424 | \$ 6,130,424 | \$ 6,130,424 | |

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 |
|--------------|-------------------|--------|------------------|-------------------|-------------------|------------|
| 3/1/2015 | - | - | 390,411 | 390,411 | - | 23,470,000 |
| 9/1/2015 | 1,005,000 | 3.000% | 390,411 | 1,395,411 | 1,785,823 | 22,465,000 |
| 3/1/2016 | - | - | 375,336 | 375,336 | - | 22,465,000 |
| 9/1/2016 | 1,030,000 | 3.050% | 375,336 | 1,405,336 | 1,780,673 | 21,435,000 |
| 3/1/2017 | - | - | 359,629 | 359,629 | - | 21,435,000 |
| 9/1/2017 | 1,155,000 | 3.100% | 359,629 | 1,514,629 | 1,874,258 | 20,280,000 |
| 3/1/2018 | - | - | 341,726 | 341,726 | - | 20,280,000 |
| 9/1/2018 | 1,550,000 | 3.200% | 341,726 | 1,891,726 | 2,233,453 | 18,730,000 |
| 3/1/2019 | - | - | 316,926 | 316,926 | - | 18,730,000 |
| 9/1/2019 | 1,740,000 | 3.200% | 316,926 | 2,056,926 | 2,373,853 | 16,990,000 |
| 3/1/2020 | - | - | 289,086 | 289,086 | - | 16,990,000 |
| 9/1/2020 | 1,800,000 | 3.250% | 289,086 | 2,089,086 | 2,378,173 | 15,190,000 |
| 3/1/2021 | - | - | 259,836 | 259,836 | - | 15,190,000 |
| 9/1/2021 | 1,860,000 | 3.300% | 259,836 | 2,119,836 | 2,379,673 | 13,330,000 |
| 3/1/2022 | - | - | 229,146 | 229,146 | - | 13,330,000 |
| 9/1/2022 | 1,920,000 | 3.350% | 229,146 | 2,149,146 | 2,378,293 | 11,410,000 |
| 3/1/2023 | - | - | 196,986 | 196,986 | - | 11,410,000 |
| 9/1/2023 | 1,980,000 | 3.400% | 196,986 | 2,176,986 | 2,373,973 | 9,430,000 |
| 3/1/2024 | - | - | 163,326 | 163,326 | - | 9,430,000 |
| 9/1/2024 | 2,240,000 | 3.400% | 163,326 | 2,403,326 | 2,566,653 | 7,190,000 |
| 3/1/2025 | - | - | 125,246 | 125,246 | - | 7,190,000 |
| 9/1/2025 | 2,315,000 | 3.450% | 125,246 | 2,440,246 | 2,565,493 | 4,875,000 |
| 3/1/2026 | - | - | 85,313 | 85,313 | - | 4,875,000 |
| 9/1/2026 | 2,395,000 | 3.500% | 85,313 | 2,480,313 | 2,565,625 | 2,480,000 |
| 3/1/2027 | - | - | 43,400 | 43,400 | - | 2,480,000 |
| 9/1/2027 | 2,480,000 | 3.500% | 43,400 | 2,523,400 | 2,566,800 | - |
| Total | 23,470,000 | | 6,352,738 | 29,822,738 | 29,822,738 | |

City of Pharr, Texas UTILITIES

\$14,000,000 Waterworks & Sewer System Revenue Bonds, Series 2007A

DWSRF

*Bonds issued but still held by NADBank, therefore, debt payments are not yet certain

| | Principal | Coupon | Interest | Total P+I | Fiscal Total | Balance |
|--------------|------------------|--------|------------------|-------------------|-------------------|-----------|
| 3/1/2015 | - | - | 133,222 | 133,222 | - | 9,735,000 |
| 9/1/2015 | 470,000 | 2.450% | 133,222 | 603,222 | 736,444 | 9,265,000 |
| 3/1/2016 | - | - | 127,465 | 127,465 | - | 9,265,000 |
| 9/1/2016 | 475,000 | 2.500% | 127,465 | 602,465 | 729,930 | 8,790,000 |
| 3/1/2017 | - | - | 121,527 | 121,527 | - | 8,790,000 |
| 9/1/2017 | 820,000 | 2.550% | 121,527 | 941,527 | 1,063,054 | 7,970,000 |
| 3/1/2018 | - | - | 111,072 | 111,072 | - | 7,970,000 |
| 9/1/2018 | 840,000 | 2.650% | 111,072 | 951,072 | 1,062,144 | 7,130,000 |
| 3/1/2019 | - | - | 99,942 | 99,942 | - | 7,130,000 |
| 9/1/2019 | 860,000 | 2.650% | 99,942 | 959,942 | 1,059,884 | 6,270,000 |
| 3/1/2020 | - | - | 88,547 | 88,547 | - | 6,270,000 |
| 9/1/2020 | 885,000 | 2.700% | 88,547 | 973,547 | 1,062,094 | 5,385,000 |
| 3/1/2021 | - | - | 76,600 | 76,600 | - | 5,385,000 |
| 9/1/2021 | 905,000 | 2.750% | 76,600 | 981,600 | 1,058,200 | 4,480,000 |
| 3/1/2022 | - | - | 64,156 | 64,156 | - | 4,480,000 |
| 9/1/2022 | 930,000 | 2.800% | 64,156 | 994,156 | 1,058,312 | 3,550,000 |
| 3/1/2023 | - | - | 51,136 | 51,136 | - | 3,550,000 |
| 9/1/2023 | 960,000 | 2.850% | 51,136 | 1,011,136 | 1,062,272 | 2,590,000 |
| 3/1/2024 | - | - | 37,456 | 37,456 | - | 2,590,000 |
| 9/1/2024 | 985,000 | 2.850% | 37,456 | 1,022,456 | 1,059,912 | 1,605,000 |
| 3/1/2025 | - | - | 23,420 | 23,420 | - | 1,605,000 |
| 9/1/2025 | 1,015,000 | 2.900% | 23,420 | 1,038,420 | 1,061,840 | 590,000 |
| 3/1/2026 | - | - | 8,703 | 8,703 | - | 590,000 |
| 9/1/2026 * | 590,000 | 2.950% | 8,703 | 598,703 | 607,405 | - |
| 3/1/2027 | - | - | - | - | - | - |
| 9/1/2027 * | - | 2.950% | - | - | - | - |
| Total | 9,735,000 | | 1,886,491 | 11,621,491 | 11,621,491 | |

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 |
|--------------|------------------|--------|------------------|------------------|------------------|-----------|
| 3/1/2015 | - | - | 135,563 | 135,563 | - | 7,230,000 |
| 9/1/2015 | 440,000 | 3.750% | 135,563 | 575,563 | 711,125 | 6,790,000 |
| 3/1/2016 | - | - | 127,313 | 127,313 | - | 6,790,000 |
| 9/1/2016 | 460,000 | 3.750% | 127,313 | 587,313 | 714,625 | 6,330,000 |
| 3/1/2017 | - | - | 118,688 | 118,688 | - | 6,330,000 |
| 9/1/2017 | 475,000 | 3.750% | 118,688 | 593,688 | 712,375 | 5,855,000 |
| 3/1/2018 | - | - | 109,782 | 109,782 | - | 5,855,000 |
| 9/1/2018 | 495,000 | 3.750% | 109,782 | 604,782 | 714,563 | 5,360,000 |
| 3/1/2019 | - | - | 100,500 | 100,500 | - | 5,360,000 |
| 9/1/2019 | 510,000 | 3.750% | 100,500 | 610,500 | 711,000 | 4,850,000 |
| 3/1/2020 | - | - | 90,938 | 90,938 | - | 4,850,000 |
| 9/1/2020 | 530,000 | 3.750% | 90,938 | 620,938 | 711,875 | 4,320,000 |
| 3/1/2021 | - | - | 81,000 | 81,000 | - | 4,320,000 |
| 9/1/2021 | 550,000 | 3.750% | 81,000 | 631,000 | 712,000 | 3,770,000 |
| 3/1/2022 | - | - | 70,688 | 70,688 | - | 3,770,000 |
| 9/1/2022 | 570,000 | 3.750% | 70,688 | 640,688 | 711,375 | 3,200,000 |
| 3/1/2023 | - | - | 60,000 | 60,000 | - | 3,200,000 |
| 9/1/2023 | 595,000 | 3.750% | 60,000 | 655,000 | 715,000 | 2,605,000 |
| 3/1/2024 | - | - | 48,844 | 48,844 | - | 2,605,000 |
| 9/1/2024 | 615,000 | 3.750% | 48,844 | 663,844 | 712,688 | 1,990,000 |
| 3/1/2025 | - | - | 37,313 | 37,313 | - | 1,990,000 |
| 9/1/2025 | 640,000 | 3.750% | 37,313 | 677,313 | 714,625 | 1,350,000 |
| 3/1/2026 | - | - | 25,313 | 25,313 | - | 1,350,000 |
| 9/1/2026 | 665,000 | 3.750% | 25,313 | 690,313 | 715,625 | 685,000 |
| 3/1/2027 | - | - | 12,844 | 12,844 | - | 685,000 |
| 9/1/2027 | 685,000 | 3.750% | 12,844 | 697,844 | 710,688 | - |
| Total | 7,230,000 | | 2,037,564 | 9,267,564 | 9,267,564 | |

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 |
|--------------|---------------------|--------|-------------------|---------------------|---------------------|-----------|
| 3/1/2015 | - | - | 37,620.00 | 37,620 | - | 2,090,000 |
| 9/1/2015 | 780,000.00 | 3.600% | 37,620.00 | 817,620 | 855,240 | 1,310,000 |
| 3/1/2016 | - | - | 23,580.00 | 23,580 | - | 1,310,000 |
| 9/1/2016 | 815,000.00 | 3.600% | 23,580.00 | 838,580 | 862,160 | 495,000 |
| 3/1/2017 | - | - | 8,910.00 | 8,910 | - | 495,000 |
| 9/1/2017 | 420,000.00 | 3.600% | 8,910.00 | 428,910 | 437,820 | 75,000 |
| 3/1/2018 | - | - | 1,350.00 | 1,350 | - | 75,000 |
| 9/1/2018 | 75,000.00 | 3.600% | 1,350.00 | 76,350 | 77,700 | - |
| Total | \$ 2,090,000 | | \$ 142,920 | \$ 2,232,920 | \$ 2,232,920 | |

City of Pharr, Texas

\$8,725,000 Waterworks & Sewer System Revenue Bonds, Series 2013

DWSRF

| Date | Principal | Coupon | Interest | Total P+I | Fiscal Total | Balance |
|--------------|--------------------|--------|--------------------|---------------------|--------------|-----------|
| 3/1/2015 | | | 80,072.75 | 80,072.75 | | 8,470,000 |
| 9/1/2015 | \$255,000.00 | 0.130% | 80,072.75 | 335,072.75 | 415,146 | 8,215,000 |
| 3/1/2016 | | | 80,072.75 | 80,072.75 | | 8,215,000 |
| 9/1/2016 | \$255,000.00 | 0.130% | 80,072.75 | 335,072.75 | 415,146 | 7,960,000 |
| 3/1/2017 | | | 80,072.75 | 80,072.75 | | 7,960,000 |
| 9/1/2017 | \$255,000.00 | 0.130% | 80,072.75 | 335,072.75 | 415,146 | 7,705,000 |
| 3/1/2018 | | | 80,072.75 | 80,072.75 | | 7,705,000 |
| 9/1/2018 | \$255,000.00 | 0.130% | 80,072.75 | 335,072.75 | 415,146 | 7,450,000 |
| 3/1/2019 | | | 79,907.00 | 79,907.00 | | 7,450,000 |
| 9/1/2019 | \$255,000.00 | 0.490% | 79,907.00 | 334,907.00 | 414,814 | 7,195,000 |
| 3/1/2020 | | | 79,282.25 | 79,282.25 | | 7,195,000 |
| 9/1/2020 | \$255,000.00 | 0.780% | 79,282.25 | 334,282.25 | 413,565 | 6,940,000 |
| 3/1/2021 | | | 78,287.75 | 78,287.75 | | 6,940,000 |
| 9/1/2021 | \$255,000.00 | 1.080% | 78,287.75 | 333,287.75 | 411,576 | 6,685,000 |
| 3/1/2022 | | | 76,910.75 | 76,910.75 | | 6,685,000 |
| 9/1/2022 | \$260,000.00 | 1.350% | 76,910.75 | 336,910.75 | 413,822 | 6,425,000 |
| 3/1/2023 | | | 75,155.75 | 75,155.75 | | 6,425,000 |
| 9/1/2023 | \$260,000.00 | 1.530% | 75,155.75 | 335,155.75 | 410,312 | 6,165,000 |
| 3/1/2024 | | | 73,166.75 | 73,166.75 | | 6,165,000 |
| 9/1/2024 | \$265,000.00 | 1.670% | 73,166.75 | 338,166.75 | 411,334 | 5,900,000 |
| 3/1/2025 | | | 70,954.00 | 70,954.00 | | 5,900,000 |
| 9/1/2025 | \$270,000.00 | 1.790% | 70,954.00 | 340,954.00 | 411,908 | 5,630,000 |
| 3/1/2026 | | | 68,537.50 | 68,537.50 | | 5,630,000 |
| 9/1/2026 | \$275,000.00 | 1.910% | 68,537.50 | 343,537.50 | 412,075 | 5,355,000 |
| 3/1/2027 | | | 65,911.25 | 65,911.25 | | 5,355,000 |
| 9/1/2027 | \$280,000.00 | 2.010% | 65,911.25 | 345,911.25 | 411,823 | 5,075,000 |
| 3/1/2028 | | | 63,097.25 | 63,097.25 | | 5,075,000 |
| 9/1/2028 | \$285,000.00 | 2.080% | 63,097.25 | 348,097.25 | 411,195 | 4,790,000 |
| 3/1/2029 | | | 60,133.25 | 60,133.25 | | 4,790,000 |
| 9/1/2029 | \$295,000.00 | 2.160% | 60,133.25 | 355,133.25 | 415,267 | 4,495,000 |
| 3/1/2030 | | | 56,947.25 | 56,947.25 | | 4,495,000 |
| 9/1/2030 | \$300,000.00 | 2.230% | 56,947.25 | 356,947.25 | 413,895 | 4,195,000 |
| 3/1/2031 | | | 53,602.25 | 53,602.25 | | 4,195,000 |
| 9/1/2031 | \$305,000.00 | 2.300% | 53,602.25 | 358,602.25 | 412,205 | 3,890,000 |
| 3/1/2032 | | | 50,094.75 | 50,094.75 | | 3,890,000 |
| 9/1/2032 | \$310,000.00 | 2.360% | 50,094.75 | 360,094.75 | 410,190 | 3,580,000 |
| 3/1/2033 | | | 46,436.75 | 46,436.75 | | 3,580,000 |
| 9/1/2033 | \$320,000.00 | 2.400% | 46,436.75 | 366,436.75 | 412,874 | 3,260,000 |
| 3/1/2034 | | | 42,596.75 | 42,596.75 | | 3,260,000 |
| 9/1/2034 | \$325,000.00 | 2.450% | 42,596.75 | 367,596.75 | 410,194 | 2,935,000 |
| 3/1/2035 | | | 38,615.50 | 38,615.50 | | 2,935,000 |
| 9/1/2035 | \$335,000.00 | 2.500% | 38,615.50 | 373,615.50 | 412,231 | 2,600,000 |
| 3/1/2036 | | | 34,428.00 | 34,428.00 | | 2,600,000 |
| 9/1/2036 | \$345,000.00 | 2.550% | 34,428.00 | 379,428.00 | 413,856 | 2,255,000 |
| 3/1/2037 | | | 30,029.25 | 30,029.25 | | 2,255,000 |
| 9/1/2037 | \$355,000.00 | 2.590% | 30,029.25 | 385,029.25 | 415,059 | 1,900,000 |
| 3/1/2038 | | | 25,432.00 | 25,432.00 | | 1,900,000 |
| 9/1/2038 | \$360,000.00 | 2.630% | 25,432.00 | 385,432.00 | 410,864 | 1,540,000 |
| 3/1/2039 | | | 20,698.00 | 20,698.00 | | 1,540,000 |
| 9/1/2039 | \$370,000.00 | 2.660% | 20,698.00 | 390,698.00 | 411,396 | 1,170,000 |
| 3/1/2040 | | | 15,777.00 | 15,777.00 | | 1,170,000 |
| 9/1/2040 | \$380,000.00 | 2.680% | 15,777.00 | 395,777.00 | 411,554 | 790,000 |
| 3/1/2041 | | | 10,685.00 | 10,685.00 | | 790,000 |
| 9/1/2041 | \$390,000.00 | 2.700% | 10,685.00 | 400,685.00 | 411,370 | 400,000 |
| 3/1/2042 | | | 5,420.00 | 5,420.00 | | 400,000 |
| 9/1/2042 | \$400,000.00 | 2.710% | 5,420.00 | 405,420.00 | 410,840 | - |
| Total | \$8,470,000 | | \$3,084,794 | \$11,554,794 | | |



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CITY OF PHARR

AD VALOREM TAX REVENUE AND DISTRIBUTION

SUMMARY

| Calendar Year Fiscal Year | 2005 2005-2006 | 2006 2006-2007 | 2007 2007-2008 | 2008 2008-2009 | 2009 2009-2010 | 2010 2010-2011 | 2011 2011-2012 | 2012 2012-2013 | 2013 2013-2014 | 2014 2014-2015 |
|--------------------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|
| LAND MARKET VALUE | \$ 585,592,721 | \$ 691,917,328 | \$ 730,482,127 | \$ 1,012,889,618 | \$ 1,036,749,268 | \$ 1,044,112,922 | \$ 1,046,447,323 | \$ 1,052,988,660 | \$ 1,061,376,122 | \$ 1,125,778,906 |
| IMPROVEMENTS-HOMESITE | 354,792,703 | 381,314,593 | 450,843,430 | 465,618,398 | 478,884,365 | 488,915,754 | 491,035,265 | 502,245,835 | 499,545,600 | 530,491,474 |
| IMPROVEMENTS-NON HOMESITES | 618,888,462 | 687,892,767 | 780,514,223 | 865,068,624 | 882,610,712 | 947,260,745 | 963,714,077 | 1,027,288,392 | 1,063,516,888 | 1,216,990,424 |
| PERSONAL PROPERTY | 162,457,708 | 172,167,072 | 195,895,995 | 213,847,032 | 242,187,004 | 265,721,778 | 256,980,163 | 265,359,007 | 320,085,024 | 319,802,001 |
| MINERALS | 52,742,207 | 54,079,270 | 51,312,443 | 52,231,740 | 49,303,210 | 16,864,741 | 11,027,409 | 11,041,527 | 9,131,857 | 6,209,828 |
| TOTAL MARKET VALUE | 1,774,473,801 | 1,987,371,030 | 2,209,048,218 | 2,609,655,412 | 2,689,734,559 | 2,762,875,940 | 2,769,204,237 | 2,858,923,421 | 2,953,655,491 | 3,199,272,633 |
| EXEMPTIONS: | | | | | | | | | | |
| AG EXEMPTIONS (Productivity Loss) | | | | | | | | | | |
| HOMESTEAD CAP | 77,501,869 | 112,443,498 | 103,203,113 | 134,506,943 | 144,277,351 | 144,219,613 | 146,946,839 | 144,813,749 | 146,596,827 | 151,963,789 |
| TAX ABATEMENTS | 4,008,182 | 4,629,664 | 23,713,065 | 23,332,829 | 12,705,529 | 8,095,094 | 5,774,279 | 4,555,630 | 4,095,111 | 19,136,321 |
| DISABLED VETERANS | 13,305,616 | 10,342,764 | 6,878,043 | 2,774,514 | 2,122,019 | 6,206,218 | 4,102,564 | 1,967,133 | 642,006 | - |
| FULL EXEMPTIONS | 1,696,421 | 1,854,587 | 2,139,440 | 2,301,422 | 5,337,116 | 7,119,488 | 8,052,326 | 8,833,460 | 8,974,025 | 10,891,368 |
| FREPORT EXEMPTIONS | 203,085,944 | 208,841,689 | 234,460,911 | 290,477,824 | 306,380,769 | 372,690,550 | 379,559,896 | 431,070,163 | 441,516,797 | 518,016,564 |
| OVER 65 | 3,497,957 | 2,383,952 | 11,469,002 | 21,665,583 | 25,542,051 | 20,615,082 | 26,413,611 | 36,885,195 | 50,582,583 | 47,469,075 |
| DISABLED PERSON | 29,168,364 | 29,517,279 | 30,282,975 | 30,961,287 | 31,513,127 | 31,759,363 | 33,823,036 | 34,326,984 | 34,516,501 | 35,242,248 |
| MOBILE HOME | - | - | - | - | - | - | - | - | - | - |
| HOUSE BILL | 6,844 | 6,632 | - | - | - | - | - | - | - | - |
| POLLUTION | 1,881 | 2,047 | 803 | 926 | 2,573 | 47,879 | - | - | - | - |
| HISTORICAL | - | - | - | - | - | 181,240 | - | - | - | - |
| | 54,829 | 54,829 | 54,829 | 87,745 | 87,745 | 87,741 | 87,336 | 87,331 | 87,331 | 87,902 |
| TOTAL EXEMPTIONS | 332,327,907 | 370,076,941 | 412,202,181 | 506,109,073 | 527,968,280 | 591,022,268 | 604,759,887 | 662,539,645 | 687,011,181 | 782,807,267 |
| PENDING PROTEST | 15,529,806 | 14,551,335 | 32,487,104 | 77,796,098 | 40,255,162 | 2,828,180 | - | - | - | - |
| NET TAXABLE VALUE | \$ 1,457,675,700 | \$ 1,631,845,424 | \$ 1,829,333,141 | \$ 2,181,342,437 | \$ 2,202,021,441 | \$ 2,174,681,852 | \$ 2,164,444,350 | \$ 2,196,383,776 | \$ 2,266,644,310 | \$ 2,416,465,366 |
| ASSESSMENT RATIO | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| PROPOSED TAX RATE/\$100 | \$ 0.68312 | \$ 0.68312 | \$ 0.68312 | \$ 0.68185 | \$ 0.68000 | \$ 0.68000 | \$ 0.68000 | \$ 0.68000 | \$ 0.68000 | \$ 0.68000 |
| ESTIMATED TAX LEVY | 9,957,674 | 11,147,462 | 12,496,541 | 14,873,483 | 14,973,746 | 14,787,837 | 14,718,222 | 14,935,410 | 15,413,181 | 16,431,964 |
| FROZEN LEVY LOSS | - | (33,763) | (79,445) | (120,000) | - | - | - | - | - | - |
| TOTAL LEVY | 9,957,674 | 11,113,699 | 12,417,096 | 14,753,483 | 14,973,746 | 14,787,837 | 14,718,222 | 14,935,410 | 15,413,181 | 16,431,964 |
| ESTIMATED % OF COLLECTION | 90.5% | 91% | 91% | 91% | 90% | 90% | 92% | 92% | 92% | 94% |
| ESTIMATED TAX COLLECTION | 9,011,695 | 10,113,466 | 11,299,557 | 13,425,670 | 13,476,371 | 13,309,053 | 13,540,764 | 13,740,577 | 14,180,127 | 15,446,047 |
| ESTIMATED DEL. TAX COLLECTION | 770,000 | 825,000 | 789,140 | 750,000 | 795,000 | 920,000 | 960,000 | 960,000 | 960,000 | 780,000 |
| ESTIMATED TAX FUNDS AVAILABLE | \$9,781,695 | \$10,938,466 | \$12,088,697 | \$14,175,670 | \$14,271,371 | \$14,229,053 | \$14,500,764 | \$14,700,577 | \$15,140,127 | \$16,226,047 |

| Calendar Year | | 2005 | 2006 | 2007 | 2008 | 2009 | 2010 | 2011 | 2012 | 2013 | 2014 |
|---------------------------------|--|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| Fiscal Year | | 2005-2006 | 2006-2007 | 2007-2008 | 2008-2009 | 2009-2010 | 2010-2011 | 2011-2012 | 2012-2013 | 2013-2014 | 2014-2015 |
| GENERAL FUND (M&O) | | | | | | | | | | | |
| CURRENT YEAR TAX : | | | | | | | | | | | |
| Current Tax Rate | | \$0.59313 | \$0.59313 | \$0.59613 | \$0.60294 | \$0.60180 | \$0.60180 | \$0.60210 | \$0.60260 | \$0.60500 | \$0.60810 |
| Current Distribution Percentage | | 87% | 87% | 87% | 88% | 89% | 89% | 89% | 89% | 89% | 89% |
| Amount | | \$7,824,550 | \$8,781,181 | \$9,860,647 | \$11,871,927 | \$11,926,589 | \$11,778,512 | \$11,989,550 | \$12,176,576 | \$12,616,142 | \$13,812,854 |
| DELINQUENT TAX | | | | | | | | | | | |
| Amount | | 670,000 | 715,000 | 700,000 | 663,200 | 703,000 | 820,000 | 850,000 | 850,000 | 850,000 | 700,000 |
| SUB TOTAL | | | | | | | | | | | |
| Current Tax Rate | | \$0.59313 | \$0.59313 | \$0.59613 | \$0.60294 | \$0.60180 | \$0.60180 | \$0.60210 | \$0.60260 | \$0.60500 | \$0.60810 |
| Current Distribution Percentage | | 87% | 87% | 87% | 88% | 89% | 89% | 89% | 89% | 89% | 89% |
| Amount | | \$8,494,550 | \$9,496,181 | \$10,560,647 | \$12,535,127 | \$12,629,589 | \$12,598,512 | \$12,839,550 | \$13,026,576 | \$13,466,142 | \$14,512,854 |
| DEBT SERVICE FUND (I & S) | | | | | | | | | | | |
| CURRENT YEAR TAX | | | | | | | | | | | |
| Current Tax Rate | | \$0.08999 | \$0.08999 | \$0.08699 | \$0.07891 | \$0.07820 | \$0.07820 | \$0.07790 | \$0.07740 | \$0.07500 | \$0.07190 |
| Current Distribution Percentage | | 13% | 13% | 13% | 12% | 12% | 12% | 11% | 11% | 11% | 11% |
| Amount | | \$1,187,144.94 | \$1,332,285.43 | \$1,438,910.43 | \$1,553,742.92 | \$1,549,782.69 | \$1,530,541.09 | \$1,551,213.98 | \$1,564,000.96 | \$1,563,984.57 | \$1,633,192.28 |
| DELINQUENT TAX | | | | | | | | | | | |
| Amount | | 100,000 | 110,000 | 89,140 | 86,800 | 92,000 | 100,000 | 110,000 | 110,000 | 110,000 | 80,000 |
| SUB TOTAL | | | | | | | | | | | |
| Current Tax Rate | | \$0.09000 | \$0.09000 | \$0.08700 | \$0.07890 | \$0.07820 | \$0.07820 | \$0.07790 | \$0.07740 | \$0.07500 | \$0.07190 |
| Current Distribution Percentage | | 13% | 13% | 13% | 12% | 12% | 12% | 11% | 11% | 11% | 11% |
| Amount | | \$1,287,145 | \$1,442,285 | \$1,528,050 | \$1,640,543 | \$1,641,783 | \$1,630,541 | \$1,661,214 | \$1,674,001 | \$1,673,985 | \$1,713,192 |
| TOTAL | | | | | | | | | | | |
| Current Tax Rate | | \$0.68312 | \$0.68312 | \$0.68312 | \$0.68185 | \$0.68000 | \$0.68000 | \$0.68000 | \$0.68000 | \$0.68000 | \$0.68000 |
| Current Distribution Percentage | | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% | 100% |
| Amount | | \$9,781,695 | \$10,938,466 | \$12,088,697 | \$14,175,670 | \$14,271,371 | \$14,229,053 | \$14,500,764 | \$14,700,577 | \$15,140,127 | \$16,226,047 |

City of Pharr

Current Property Tax Analysis - Cash Collections

| MONTH | Tax Yr 2008 FY 08/09 | Tax Yr 2009 FY 09/10 | Tax Yr 2010 FY 10/11 | Tax Yr 2011 FY 11/12 | Tax Yr 2012 FY 12/13 | Tax Yr 2013 FY 13/14 | Difference FY 13/14 - FY 12/13 |
|--------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------------------|
| OCT. | 139,500 | 88,747 | 61,748 | 73,240 | 35,962 | 57,219 | 21,257 |
| NOV. | 494,627 | 690,655 | 863,479 | 714,226 | 809,043 | 1,120,338 | 311,294 |
| DEC. | 3,623,450 | 3,980,702 | 4,182,581 | 2,097,974 | 2,203,776 | 1,978,408 | (225,368) |
| JAN. | 5,876,621 | 3,375,811 | 5,626,517 | 4,264,422 | 4,714,974 | 5,664,949 | 949,975 |
| FEB. | 1,677,831 | 3,703,857 | 1,384,613 | 4,855,926 | 4,581,914 | 4,220,196 | (361,718) |
| MAR. | 476,003 | 763,310 | 677,840 | 810,207 | 709,683 | 675,020 | (34,663) |
| APR. | 245,275 | 286,589 | 233,526 | 302,616 | 317,955 | 354,601 | 36,647 |
| MAY | 201,463 | 237,195 | 205,436 | 267,551 | 243,624 | 149,307 | (94,317) |
| JUN. | 329,610 | 229,939 | 151,604 | 102,700 | 162,991 | 126,518 | (36,473) |
| JUL. | 119,607 | 114,766 | 72,012 | 164,298 | 158,652 | 177,092 | 18,440 |
| AUG. | 82,997 | 128,463 | 65,927 | 91,949 | 83,845 | 73,478 | (10,366) |
| SEP. | 123,823 | 93,954 | 41,755 | 25,729 | 51,341 | | |
| TOTAL | 13,390,806 | 13,693,988 | 13,567,038 | 13,770,839 | 14,073,760 | 14,597,127 | 574,708 |

1st Six Month Collection & % of Total Collection

| | | | | | | | | | | | |
|------|------------|------|------------|------|------------|------|------------|------|------------|-----|------------|
| \$ | 13,390,806 | \$ | 13,693,988 | \$ | 13,567,038 | \$ | 13,770,839 | \$ | 14,073,760 | \$ | 13,716,130 |
| 100% | | 100% | | 100% | | 100% | | 100% | | 94% | |

INCREASE/(DECREASE) IN CURRENT PROPERTY TAX COLLECTION

| | | | | | | | | | | | |
|----|-----------|----|---------|----|-----------|----|---------|----|---------|----|---------|
| \$ | 1,756,580 | \$ | 303,181 | \$ | (126,950) | \$ | 203,801 | \$ | 302,921 | \$ | 574,708 |
|----|-----------|----|---------|----|-----------|----|---------|----|---------|----|---------|

INCREASE FROM PREVIOUS YEAR

| | | | | | |
|--------|-------|--------|-------|-------|-------|
| 15.10% | 2.26% | -0.93% | 1.50% | 2.20% | 4.10% |
|--------|-------|--------|-------|-------|-------|

BUDGET VS. ACTUAL VARIANCE ANALYSIS

| | | | | | | | | | | | |
|-------|------------|-------|------------|-------|------------|----|------------|----|------------|----|------------|
| \$ | 13,022,670 | \$ | 13,449,760 | \$ | 13,310,000 | \$ | 13,541,000 | \$ | 13,741,000 | \$ | 14,180,100 |
| \$ | 368,136 | \$ | 244,228 | \$ | 257,038 | \$ | 229,839 | \$ | 332,760 | \$ | 417,027 |
| 2.83% | 1.82% | 1.93% | 1.70% | 2.42% | 2.94% | | | | | | |

City of Pharr Delinquent Property Tax Analysis - Cash Collections

| MONTH | Tax Yr 2008 FY 08/09 | Tax Yr 2009 FY 09/10 | Tax Yr 2010 FY 10/11 | Tax Yr 2011 FY 11/12 | Tax Yr 2012 FY 12/13 | Tax Yr 2013 FY 13/14 | Difference FY 13/14 - FY 12/13 |
|-------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-------------------------|-----------------------------------|
| OCT. | 61,599 | 81,893 | 89,961 | 104,709 | 52,985 | 36,883 | (16,102) |
| NOV. | 71,419 | 63,694 | 134,574 | 119,311 | 50,072 | 66,580 | 16,508 |
| DEC. | 107,050 | 88,328 | 124,939 | 104,541 | 66,093 | 62,131 | (3,962) |
| JAN. | 129,202 | 118,350 | 104,543 | 66,064 | 52,671 | 45,184 | (7,487) |
| FEB. | 146,099 | 136,846 | 92,967 | 88,374 | 87,962 | 67,453 | (20,509) |
| MAR. | 108,295 | 120,986 | 103,391 | 123,621 | 92,212 | 68,515 | (23,697) |
| APR. | 89,344 | 100,405 | 89,776 | 98,450 | 66,850 | 50,740 | (16,111) |
| MAY | 78,883 | 66,705 | 70,464 | 103,455 | 66,287 | 62,792 | (3,495) |
| JUN. | 70,156 | 63,569 | 44,559 | 45,630 | 38,227 | 61,825 | 23,598 |
| JUL. | 52,911 | 47,945 | 36,785 | 88,708 | 64,203 | 54,921 | (9,282) |
| AUG. | 56,713 | 58,401 | 47,775 | 52,143 | 63,959 | 30,148 | (33,812) |
| SEP. | 35,683 | 71,425 | 50,795 | 55,652 | 39,478 | | |
| TOTAL | 1,007,354 | 1,018,546 | 990,531 | 1,050,658 | 740,998 | 607,171 | (94,348) |

AVERAGE PER MONTH
\$ 83,946 \$ 84,879 \$ 82,544 \$ 87,555 \$ 61,750 \$ 55,197

INCREASE/(DECREASE) IN DELINQUENT PROPERTY TAX COLLECTION
\$ 69,612 \$ 11,192 \$ (28,015) \$ 60,127 \$ (309,660) \$ (94,348)

INCREASE FROM PREVIOUS YEAR
7.42% 1.11% -2.75% 6.07% -29.47% -13.45%

BUDGET VS. ACTUAL VARIANCE ANALYSIS
\$ 789,140 \$ 750,000 \$ 920,000 \$ 960,000 \$ 960,000 \$ 954,400
\$ 218,214 \$ 268,546 \$ 70,531 \$ 90,658 \$ (219,002) \$ (347,229)
27.65% 35.81% 7.67% 9.44% -22.81% -36.38%

ORDINANCE NO: O-2014-43

**AN ORDINANCE ADOPTING AND APPROVING THE
BUDGET FOR THE CITY OF PHARR, TEXAS FOR
YEAR BEGINNING OCTOBER 1, 2014 AND ENDING
SEPTEMBER 30, 2015, APPROPRIATING FUNDS,
AND DECLARING AN EMERGENCY AND AN
EFFECTIVE DATE**

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

WHEREAS, the City Manager of the City of Pharr has prepared a budget for the fiscal year beginning October 1, 2014 and ending September 30, 2015, and has filed same with the City Clerk all in the manner and form and for the length of time required by law; and

WHEREAS, public notice of a public hearing on such budget has been given in the manner and form and for the length of time required by law, and pursuant to such notice, and such public hearing was held, and it is the Judgment of the Board of Commissioners of the City that the law warrants no changes to be made in said budget as prepared by the City Manager and that said Budget should be approved as submitted by the City Manager, and adjusted by the City Commission.

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

SECTION 1: That the budget of the revenues of the City of Pharr, and the expenditures for the conducting of the affairs thereof for the fiscal year beginning October 1, 2013 and ending September 30, 2014, as submitted to the Board of Commissioners of the City of Pharr, Texas, by the City Manager of said City, be and the same is in all respects approved and adopted as the Budget for said fiscal year.

SECTION 2: That the sum of \$ 42,581,791 is hereby appropriated out of the general fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government.

SECTION 3: That the sum of \$ 0 is hereby appropriated out of the general contingency reserve fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government.

SECTION 4: That the sum of \$ 2,121,030 is hereby appropriated out of the community development fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government.

SECTION 5: That the sum of \$ 790,000 is hereby appropriated out of the asset sharing fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government, of which \$630,000 is from fund reserves.

SECTION 6: That the sum of \$ 5,200 is hereby appropriated out of the parkland dedication fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government.

SECTION 7: That the sum of \$1,631,550 is hereby appropriated out of the grants fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government.

SECTION 8: That the sum of \$1,008,000 is hereby appropriated out of the paving and drainage fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government.

SECTION 9: That the sum of \$850,500 is hereby appropriated out of the hotel/motel fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government.

SECTION 10: That the sum of \$4,165,910 is hereby appropriated out of the general capital projects fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government, of which \$3,754,740 is from fund reserves.

SECTION 11: That the sum of \$16,827,300 is hereby appropriated out of the utility capital projects fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government, of which \$11,650,000 is from fund reserves.

SECTION 12: That the sum of \$9,601,010 is hereby appropriated out of the bridge capital projects fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government, of which \$3,234,320 is from fund reserves.

SECTION 13: That the sum of \$2,831,260 is hereby appropriated out of the debt service fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government.

SECTION 14: That the sum of \$718,290 is hereby appropriated out of the garage fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government.

SECTION 15: That the sum of \$ 14,211,360 is hereby appropriated out of the utility fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government.

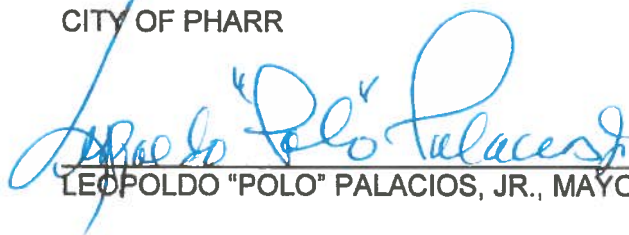
SECTION 16: That the sum of \$10,830,960 is hereby appropriated out of the bridge fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government, of which \$1,500,000 is from fund reserves.

SECTION 17: That the sum of \$1,503,300 is hereby appropriated out of the golf course fund for the payment of operating expenses, capital outlay, and other specified expenditures of the City Government.

SECTION 18: The fact that an approved and adopted budget is necessary for the preservation of 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 the passage and approved.

APPROVED AND ADOPTED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the 16th day of September, 2014.

CITY OF PHARR


LEOPOLDO "POLO" PALACIOS, JR., MAYOR

ATTEST:


HILDA PEDRAZA, CITY CLERK

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 an 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 official 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.

Deficit: Expenditures are greater than revenues. The amount by which spending exceeds income.

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. Useful life of at least 3 years and a cost of at least \$5,000.

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.