



City of Pharr, Texas



Annual Financial Budget

For the Fiscal Year
October 1, 2011 through September 30, 2012



City of Pharr, TX

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For the Fiscal Year
October 1, 2011 through September 30, 2012

ELECTED OFFICIALS

Leo "Polo" Palacios, Jr. - Mayor

Adan Farias
Aquiles Garza
Oscar Elizondo, Jr.

Bobby Carrillo
Eduardo Cantu
Arturo J. Cortez

CITY MANAGER

Fred Sandoval

FINANCE DIRECTOR

Juan G. Guerra, CPA

Prepared by the Finance Department

CITY OF PHARR, TX
ANNUAL FINANCIAL BUDGET
FOR THE FISCAL YEAR
OCTOBER 1, 2011 THROUGH SEPTEMBER 30, 2012
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INTRODUCTORY SECTION



MAYOR

Leo "Polo" Palacios, Jr.

COMMISSIONERS

Arturo J. Cortez
Roberto "Bobby" Carrillo
Oscar Elizondo, Jr.
Eduardo "Eddie" Cantu
Aguiles "Jimmy" Garza
Adan Farias

CITY MANAGER

Fred Sandoval



September 30, 2011

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, 2011 through September 30, 2012. All funds in the City of Pharr ("City") are presented. It has been prepared in compliance with state law, City Charter and standards established by both the Governmental Accounting Standards Board and the Governmental Finance Officers Association. At October 1, 2011, 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 20, 2011, the budget will become effective October 1, 2011.

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 2011 tax rate was recommended and adopted at \$0.68000/\$100; this rate is equal to the 2009 & 2010 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 2011-2012, significant budget and service level changes, performance indicators and authorized personnel.

HISTORY OF PHARR

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

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

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

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

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

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

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

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

CITY ACTIVITIES & SERVICES/FUNCTIONS

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

Fire Suppression/Prevention and Emergency Management

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



Law Enforcement

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



Health and Safety Enforcement

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

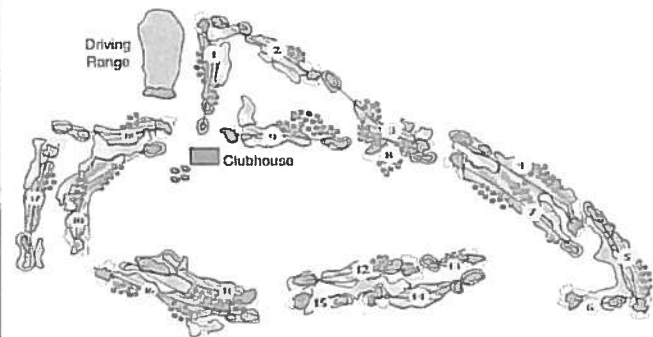
International Bridge

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



Parks & Recreation

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



Water Treatment and Production

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



ACCOMPLISHMENTS OF FISCAL YEAR 2010-2011

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 2010-2011 are as follows:

General Fund

City Manager's Office

- Implemented citywide marketing program to leverage available resources for the cost-efficient promotion of the city.
- Implemented sales tax revenues through management and re-structuring of city economic development program and implemented targeted area master plan
- Implemented professionally produced state and federal legislative agenda to enhance city function
- Redeveloped Pharr Events Center for concerts, special events, and galas which contributes to the quality of life and produces revenues
- Promoted Utility Director to Deputy City Manager to assist with administrative oversight and overall city management
- Implemented Laser fiche Weblink distribution portal for providing read-only internet access to the City's PDF documents such as agendas, ordinances, and minutes

Finance Department

- Completed the annual audit on time for the 4th straight year, not done prior 19 years
- Fully funded the Utility Fund reserves
- Made all long-term debt payments and ensured compliance with debt covenants
- Was awarded the GTOT's certificate of distinction for our investment policy
- Was awarded the highest State of Texas fiscal transparency circle: Gold
- 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
- Absorbed Human Resources, Payroll, and Risk Management duties
- Managed Economic Development Corporation fiscal management operations
- Collected and processed over \$15 million in utility bills and payments respectively

Police Department

- Trained Canine Handler instructor and canine in specialized area of weapons and bomb components detection
- Implemented Human Trafficking Liaison Program

-
- Expanded Intelligence-Led Policing emphasizing on officers assigned to geographical areas to take ownership of their patrol areas by establishing proactive citizen contact, acquire crime information and trends to their specific area, and police management teaming with officers to establish strategies
 - Implemented Park Ranger Pilot Program at Lore Garcia Park
 - Purchase and issuance of new police rifles for police officers

Municipal Court

- Increased revenues due to better collections
- Increase issued warrants enabling the Police Department to increase arrests
- Improved warrant collections
- Sent “failure to attend school” cases to Juvenile Department

Fire Protection

- Received Texas Service Forest Grant for fire truck
- Collective Bargaining Contract was approved for 2 years
- Received CDBG grant to install gear and personnel lockers to improve the living conditions of our fire station personnel
- Completed 25% of revamping Departmental Policy and Procedures modifications to include S.O.G’s
- Received Homeland Security grant to purchase ATV Laptop and other Hazmat equipment for our Regional Hazmat-Decon response team
- Awarded TIFMAS grant for training. Sent 6 employees for Fire Instructor and Fire Investigator trainings
- Inspected 75% of all businesses, schools, and daycares in the City
- Completed 100% of GPS’ing Hydrants in the City
- Completed 25% of number marking in order to improve ISO rating as well as 98% hydrant painting

Administrative Services

- Began implementation of electronic time tracking system
- Initiated a Loss Prevention Program to reduce on the job injuries

Street Maintenance/Traffic Safety

- Reconstructed and widened various streets including Sioux, Owassa, and Sugar Road
- Up-sized downtown main drain line to improve drainage
- Rehabilitated several streets including Bagwell subdivision, Bebo Street, and Parking Lot for Pharr Events Center
- Reconstructed 200 additional parking spaces for the Pharr Events Center

Municipal Library

- Accomplished fiscal responsibility
- Provided computer classes and added MS Office curriculum
- Replaced 25 computers
- Increased library awareness through programs
- Added new children’s program

Parks & Recreation

- Completed the development of the swimming pool feasibility study which was adopted by the city commission on the fall of 2009.
- Increased participation levels in the Youth Athletic programs including flag football, tackle football, basketball, soccer, as well as high school basketball
- Began the process of installing 32, 18' tall decorative light poles with luminaries on both sides of South Cage from Park Street to Kelly Street.

Planning & Community Development

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

Information Technology

- Implemented a VoIP Telephone System that will improve customer service, employee accountability and reduce the City's phone expense by over \$6K per month
- Secure all facilities through one network that is managed through the City Hall Data Center; providing proper domain controls, firewall, content filtering, data backup and redundancy (DR)
- Virtualized major systems at City Hall

Utility Fund

- Received "Superior" rating from Texas Commission on Environmental Quality
- Installed 12" waterline on W Nolana that will connect with new 18" WL on Sugar Road. Relocated 8" Forcemain on Sugar Road
- Removed and replaced 1" and larger that were over 15 years old
- Removed and replaced 3000 old (20yr or over 1MG) water meters
- Obtained no major violations from TCEQ inspections

Bridge Fund

- Increased Bridge security by installing security cameras
- Completed lane hardening and reduced number of stolen cars crossing the Bridge
- Installed new security gates with tire defaulter, which reduced lawsuits
- Repaired lanes and delineated signs on lanes

Golf Course Fund

- Installed restroom facility between number three green and the number eight tee box
- Held the 2nd Annual Beautification Golf Tournament which raised funds to continue golf course beautification project

Debt Service Fund

- Made all long-term general obligation debt payments

MAJOR GOALS FOR FISCAL YEAR 2011-2012

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

- Direct all major economic development programs on behalf of the City, PEDC, and City Commission
- Implement 2 targeted Tax Increment Reinvestment Zones (TIRZ) for industrial and retail corridor development
- Maximize return-on-investment for all economic development projects to enhance future revenues for additional city growth projects
- Develop a 90 acre produce district as part of a public-private 400 acre master planned development to enhance job creation and enhance property tax revenue
- Redevelop the El Centro Mall property as a new retail destination point and lifestyle center

Finance Department

- Submit the CAFR for GFOA Award
- Submit budget for GFOA Award
- Submit PAFR for GFOA Award
- Develop a fraud prevention program
- Automate the City's purchase order system
- Conduct semi-annual courses to the City-wide financial training program
- Update the City's purchasing ratios for the City to receive a governmental purchasing award
- Reduce the time utility bill payers are in-line
- Continue to improve customer service
- Launch electronic time-tracking system
- Implement an employee health and fitness program
- Implement a return to work program
- Implement a safety program to reduce on-the-job injuries

Police Department

- Implementation of City of Pharr Comprehensive Gang Program through grant award received from the Governor's Office in June.
- Establish a volunteer program that will recruit, train and mobilize volunteers in police/community activities and projects
- Implementation of the domestic violence program in efforts of reducing incidents of domestic violence. This program will be funded through a grant award received from the Governor's Office in June.

-
- Enhance the Police Department's technology program to provide more efficient and effective service to the citizens and enhance officer productivity
 - Establish a Tourism Policing Unit to enhance the safety of visitors to the City of Pharr and positively impact the City's economy

Municipal Court

- 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

- Complete 100% of inspections for businesses, schools, and daycares for the City
- Develop physical fitness standards for the department with recommendations from the Collective Bargaining members
- Receive and place in service the new pumper that will replace Engine 1
- Apply for AFG grant for an additional fire inspector
- Reconstruct Station #3 and new construction of Station #1
- Repaint 3rd floor
- Renovate Station #2
- Replace thermal imaging cameras

Street Maintenance

- Complete drainage improvements projects in downtown area.
- Complete street improvements projects for West Hall Acres Rd and Sam Houston Boulevard
- Complete R.A.M.P. (Repair and Maintenance Program) in several subdivisions

Information Technology

- Implement Disaster Recovery Plan, including redundant systems and off-site backup
- Implement in-house e-mail system for better performance, features and communication management
- Standardize PC replacements and purchasing
- Roll out city-wide network monitoring and virus scanning programs
- Build a full-featured City intranet website for enhanced internal communication and collaboration

Municipal Library

- Increase library's collection by 5,000 titles
- Increase library's membership to 30,000 patrons
- Increase library programs for adults
- Maintain a constant level of library awareness through advertising
- Partner with various community organizations
- Acquire digitizing equipment for historical archiving
- Increase bandwidth for our patrons computers

Parks & Recreation

- Begin construction of the aquatic facility which will include a leisure swimming pool, a competition swimming pool, a baby pool, and a water slide
- Obtain funding to partner with the school district to construct a sports complex for youth baseball fields, soccer fields, and other park amenities
- Begin the development of plans, specifications, and construction of the sports complex

Planning & Community Development

- Continue pro-active code enforcement through demolition or repair of unoccupied or dilapidated buildings
- Update and revise the City of Pharr's Comprehensive Plan
- Develop and implement a Housing Program

Engineering

- Improve coordination between departments for capital improvement projects
- Establish procedures for projects to stay within capital budgets and provide guidelines for consistency in capital implementation
- Provide expertise to all departments in preparing, bidding, and awarding contracts for a variety of city services, products, and projects

Utility Fund

- Continue to receive "Superior" rating for Water Treatment Plant
- Install new 12" Waterline on E Polk from 281 to I Road
- Reduce water loss by 2%
- Replace 3000 as part of our replacement program for meters older than 20 years
- Receive no major violations from Texas Commission on Environmental Quality inspections

Bridge Fund

- Construction of a cold storage inspection facilities
- Initiate Intelligent Traffic system project to disseminate information on bridge traffic
- Add lanes for commercial cargo
- Rebuild cold storage inspection areas in the Import Area
- Build the Border Safety Inspection facility

Golf Fund

- Renovate Clubhouse facility
- Renovate golf course greens
- Replace existing Tiff 328 greens and surface with Tiff Dwarf or similar Bermuda grass hybrid

Debt Service Fund

- Make all long-term general obligation debt payments

Capital Project Fund

- Begin construction of the refrigerated inspection facilities for the Pharr International Bridge
- Begin construction of the aquatic park
- Continue downtown drainage improvement
- Continue reconstruction and widening of various major roads

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 past lack of stated and Commission approved financial policies had been identified as a weakness by our external auditors for several fiscal years. The Commission 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 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 four straight years without delay for the first time in 19 years. There are no worrisome internal control issues identified. All findings have been corrected. The only remaining finding last year was the failure to request grant reimbursements on a chronological and proper manner.

Bond Issuances

There are plans to issue \$4.5 million in infrastructure bonds secured by the Bridge Fund's excess revenues. The City is also assisting in securing the City's component units, Pharr Public Facilities Corporation #1 and Pharr Public Facilities Corporation #2, long-term debt/bonds of \$15 million and \$10 million respectively for economic and industrial development.

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, City fees changed for the events center, golf course, and bridge crossing 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 showed a welcomed increased for the past five months of this fiscal year, and nine out of the last ten months, averaging 10.15%. The increase is attributable to the regional economy as well as the increased activity of the City's major retail. One major restaurant started operations in the City which has also assisted in the increased sales tax collections. Major retail stores are expected in the very near future, which is projected to supplement this trend and continue to increase sales tax revenue. The Hotel/Motel tax received by the City is reduced in comparison to the past year, by an estimated 3.8%. Building permit revenues have increased for the first time in four years. The City is monitoring these economic indicators to ensure the health of the City remains strong. The City, in comparison to the surrounding cities, is in a positive economic position.

Personnel Issues

Pay Wages

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

Retirement System

Any employee who work 1,000 or more hours per calendar year are required to be included a defined contribution retirement plan administered by Texas Municipal Retirement System (TMRS). The 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 7.16%.

Employee Positions Changes - Citywide

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

The General Fund had several changes to the personnel budget. 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). City Manager's Office eliminated two part-timers, moved City Engineer to new Engineering Department, and added 2 Channel 12 employees and an Emergency Management Coordinator from the Fire Department. The Finance Department added an HR Manager, a Payroll Supervisor, a Risk Manager, an Accountant, and a Finance Clerk. The Police Department added 2.5 positions, including a part-time Park Ranger. Traffic Safety

Department added an animal control officer. Administrative Services Department transferred 4 of its employees to the Finance Department and 2 employees to the City Manager's Office. Street Maintenance Department removed 1 position. Information Technology Department eliminated a part-time employee. The Parks and Recreation department added pool staff and transferred Secretary to Events Center. The Planning & Community Development added 1 code enforcement officer, a full-time Permit Clerk, a part-time Code Enforcement Clerk, transferred ½ Director Position to CDBG, received Code Enforcement Officer from CDBG, transferred GIS Coordinator and Subdivision Inspector to Engineering Department, and eliminated a Building Inspector. Engineering Department was created adding one full-time CIP Inspector, and transferring City Engineer from City Manager Department and GIS Coordinator and Subdivision Inspector from Planning Department.

The Utility Fund-Administration department added 6 laborers and a part-time Backflow Inspector.

The Bridge Fund eliminated 2 Toll Collection positions. The Hotel/Motel Fund transferred Secretary from Parks added a Box Office Manager, and part-time staff for the Pharr Events Center.

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

GENERAL FUND	FY 10/11	FY 11/12	DIFFERENCE
City Manager's Office	7.5	9.5	2.00
Finance Department	9.0	14.0	5.00
Police Department	172.0	174.5	2.50
Traffic Safety	16.0	17.0	1.00
Municipal Court	7.5	7.5	0.00
Fire Protection	74.0	73.0	-1.00
Administrative Services	7.0	0.0	-7.00
Street Maintenance	33.0	32.0	-1.00
Information Technology	2.5	2.0	-0.50
Municipal Library	22.5	22.5	0.00
Parks & Recreation	64.3	68.1	3.78
Planning & Community Development	18.5	18.5	0.00
Engineer	0.0	4.0	4.00
			8.78

UTILITY FUND			
Administration	9.0	9.0	0.00
Water Production	10.0	10.0	0.00
Water Distribution	24.0	26.5	2.50
Water Treatment Plant	13.0	17.0	4.00
Lift Station	1.0	0.0	-1.00
			5.50

OTHER FUNDS			
Bridge Fund	25.0	23.0	-2.00
Golf Course Fund	15.5	15.5	0.00
Garage	4.0	4.0	0.00
Events Center	0.0	6.4	6.40
Community Development	5.5	4.5	-1.00
			3.40

Net Change City-Wide 17.68

THE FY 2011-2012 BUDGET AS A WHOLE

Overall Budget Basis of Accounting

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

Revenues and Transfers In

Total revenues for all funds are budgeted at \$89,934,140. This is an increase of \$10,099,640 from last fiscal year's original budget of \$79,834,500. This increase is mainly due to an increase in General CIP revenues specifically grant proceeds and transfers in from other funds.

Expenditures/Expenses and Transfers Out

Total expenditures/expenses for all funds are budgeted at \$117,078,850. This is an increase of \$4,734,360 from last fiscal's year original budget of \$112,344,490. This increase is mainly due to an increase in Bridge Fund Transfers Out.

Fund Balances/Available Resources

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

There were six funds that have a change greater than 10% to their fund balance. The six funds and their change are: General Contingency Reserve (change of -100% for the use in emergency situations), Asset Sharing (change of -100% to possibly purchase land for an indoor shooting range), General Capital Project (change of -100% for capital projects), Utility Capital Project (change of -85% for capital projects), Utility (change of -17% for capital projects), and Bridge (change of -100% for the transfer of excess funds to the General Fund). More information of the changes is detailed in their section of the Executive Summary.

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

LONG-TERM GOALS, CONCERNS, AND ISSUES

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

Long-Term Plans

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

Fiscal Management

The history of the City's financial management was analyzed and today's problems are actually a mirror of those of the past. Long-term fiscal management is a major concern to today's City leaders and management. The long-term fiscal viability of the City is a priority and a plan to correct the negative fund balance identified in the September 30, 2007 audit was approved three 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. The City is in the planning stages of building additional commercial and passenger inspection areas to reduce wait time and provide efficient travel.

Infrastructure Development

The growth of the city the past 15 years has been causing a strain on the finances of the City. Once a small town community, now a retail and family location, the City of Pharr's needs not only include services, but infrastructure. Infrastructure is mainly identified as roads, bridges, and utility lines. Utility lines are being upgraded along with a water and wastewater plant. The international bridge has spent heavily on increasing its capacity and 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 focused on diversifying the entertainment. The City converted the City's Convention Center to a first class entertainment venue. 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.

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

Public Safety

The City limits stretch, although not very wide, they do so very long. This creates a public safety issue in trying to provide a presence in all sections of the city. There is a need to establish mobile substations, technology for citizen communication/information without the need to travel, establish equipment replacement programs, ensure there is an adequate hire, retention, and recruitment program established, and conduct a needs assessment for the possible future annexation of land. The 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 5,000 acres of land is a source of concern for the current level of public safety personnel and equipment.

Population Growth

The population of the City has grown over the several years. Smart growth is an issue that must be addressed to ensure that the City has the capability of serving the new citizens. The current

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

Water Supply

Water is expected to become the next "oil" as far as value and scarcity. Water is already being traded in the commodity market. The current supply of water is currently sufficient to cover the needs of the city, but must be reevaluated continuously. The quality of water being drawn from the Hidalgo County Irrigation District's reservoir is sufficient for now. Once the water/wastewater plant expansion is completed in 2012, water rights will have to be purchased to keep up with the anticipated need of the community. Should the City annex the available 5,000 acres of land for the anticipated high value subdivisions, water supply must be reevaluated. The purchase of water rights is attempted when fiscally feasible.

Economic Position

The economic position of the city of Pharr seems to be very favorable. The city has forecasts a steady level of business growth or improvement during 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 second 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 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
Finance Director



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Pharr
Texas**

For the Fiscal Year Beginning

October 1, 2010



President

Executive Director

CURRENT CITY OFFICIALS

Elected Officials

Mayor	Leo “Polo” Palacios, Jr.
Mayor – Pro Tem	Adan Farias
Alternate Mayor – Pro Tem	Arturo J. Cortez
Commissioner	Bobby Carrillo
Commissioner	Eduardo Cantu
Commissioner	Oscar Elizondo, Jr.
Commissioner	Aquiles Garza

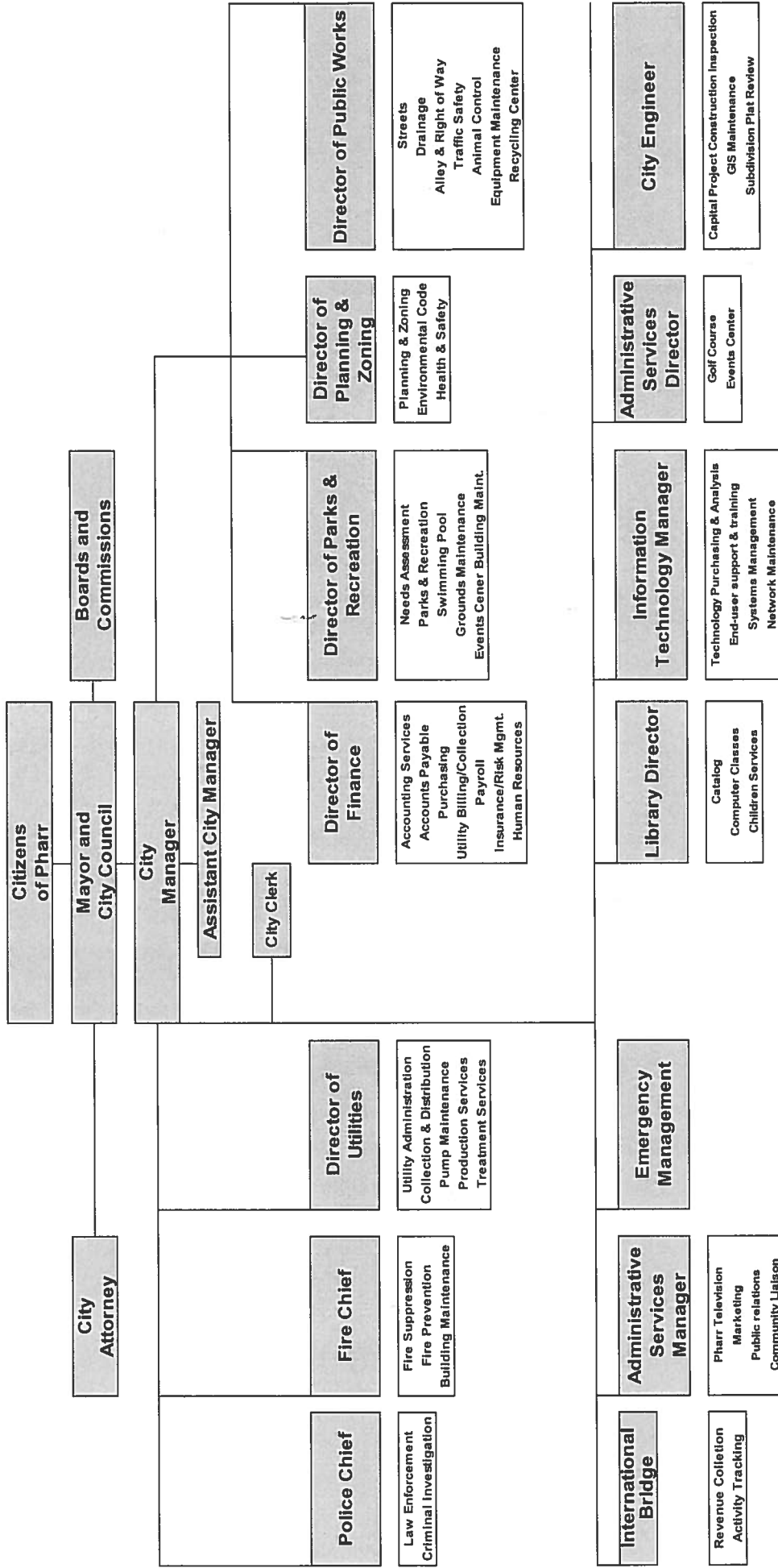
Appointed Officials

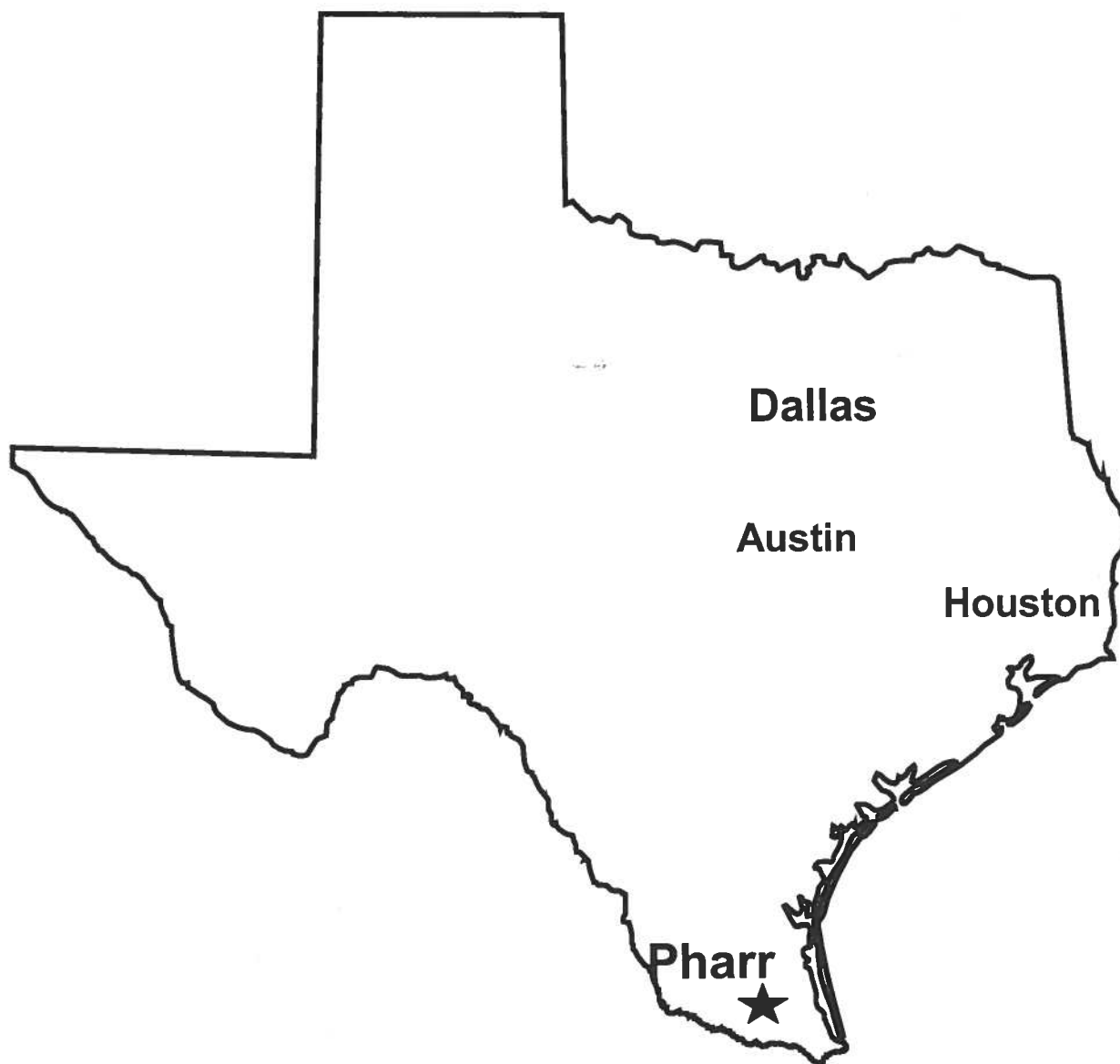
City Manager	Fred Sandoval
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Department Directors

City Clerk	Hilda Pedraza
Assistant City Manager /Director of Utilities	David Garza
Fire Chief	Jaime Guzman
Police Chief	Ruben Villescás
Director of Finance	Juan G Guerra, CPA
Director of Parks & Recreation	Frank Marin
Library Director	Adolfo Garcia
Director of Planning & Zoning	Edward Wylie
Public Works Director	Roy Garcia
Bridge Director	Jesse Medina
Administrative Services Director	Raul Garza

ORGANIZATION CHART - CITY OF PHARR





EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

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

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

Fund Classification	Governmental			
Fund Type	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS
City Funds:	General	Asset Sharing	Debt Service	Capital Projects
	General Contingency Reserve	CDBG		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	

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

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, 2010, the following fund is considered major fund: General Fund. The table on the following page shows the relationship between funds and departments.

DEPARTMENT	GENERAL FUND		SPECIAL REVENUE FUNDS					
	GENERAL FUND	GENERAL CONTINGENCY	CDBG	GRANTS	HOTEL/ MOTEL	PARKLAND DEDICATION	ASSET SHARING	PAVING & DRAINAGE
City Manager's Office	X	X		X	X			
Finance Department	X	X						
Police Department	X			X			X	
Traffic Safety	X							
Municipal Court	X							
Fire Protection	X			X				
Street Maintenance	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								

DEPARTMENT	CAPITAL PROJECT FUNDS			DEBT SERVICE	ENTERPRISE FUNDS			INTERNAL SERVICE FUND	AGENCY FUND
	GENERAL CAPITAL PROJECTS	BRIDGE CAPITAL PROJECTS	UTILITY CAPITAL PROJECTS	DEBT SERVICE	UTILITY	BRIDGE	GOLF COURSE	GARAGE	VOLUNTEER FIREMEN PENSION
City Manager's Office	X								
Finance Department				X	X				X
Police Department	X								
Traffic Safety									
Municipal Court									
Fire Protection	X								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	

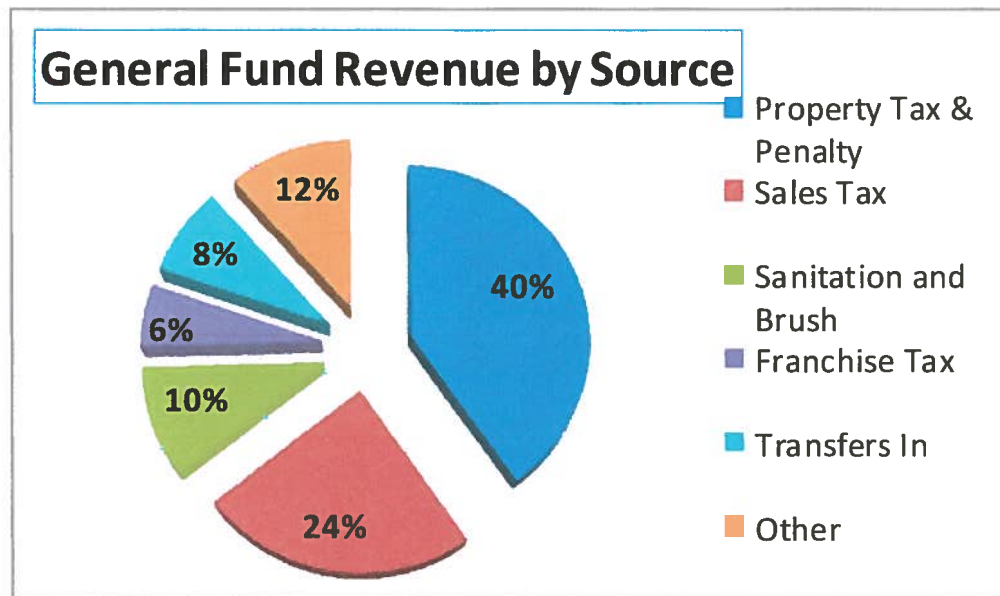
GENERAL FUND

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 \$33,224,350, which is an increase of approximately \$1,094,750 or 3.41%, over last year's budget. This marginal increase is primarily attributable to a net difference of increases and decreases caused by several reasons. The first reason is an increase of nearly \$775,390 in tax collections including property tax, sales tax, and state lottery tax. The second reason is an increase in collection of Sanitation and Debris and Brush revenues of over \$228,800 compared to last year's original budget. The third reason is a decrease of

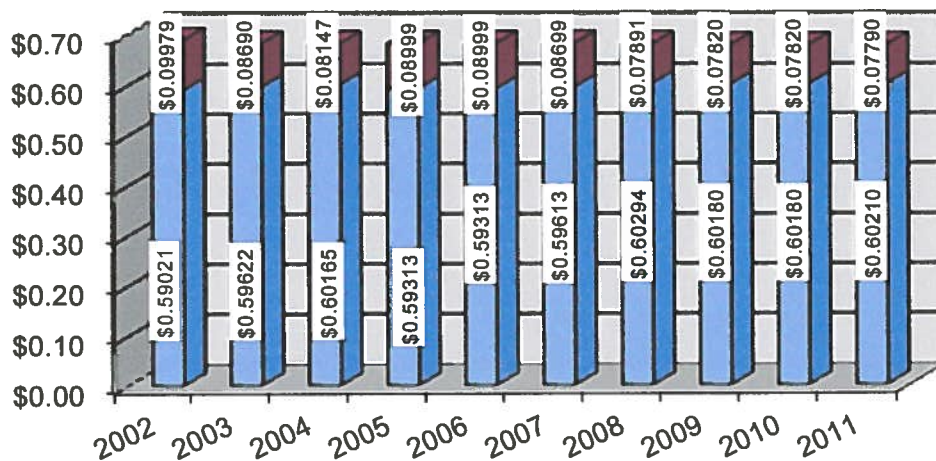
\$616,000 in Capital Lease proceeds and an increase of \$746,490 in transfers in from other funds. The fourth reason is a decrease of nearly \$98,000 in current service charges.



As illustrated in this graph, four major revenue line items account for over \$28.5 million, which is 86% of total revenues. The major revenues are the Current Property Tax, \$11,990,000; Sales Tax, \$7,999,200; Sanitation & Brush, \$3,388,800; and Other Revenues which includes \$658,530 in licenses and permits, \$850,000 in municipal court revenues and \$848,000 in debt proceeds.

Current Property Tax

The State of Texas limits the ad valorem tax rate to \$2.50 per \$100 valuation. Other than the amount resulting from such rate limitation, there is no legal debt limit. The property tax rate will 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 assessed value decreased from \$2.174 billion to \$2.164 billion (net of protested property). This represents a decrease of \$10.2 million, or about -0.47% under the prior year. Budgeted current advalorem tax revenues are \$11.98 million or 40.4% of budgeted revenues. This represents an increase of \$205,000, or about 1.7% over the prior year 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 distribution of the tax rate for the past nine years is located on the following page.



Sales Tax

One of the most significant revenue line item generators for the General Fund is sales tax. It is the second biggest revenue source and therefore one that must be continuously monitored. 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 eight years, the general trend for sales tax receipts is hard to identify. From fiscal year 2003/04 to 2005/06, sales tax increased from one year to the next, and was budgeted accordingly. From fiscal year 2006/07 to 2009/10, sales tax was mainly flat with no growth in actual revenues, even a slight decrease. Our 2010/11 sales tax collection through the month of August 2011 shows an increase of 10.24% in sales tax revenues compared to the prior fiscal year. The fiscal year 2011/12 sales tax revenues are budgeted at \$7.99 million or 24.08% of budgeted revenues. This represents a 7.14% increase in revenues from the past fiscal year's original budget and a 6.77% decrease from projected year end actual sales tax revenue. This 6.77% decrease is estimated due to a one-time sales tax revenue audit adjustment of \$500,000 by the state during March of 2011 that we do not expect to occur again and a budget reduction of a mayor employer in the area.

<u>Change</u>	<u>FY 06/07</u>	<u>FY 07/08</u>	<u>FY 08/09</u>	<u>FY 09/10</u>	<u>FY 10/11</u>
Change in Actual	-0.61%	-0.42%	-3.23%	-6.75%	10.24%
Change in Budget	6.9%	-10.3%	0.2%	-10.2%	1.9%

**Based on actual amount from FY 10/11 as of Aug 2011*

Sanitation & Brush Collection

Sanitation and Brush Collection is the activity of collecting and disposing of refuse. The budgeted amount for the fiscal year is \$3.38 million or 10.2% of budgeted revenues. This represents an increase of \$228,800 or 7.24%. The amount being budgeted this fiscal year is higher than the amount budgeted the previous fiscal year based on the trend in collections.

Franchise Taxes

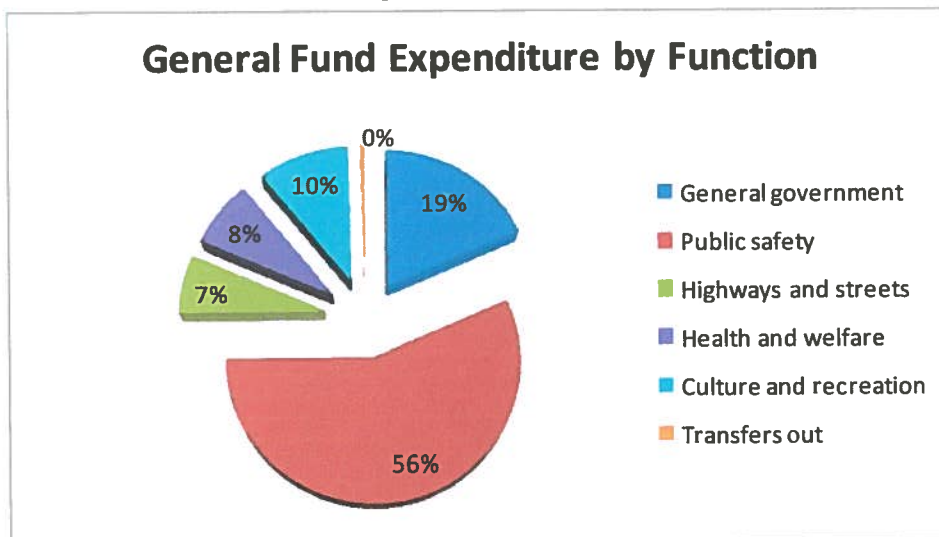
Franchise taxes are collected from the electric, telephone, gas, and sewer, and cable television companies. Over the past couple of years, it has experienced a steady upward trend. Total budgeted franchise tax revenues for next fiscal year are nearly \$1.9 million or 5.7% of budgeted revenues. This is a slight increase of \$61,100 or 3.33% from the prior budget due to a conservative reflection of projected revenues for the past fiscal year.

Other Revenues and Transfers

Other revenues are budgeted at \$3.81 million or 11.48% and transfers \$2.73 million or 8.24% of budgeted revenues. Other revenues mainly consists of license and permits (\$658,530), fines and fees (\$1,035,000), charges for services (\$276,650), miscellaneous revenue producing rentals (\$328,100), bingo & mixed beverage tax (\$164,000), Intergovernmental and interest (\$504,000), and Capital Lease Proceeds (\$848,150). Transfers are due from six sources: Bridge revenues over operations (\$1,500,000), golf course improvement fee (\$30,000), PEDC reimbursement for administrative services (\$148,960), PEDC funds to assist various Street and Park projects (\$398,150), Utility Fund's reimbursement for administrative services (\$361,620), a transfer in from Hotel/Motel (\$292,500), and a transfer in from Parkland Dedication Fee fund (\$6,000).

Expenditures

The General Fund's overall expenditures, including transfers-out is \$33.22 million, an increase of \$1,094,750 or 3.41% of last year's original budget. One of the reasons for this increase is the increase of Non-Departmental expenditures which includes renovations and City beautification projects. Another reason is the addition of an Engineering Department and the merging of the Administrative Services Department with the Finance Department. The following chart depicts how the expenditures are allocated among functions:



To allow more analysis of the expenditures, two other formats are presented on this page: by department and by activity. The major changes are an increase in Parks & Recreation Department, Traffic Safety, Finance, and Engineering, and a decrease in Transfers out and the dissolving of Administrative Services Department expenditures due to its merger with Finance. The Parks and Recreation budget increased over \$300,000 mainly due to personnel, contractual services, and the baseball program. The Traffic Safety budget increase almost \$100,000 mainly due to personnel expenditures. The Engineering department was created, increasing the budgeted expenditures by \$288,750. As mentioned earlier, the Administrative Services Department was combined with the Finance Department, thus increasing the Finance Department budget by \$234,280, and eliminating the \$520,000 Administrative Services budget. Transfers-out decreased by 22.7 % due to an increase in transfers-out to the Golf Fund and CDBG.

Chart 1 – Departmental Comparison

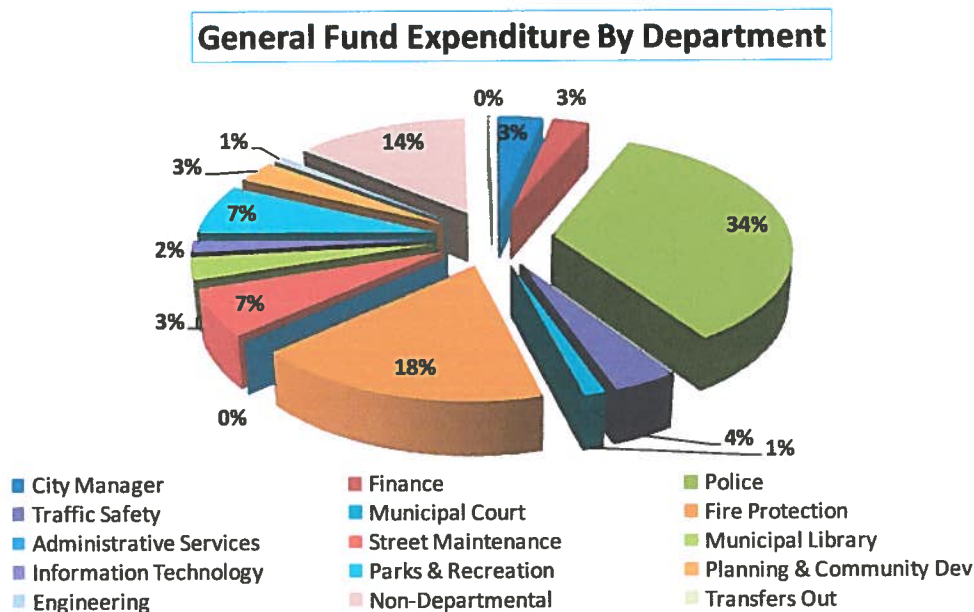


Chart 2 – Activity Comparison

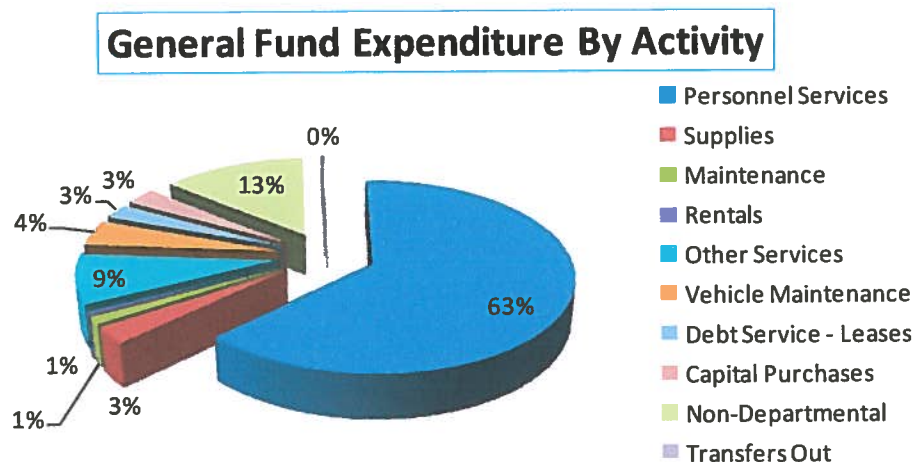


Table 1 – Change in Departmental Budget-Original Prior Year Budget Compared To This Year's Budget

DEPARTMENT	FISCAL YEAR		Increase/ (Decrease)	Percent Change
	2011-12	2010-11		
City Manager	\$ 1,158,010	\$ 1,064,120	\$ 93,890	8.8%
Finance	943,860	713,670	230,190	32.3%
Police	11,453,000	10,903,530	549,470	5.0%
Traffic Safety	1,290,700	1,192,430	98,270	8.2%
Municipal Court	427,450	421,650	5,800	1.4%
Fire Protection	5,836,070	5,798,910	37,160	0.6%
Administrative Services	-	520,830	(520,830)	-100.0%
Street Maintenance	2,206,230	2,169,300	36,930	1.7%
Municipal Library	1,057,410	1,073,210	(15,800)	-1.5%
Information Technology	544,790	722,670	(177,880)	-24.6%
Parks & Recreation	2,374,170	2,045,920	328,250	16.0%
Planning & Community Dev	1,031,950	995,510	36,440	3.7%
Engineering	288,750	-	288,750	100.0%
Non-Departmental	4,492,300	4,410,300	82,000	1.9%
Transfers Out	119,660	97,550	22,110	22.7%
TOTAL	\$ 33,224,350	\$ 32,129,600	\$ 1,094,750	

Table 2- Change In Departmental Budget-Amended Prior Year's Budget Compared To This Year's Budget

DEPARTMENT	2011-12	Amended Budget 2010-11	Increase/ (Decrease)	% of	
				Budget Year % Change	FY 11/12 Budget
City Manager	\$ 1,158,010	\$ 1,109,300	\$ 48,710	4.4%	3.5%
Finance	943,860	730,310	213,550	29.2%	2.8%
Police	11,453,000	11,484,310	(31,310)	-0.3%	34.5%
Traffic Safety	1,290,700	1,200,870	89,830	7.5%	3.9%
Municipal Court	427,450	428,740	(1,290)	-0.3%	1.3%
Fire Protection	5,836,070	5,850,740	(14,670)	-0.3%	17.6%
Administrative Services	-	555,100	(555,100)	-100.0%	0.0%
Street Maintenance	2,206,230	2,287,360	(81,130)	-3.5%	6.6%
Municipal Library	1,057,410	1,080,530	(23,120)	-2.1%	3.2%
Information Technology	544,790	900,870	(356,080)	0.0%	1.6%
Parks & Recreation	2,374,170	2,185,290	188,880	8.6%	7.1%
Planning & Community Dev	1,031,950	1,152,300	(120,350)	-10.4%	3.1%
Engineering	288,750	-	288,750	100.0%	0.9%
Non-Departmental	4,492,300	5,156,300	(664,000)	-12.9%	13.5%
Transfers Out	119,660	97,550	22,110	22.7%	0.4%
	\$ 33,224,350	\$ 34,219,570	\$ (995,220)		

Table 3 – Departmental Change in Budget without Capital Purchases

	FY 10/11 Amended Budget w/o Capital Purchases	FY 11-12 Budget w/o Capital Purchases	Increase/ (Decrease)	Budgeted Difference In FY's
City Manager's Office	\$ 1,109,300	\$ 1,158,010	\$ 48,710	4.4%
Finance Department	720,310	933,860	213,550	29.6%
Police Department	11,094,310	10,991,500	(102,810)	-0.9%
Traffic Safety	1,200,870	1,290,700	89,830	7.5%
Municipal Court	413,740	417,450	3,710	0.9%
Information Technology	330,270	394,790	64,520	19.5%
Fire Protection	5,379,740	5,639,420	259,680	4.8%
Administrative Svcs	515,770	-	(515,770)	-100.0%
Street Maintenance	2,130,140	2,206,230	76,090	3.6%
Municipal Library	984,030	956,910	(27,120)	-2.8%
Parks & Recreation	2,185,290	2,374,170	188,880	8.6%
Planning & Zoning	1,139,300	991,950	(147,350)	-12.9%
Engineering	-	281,950	281,950	100.0%
	\$ 27,203,070	\$ 27,636,940	\$ 433,870	

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.

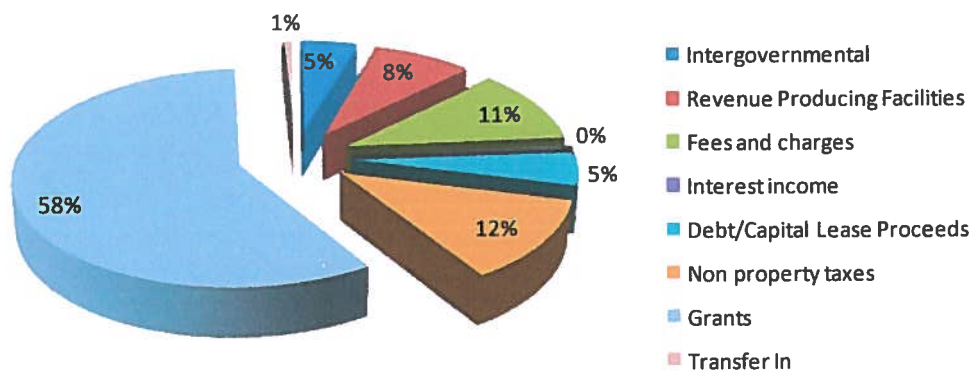
During the September 30, 2007 annual audit, the unreserved fund balance was identified as being negative \$6.4 million. By September 30, 2010, the unreserved fund balance was fully funded at \$8 million. By City charter, 3% to no more than 5% must be budgeted as contingency reserve. These funds are not 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, 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.

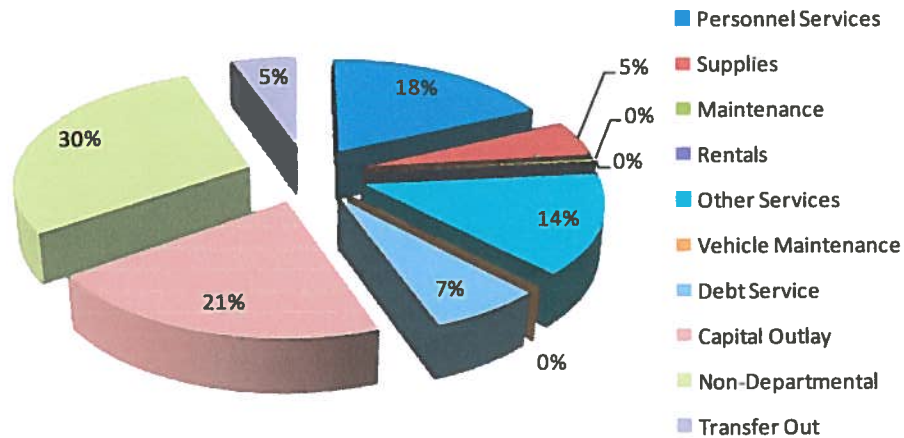
The funds received that are specified for a specific purpose are separated from the general fund and put into a group of funds called special revenue funds. A total of \$6,548,630 special revenue revenue funds are budgeted. Grants account for \$3,805,120 of revenues, non-property tax account for \$790,000, revenue producing facilities account for \$532,500, fees and charges account for \$725,000, capital lease proceeds account for \$329,000, interest income account for \$16,090, intergovernmental revenues account for \$300,000 and Transfers/Other Sources account for the remaining \$50,920. 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 Revenues by Source



A total of \$7,098,630 special revenue expenditure funds are budgeted. Personnel account for \$1,288,170 of expenditures, supplies account for \$362,990, maintenance, rentals and vehicle maintenance account for \$25,620, other services account for \$1,019,710, debt service accounts for \$468,140; capital outlay accounts for \$1,470,860, non-departmental expenditures account for \$2,086,710, and the remaining \$376,430 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.

Special Revenue Expenditure by Source



Community Development Block Grant (CDBG)

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

The CDBG Fund will receive \$1,015,600 HUD funds this fiscal year. This fund has \$1,521,460 in unspent funds from prior years dating back to 2006/07. The General Fund will transfer \$50,920 to cover for CDBG operations. Total budgeted revenues and expenditures for this fund are \$2,587,980.

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 \$308,000, its expenditure budget is \$708,000 which will be funded by this funds reserves.

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.

Total budgeted revenues for this fund are \$6,000.

Grants

This fund was established to account for general grant revenues award to the City. Two departments will utilize this fund: Police and Fire.

Total budgeted revenues for this fund are \$1,268,060. Police Department grant revenues are budgeted at \$844,360; Fire Department grant revenues are budgeted at \$423,700.

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.

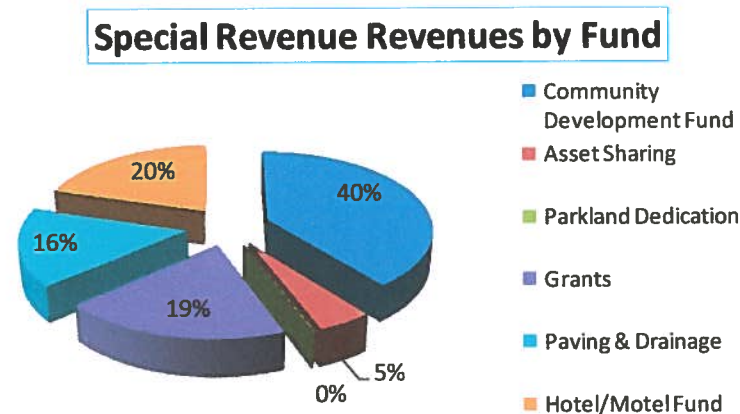
Total budgeted revenues for this fund are \$1,051,090. The expenditures are budgeted at \$1,051,090.

Hotel/Motel

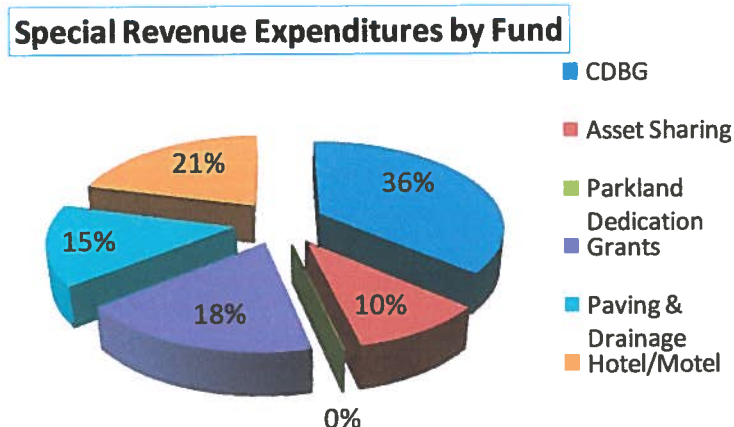
This fund accounts for revenue from a seven percent tax levied upon the cost of City hotel and motel rooms with a daily rate over \$2. According to state civil statutes, this tax revenue can be used to promote tourism, maintain and repair convention facilities, promote the arts and humanities, or any 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 \$1,477,500.

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 \$7,098,630. The following graph should help in analyzing which special revenue funds are budgeted in comparison to one another.

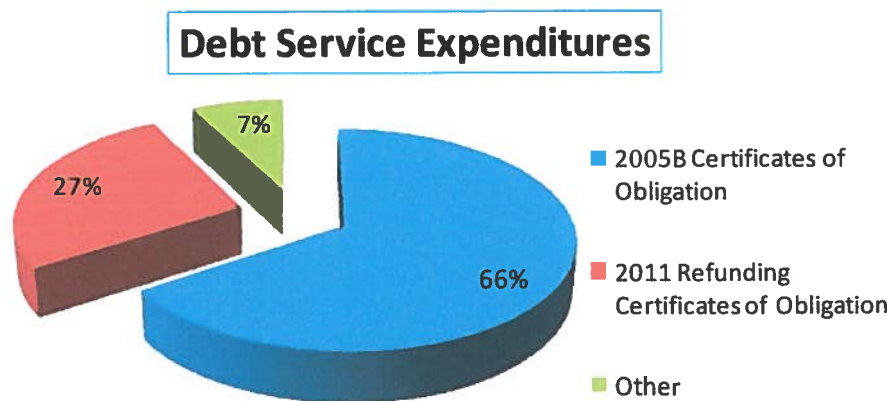


DEBT SERVICE

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 \$2,242,870. 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 92%, current property tax revenues are estimated to generate \$1,551,000, other tax collections are budgeted at \$110,000, and other revenue is budgeted at \$581,870.

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



CAPITAL PROJECT FUNDS

The Capital Project Fund is used to account for financial resources used for the acquisition or construction of major capital facilities and infrastructure, depending on the project, 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 now been restarted. Our current plans range in purpose from public service, cultural, and transportation. Total budgeted expenditures are \$23,847,000. Funding for these projects will come from different sources including unrestricted fund balances, grants, and contributions from the City's component unit. The table on the following page outline the project and the related financing needs.

Project Name	Department	City Fund Requirement	Grant Funding
Shelter Dome 2 - Fire Station/Police Substation	Fire	\$ 1,600,000	\$ 1,800,000
Aquatic Park	Parks	240,000	5,600,000
Liberty Middle School/City Park	Parks	2,100,000	-
Shelter Dome 5 - Jones Box Park	Parks	1,200,000	1,800,000
Downtown Drainage (TDRA)	Streets	600,000	1,850,000
Ridge Road Sidewalks	Streets	590,000	-
Expressway Lighting, Landscaping, & Irrigation	Streets	500,000	-
Sam Houston Widening	Streets	628,000	2,139,000
Hall Acres	Streets	3,200,000	-
	TOTAL	\$ 10,658,000	\$ 13,189,000

UTILITY CAPITAL PROJECTS

The utility project revenues are budgeted at \$1,820,000. The expenditures are budgeted at \$12,590,000. For this fiscal year, there are four projects: E. Polk waterline upgrade with an estimated cost of \$320,000; rehab LBJ water tower with an estimated cost of \$1,500,000; continued expansion of our wastewater treatment plant with a cost this fiscal year of \$2,670,000, over \$15 million dollars have already been spent on this project and should be completed by this fiscal year; and the continued expansion of our water treatment plant with a cost this fiscal year of \$8,100,000, over \$6.2 million dollars have already been spent on this project and should be completed by this fiscal year. Funding for these projects will come from different sources and funding methods including grants, loans, and available reserves.

BRIDGE CAPITAL PROJECTS

The bridge project expense is budgeted at \$500,000. For this fiscal year, there is only one project: the construction of three refrigerated inspection facilities at our international bridge inspection area. These refrigeration warehouses will allow for fruits and vegetables to maintain a steady temperature while truck cargo crossing into America from Mexico is inspected by federal authorities.

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.

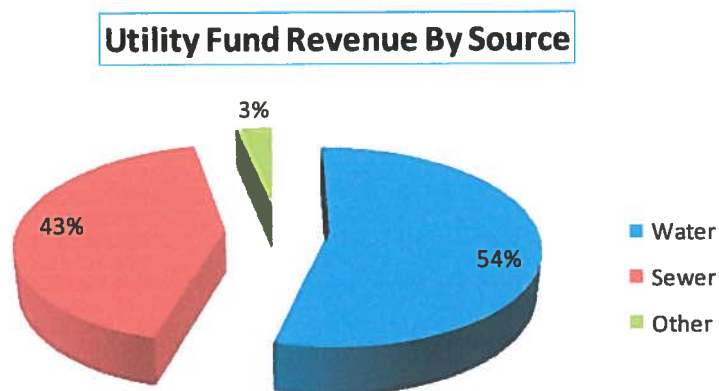
Utility Fund

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 \$12,033,990, which is a decrease of nearly 6% under last year's budget. The decrease is attributable to interest earned, budgeted \$100,000 last than last fiscal year, and capital lease proceeds, budgeted at \$0 this year, compared to the \$663,500 budgeted last year.

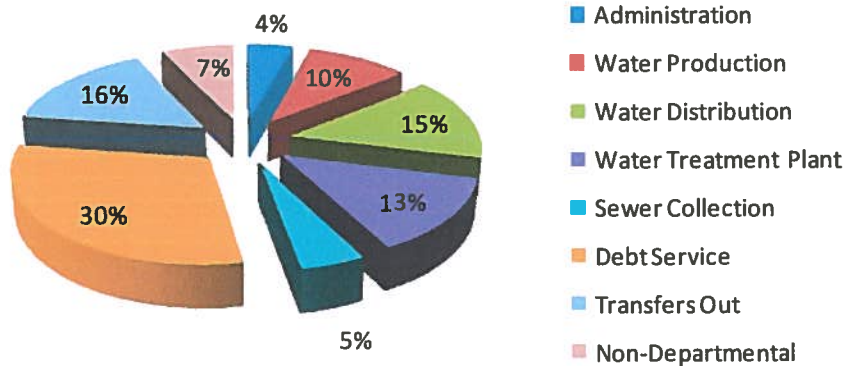
As illustrated in the graph on the next page, there are three main revenue sources. The major revenue source comes from water and sewer revenues due to consumption. Water is budgeted at \$6.53 million; this is an increase of 1.01% from the previous budget. The increase is mainly attributable to the scheduled utility consumption trend. Sewer is budgeted at \$5.11 million, this is a slight increase from the previous budget. Other revenue is budgeted at \$387,350, this is a decrease of 67.2% from the previous budget. Other revenue mainly consists of tapping fees, reconnects, and interest. As mentioned earlier, the decrease is due to a decrease in lease proceeds. The following pie-chart identifies the revenue sources that make up the funds revenues.



Expenses

The Waterworks and Sewer System's overall appropriation, including expenses and transfers-out is \$13.85 million, an increase of \$1,101,190 or 8.6% of last year's budget. The major reason for this increase is due to the increase of \$850,000 in transfers 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
	2011/12	2010/11		
Administration	\$ 602,280	\$ 563,700	\$ 38,580	6.8%
Water Production	1,376,050	1,448,560	(72,510)	-5.0%
Water Distribution	2,039,325	1,768,200	271,125	15.3%
Water Treatment Plant	1,860,245	1,693,160	167,085	9.9%
Sewer Collection	663,810	649,490	14,320	2.2%
Debt Service	4,159,860	4,158,570	1,290	0.0%
Transfers Out	2,181,620	1,327,800	853,820	64.3%
Non-Departmental	970,800	1,143,320	(172,520)	-15.1%
	\$ 13,853,990	\$ 12,752,800	\$ 1,101,190	

BRIDGE FUND

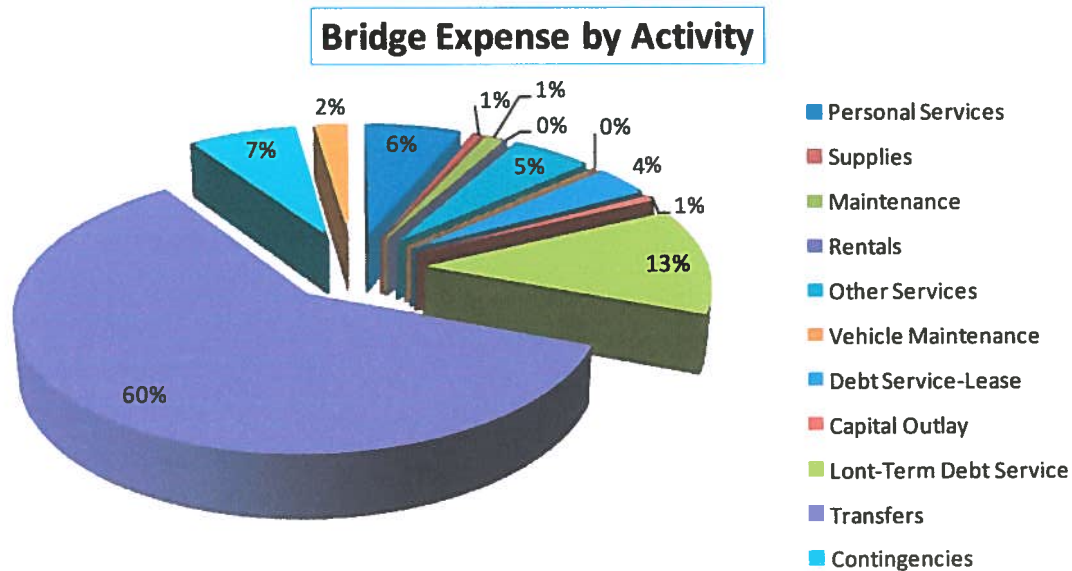
The Bridge Fund was established to account for the City's international bridge operations. The bridge enables traffic to flow to and from Mexico.

Revenues

The Bridge Fund is budgeted at \$9,840,910 which is a decrease of \$87,540, or -0.88%, of last year's budget. The decrease is attributable to a projected decrease in commercial truck crossings.

Expenses

The bridge's overall appropriation, including expenses and transfers-out is \$14,045,620 million, a increase of \$4,117,170 or 41.47% of last year's budget. The major increase will be in transfers out to General CIP. The pie-chart on the following page depicts how the expenses are allocated among activities.



GOLF COURSE FUND

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

The Golf Course Fund is balanced and is budgeted at \$1,155,740, which is an increase of nearly \$15,000 or 1.3%, over last year's expense budget. The increase is attributable to a decrease in capital outlay and other services expenses and an increase in supplies and personnel service expenses.

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 \$489,650.

FIDUCIARY FUND

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

VOLUNTEER FIREMEN PENSION

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

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

CITYWIDE

The City has seventeen different funds that it maintains for the proper administration of City activities and finances per City ordinances and State of Texas laws. The creation of each fund is for the express purpose of segregating funds to ensure that the identification of available assets is properly stated. This fiscal year, no funds were added to the budgeted list.

Revenues for the fiscal year 2011-12 are \$89,934,140. The difference between funds was stated earlier in this Executive Summary. The comparisons between fiscal years are as follows:

Fund	FISCAL YEAR		Increase/	Percent
	2011-12	2010-11	(Decrease)	Change
General Fund	\$ 33,224,350	\$ 32,129,600	\$ 1,094,750	3.4%
General Contingency Reserve Fund	-	-	-	0.0%
Community Development Fund	2,587,980	2,192,160	395,820	18.1%
Asset Sharing	308,000	308,000	-	0.0%
Parkland Dedication	6,000	4,000	2,000	50.0%
Grants	1,268,060	3,185,110	(1,917,050)	-60.2%
Paving & Drainage	1,051,090	1,362,000	(310,910)	-22.8%
Hotel/Motel Fund	1,477,500	800,000	677,500	84.7%
General Capital Project Fund	21,897,000	10,677,310	11,219,690	0.0%
Utility Capital Project Fund	1,820,000	2,300,000	(480,000)	-20.9%
Bridge Capital Project Fund	500,000	350,000	150,000	0.0%
Debt Service Fund	2,242,870	2,211,030	31,840	1.4%
Garage Fund	489,650	458,190	31,460	6.9%
Utility Fund	12,033,990	12,752,800	(718,810)	-5.6%
Bridge Fund	9,840,910	9,928,450	(87,540)	-0.9%
Golf Course Fund	1,155,740	1,140,850	14,890	1.3%
Volunteer Firemen Pension	31,000	35,000	(4,000)	-11.4%
	\$ 89,934,140	\$ 79,834,500	\$ 10,099,640	12.7%

Expenditures for the fiscal year 2011-12 are \$117,078,850. The difference between funds was stated earlier in this Executive Summary. The comparisons between fiscal years are identified as follows:

<u>Fund</u>	<u>FISCAL YEAR</u>		<u>Increase/</u>	<u>Percent</u>
	<u>2011-12</u>	<u>2010-11</u>	<u>(Decrease)</u>	<u>Change</u>
General Fund	\$ 33,224,350	\$ 32,129,600	\$ 1,094,750	3.4%
General Contingency Reserve Fund	8,000,000	8,000,000	-	0.0%
Community Development Fund	2,587,980	2,192,160	395,820	18.1%
Asset Sharing	708,000	1,308,000	(600,000)	-45.9%
Parkland Dedication	6,000	4,000	2,000	50.0%
Grants	1,268,060	3,185,110	(1,917,050)	-60.2%
Paving & Drainage	1,051,090	1,682,000	(630,910)	-37.5%
Hotel/Motel Fund	1,477,500	800,000	677,500	84.7%
General Capital Project Fund	23,847,000	7,146,850	16,700,150	0.0%
Utility Capital Project Fund	12,590,000	29,210,000	(16,620,000)	-56.9%
Bridge Capital Project Fund	500,000	350,000	150,000	0.0%
Debt Service Fund	2,242,870	2,211,030	31,840	1.4%
Garage Fund	489,650	458,190	31,460	6.9%
Utility Fund	13,853,990	12,752,800	1,101,190	8.6%
Bridge Fund	14,045,620	9,928,450	4,117,170	41.5%
Golf Course Fund	1,155,740	1,140,850	14,890	1.3%
Volunteer Firemen Pension	31,000	12,300	18,700	152.0%
	\$ 117,078,850	\$ 112,511,340	\$ 4,567,510	4.1%

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.

<u>Transfers</u>	<u>FY 2011/12</u>	
	<u>IN</u>	<u>Out</u>
General Fund - Bridge	\$ 1,500,000	\$ -
General Fund - PEDC	547,110	
General Fund - Utility	361,620	
General Fund - Golf	30,000	
General Fund - Hotel	292,500	
General Fund - Parkland	6,000	
General Fund - CDBG		50,920
General Fund - Volunteer		30,000
General Fund - Golf		38,740
CDBG Fund - General	50,920	
Parkland Fund - General Fund		6,000
Debt Service Fund - Bridge		160,360
Debt Service Fund - PEDC	496,870	
Utility Fund - General		361,620
Utility Fund - Utility CIP		1,820,000
Bridge Fund - General		1,500,000
Bridge Fund - General CIP		6,408,000
Bridge Fund - Bridge CIP		500,000
Bridge Fund - Hotel/Motel	77,930	
Bridge Fund - Debt Service	160,360	
PEDC - General CIP		2,000,000
PEDC - General		148,960
PEDC - General		398,150
PEDC - Debt Service		496,870
Hotel/Motel Fund - Bridge		77,930
Hotel/ Motel Fund - General Fund		292,500
General CIP - Bridge	6,408,000	
General CIP - PEDC	2,000,000	
Utility CIP - Utility	1,820,000	
Utility CIP - PEDC	-	
Bridge CIP - Bridge	500,000	
Golf Fund - General		30,000
Golf Fund - General	38,740	
Volunteer Firemen - General	30,000	
	\$14,320,050	\$14,320,050

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	Finance	01-511-8806	\$ 10,000	Incode, Payroll, HR as necessary
General	Police	01-512-8803	300,000	(10) Police Vehicle Units-Caprice Classics
General	Police	01-512-8803	56,500	(3) Ford Fusion
General	Police	01-512-8804	60,000	(10) Vehicle Equipment - Coban video
General	Police	01-512-8804	45,000	(10) Vehicle Equipment - Radios aCom M7100
General	Court	01-514-8805	10,000	Municipal Court Site Improvements
General	Fire	01-515-8803	19,000	Ford Extended Cab
General	Fire	01-515-8804	24,000	Rope Rescue Equipment
General	Fire	01-515-8804	57,400	Rescue Equipment for the Jaws of Life
General	Fire	01-515-8804	8,950	Confined space equipment
General	Fire	01-515-8804	10,800	Thermal Imaging Camera
General	Fire	01-515-8804	11,500	Diesel Pump Brush Truck
General	Fire	01-515-8805	65,000	Upgrading Station #2 & #3 Appearance
General	Information Technology	01-518-8804	60,000	(4) VM Host Servers
General	Information Technology	01-518-8806	35,000	SAN Data Storage
General	Information Technology	01-518-8806	40,000	Core Network Switch
General	Information Technology	01-518-8806	15,000	E-mail Server Software
General	Library	01-520-8804	15,000	Dell, Gaylord (Grant matching Portion)
General	Library	01-520-8812	85,500	Books
General	Planning & Zonning	01-527-8803	40,000	Ford F-150
General	Engineering	01-528-8801	6,800	Office Equipment
			\$ 975,450	
Special Rev	Hotel/Motel	20-510-8802	50,000	Miscellaneous Event Center Equipment
Special Rev	Hotel/Motel	20-510-8804	150,000	(1) Bleacher
Special Rev	Asset Sharing	21-512-8806	400,000	System Improvements
Special Rev	Paving & Drainage	24-517-8803	238,000	(2) Dump Trucks
Special Rev	Paving & Drainage	24-517-8803	91,000	(1) Tandem Roller
Special Rev	Grant - Fire	32-515-8804	31,000	Fire Equipment
			\$ 960,000	
Golf Course	Administration	75-510-8804	12,000	Utility Vehicle Gators (2)
Golf Course	Administration	75-510-8804	44,000	Greens Mower (Golf Course) (2)
Golf Course	Administration	75-510-8804	46,000	Fairway Mower
Golf Course	Administration	75-510-8804	26,000	Spray Rig
Golf Course	Administration	75-510-8805	50,000	Clubhouse Improvements
			\$ 178,000	

Utility	Water Plant	60-582-8806	12,250	SC Controller for Hach Turbidimeter 7 x \$1,750
Utility	Water Distribution	60-583-8806	90,000	Meter Replacement
Utility	Water Distribution	60-583-8806	300,000	Replacement of 8" to 12" WL on Polk
Utility	Lift Station	60-586-8804	25,000	Equipment
Utility	Lift Station	60-586-8806	40,000	Cleaning of LS
Utility	Lift Station	60-586-8806	50,000	Rehab of Lift Stations
Utility	Lift Station	60-586-8806	160,000	8-Junction Boxes \$20,000 each
			\$	677,250
Bridge	Bridge Admin	70-510-8801	10,000	Equipment
Bridge	Bridge Admin	70-510-8803	40,000	Van
Bridge	Bridge Admin	70-510-8804	10,000	Data Recording system
Bridge	Bridge Admin	70-510-8804	30,000	Electric Generator
Bridge	Bridge Admin	70-510-8804	15,000	Accounting System Maintenance
			\$	105,000
			\$	2,895,700



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FINANCIAL BUDGET SECTION

CITY-WIDE BUDGET SUMMARY



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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
REVENUES					
<i>General:</i>					
General Fund	36,232,739	32,129,600	32,711,470	34,574,750	33,224,350
General Contingency Reserve Fund	1,939,279	-	-	54,650	-
<i>Total General Funds</i>	<u>38,172,018</u>	<u>32,129,600</u>	<u>32,711,470</u>	<u>34,629,400</u>	<u>33,224,350</u>
<i>Special Revenue Funds:</i>					
Community Development Fund	1,083,117	2,192,160	2,194,640	903,408	2,587,980
Asset Sharing	1,250,907	308,000	308,000	1,294,500	308,000
Parkland Dedication	148,479	4,000	4,000	13,500	6,000
Grants	2,068,076	3,185,110	3,185,110	1,091,903	1,268,060
Paving & Drainage	1,092,952	1,362,000	1,362,000	1,362,000	1,051,090
Hotel/Motel Fund	948,553	800,000	801,980	937,480	1,477,500
<i>Total Special Revenue Funds</i>	<u>6,592,085</u>	<u>7,851,270</u>	<u>7,855,730</u>	<u>5,602,791</u>	<u>6,698,630</u>
<i>Capital Project Fund:</i>					
General Capital Project Fund	2,732,212	10,677,310	12,977,930	4,036,005	21,897,000
Utility Capital Project Fund	19,743,294	2,300,000	1,950,000	2,428,811	1,820,000
Bridge Capital Project Fund	808,232	350,000	350,000	350,000	500,000
	<u>23,283,738</u>	<u>13,327,310</u>	<u>15,277,930</u>	<u>6,814,816</u>	<u>24,217,000</u>
<i>Debt Service Fund:</i>					
Debt Service Fund	2,291,075	2,211,030	2,211,030	2,264,489	2,242,870
<i>Internal Service Fund:</i>					
Garage Fund	418,422	458,190	54,990	424,800	489,650
<i>Enterprise Funds:</i>					
Utility Fund	13,682,165	12,752,800	12,782,030	13,290,330	12,033,990
Bridge Fund	13,047,384	9,928,450	9,941,120	9,991,950	9,840,910
Golf Course Fund	858,014	1,140,850	1,146,870	1,097,620	1,155,740
<i>Total Enterprise Funds</i>	<u>27,587,563</u>	<u>23,822,100</u>	<u>23,870,020</u>	<u>24,379,900</u>	<u>23,030,640</u>
<i>Agency Fund:</i>					
Volunteer Firemen Pension	36,938	35,000	35,000	31,455	31,000
Total Revenues	98,381,839	79,834,500	82,016,170	74,147,651	89,934,140

EXPENDITURES/EXPENSES				
<i>General:</i>				
General Fund	\$	31,492,810	\$	32,129,600
General Contingency Reserve Fund		-	\$	8,000,000
<i>Total General Funds</i>		<u>31,492,810</u>		<u>40,129,600</u>
<i>Special Revenue Funds:</i>				
Community Development Fund		1,348,962		2,194,640
Asset Sharing		682,134		1,308,000
Parkland Dedication		255,992		4,000
Grants		2,068,076		3,185,110
Paving & Drainage		938,616		1,682,000
Hotel/Motel Fund		1,150,340		1,878,600
<i>Total Special Revenue Funds</i>		<u>6,444,120</u>		<u>10,252,350</u>
<i>Capital Project Fund:</i>				
General Capital Project Fund		1,480,811		10,706,550
Utility Capital Project Fund		-		29,200,000
Bridge Capital Project Fund		-		350,000
		<u>1,480,811</u>		<u>40,256,550</u>
<i>Debt Service Fund:</i>				
Debt Service Fund		2,221,673		2,211,030
<i>Internal Service Fund:</i>				
Garage Fund		447,331		460,170
<i>Enterprise Funds:</i>				
Utility Fund		9,454,624		12,077,230
Bridge Fund		5,427,666		10,026,540
Golf Course Fund		1,064,913		1,146,870
<i>Total Enterprise Funds</i>		<u>15,947,203</u>		<u>24,250,640</u>
<i>Agency Fund:</i>				
Volunteer Firemen Pension		13,562		12,300
<i>Total Expenditures/Expenses</i>		<u>58,047,510</u>		<u>112,511,340</u>
<i>Net Revenues Over/(Under) Expenditures/Expenses, Change in Available Resources</i>				
		40,334,329		(32,676,840)
				(37,646,440)
				(11,727,610)
				(27,144,710)

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

	ESTIMATED BEGINNING AVAILABLE FUND BALANCE/ NET ASSETS 9/30/11	BUDGETED OPERATING REVENUES 2011-2012	DEBT PROCEEDS 2011-2012	TRANSFER IN 2011-2012	TRANSFER OUT 2011-2012
<i>General:</i>					
General Fund	2,976,500	29,638,970	848,150	2,737,230	(119,660)
General Contingency Reserve Fund	8,000,000	-	-	-	-
<i>Total General Funds</i>	<u>10,976,500</u>	<u>29,638,970</u>	<u>848,150</u>	<u>2,737,230</u>	<u>(119,660)</u>
<i>Special Revenue Funds:</i>					
Community Development Fund	-	2,537,060	-	50,920	-
Grants	-	1,268,060	-	-	-
Hotel/Motel Fund	-	1,477,500	-	-	(370,430)
Parkland Dedication	-	6,000	-	-	(6,000)
Asset Sharing	400,000	308,000	-	-	-
Paving & Drainage	-	722,090	329,000	-	-
<i>Total Special Revenue Funds</i>	<u>400,000</u>	<u>6,318,710</u>	<u>329,000</u>	<u>50,920</u>	<u>(376,430)</u>
<i>Capital Project Fund:</i>					
General Capital Project Fund	1,950,000	7,889,000	5,600,000	8,408,000	-
Bridge Capital Project Fund	-	-	-	500,000	-
Utility Capital Project Fund	12,736,700	-	-	1,820,000	-
	<u>14,686,700</u>	<u>7,889,000</u>	<u>5,600,000</u>	<u>10,728,000</u>	<u>-</u>
<i>Debt Service Fund:</i>					
Debt Service Fund	-	1,746,000	-	496,870	(160,360)
<i>Enterprise Funds:</i>					
Utility Fund	10,575,000	12,033,990	-	-	(2,181,620)
Bridge Fund	6,983,500	9,602,620	-	238,290	(8,408,000)
Golf Course Fund	-	939,000	178,000	38,740	(30,000)
<i>Total Enterprise Funds</i>	<u>17,558,500</u>	<u>22,575,610</u>	<u>178,000</u>	<u>277,030</u>	<u>(10,619,620)</u>
<i>Internal Service Fund:</i>					
Garage Fund	-	489,650	-	-	-
<i>Agency Fund:</i>					
Volunteer Firemen Pension	330,200	1,000	-	30,000	-
TOTALS	<u>43,951,900</u>	<u>68,658,940</u>	<u>6,955,150</u>	<u>14,320,050</u>	<u>(11,276,070)</u>

OPERATING EXPENDITURES/ EXPENSES 2011-2012	CAPITAL OUTLAY 2011-2012	LONG-TERM DEBT SERVICE 2011-2012	TOTAL APPROPRIATIONS (NOT INCLUDING TRANSFERS) 2011-2012	REVENUES OVER/ (UNDER) EXPENDITURES/ EXPENSES 2011-2012	PROJECTED ENDING FUND BALANCE/ NET ASSETS 9/30/12
(32,129,240)	(975,450)	-	(33,104,690)	-	2,976,500
(8,000,000)	-	-	(8,000,000)	(8,000,000)	-
(40,129,240)	(975,450)	-	(41,104,690)	(8,000,000)	2,976,500
(2,330,750)	(257,230)	-	(2,587,980)	-	-
(1,237,060)	(31,000)	-	(1,268,060)	-	-
(907,070)	(200,000)	-	(1,107,070)	-	-
-	-	-	-	-	-
(308,000)	(400,000)	-	(708,000)	(400,000)	-
(722,090)	(329,000)	-	(1,051,090)	-	-
(5,504,970)	(1,217,230)	-	(6,722,200)	(400,000)	-
-	(23,847,000)	-	(23,847,000)	(1,950,000)	-
-	(500,000)	-	(500,000)	-	-
-	(12,590,000)	-	(12,590,000)	(10,770,000)	1,966,700
-	(36,937,000)	-	(36,937,000)	(12,720,000)	1,966,700
(8,000)	-	(2,074,510)	(2,082,510)	-	-
(6,831,260)	(681,250)	(4,159,860)	(11,672,370)	(1,820,000)	8,755,000
(3,738,020)	(105,000)	(1,794,600)	(5,637,620)	(4,204,710)	2,778,790
(947,740)	(178,000)	-	(1,125,740)	-	-
(11,517,020)	(964,250)	(5,954,460)	(18,435,730)	(6,024,710)	11,533,790
(489,650)	-	-	(489,650)	-	-
(31,000)	-	-	(31,000)	-	330,200
(57,679,880)	(40,093,930)	(8,028,970)	(105,802,780)	(27,144,710)	16,807,190

CITY OF PHARR, TX
CITY-WIDE BUDGET SUMMARY OF MAJOR REVENUES & EXPENDITURES/EXPENSES
FISCAL YEAR 2011-2012

	GENERAL FUND		SPECIAL REVENUE FUNDS					
	GENERAL FUND	GENERAL CONTINGENCY	CDBG	GRANTS	HOTEL	PARKLAND DEDICATION	ASSET SHARING	PAVING & DRAINAGE
REVENUES								
Taxes								
Property Tax	\$ 12,840,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property Tax Penalty and Interest	551,490	-	-	-	-	-	-	-
Sales Tax	7,999,200	-	-	-	-	-	-	-
Franchise Tax	1,893,200	-	-	-	-	-	-	-
Hotel Tax	-	-	-	-	790,000	-	-	-
Other Taxes	164,000	-	-	-	-	-	-	-
Total Taxes	23,447,890	-	-	-	790,000	-	-	-
Sanitation and Brush								
Sanitation	2,370,000	-	-	-	-	-	-	-
Brush	1,018,800	-	-	-	-	-	-	-
Total Sanitation and Brush	3,388,800	-	-	-	-	-	-	-
Revenue Producing Facilities	328,100	-	-	-	532,500	-	-	-
Fines and Fees	1,035,000	-	-	-	-	-	-	-
License and Permits	658,530	-	-	-	-	-	-	-
Charges For Current Services	266,650	-	-	-	-	5,000	-	720,000
Intergovernmental	274,000	-	2,537,060	1,268,060	-	-	300,000	-
Other	-	-	-	-	-	-	-	-
Interest	240,000	-	-	-	5,000	1,000	8,000	2,090
Total Operating Revenues	29,638,970	-	2,537,060	1,268,060	1,327,500	6,000	308,000	722,090
Deb/ Capital Lease Proceeds	848,150	-	-	-	150,000	-	-	329,000
Transfers In	2,737,230	-	50,920	-	-	-	-	-
Total Revenues	\$ 33,224,350	\$ -	\$ 2,587,980	\$ 1,268,060	\$ 1,477,500	\$ 6,000	\$ 308,000	\$ 1,051,090

EXPENDITURES/EXPENSES								
Personnel Services	\$ 20,950,220	\$ -	\$ 223,920	\$ 835,550	\$ 228,700	\$ -	\$ -	\$ -
Supplies	955,930	-	5,500	30,380	19,110	-	308,000	-
Maint., Rentals, & Vehicle Maint.	2,040,150	8,000,000	5,620	-	20,000	-	-	-
Other Services	2,844,470	-	19,000	117,500	428,460	-	-	454,750
Debt Service	846,170	-	-	-	200,800	-	-	267,340
Capital Outlay	975,450	-	257,230	284,630	200,000	-	400,000	329,000
Transfers Out	119,660	-	-	-	370,430	6,000	-	-
Non-Departmental	4,492,300	-	2,076,710	-	10,000	-	-	-
Total Expenditures/Expenses	\$ 33,224,350	\$ 8,000,000	\$ 2,587,980	\$ 1,268,060	\$ 1,477,500	\$ 6,000	\$ 708,000	\$ 1,051,090

CAPITAL PROJECT FUNDS			DEBT SERVICE	ENTERPRISE FUNDS			INTERNAL SERVICE FUND	AGENCY FUND	TOTAL ALL FUNDS
GENERAL CAPITAL	BRIDGE CAPITAL	UTILITY CAPITAL	DEBT SERVICE	UTILITY	BRIDGE	GOLF COURSE	GARAGE	VOLUNTEER FIREMEN	
\$ -	\$ -	\$ -	\$ 1,661,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,501,000
-	-	-	70,000	-	-	-	-	-	621,490
-	-	-	-	-	-	-	-	-	7,999,200
-	-	-	-	-	-	-	-	-	1,893,200
-	-	-	-	-	-	-	-	-	790,000
-	-	-	-	-	-	-	-	-	164,000
-	-	-	1,731,000	-	-	-	-	-	25,968,890
-	-	-	-	-	-	-	-	-	2,370,000
-	-	-	-	-	-	-	-	-	1,018,800
-	-	-	-	-	-	-	-	-	3,388,800
-	-	-	-	-	-	-	-	-	860,600
-	-	-	-	-	-	-	-	-	1,035,000
-	-	-	-	-	-	-	-	-	658,530
-	-	-	-	11,683,990	9,352,620	935,000	489,650	-	23,452,910
7,889,000	-	-	-	-	-	-	-	-	12,268,120
-	-	-	-	-	150,000	-	-	-	150,000
-	-	-	15,000	350,000	100,000	4,000	-	1,000	726,090
7,889,000	-	-	1,746,000	12,033,990	9,602,620	939,000	489,650	1,000	68,508,940
5,600,000	-	-	-	-	-	178,000	-	-	7,105,150
8,408,000	500,000	1,820,000	496,870	-	238,290	38,740	-	30,000	14,320,050
<u>\$ 21,897,000</u>	<u>\$ 500,000</u>	<u>\$ 1,820,000</u>	<u>\$ 2,242,870</u>	<u>\$ 12,033,990</u>	<u>\$ 9,840,910</u>	<u>\$ 1,155,740</u>	<u>\$ 489,650</u>	<u>\$ 31,000</u>	<u>\$ 89,934,140</u>
\$ -	\$ -	\$ -	\$ -	\$ 2,630,390	\$ 883,920	\$ 533,850	\$ 169,370	\$ -	\$ 26,455,920
-	-	-	-	1,017,525	84,000	169,630	10,690	-	2,600,765
-	-	-	-	728,995	198,620	92,620	299,400	-	11,385,405
-	-	-	8,000	1,348,520	740,920	66,650	10,190	-	6,038,460
-	-	-	2,074,510	4,298,890	2,312,660	84,990	-	-	10,085,360
23,847,000	500,000	12,590,000	-	677,250	105,000	178,000	-	-	40,343,560
-	-	-	160,360	2,181,620	8,408,000	30,000	-	-	11,276,070
-	-	-	-	970,800	1,312,500	-	-	31,000	8,893,310
<u>\$ 23,847,000</u>	<u>\$ 500,000</u>	<u>\$ 12,590,000</u>	<u>\$ 2,242,870</u>	<u>\$ 13,853,990</u>	<u>\$ 14,045,620</u>	<u>\$ 1,155,740</u>	<u>\$ 489,650</u>	<u>\$ 31,000</u>	<u>\$ 117,078,850</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, 2011 THROUGH SEPTEMBER 30, 2012

Note: payroll fund not included

		ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
REVENUES						
General Tax Revenue						
Property	\$	13,567,309	\$ 13,149,000	\$ 13,149,000	\$ 13,557,110	\$ 13,391,490
Sales		7,717,020	7,466,300	8,063,600	8,580,000	7,999,200
Franchise		2,076,223	1,832,100	1,832,100	1,893,200	1,893,200
Other		139,015	144,000	144,000	164,000	164,000
Total		<u>23,499,567</u>	<u>22,591,400</u>	<u>23,188,700</u>	<u>24,194,310</u>	<u>23,447,890</u>
Licenses and permits						
Building		328,335	280,000	280,000	460,000	350,000
Professional services		124,546	120,000	120,000	130,000	113,000
Other		143,958	165,530	165,530	191,880	195,530
Total		<u>596,839</u>	<u>565,530</u>	<u>565,530</u>	<u>781,880</u>	<u>658,530</u>
Intergovernmental						
Grants		-	-	-	-	-
School security		256,841	399,320	399,320	399,320	264,000
County fire runs		12,400	6,000	6,000	18,000	10,000
Total		<u>269,241</u>	<u>405,320</u>	<u>405,320</u>	<u>417,320</u>	<u>274,000</u>
Fees and charges:						
Sanitation		2,292,495	2,200,000	2,200,000	2,325,000	2,370,000
Brush		993,446	960,000	960,000	1,018,800	1,018,800
Wells Fargo rental		251,287	120,000	120,000	91,600	91,600
Other rentals		274,992	261,680	186,680	142,500	184,500
Other fees		264,542	166,000	166,000	252,510	243,000
Total		<u>4,076,763</u>	<u>3,707,680</u>	<u>3,632,680</u>	<u>3,830,410</u>	<u>3,907,900</u>
Fines						
Court fines		895,137	900,000	700,000	853,300	850,000
Police records/fees		163,055	148,000	148,000	143,500	140,000
Library fines		49,297	40,000	40,000	45,000	40,000
Total		<u>1,107,489</u>	<u>1,088,000</u>	<u>888,000</u>	<u>1,041,800</u>	<u>1,030,000</u>
Interest income	Total	107,268	220,000	220,000	280,000	240,000
Other						
Miscellaneous		339,093	84,710	344,280	284,570	70,650
Oil and gas royalties		12,346	12,000	12,000	10,000	10,000
Total		<u>351,439</u>	<u>96,710</u>	<u>356,280</u>	<u>294,570</u>	<u>80,650</u>
Total revenues		<u><u>30,008,604</u></u>	<u><u>28,674,640</u></u>	<u><u>29,256,510</u></u>	<u><u>30,840,290</u></u>	<u><u>29,638,970</u></u>

	<u>ACTUAL</u> <u>2009-2010</u>	<u>ORIGINAL</u> <u>BUDGET</u> <u>2010-2011</u>	<u>AMENDED</u> <u>BUDGET</u> <u>2010-2011</u>	<u>PROJECTED</u> <u>ACTUAL</u> <u>2010-2011</u>	<u>BUDGET</u> <u>2011-2012</u>
EXPENDITURES					
Current:					
General government	4,812,971	6,207,100	7,384,180	6,191,820	6,143,660
Public safety	16,465,921	18,075,540	18,723,685	17,435,235	18,757,220
Highways and streets	1,943,209	2,169,300	2,287,360	2,181,780	2,206,230
Health and welfare	2,422,879	2,460,980	2,460,975	2,543,000	2,566,000
Culture and recreation	2,920,770	3,119,130	3,265,820	3,116,100	3,431,580
Debt service	-	-	-	-	-
Total expenditures	<u>28,565,750</u>	<u>32,032,050</u>	<u>34,122,020</u>	<u>31,467,935</u>	<u>33,104,690</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,442,854</u>	<u>(3,357,410)</u>	<u>(4,865,510)</u>	<u>(627,645)</u>	<u>(3,465,720)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in					
Bridge	2,000,000	1,500,000	1,500,000	1,500,000	1,500,000
PEDC	3,860,240	132,940	132,940	398,940	547,110
Other	19,294	-	-	13,500	298,500
Utility	314,600	327,800	327,800	327,800	361,620
Golf Course	30,000	30,000	30,000	30,000	30,000
Total	<u>6,224,134</u>	<u>1,990,740</u>	<u>1,990,740</u>	<u>2,270,240</u>	<u>2,737,230</u>
Transfers (out)					
Contingency	(1,767,340)	-	-	-	-
Fund Balance Improvement	(29,100)	-	-	-	-
CIP	(1,015,550)	-	-	-	-
Golf Course	-	(24,850)	(24,850)	(71,120)	(38,740)
Volunteer Firemen Pension	-	(30,000)	(30,000)	(30,000)	(30,000)
Other	(115,070)	(42,700)	(42,700)	(45,180)	(50,920)
Total	<u>(2,927,060)</u>	<u>(97,550)</u>	<u>(97,550)</u>	<u>(146,300)</u>	<u>(119,660)</u>
Lease proceeds	<u>-</u>	<u>1,464,220</u>	<u>1,464,220</u>	<u>1,464,220</u>	<u>848,150</u>
Total other financing sources and uses	<u>3,297,074</u>	<u>3,357,410</u>	<u>3,357,410</u>	<u>3,588,160</u>	<u>3,465,720</u>
Net change in fund balance	4,739,928	-	(1,508,100)	2,960,515	-
Fund balance (deficit) - beginning	15,131,907	11,871,835	11,871,835	19,871,835	22,832,350
Reserved for Contingency - Cash	(8,000,000)	-	-	(8,000,000)	(8,000,000)
Prior period adjustment	-	-	-	-	-
Fund balance - ending	<u>\$ 11,871,835</u>	<u>\$ 11,871,835</u>	<u>\$ 10,363,735</u>	<u>\$ 14,832,350</u>	<u>\$ 14,832,350</u>

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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
Revenues					
500 - General Tax Revenue	\$ 21,362,471	\$ 20,687,300	\$ 21,284,600	\$ 22,209,110	\$ 21,462,690
520 - Gross Receipts	2,137,095	1,904,100	1,904,100	1,985,200	1,985,200
530 - Revenue Producing Facilities	3,840,374	3,551,680	3,476,680	3,602,100	3,716,900
540 - Fines and Fees	1,146,649	1,088,000	888,000	1,053,800	1,035,000
550 - Licenses and Permits	596,839	565,530	565,530	781,880	658,530
560 - Charges for Current Services	925,176	878,030	878,030	948,630	780,650
570 - Grants	-	-	-	-	-
580 - Lease Proceeds	-	1,464,220	1,464,220	1,464,220	848,150
580 - Transfers/Others	6,224,134	1,990,740	2,250,310	2,529,810	2,737,230
Total Revenues	\$ 36,232,739	\$ 32,129,600	\$ 32,711,470	\$ 34,574,750	\$ 33,224,350
Expenditures					
10 - City Manager's Office	\$ 965,563	\$ 1,064,120	\$ 1,109,300	\$ 1,021,559	\$ 1,158,010
11 - Finance Department	613,318	713,670	730,310	627,610	943,860
12 - Police Department	10,231,461	10,903,530	11,484,310	10,792,915	11,453,000
13 - Traffic Safety	1,175,953	1,192,430	1,200,870	1,189,050	1,290,700
14 - Municipal Court	349,470	421,650	428,740	370,940	427,450
15 - Fire Protection	4,955,513	5,798,910	5,850,740	5,357,330	5,836,070
16 - Administrative Services	469,920	520,830	555,100	497,660	-
17 - Street Maintenance	1,943,209	2,169,300	2,287,360	2,181,780	2,206,230
18 - Information Technology	-	722,670	900,870	610,831	544,790
20 - Municipal Library	973,007	1,073,210	1,080,530	951,160	1,057,410
22 - Parks & Recreation	1,947,763	2,045,920	2,185,290	2,164,940	2,374,170
27 - Planning & Community Development	845,102	995,510	1,152,300	1,057,430	1,031,950
28 - Engineering	-	-	-	-	288,750
30 - Non-Departmental	7,022,530	4,507,850	5,253,850	4,791,030	4,611,960
Total Expenditures	\$ 31,492,810	\$ 32,129,600	\$ 34,219,570	\$ 31,614,235	\$ 33,224,350
Net Revenues Over/(Under) Expenditures	\$ 4,739,928	\$ -	\$ (1,508,100)	\$ 2,960,515	\$ -

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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>Department</u>					
10 - City Manager's Office	\$ 965,563	\$ 1,064,120	\$ 1,109,300	\$ 1,021,559	\$ 1,158,010
11 - Finance Department	613,318	713,670	730,310	627,610	943,860
12 - Police Department	10,231,461	10,903,530	11,484,310	10,792,915	11,453,000
13 - Traffic Safety	1,175,953	1,192,430	1,200,870	1,189,050	1,290,700
14 - Municipal Court	349,470	421,650	428,740	370,940	427,450
15 - Fire Protection	4,955,513	5,798,910	5,850,740	5,357,330	5,836,070
16 - Administrative Services	469,920	520,830	555,100	497,660	-
17 - Street Maintenance	1,943,209	2,169,300	2,287,360	2,181,780	2,206,230
18 - Information Technology	-	722,670	900,870	610,831	544,790
20 - Municipal Library	973,007	1,073,210	1,080,530	951,160	1,057,410
22 - Parks & Recreation	1,947,763	2,045,920	2,185,290	2,164,940	2,374,170
27 - Planning & Community Development	845,102	995,510	1,152,300	1,057,430	1,031,950
Engineering Department	-	-	-	-	288,750
30 - Non-Departmental	7,022,530	4,507,850	5,253,850	4,791,030	4,611,960
Total Expenditures	\$ 31,492,810	\$ 32,129,600	\$ 34,219,570	\$ 31,614,235	\$ 33,224,350
<u>Activity</u>					
1100- Personnel Services	\$ 19,040,388	\$ 20,041,750	\$ 20,796,260	\$ 19,952,602	\$ 20,950,220
2200- Supplies	672,711	932,540	1,033,555	880,159	955,930
3300- Maintenance	273,514	380,490	354,640	334,067	424,090
4400- Rentals	161,873	163,420	161,710	139,748	173,860
5500- Other Services	2,138,866	2,480,940	2,724,665	2,520,489	2,844,470
6600- Vehicle Maintenance	1,041,946	1,313,170	1,398,520	1,264,400	1,442,200
7700- Debt Service	920,026	729,720	729,720	729,720	846,170
8800- Capital Outlay	220,956	1,579,720	1,766,650	1,002,020	975,450
9900- Transfers Out	2,927,060	97,550	97,550	146,300	119,660
9900- Non-Departmental	4,095,470	4,410,300	5,156,300	4,644,730	4,492,300
Total Expenditures	\$ 31,492,810	\$ 32,129,600	\$ 34,219,570	\$ 31,614,235	\$ 33,224,350
<u>Function</u>					
General government	\$ 4,812,971	\$ 6,207,100	\$ 7,384,180	\$ 6,191,820	\$ 6,143,660
Public safety	16,465,921	18,075,540	18,723,685	17,435,235	18,757,220
Highways and streets	1,943,209	2,169,300	2,287,360	2,181,780	2,206,230
Health and welfare	2,422,879	2,460,980	2,460,975	2,543,000	2,566,000
Culture and recreation	2,920,770	3,119,130	3,265,820	3,116,100	3,431,580
Transfers Out	2,927,060	97,550	97,550	146,300	119,660
Total Expenditures	\$ 31,492,810	\$ 32,129,600	\$ 34,219,570	\$ 31,614,235	\$ 33,224,350

City of Pharr, Texas

Department: City Manager's Office

Function:

General

Fund: General

EXPENDITURES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 443,402	\$ 447,990	\$ 494,200	\$ 464,989	\$ 540,350
Employee Benefits	123,195	137,530	143,510	131,467	152,970
Supplies	28,415	39,660	46,570	40,019	30,950
Maintenance	3,423	3,480	3,480	1,917	14,680
Rentals	3,318	7,880	7,870	5,448	9,000
Contractual Services	204,519	225,000	225,000	214,833	150,000
Other Services	159,130	202,580	187,790	157,586	242,960
Vehicle Maintenance	159	-	880	-	5,340
Debt Service	-	-	-	-	11,760
Capital Outlay	-	-	-	5,300	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 965,563	\$ 1,064,120	\$ 1,109,300	\$ 1,021,559	\$ 1,158,010

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 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Finance

Function:

General

Fund: General

EXPENDITURES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 352,718	\$ 394,560	\$ 400,170	\$ 362,990	\$ 555,320
Employee Benefits	108,340	148,080	149,110	113,450	190,400
Supplies	30,754	35,300	35,300	29,000	37,600
Maintenance	8,984	16,410	16,410	16,000	22,410
Rentals	4,187	5,520	5,520	2,500	2,520
Contractual Services	60,000	63,000	73,000	63,000	65,000
Other Services	34,124	38,860	38,860	30,730	48,900
Vehicle Maintenance	-	-	-	-	-
Debt Service	4,970	1,940	1,940	1,940	11,710
Capital Outlay	9,241	10,000	10,000	8,000	10,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 613,318	\$ 713,670	\$ 730,310	\$ 627,610	\$ 943,860

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
Output:					
1 Prepare CAFR	Y	Y	Y	Y	Y
2 Prepare Official Budget Document	Y	Y	Y	Y	Y
3 Number of Qtrly Investment Rerport	4	4	4	4	4
Effectiveness:					
1 GFOA's CAFR award	Y	Y	Y	Y	Y
2 GFOA's Budget award	Y	Y	Y	Y	Y
3 GTOT Investment Policy award	Y	Y	Y	Y	Y

City of Pharr, Texas

Department: Administrative Services

Function:

General

Fund: General

EXPENDITURES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 265,140	\$ 259,650	\$ 262,580	\$ 245,320	\$ -
Employee Benefits	83,541	100,610	120,820	107,410	-
Supplies	28,836	20,550	28,480	18,700	-
Maintenance	5,786	14,050	8,000	5,820	-
Rentals	1,578	3,560	3,560	500	-
Contractual Services	22,592	-	30,150	25,000	-
Other Services	49,358	57,000	35,950	29,600	-
Vehicle Maintenance	1,337	4,800	6,620	5,700	-
Debt Service	11,752	19,610	19,610	19,610	-
Capital Outlay	-	41,000	39,330	40,000	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 469,920	\$ 520,830	\$ 555,100	\$ 497,660	\$ -

Purpose

Providing the citizens of Pharr a competent, qualified, and professionally trained workforce. In addition, we are committed to documenting and informing the community of news, events, and meetings that affect their lives in the city.

Main Duties

Human resources, payroll, citywide payroll budgeting, risk management, workers compensation, property damage subrogation recovery, safety and loss prevention, and Channel 12 Pharr Cable Television

Divisions

Administrative Services, Payroll, Human Resources

Mission Statement

The Administrative Services Department strives to attract, recruit, and hire quality individuals to be exemplary employees of the City of Pharr while developing and motivating employees in a cost effective, efficient, and safe environment to increase work performance and deliver quality services to the taxpayers of Pharr. In addition, Channel 12 Pharr Television is committed to meet and exceed all expectations in the delivery of entertaining, informative, and inspiring programming in a responsive and respectful format, while maximizing the use of all taxpayer investments.

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Planning & Code Enforcement		Function: General		Fund: General	
EXPENDITURES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 542,620	\$ 581,670	\$ 590,830	\$ 549,570	\$ 562,290
Employee Benefits	193,149	197,640	199,310	187,700	187,450
Supplies	21,596	23,940	23,940	27,240	24,600
Maintenance	5,850	6,000	6,000	5,000	6,000
Rentals	3,449	4,000	4,000	4,000	4,500
Contractual Services	3,348	6,000	146,000	160,000	20,640
Other Services	39,010	122,940	128,900	76,600	136,900
Vehicle Maintenance	23,542	36,500	36,500	30,500	39,450
Debt Service	12,539	3,820	3,820	3,820	10,120
Capital Outlay	-	13,000	13,000	13,000	40,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 845,102	\$ 995,510	\$ 1,152,300	\$ 1,057,430	\$ 1,031,950

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Information Technologies

Function: General

Fund: General

EXPENDITURES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ -	\$ 124,900	\$ 115,400	\$ 52,060	\$ 101,650
Employee Benefits	-	28,900	29,000	10,660	30,480
Supplies	-	87,110	86,160	71,300	46,990
Maintenance	-	-	200	-	13,000
Rentals	-	-	-	-	-
Contractual Services	-	1,200	11,200	4,000	50,000
Other Services	-	8,000	11,050	9,200	17,850
Vehicle Maintenance	-	-	700	1,050	11,000
Debt Service	-	76,560	76,560	76,560	123,820
Capital Outlay	-	396,000	570,600	386,000	150,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ -	\$ 722,670	\$ 900,870	\$ 610,831	\$ 544,790

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 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Engineering

Function:

General

Fund:

General

EXPENDITURES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 193,100
Employee Benefits	-	-	-	-	47,040
Supplies	-	-	-	-	10,900
Maintenance	-	-	-	-	-
Rentals	-	-	-	-	7,300
Contractual Services	-	-	-	-	-
Other Services	-	-	-	-	18,610
Vehicle Maintenance	-	-	-	-	5,000
Debt Service	-	-	-	-	-
Capital Outlay	-	-	-	-	6,800
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 288,750

Purpose

Manage the City's engineering capital improvements and the development of goals and objectives of the city.

Main Duties

Maintenance of Geographical Information System, inspection of construction infrastructure for all new developments, and management of staff, engineering and architectural consultants in city projects.

Divisions

Subdivision platting, GIS Manager, Project Inspector, Engineer

Mission Statement

The Engineering Department enhances health, safety and welfare in the City by providing economical, responsive, and effective professional engineering and architectural services. The Department employs qualified and competent professionals, cultivates an innovative work environment and strives to continuously improve.

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Non-Departmental

Function:

General

Fund: General

EXPENDITURES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Sanitation	\$ 1,633,071	\$ 1,644,000	\$ 1,644,000	\$ 1,704,000	\$ 1,740,000
Debris/Brush	543,332	576,000	576,000	564,000	576,000
Street Lights	595,074	600,000	600,000	570,000	600,000
Legal	311,762	320,000	320,000	270,000	192,500
Engineering	157,918	115,000	115,000	20,000	100,000
City Hall	345,347	328,000	745,000	500,000	328,000
City Commission	62,629	100,000	91,000	75,000	100,000
Contingency	1,796,440	-	-	-	-
Transfers	1,130,620	97,550	97,550	146,300	119,660
Other	446,338	727,300	1,065,300	941,730	855,800
DEPARTMENT TOTAL	\$ 7,022,530	\$ 4,507,850	\$ 5,253,850	\$ 4,791,030	\$ 4,611,960

City of Pharr, Texas

Department: Police

Function: Public Safety

Fund: General

EXPENDITURES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 6,450,345	\$ 6,606,900	\$ 6,959,050	\$ 6,551,900	\$ 6,983,800
Employee Benefits	2,249,377	2,267,190	2,370,800	2,304,495	2,151,680
Supplies	49,674	123,000	129,400	133,000	132,680
Maintenance	41,886	45,000	45,000	38,000	50,000
Rentals	85,569	63,560	62,160	57,560	70,380
Contractual Services	84,572	139,120	139,120	139,120	170,000
Other Services	430,153	455,880	489,900	452,960	504,860
Vehicle Maintenance	552,207	655,000	741,000	658,000	703,390
Debt Service	287,676	157,880	157,880	157,880	224,710
Capital Outlay	-	390,000	390,000	300,000	461,500
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 10,231,461	\$ 10,903,530	\$ 11,484,310	\$ 10,792,915	\$ 11,453,000

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

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 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Fire		Function: Public Safety		Fund: General	
EXPENDITURES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 2,889,400	\$ 3,188,460	\$ 3,237,650	\$ 3,403,430	\$ 3,409,130
Employee Benefits	1,150,939	1,197,120	1,177,010	1,095,660	1,164,570
Supplies	101,894	123,150	162,850	105,870	168,440
Maintenance	61,372	103,300	104,300	104,980	114,500
Rentals	15,757	14,400	14,400	14,400	15,960
Contractual Services	15,000	40,000	15,300	15,000	35,350
Other Services	123,944	146,240	146,790	122,350	157,600
Vehicle Maintenance	151,980	199,600	191,800	159,000	217,250
Debt Service	377,722	329,640	329,640	329,640	356,620
Capital Outlay	67,505	457,000	471,000	7,000	196,650
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 4,955,513	\$ 5,798,910	\$ 5,850,740	\$ 5,357,330	\$ 5,836,070

Purpose

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

Main Duties

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

Divisions

Administration; Prevention; Suppression; Communications; Emergency Management

Mission Statement

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

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Traffic Safety

Function:

Public Safety

Fund: General

EXPENDITURES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 453,480	\$ 453,200	\$ 463,810	\$ 433,220	\$ 483,350
Employee Benefits	178,514	179,900	184,990	183,350	202,620
Supplies	118,784	165,920	157,525	147,000	189,040
Maintenance	4,415	9,500	11,500	6,000	9,500
Rentals	499	1,000	2,200	1,710	1,000
Contractual Services	-	2,500	2,500	2,500	2,500
Other Services	279,051	281,090	280,525	305,550	294,610
Vehicle Maintenance	69,462	90,600	89,100	101,000	101,400
Debt Service	44,522	8,720	8,720	8,720	6,680
Capital Outlay	27,225	-	-	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,175,953	\$ 1,192,430	\$ 1,200,870	\$ 1,189,050	\$ 1,290,700

Purpose

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

Main Duties

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

Divisions

Traffic & Safety, Animal Control

Mission Statement

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

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Municipal Court

Function:

Public Safety

Fund: General

EXPENDITURES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 175,475	\$ 217,900	\$ 220,510	\$ 181,630	\$ 218,950
Employee Benefits	55,927	68,700	69,180	60,260	66,170
Supplies	18,125	15,050	19,050	16,200	17,500
Maintenance	16,781	2,000	2,000	12,600	13,000
Rentals	2,871	3,200	3,200	3,200	2,700
Contractual Services	67,356	76,000	76,000	76,000	76,000
Other Services	12,166	19,700	19,700	19,400	20,200
Vehicle Maintenance	769	4,100	4,100	1,650	2,930
Debt Service	-	-	-	-	-
Capital Outlay	-	15,000	15,000	-	10,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 349,470	\$ 421,650	\$ 428,740	\$ 370,940	\$ 427,450

Purpose

Ensure timely and efficient delivery and administration of justice.

Main Duties

The duties of the judiciary include the adjudication of cases, the settings 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

Preservation of public confidence in the administration of justice and avoiding the appearance of impropriety.

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Street Maintenance

Function: Highways & Streets

Fund: General

EXPENDITURES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 840,208	\$ 855,900	\$ 883,080	\$ 872,190	\$ 883,300
Employee Benefits	351,450	359,970	426,780	394,060	416,070
Supplies	52,542	68,900	58,520	60,000	63,550
Maintenance	13,955	28,000	28,000	17,000	28,000
Rentals	17,406	31,500	24,000	21,630	31,700
Contractual Services	7,323	5,000	5,000	5,000	92,500
Other Services	289,621	298,480	335,180	305,920	332,580
Vehicle Maintenance	209,419	280,570	285,820	265,000	303,780
Debt Service	127,665	83,760	83,760	83,760	54,750
Capital Outlay	33,623	157,220	157,220	157,220	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,943,209	\$ 2,169,300	\$ 2,287,360	\$ 2,181,780	\$ 2,206,230

Purpose

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

Main Duties

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

Divisions

Administration, Streets & Alleys, Drainage & Right Of Ways

Mission Statement

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

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Parks & Recreation

Function:

Culture & Rec.

Fund: General

EXPENDITURES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 1,048,877	\$ 1,116,080	\$ 1,121,400	\$ 1,119,000	\$ 1,221,720
Employee Benefits	350,108	343,440	402,490	436,840	441,240
Supplies	195,147	197,110	252,910	205,180	202,830
Maintenance	94,964	129,000	106,000	110,000	129,000
Rentals	7,193	9,500	15,500	9,500	9,500
Contractual Services	4,565	18,000	60,000	60,000	62,000
Other Services	140,260	143,000	137,200	134,130	209,220
Vehicle Maintenance	33,069	42,000	42,000	42,500	52,660
Debt Service	53,179	47,790	47,790	47,790	46,000
Capital Outlay	20,400	-	-	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,947,763	\$ 2,045,920	\$ 2,185,290	\$ 2,164,940	\$ 2,374,170

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Library

Function:

Culture & Rec.

Fund: General

EXPENDITURES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 549,407	\$ 567,350	\$ 575,060	\$ 512,970	\$ 565,640
Employee Benefits	184,775	198,110	199,520	177,980	180,930
Supplies	26,943	32,850	32,850	26,650	30,850
Maintenance	16,098	23,750	23,750	16,750	24,000
Rentals	20,047	19,300	19,300	19,300	19,300
Contractual Services	-	-	-	-	-
Other Services	112,775	131,350	129,550	112,010	136,190
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	-
Capital Outlay	62,962	100,500	100,500	85,500	100,500
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 973,007	\$ 1,073,210	\$ 1,080,530	\$ 951,160	\$ 1,057,410

Purpose

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

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

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

Main Duties

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

Divisions

Mission Statement

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

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>REVENUES</u>					
Transfers In	\$ 29,100	\$ -	\$ -	\$ -	\$ -
Interest	<u>1,910,179</u>	<u>-</u>	<u>-</u>	<u>54,650</u>	<u>-</u>
Total Revenues	\$ 1,939,279	\$ -	\$ -	\$ 54,650	\$ -
<u>EXPENDITURES</u>					
Emergency Contingencies	<u>\$ -</u>	<u>\$ 8,000,000</u>	<u>\$ 8,000,000</u>	<u>\$ -</u>	<u>\$ 8,000,000</u>
Total Expenditures	<u>\$ -</u>	<u>\$ 8,000,000</u>	<u>\$ 8,000,000</u>	<u>\$ -</u>	<u>\$ 8,000,000</u>
Net Revenues Over/(Under) Expenditures	\$ 1,939,279	\$ (8,000,000)	\$ (8,000,000)	\$ 54,650	\$ (8,000,000)

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 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>Revenues</u>					
500 - General Tax Revenue	\$ 936,575	\$ 790,000	\$ 790,000	\$ 761,980	\$ 790,000
560 - Charges for Current Services	1,092,717	722,000	722,000	894,500	1,257,500
560 - Intergovernmental	1,230,384	300,000	300,000	1,282,500	300,000
570 - Grants	3,079,344	5,334,570	5,334,570	1,950,131	3,805,120
580 - Others	188,297	25,000	29,460	31,500	166,090
580 - Transfers/Others	64,590	679,700	679,700	682,180	379,920
Total Revenues	\$ 6,591,907	\$ 7,851,270	\$ 7,855,730	\$ 5,602,791	\$ 6,698,630
<u>Expenditures</u>					
General government	\$ 1,465,118	\$ 1,687,190	\$ 1,689,670	\$ 776,358	\$ 2,430,750
Public safety	2,055,292	2,194,800	2,194,800	1,457,179	1,976,060
Highways and streets	1,474,063	4,335,280	4,335,280	1,639,960	1,208,320
Culture and recreation	1,044,124	878,540	1,957,140	3,049,374	1,113,070
Transfer Out	404,898	75,460	75,460	75,460	370,430
Total Expenditures	\$ 6,443,494	\$ 9,171,270	\$ 10,252,350	\$ 6,998,331	\$ 7,098,630
Net Revenues Over/(Under) Expenditures	\$ 148,413	\$ (1,320,000)	\$ (2,396,620)	\$ (1,395,540)	\$ (400,000)

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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>REVENUES</u>					
Grants-CDBG - Current Year	\$ -	\$ 1,216,240	\$ 1,216,240	\$ -	\$ 1,015,600
Grants-Other CDBG Program Funds	1,011,267	933,220	933,220	858,228	1,521,460
Misc	7,082	-	2,480	-	-
Transfer In	64,590	42,700	42,700	45,180	50,920
Total Revenues	\$ 1,082,940	\$ 2,192,160	\$ 2,194,640	\$ 903,408	\$ 2,587,980
<u>EXPENDITURES</u>					
Personnel	\$ 208,793	\$ 248,580	\$ 251,060	\$ 238,308	\$ 223,920
Supplies	4,951	7,000	7,000	6,000	5,500
Maintenance	2,655	1,000	1,000	800	800
Rentals	2,840	4,220	4,220	3,000	2,500
Other	13,451	22,150	22,150	19,000	19,000
Vehicle Maintenance	596	3,000	3,000	1,500	2,320
Debt Service (operating funds)	270,161	-	-	-	-
Capital Outlay (operating funds)	-	-	-	-	-
Non-Departmental	845,514	1,906,210	1,906,210	634,800	2,333,940
Total Expenditures	\$ 1,348,962	\$ 2,192,160	\$ 2,194,640	\$ 903,408	\$ 2,587,980
Net Revenues Over/(Under) Expenditures	\$ (266,022)	\$ -	\$ -	\$ (0)	\$ -
<u>EXPENDITURES</u>					
General government	990,881	1,687,190	1,689,670	776,358	2,430,750
Public safety	4,144	23,280	23,280	23,280	-
Highways and streets	353,937	481,690	481,690	103,770	157,230
Total Expenditures	\$ 1,348,962	\$ 2,192,160	\$ 2,194,640	\$ 903,408	\$ 2,587,980

City of Pharr, Texas

Department: Administration

Fund: CDBG

EXPENSES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 152,016	\$ 183,030	\$ 185,130	\$ 189,380	\$ 171,300
Employee Benefits	56,777	65,550	65,930	48,928	52,620
Supplies	4,951	7,000	7,000	6,000	5,500
Maintenance	2,655	1,000	1,000	800	800
Rentals	2,840	4,220	4,220	3,000	2,500
Contractual Services	-	-	-	-	-
Other Services	13,451	22,150	22,150	19,000	19,000
Vehicle Maintenance	596	3,000	3,000	1,500	2,320
Debt Service	270,161	-	-	-	-
Capital Outlay	-	-	-	-	-
Non-Departmental	845,514	1,906,210	1,906,210	634,800	2,333,940
DEPARTMENT TOTAL	\$ 1,348,962	\$ 2,192,160	\$ 2,194,640	\$ 903,408	\$ 2,587,980

Purpose

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

Main Duties

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

Divisions

Administration

Mission Statement

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

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>REVENUES</u>					
Police	\$ 866,109	\$ 586,450	\$ 586,450	\$ 631,172	\$ 844,360
Fire	502,905	277,070	277,070	329,027	423,700
Library	42,690	150,000	150,000	14,704	-
Public Works	181,509	2,171,590	2,171,590	117,000	-
Other	<u>474,863</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	\$ 2,068,076	\$ 3,185,110	\$ 3,185,110	\$ 1,091,903	\$ 1,268,060
<u>EXPENDITURES BY FUNCTION</u>					
Public Safety:					
Police	\$ 866,109	\$ 586,450	\$ 586,450	\$ 631,172	\$ 844,360
Fire	<u>502,905</u>	<u>277,070</u>	<u>277,070</u>	<u>329,027</u>	<u>423,700</u>
	1,369,013	863,520	863,520	960,199	1,268,060
Culture and Recreation:					
Library	42,690	150,000	150,000	14,704	-
Environmental:					
Public Works	181,509	2,171,590	2,171,590	117,000	-
General:					
General	<u>474,237</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	\$ 2,067,450	\$ 3,185,110	\$ 3,185,110	\$ 1,091,903	\$ 1,268,060
Net Revenues Over/(Under) Expenditures	\$ 626	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES BY ACTIVITY</u>					
Personnel	\$ 724,562	\$ 863,520	\$ 863,520	\$ 834,452	\$ 835,550
Supplies	231,784	20,000	20,000	48,784	30,380
Maintenance	357,018	-	-	-	-
Rentals	-	-	-	-	-
Other	11,600	-	-	6,695	117,500
Vehicle Maintenance	8,829	-	-	-	-
Debt Service	-	-	-	-	-
Capital Outlay	<u>733,657</u>	<u>2,301,590</u>	<u>2,301,590</u>	<u>201,972</u>	<u>284,630</u>
Total Expenditures	<u>\$ 2,067,450</u>	<u>\$ 3,185,110</u>	<u>\$ 3,185,110</u>	<u>\$ 1,091,903</u>	<u>\$ 1,268,060</u>

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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>REVENUES</u>					
Hotel/Motel Tax	\$ 936,575	\$ 790,000	\$ 790,000	\$ 761,980	\$ 790,000
Events Center	\$ -	\$ -	\$ -	\$ 162,500	\$ 532,500
Other	30	-	1,980	-	150,000
Interest	11,948	10,000	10,000	13,000	5,000
Total	\$ 948,553	\$ 800,000	\$ 801,980	\$ 937,480	\$ 1,477,500
<u>EXPENDITURES</u>					
Culture and Recreation:					
Personnel	\$ 187,923	\$ 186,640	\$ 188,620	\$ 142,170	\$ 228,700
Supplies	17,896	5,000	5,000	5,000	19,110
Maintenance	55,292	40,000	40,000	13,000	20,000
Rentals	-	-	-	-	-
Other: Chamber	321,650	320,000	320,000	330,000	220,000
Other: Misc	150,681	172,900	172,900	86,000	208,460
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	200,800
Capital Outlay	12,000	-	-	645,000	200,000
Non-Departmental	-	-	1,076,620	1,800,000	10,000
Transfer Out	404,898	75,460	75,460	75,460	370,430
Total	\$ 1,150,340	\$ 800,000	\$ 1,878,600	\$ 3,096,630	\$ 1,477,500
Net Revenues Over/(Under) Expenditures	\$ (201,786)	\$ -	\$ (1,076,620)	\$ (2,159,150)	\$ -

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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>REVENUES</u>					
Parkland Dedication Fees	\$ 1,000	\$ 2,000	\$ 2,000	\$ 12,000	\$ 5,000
Interest	2,479	2,000	2,000	1,500	1,000
Transfer In	<u>145,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$ 148,479	\$ 4,000	\$ 4,000	\$ 13,500	\$ 6,000
<u>EXPENDITURES</u>					
Culture and Recreation:					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-
Maintenance	500	4,000	4,000	-	-
Rentals	-	-	-	-	-
Other	500	-	-	-	-
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers Out	254,992	-	-	13,500	6,000
Capital Outlay	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$ 255,992	\$ 4,000	\$ 4,000	\$ 13,500	\$ 6,000
Net Revenues Over/(Under) Expenditures	\$ (107,513)	\$ -	\$ -	\$ -	\$ -

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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
REVENUES					
Intergovernmental	\$ 1,230,384	\$ 300,000	\$ 300,000	\$ 1,282,500	\$ 300,000
Other	10,800	-	-	-	-
Interest	9,723	8,000	8,000	12,000	8,000
Transfer In	-	-	-	-	-
Total	\$ 1,250,907	\$ 308,000	\$ 308,000	\$ 1,294,500	\$ 308,000
EXPENDITURES					
Public Safety:					
Personnel	\$ 14,884	\$ -	\$ -	\$ 16,000	\$ -
Supplies	348,161	308,000	308,000	129,100	308,000
Maintenance	81,305	-	-	40,000	-
Rentals	2,957	-	-	100	-
Other	101,281	-	-	128,500	-
Vehicle Maintenance	52,244	-	-	10,000	-
Debt Service	-	-	-	-	-
Capital Outlay	81,302	1,000,000	1,000,000	150,000	400,000
Total	\$ 682,134	\$ 1,308,000	\$ 1,308,000	\$ 473,700	\$ 708,000
Net Revenues Over/(Under) Expenditures	\$ 568,773	\$ (1,000,000)	\$ (1,000,000)	\$ 820,800	\$ (400,000)

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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>REVENUES</u>					
Paving & Drainage Fee	\$ 1,091,717	\$ 720,000	\$ 720,000	\$ 720,000	\$ 720,000
Lease Proceeds	-	637,000	637,000	637,000	329,000
Interest Income	<u>1,234</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>	<u>2,090</u>
Total	\$ 1,092,952	\$ 1,362,000	\$ 1,362,000	\$ 1,362,000	\$ 1,051,090
<u>EXPENDITURES</u>					
Highways and Streets:					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	109,481	62,810	62,810	-	-
Maintenance	19,411	-	-	-	-
Rentals	-	-	-	-	-
Other	368,933	-	200,000	-	454,750
Vehicle Maintenance	5,827	-	-	-	-
Debt Service	42,445	165,340	165,340	165,340	267,340
Capital Outlay	75,128	637,000	637,000	637,000	329,000
Transfer Out	<u>317,391</u>	<u>816,850</u>	<u>616,850</u>	<u>616,850</u>	<u>-</u>
Total	\$ <u>938,616</u>	\$ <u>1,682,000</u>	\$ <u>1,682,000</u>	\$ <u>1,419,190</u>	\$ <u>1,051,090</u>
Net Revenues Over/(Under) Expenditures	\$ 154,335	\$ (320,000)	\$ (320,000)	\$ (57,190)	\$ -

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 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>REVENUES</u>					
Intergovernmental	\$ -	\$ 657,000	\$ 657,000	\$ 69,727	\$ 300,000
Debt Proceeds	-	5,600,000	5,600,000	-	5,600,000
Transfers In	2,681,910	4,420,310	6,720,930	3,966,278	8,408,000
Grants	-	-	-	-	7,589,000
Other	<u>50,302</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	\$ 2,732,212	\$ 10,677,310	\$ 12,977,930	\$ 4,036,005	\$ 21,897,000
<u>EXPENDITURES</u>					
Street Projects	\$ 898,750	\$ 3,546,850	\$ 4,701,350	\$ 930,167	\$ 5,967,000
Other	<u>582,060</u>	<u>3,600,000</u>	<u>6,005,200</u>	<u>2,417,670</u>	<u>17,880,000</u>
Total Expenditures	\$ 1,480,811	\$ 7,146,850	\$ 10,706,550	\$ 3,347,837	\$ 23,847,000
Net Revenues Over/(Under) Expenditures	\$ 1,251,401	\$ 3,530,460	\$ 2,271,380	\$ 688,168	\$ (1,950,000)



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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>REVENUES</u>					
Transfer In	\$ 608,232	\$ 350,000	\$ 350,000	\$ 350,000	\$ 500,000
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	\$ 608,232	\$ 350,000	\$ 350,000	\$ 350,000	\$ 500,000
<u>EXPENSES</u>					
Port of Entry Modernization	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	\$ -	\$ -	\$ -	\$ -	\$ 500,000
Net Revenues Over/(Under) Expenses	\$ 608,232	\$ 350,000	\$ 350,000	\$ 350,000	\$ -

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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
REVENUES					
Grants - NADBank	\$ 1,069,904	\$ -	\$ -	\$ 605,963	\$ -
Grants - TWDB	-	1,300,000	1,300,000	791,573	-
Grant - EPA	594,225	-	-	-	-
Loan Proceeds - NADBank	-	-	-	31,275	-
Loan Proceeds - TWDB -CW	-	-	-	-	-
Loan Proceeds - TWDB -DW	-	-	-	-	-
Transfer In	18,079,165	1,000,000	650,000	1,000,000	1,820,000
Total Revenues	\$ 19,743,294	\$ 2,300,000	\$ 1,950,000	\$ 2,428,811	\$ 1,820,000
EXPENSES					
Waterline Relocation - Sugar Roar	\$ -	\$ 100,000	\$ 100,000	\$ 123,625	\$ -
Rehab LBJ Water Tower	-	650,000	640,000	34,600	1,500,000
West Hall Acres Utility Line	-	350,000	350,000	-	-
Wastewater Collection System	-	150,000	150,000	94,570	-
WWCS - Phase 1a	-	600,000	600,000	791,573	-
WWCS - Phase 1b	-	700,000	700,000	-	-
WWCS - Phase 1c	-	2,200,000	2,200,000	2,968,868	-
WWCS - Phase 1d	-	150,000	150,000	131,379	-
WWCS - Phase 1e	-	4,800,000	4,800,000	4,927,034	-
Wastewater Treatment Plant	-	6,100,000	6,100,000	3,081,800	2,670,000
Water Treatment Plant	-	13,410,000	13,410,000	4,789,018	8,100,000
Other	-	-	-	-	320,000
Total Expenses	\$ -	\$ 29,210,000	\$ 29,200,000	\$ 16,942,467	\$ 12,590,000
Net Revenues Over/(Under) Expenses	\$ 19,743,294	\$ (26,910,000)	\$ (27,250,000)	\$ (14,513,656)	\$ (10,770,000)

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 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>REVENUES</u>					
Property Tax (Current & Delinquent)	\$ 1,698,855	\$ 1,631,000	\$ 1,631,000	\$ 1,682,359	\$ 1,661,000
Property Tax Penalty and Interest	77,292	70,000	70,000	70,000	70,000
Interest	17,148	15,000	15,000	17,100	15,000
Transfer In	<u>497,780</u>	<u>495,030</u>	<u>495,030</u>	<u>495,030</u>	<u>496,870</u>
Total Revenues	\$ 2,291,075	\$ 2,211,030	\$ 2,211,030	\$ 2,264,489	\$ 2,242,870
<u>EXPENDITURES</u>					
Principal	\$ 1,320,000	\$ 1,365,000	\$ 1,365,000	\$ 1,365,000	\$ 1,435,000
Interest	785,260	735,040	735,040	735,040	639,510
Other	8,053	8,000	8,000	8,000	8,000
Transfer Out	<u>108,360</u>	<u>102,990</u>	<u>102,990</u>	<u>102,990</u>	<u>160,360</u>
Total Expenditures	<u>\$ 2,221,673</u>	<u>\$ 2,211,030</u>	<u>\$ 2,211,030</u>	<u>\$ 2,211,030</u>	<u>\$ 2,242,870</u>
Net Revenues Over/(Under) Expenditures	\$ 69,403	\$ -	\$ -	\$ 53,459	\$ -



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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 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>Revenues</u>					
Water Fees	\$ 6,665,764	\$ 6,465,000	\$ 6,465,000	\$ 6,800,000	\$ 6,530,000
Sewer Fees	5,222,876	5,107,000	5,107,000	5,297,800	5,116,640
Toll Fees	10,536,992	9,500,000	9,500,000	9,500,000	9,352,620
Direct Golf Course Fees	710,915	735,000	735,000	640,000	765,000
Intergovernmental	2,000,000	-	-	-	-
Other	1,000,525	312,300	360,220	469,150	357,350
Interest	1,008,124	604,000	604,000	674,000	454,000
Lease Proceeds	-	895,500	895,500	820,500	178,000
Transfer In	442,366	203,300	203,300	178,450	277,030
Total Revenues	\$ 27,587,563	\$ 23,822,100	\$ 23,870,020	\$ 24,379,900	\$ 23,030,640
<u>Expenses</u>					
Personnel Services	\$ 3,902,117	\$ 3,971,780	\$ 4,092,370	\$ 3,782,371	\$ 4,048,160
Supplies	1,004,135	1,144,810	1,186,765	1,160,212	1,271,155
Maintenance	565,877	660,500	868,545	727,550	692,180
Rentals	71,654	87,130	85,730	75,440	83,500
Other Services	1,905,906	2,124,750	2,166,620	2,048,110	2,156,090
Vehicle Maintenance	178,247	214,220	229,100	203,450	244,555
Long Term Debt Service	2,194,764	6,665,740	6,665,740	6,661,740	5,954,460
Debt Service-Lease	45,789	392,090	392,090	392,090	742,080
Capital Outlay	-	996,500	988,900	936,000	960,250
Transfer Out	2,344,600	6,111,260	5,761,260	5,761,260	10,619,620
Non-Departmental	3,734,115	1,453,320	1,813,520	1,661,400	2,283,300
Total Expenditures	\$ 15,947,203	\$ 23,822,100	\$ 24,250,640	\$ 23,409,623	\$ 29,055,350
Net Revenues Over/(Under) Expenses	\$ 11,640,360	\$ -	\$ (380,620)	\$ 970,277	\$ (6,024,710)

CITY OF PHARR, TEXAS
BUDGETED REPORT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
UTILITY FUND
FOR THE FISCAL YEAR OCTOBER 1, 2011 THROUGH SEPTEMBER 30, 2012

	<u>ACTUAL</u> <u>2009-2010</u>	<u>ORIGINAL</u> <u>BUDGET</u> <u>2010-2011</u>	<u>AMENDED</u> <u>BUDGET</u> <u>2010-2011</u>	<u>PROJECTED</u> <u>ACTUAL</u> <u>2010-2011</u>	<u>BUDGET</u> <u>2011-2012</u>
REVENUES					
Operating revenues:					
Charges for sales and services:					
Water sales	\$ 6,414,781	\$ 6,275,000	\$ 6,275,000	\$ 6,500,000	\$ 6,340,000
Sewer service	5,039,571	4,975,000	4,975,000	5,100,000	4,975,000
Tap fees	292,234	200,000	200,000	370,000	210,640
Other	142,503	122,000	122,000	128,100	121,000
Total operating revenues	<u>11,889,090</u>	<u>11,572,000</u>	<u>11,572,000</u>	<u>12,098,100</u>	<u>11,646,640</u>
EXPENSES					
Operating expenses:					
Personnel services	2,379,303	2,464,260	2,506,940	2,274,351	2,685,990
Supplies and Materials	1,661,023	1,890,630	2,130,730	1,895,062	1,017,525
Contractual Services	1,712,472	2,002,440	2,041,690	1,876,170	2,938,715
Depreciation	1,839,230	-	-	-	-
Total operating expenses	<u>7,592,029</u>	<u>6,357,330</u>	<u>6,679,360</u>	<u>6,045,583</u>	<u>6,642,230</u>
Operating income (loss)	<u>4,297,061</u>	<u>5,214,670</u>	<u>4,892,640</u>	<u>6,052,517</u>	<u>5,004,410</u>
Nonoperating revenues (expenses):					
Investment earnings	872,540	500,000	500,000	540,000	350,000
Interest expense	(1,438,616)	(1,773,570)	(1,773,570)	(1,769,570)	(1,706,050)
Principal expense	-	(2,385,000)	(2,385,000)	(2,385,000)	(2,592,840)
Amortization expense	(109,380)	-	-	-	-
Capital Outlay	-	(663,500)	(665,900)	(704,000)	(731,250)
Intergovernmental	-	-	-	-	-
Lease Proceeds	-	663,500	663,500	588,500	-
Other	35,617	(172,700)	(172,700)	(155,500)	37,350
Total nonoperating revenues (expenses)	<u>(639,839)</u>	<u>(3,831,270)</u>	<u>(3,833,670)</u>	<u>(3,885,570)</u>	<u>(4,642,790)</u>
Income before contributions and transfers	3,657,222	1,383,400	1,058,970	2,166,947	361,620
Transfers in	236,600	-	-	-	-
Transfers out					
General Fund	(314,600)	(327,800)	(327,800)	(327,800)	(361,620)
Capital Projects	-	(1,000,000)	(1,000,000)	(1,000,000)	(1,820,000)
Capital contributions	581,114	-	-	-	-
Changes in net assets	<u>4,160,336</u>	<u>55,600</u>	<u>(268,830)</u>	<u>839,147</u>	<u>(1,820,000)</u>
Total net assets (non-GAAP) - beginning	67,201,170	71,361,506	71,361,506	71,361,506	72,200,653
Prior period adjustment	-	-	-	-	-
Total net assets (non-GAAP) - ending	<u>\$ 71,361,506</u>	<u>\$ 71,417,106</u>	<u>\$ 71,092,676</u>	<u>\$ 72,200,653</u>	<u>\$ 70,380,653</u>

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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>REVENUES</u>					
Water	\$ 6,665,764	\$ 6,465,000	\$ 6,465,000	\$ 6,800,000	\$ 6,530,000
Sewer	5,222,876	5,107,000	5,107,000	5,297,800	5,116,640
Lease Proceeds	-	663,500	663,500	588,500	-
Other	684,385	17,300	46,530	64,030	37,350
Interest	872,540	500,000	500,000	540,000	350,000
Transfer In	236,600	-	-	-	-
Total Revenues	\$ 13,682,165	\$ 12,752,800	\$ 12,782,030	\$ 13,290,330	\$ 12,033,990
<u>EXPENSES</u>					
81 Administration	\$ 549,705	\$ 563,700	\$ 567,490	\$ 632,670	\$ 602,280
82 Water Production	1,174,445	1,448,560	1,549,540	1,318,480	1,376,050
83 Water Distribution	1,431,079	1,768,200	1,797,280	1,831,755	2,039,325
84 Water Treatment Plant	1,673,160	1,693,160	1,731,200	1,737,027	1,860,245
86 Sewer Collection	311,132	649,490	806,830	473,852	663,810
87 Non-Departmental	2,767,108	2,471,120	2,466,320	2,329,200	3,152,420
72 Debt Service	1,547,996	4,158,570	4,158,570	4,154,570	4,159,860
Total Expenses	\$ 9,454,624	\$ 12,752,800	\$ 13,077,230	\$ 12,477,553	\$ 13,853,990
Net Revenues Over/(Under) Expenses	\$ 4,227,541	\$ -	\$ (295,200)	\$ 812,777	\$ (1,820,000)
1100- Personnel Services	\$ 2,379,303	\$ 2,446,340	\$ 2,489,020	\$ 2,274,351	\$ 2,630,390
2200- Supplies	865,002	996,180	1,047,635	924,272	1,017,525
3300- Maintenance	431,788	466,000	666,045	548,550	499,680
4400- Rentals	9,732	19,650	18,250	13,440	16,020
5500- Other Services	1,297,996	1,213,310	1,232,480	1,221,310	1,348,520
6600- Vehicle Maintenance	152,574	179,720	194,600	169,450	213,295
7273 Long Term Debt Service	1,547,996	4,158,570	4,158,570	4,154,570	4,159,860
7700- Debt Service-Lease	3,126	138,410	138,410	138,410	139,030
8800- Capital Outlay	-	663,500	665,900	704,000	677,250
9900- Transfer Out	314,600	1,327,800	1,327,800	1,327,800	2,181,620
9900- Non-Departmental	2,452,508	1,143,320	1,138,520	1,001,400	970,800
	\$ 9,454,624	\$ 12,752,800	\$ 13,077,230	\$ 12,477,553	\$ 13,853,990

City of Pharr, Texas

Department: Debt Service						Fund: Utility	
EXPENSES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12		
Financial Services	\$ 20,918	\$ 25,000	\$ 25,000	\$ 21,000	\$ 25,000		
2007 CWSRF Interest - TWDB	899,015	879,210	879,210	879,210	857,030		
2007A DWSRF Interest - TWDB	(744)	359,120	359,120	359,120	341,140		
2007B Interest - NADBank	319,238	331,500	331,500	331,500	317,250		
2008 Refunding - Interest	200,190	178,740	178,740	178,740	154,440		
Amortization Expense	-						
Other Interest	109,380	-	-	-	-		
2007 CWSRF Principal - TWDB	-	765,000	765,000	765,000	790,000		
2007A DWSRF Principal - TWDB	-	380,000	380,000	380,000	380,000		
2007B Principal - NADBank	-	380,000	380,000	380,000	395,000		
2008 Refunding - Principal	-	675,000	675,000	675,000	710,000		
1988 Principal	-	185,000	185,000	185,000	190,000		
Other Principal	-	-	-	-	-		
DEPARTMENT TOTAL	\$ 1,547,996	\$ 4,158,570	\$ 4,158,570	\$ 4,154,570	\$ 4,159,860		

City of Pharr, Texas

Department: Administration

Fund: Utility

EXPENSES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 235,536	\$ 225,350	\$ 228,550	\$ 211,120	\$ 226,600
Employee Benefits	92,345	95,150	95,740	81,870	86,730
Supplies	92,377	104,000	102,180	88,680	146,250
Maintenance	28,283	20,000	35,070	30,000	36,680
Rentals	4,198	5,760	5,760	2,500	2,760
Contractual Services	35,279	46,920	20,820	20,000	27,160
Other Services	61,615	66,520	79,370	66,500	76,100
Vehicle Maintenance	-	-	-	-	-
Debt Service	73	-	-	-	-
Capital Outlay	-	-	-	132,000	-
Non-Departmental					
DEPARTMENT TOTAL	\$ 549,705	\$ 563,700	\$ 567,490	\$ 632,670	\$ 602,280

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 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Water Distribution

Fund: Utility

EXPENSES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 619,976	\$ 668,550	\$ 693,030	\$ 569,876	\$ 723,240
Employee Benefits	291,993	308,940	305,680	284,799	327,310
Supplies	339,465	343,500	308,025	316,700	331,725
Maintenance	18,934	7,000	85,475	68,050	7,000
Rentals	1,518	6,020	3,020	3,700	6,020
Contractual Services	-	-	-	-	-
Other Services	46,099	45,520	41,380	37,960	46,020
Vehicle Maintenance	110,297	116,000	126,000	116,000	150,790
Debt Service	2,797	52,670	52,670	52,670	57,220
Capital Outlay	-	220,000	182,000	382,000	390,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,431,079	\$ 1,768,200	\$ 1,797,280	\$ 1,831,755	\$ 2,039,325

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Water Production

Fund: Utility

EXPENSES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 345,935	\$ 347,220	\$ 355,320	\$ 352,220	\$ 349,420
Employee Benefits	144,696	140,320	139,200	144,600	140,240
Supplies	249,017	298,230	372,230	297,950	323,400
Maintenance	74,204	86,080	177,080	86,080	90,000
Rentals	601	2,620	4,220	2,620	2,620
Contractual Services	3,720	-	-	2,000	-
Other Services	348,845	367,630	370,750	361,850	411,000
Vehicle Maintenance	7,171	21,500	20,380	11,200	19,560
Debt Service	256	29,960	29,960	29,960	27,560
Capital Outlay	-	155,000	80,400	30,000	12,250
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,174,445	\$ 1,448,560	\$ 1,549,540	\$ 1,318,480	\$ 1,376,050

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Water Treatment Plant

Fund: Utility

EXPENSES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 480,213	\$ 463,600	\$ 495,310	\$ 468,569	\$ 584,650
Employee Benefits	161,631	161,330	162,660	160,548	187,740
Supplies	139,947	163,300	163,500	139,200	139,000
Maintenance	295,869	339,920	329,720	337,920	346,000
Rentals	3,415	2,620	2,620	2,620	2,620
Contractual Services	-	-	-	-	-
Other Services	580,182	482,000	517,000	542,500	582,020
Vehicle Maintenance	11,902	20,720	20,720	16,000	15,905
Debt Service	-	9,670	9,670	9,670	2,310
Capital Outlay	-	50,000	30,000	60,000	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,673,160	\$ 1,693,160	\$ 1,731,200	\$ 1,737,027	\$ 1,860,245

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Sewer Collection

Fund: Utility

EXPENSES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 2,179	\$ 25,100	\$ 8,300	\$ -	\$ -
Employee Benefits	4,799	10,780	5,230	750	4,460
Supplies	44,196	87,150	101,700	81,742	77,150
Maintenance	14,498	13,000	38,700	26,500	20,000
Rentals	-	2,630	2,630	2,000	2,000
Contractual Services	-	-	-	-	-
Other Services	222,256	204,720	203,160	190,500	206,220
Vehicle Maintenance	23,204	21,500	27,500	26,250	27,040
Debt Service	-	46,110	46,110	46,110	51,940
Capital Outlay	-	238,500	373,500	100,000	275,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 311,132	\$ 649,490	\$ 806,830	\$ 473,852	\$ 663,810

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Non-Departmental			Fund: Utility		
EXPENSES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Legal	\$ 73,168	\$ 75,000	\$ 75,000	\$ 65,000	\$ 75,000
Engineering	60,654	300,000	280,000	200,000	250,000
Water rights	-	50,000	50,000	34,000	50,000
Raw water	354,501	408,800	398,800	408,800	425,700
Depreciation	1,839,230	-	-	-	-
Transfer out - General Fund	314,600	327,800	327,800	327,800	361,620
Transfer out - Capital Projects	-	1,000,000	1,000,000	1,000,000	1,820,000
Other	124,955	309,520	334,720	293,600	170,100
DEPARTMENT TOTAL	\$ 2,767,108	\$ 2,471,120	\$ 2,466,320	\$ 2,329,200	\$ 3,152,420

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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>REVENUES</u>					
Toll Fees	\$ 10,536,992	\$ 9,500,000	\$ 9,500,000	\$ 9,500,000	\$ 9,352,620
Grant	2,000,000	-	-	-	-
Lease Funds	-	-	-	-	-
Other	193,841	150,000	150,000	170,830	150,000
Settlements	-	-	12,670	12,670	-
Interest	130,360	100,000	100,000	130,000	100,000
Transfer In - Hotel/Motel	77,830	75,460	75,460	75,460	77,930
Transfer In - Other	108,360	102,990	102,990	102,990	160,360
Total	<u>\$ 13,047,384</u>	<u>\$ 9,928,450</u>	<u>\$ 9,941,120</u>	<u>\$ 9,991,950</u>	<u>\$ 9,840,910</u>
<u>EXPENSES</u>					
Personnel	\$ 1,001,213	\$ 1,014,370	\$ 1,086,260	\$ 1,044,370	\$ 883,920
Supplies	67,573	75,000	73,500	75,500	84,000
Maintenance	119,383	175,000	175,000	140,000	170,000
Rentals	3,310	13,000	13,000	13,000	13,000
Other	449,700	756,200	778,900	767,700	740,920
Vehicle Maintenance	12,708	18,000	18,000	18,000	15,620
Long Term Debt Service	646,768	2,507,170	2,507,170	2,507,170	1,794,600
Debt Service-Lease	42,234	205,250	205,250	205,250	518,060
Capital Outlay	-	101,000	91,000	-	105,000
Transfer Out	2,000,000	4,753,460	4,403,460	4,403,460	8,408,000
Non-Departmental	1,084,777	310,000	675,000	660,000	1,312,500
Total	<u>\$ 5,427,666</u>	<u>\$ 9,928,450</u>	<u>\$ 10,026,540</u>	<u>\$ 9,834,450</u>	<u>\$ 14,045,620</u>
Net Revenues Over/(Under) Expenses	\$ 7,619,718	\$ -	\$ (85,420)	\$ 157,500	\$ (4,204,710)

City of Pharr, Texas

Department: Administration

Fund: Bridge

EXPENSES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 679,170	\$ 708,090	\$ 718,820	\$ 708,090	\$ 630,340
Employee Benefits	322,044	306,280	367,440	336,280	253,580
Supplies	67,573	75,000	73,500	75,500	84,000
Maintenance	119,383	175,000	175,000	140,000	170,000
Rentals	3,310	13,000	13,000	13,000	13,000
Contractual Services	163,870	235,000	218,000	235,000	179,920
Other Services	285,830	521,200	560,900	532,700	561,000
Vehicle Maintenance	12,708	18,000	18,000	18,000	15,620
Debt Service - Leases	42,234	205,250	205,250	205,250	518,060
Debt Service - Bonds/Notes	646,768	2,507,170	2,507,170	2,507,170	1,794,600
Capital Outlay	-	101,000	91,000	-	105,000
Non-Departmental					
Depreciation	772,240	-	-	-	-
Transfers Out - General Fund	2,000,000	1,500,000	1,500,000	1,500,000	1,500,000
Transfers Out - Gen CIP Funds	-	2,903,460	2,903,460	2,903,460	6,408,000
Transfers Out - Other Funds	-	350,000	350,000	350,000	500,000
Contingency	-	-	-	-	-
Other	312,537	310,000	325,000	310,000	190,000
DEPARTMENT TOTAL	\$ 5,427,666	\$ 9,928,450	\$ 10,026,540	\$ 9,834,450	\$ 12,923,120

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 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>REVENUES</u>					
Green & Member Fees	\$ 422,234	\$ 455,000	\$ 455,000	\$ 400,000	\$ 485,000
Cart Rental	172,959	180,000	180,000	165,000	180,000
Food & Beverage	115,722	100,000	100,000	75,000	100,000
Other	122,299	145,000	151,020	221,620	170,000
Interest	5,224	4,000	4,000	4,000	4,000
Lease Proceeds	-	232,000	232,000	232,000	178,000
Transfer In	19,576	24,850	24,850	-	38,740
Total Revenues	\$ 858,014	\$ 1,140,850	\$ 1,146,870	\$ 1,097,620	\$ 1,155,740
<u>EXPENSES</u>					
Personnel	\$ 521,600	\$ 511,070	\$ 517,090	\$ 463,650	\$ 533,850
Supplies	71,560	73,630	65,630	160,440	169,630
Maintenance	14,707	19,500	27,500	39,000	22,500
Rentals	58,611	54,480	54,480	49,000	54,480
Other	158,210	155,240	155,240	59,100	66,650
Vehicle Maintenance	12,965	16,500	16,500	16,000	15,640
Long Term Debt Service	-	-	-	-	-
Debt Service-Lease	430	48,430	48,430	48,430	84,990
Capital Outlay	-	232,000	232,000	232,000	178,000
Transfer Out	30,000	30,000	30,000	30,000	30,000
Non-Departmental	196,830	-	-	-	-
Total Expenses	\$ 1,064,913	\$ 1,140,850	\$ 1,146,870	\$ 1,097,620	\$ 1,155,740
Net Revenues Over/(Under) Expenses	\$ (206,899)	\$ -	\$ -	\$ -	\$ -

City of Pharr, Texas

Department: Administration

Fund: Golf Course

EXPENSES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 372,750	\$ 354,350	\$ 359,460	\$ 326,050	\$ 379,360
Employee Benefits	148,850	156,720	157,630	137,600	154,490
Supplies	71,560	73,630	65,630	160,440	169,630
Maintenance	14,707	19,500	27,500	39,000	22,500
Rentals	58,611	54,480	54,480	49,000	54,480
Contractual Services	85,343	84,500	84,500	500	-
Other Services	72,867	70,740	70,740	58,600	66,650
Vehicle Maintenance	12,965	16,500	16,500	16,000	15,640
Debt Service	430	48,430	48,430	48,430	84,990
Capital Outlay	-	232,000	232,000	232,000	178,000
Non-Departmental					
Depreciation	196,830	-	-	-	-
Transfer Out	30,000	30,000	30,000	30,000	30,000
DEPARTMENT TOTAL	\$ 1,064,913	\$ 1,140,850	\$ 1,146,870	\$ 1,097,620	\$ 1,155,740

Purpose

To provide the citizens of Pharr and the people of the area with an excellent golf course at more than reasonable rates.

Main Duties

The main duties are the effective operation of a municipal golf course taking into account proper management of tax payer funded assets, and great customer service.

Divisions

Administration, Golf Shop, Snack Bar, Maintenance

Mission Statement

PERFORMANCE INDICATORS	Actual 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

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 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>REVENUES</u>					
General Fund	\$ 365,917	\$ 365,470	\$ 275,900	\$ 361,850	\$ 409,400
Utility Fund	50,621	84,720	76,600	58,450	76,670
Bridge Fund	381	6,000	5,500	3,000	2,620
Golf Course Fund	631	1,500	1,500	1,000	640
CDBG Fund	596	500	500	500	320
PEDC	277	-	-	-	-
Total	\$ 418,422	\$ 458,190	\$ 360,000	\$ 424,800	\$ 489,650
<u>EXPENSES</u>					
Personnel	\$ 157,095	\$ 166,150	\$ 168,130	\$ 149,170	\$ 169,370
Supplies	6,203	9,200	8,700	5,250	10,690
Maintenance	1,763	5,000	5,000	1,500	5,000
Rentals	499	800	800	250	800
Other	10,145	9,640	10,140	9,450	10,190
Vehicle Maintenance	242,730	267,400	267,400	265,100	293,600
Debt Service	-	-	-	-	-
Capital Outlay	28,896	-	-	-	-
Non-Departmental	-	-	-	-	-
Total	\$ 447,331	\$ 458,190	\$ 460,170	\$ 430,720	\$ 489,650
Net Revenues Over/(Under) Expenses	\$ (28,908)	\$ -	\$ (100,170)	\$ (5,920)	\$ -

City of Pharr, Texas

Department: Administration

Fund: Garage

EXPENSES	Actual 09-10	Original Budget 10-11	Amended Budget 10-11	Projected Actual 10-11	Budget 11-12
Salaries	\$ 99,006	\$ 108,200	\$ 109,870	\$ 99,790	\$ 108,750
Employee Benefits	58,089	57,950	58,260	49,380	60,620
Supplies	6,203	9,200	8,700	5,250	10,690
Maintenance	1,763	5,000	5,000	1,500	5,000
Rentals	499	800	800	250	800
Contractual Services	-	-	-	-	-
Other Services	10,145	9,640	10,140	9,450	10,190
Vehicle Maintenance	242,730	267,400	267,400	265,100	293,600
Debt Service	-	-	-	-	-
Capital Outlay	28,896	-	-	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 447,331	\$ 458,190	\$ 460,170	\$ 430,720	\$ 489,650

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 09-10	Budget 10-11	Amend. Budget 10-11	Projected 10-11	Budget 11-12
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

FIDUCIARY FUND

AGENCY FUND

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

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

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

	ACTUAL 2009-2010	ORIGINAL BUDGET 2010-2011	AMENDED BUDGET 2010-2011	PROJECTED ACTUAL 2010-2011	BUDGET 2011-2012
<u>Additions</u>					
Transfer In	30,000	30,000	30,000	30,000	30,000
Contributions	1,086	-	-	-	-
Miscellaneous	125	-	-	375	-
Interest	<u>5,727</u>	<u>5,000</u>	<u>5,000</u>	<u>1,080</u>	<u>1,000</u>
Total Additions	\$ 36,938	\$ 35,000	\$ 35,000	\$ 31,455	\$ 31,000
<u>Deductions</u>					
Pension	<u>\$ 13,562</u>	<u>\$ 12,300</u>	<u>\$ 12,300</u>	<u>\$ 60,000</u>	<u>\$ 31,000</u>
Total Deductions	<u>\$ 13,562</u>	<u>\$ 12,300</u>	<u>\$ 12,300</u>	<u>\$ 60,000</u>	<u>\$ 31,000</u>
Net Additions Over/(Under) Deductions	\$ 23,376	\$ 22,700	\$ 22,700	\$ (28,545)	\$ -



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STATISTICAL SECTION

Financial Trends

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

Revenue Capacity

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

Debt Capacity

These schedules present information to help the reader assess the affordability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.

Demographic and Economic Information

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

Operating Information

These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.

City of Pharr, Texas
Net Assets by Component
Last Eight Fiscal Years¹
(Accrual Basis of Accounting)
(amount expressed in thousands)

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities								
Invested in capital assets, net of related debt	\$ 17,432	\$ 26,339	\$ 28,230	\$ 28,849	\$ 40,172	\$ 50,941	\$ 50,764	\$ 53,417
Restricted	5,054	1,998	6,490	6,763	14,781	8,115	7,904	5,234
Unrestricted	5,268	3,983	5,147	8,067	2,620	4,822	13,275	18,999
Total governmental activities net assets	<u>\$ 27,754</u>	<u>\$ 32,320</u>	<u>\$ 39,867</u>	<u>\$ 43,679</u>	<u>\$ 57,574</u>	<u>\$ 63,878</u>	<u>\$ 71,943</u>	<u>\$ 77,649</u>
Business-type activities								
Invested in capital assets, net of related debt	\$ 21,320	\$ 28,366	\$ 38,635	\$ 38,336	\$ 46,566	\$ 59,224	\$ 78,359	\$ 82,609
Restricted	4,349	9,278	2,943	1,950	3,018	5,762	7,759	7,375
Unrestricted	15,221	8,165	3,390	11,401	4,593	2,568	2,572	9,691
Total business-type activities net assets	<u>\$ 40,890</u>	<u>\$ 45,809</u>	<u>\$ 44,968</u>	<u>\$ 51,687</u>	<u>\$ 54,177</u>	<u>\$ 67,554</u>	<u>\$ 88,691</u>	<u>\$ 99,675</u>
Primary government								
Invested in capital assets, net of related debt	\$ 38,752	\$ 54,705	\$ 66,865	\$ 67,185	\$ 86,738	\$ 110,165	\$ 129,124	\$ 136,026
Restricted	9,403	11,276	9,433	8,713	17,800	13,877	15,663	12,609
Unrestricted	20,489	12,148	8,537	19,468	7,213	7,390	15,848	28,690
Total primary government net assets	<u>\$ 68,644</u>	<u>\$ 78,129</u>	<u>\$ 84,835</u>	<u>\$ 95,366</u>	<u>\$ 111,751</u>	<u>\$ 131,433</u>	<u>\$ 160,634</u>	<u>\$ 177,324</u>

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

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

	Fiscal Year							
Expenses	2003	2004	2005	2006	2007	2008	2009	2010
Governmental activities:								
General government	\$ 6,484	\$ 4,386	\$ 5,463	\$ 7,181	\$ 8,178	\$ 8,265	\$ 7,594	\$ 8,061
Public safety	10,331	13,179	14,069	15,000	16,504	18,495	19,177	19,775
Streets		2,140	2,276	2,361	2,442	2,114	2,268	3,102
Sanitation	2,453	3,411	3,519	3,227	3,518	4,537	2,312	2,008
Culture and recreation	826	3,156	3,248	3,253	3,340	3,831	3,563	3,890
Economic development	105	2,503	2,198	1,754	2,653	-	-	-
Debt service	1,880	1,537	1,478	1,365	1,433	1,122	1,041	885
Total governmental activities expenses	<u>22,079</u>	<u>30,312</u>	<u>32,251</u>	<u>34,141</u>	<u>38,068</u>	<u>38,365</u>	<u>35,955</u>	<u>37,721</u>
Business-type activities:								
Utility	5,085	6,298	6,885	7,576	7,879	9,291	9,125	9,140
Toll Bridge	2,070	3,244	3,830	3,156	3,454	3,300	2,975	3,428
Tierra Del Sol Golf Course	965	1,239	988	1,054	1,241	1,171	1,047	1,035
Total business-type activities expenses	<u>8,120</u>	<u>10,781</u>	<u>11,703</u>	<u>11,786</u>	<u>12,574</u>	<u>13,763</u>	<u>13,146</u>	<u>13,603</u>
Total primary government expenses	<u>\$ 30,199</u>	<u>\$ 41,093</u>	<u>\$ 43,954</u>	<u>\$ 45,927</u>	<u>\$ 50,642</u>	<u>\$ 52,127</u>	<u>\$ 49,102</u>	<u>\$ 51,323</u>
Program Revenues								
Governmental activities:								
Charges for services:								
General government	\$ 125	\$ 705	\$ 2,051	\$ 208	\$ 1,790	\$ 2,375	\$ 1,970	\$ 1,734
Public Safety	11	1,038	63	571	1,908	1,662	3,841	999
Streets	-	-	-	85	472	67	3	1,093
Sanitation	3,055	3,069	3,464	3,006	3,274	4,969	3,256	3,347
Culture and recreation	71	488	489	131	911	372	131	128
Economic development	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-
Operating grants and contributions	79	1,944	1,753	1,648	1,867	2,465	2,448	4,227
Capital grants and contributions	3,349	1,067	-	1,094	-	1,481	256	508
Total governmental activities program revenues	<u>6,690</u>	<u>8,311</u>	<u>7,820</u>	<u>6,743</u>	<u>10,222</u>	<u>13,391</u>	<u>11,906</u>	<u>12,035</u>
Business-type activities:								
Charges for services:								
Utility	6,079	6,475	7,645	11,200	10,851	12,483	12,461	11,892
Toll Bridge	5,811	6,669	7,611	7,714	8,058	8,281	9,301	10,660
Tierra Del Sol Golf Course	696	737	809	350	631	766	856	805
Operating grants and contributions	-	-	-	-	-	-	-	-
Capital grants and contributions	-	2,936	250	-	-	6,940	13,899	2,512
Total business-type activities program revenues	<u>12,586</u>	<u>16,817</u>	<u>16,315</u>	<u>19,264</u>	<u>19,540</u>	<u>28,469</u>	<u>36,517</u>	<u>25,870</u>
Total primary government program revenues	<u>\$ 19,276</u>	<u>\$ 25,128</u>	<u>\$ 24,135</u>	<u>\$ 26,007</u>	<u>\$ 29,762</u>	<u>\$ 41,861</u>	<u>\$ 48,423</u>	<u>\$ 37,905</u>
Net (expense)/revenue								
Governmental activities	\$ (15,389)	\$ (22,001)	\$ (24,431)	\$ (27,398)	\$ (27,846)	\$ (24,973)	\$ (24,049)	\$ (25,686)
Business-type activities	4,466	6,036	4,612	7,478	6,966	14,707	23,371	12,268
Total primary government net expense	<u>\$ (10,923)</u>	<u>\$ (15,965)</u>	<u>\$ (19,819)</u>	<u>\$ (19,920)</u>	<u>\$ (20,880)</u>	<u>\$ (10,267)</u>	<u>\$ (679)</u>	<u>\$ (13,418)</u>

	Fiscal Year							
	2003	2004	2005	2006	2007	2008	2009	2010
General Revenues and Other Changes in Net Assets								
Governmental activities:								
Taxes								
Property taxes	\$ 6,328	\$ 8,595	\$ 9,713	\$ 10,475	\$ 11,276	\$ 13,082	\$ 14,900	\$ 15,265
Sales taxes	8,272	9,297	10,043	11,346	11,160	11,305	10,558	10,289
Other Taxes	289	2,163	2,283	2,543	2,912	3,087	2,807	3,152
Investment earnings	440	162	306	419	445	357	296	361
Grants, Donations, and Miscellaneous	2,004	1,459	2,657	3,854	2,159	365	458	105
Transfers	-	1,640	6,362	2,288	8,655	2,190	3,182	1,841
Total governmental activities	<u>17,333</u>	<u>23,316</u>	<u>31,364</u>	<u>30,925</u>	<u>36,607</u>	<u>30,386</u>	<u>32,201</u>	<u>31,014</u>
Business-type activities:								
Investment earnings	-	35	610	1,011	866	1,451	877	1,008
Grants, Donations, and Miscellaneous	699	403	10	-	495	218	107	131
Transfers	-	(1,640)	(6,362)	(2,288)	(8,655)	(2,190)	(3,182)	(1,841)
Total business-type activities	<u>699</u>	<u>(1,202)</u>	<u>(5,742)</u>	<u>(1,277)</u>	<u>(7,294)</u>	<u>(521)</u>	<u>(2,197)</u>	<u>(702)</u>
Total primary government	<u>\$ 18,032</u>	<u>\$ 22,114</u>	<u>\$ 25,622</u>	<u>\$ 29,648</u>	<u>\$ 29,313</u>	<u>\$ 29,865</u>	<u>\$ 30,003</u>	<u>\$ 30,312</u>
Change in Net Assets								
Governmental activities	\$ 1,944	\$ 1,315	\$ 6,933	\$ 3,527	\$ 8,761	\$ 5,413	\$ 8,152	\$ 5,328
Business-type activities	\$ 5,165	\$ 4,834	(1,130)	6,201	(328)	14,185	21,173	11,565
Total primary government	<u>\$ 7,109</u>	<u>\$ 6,149</u>	<u>\$ 5,803</u>	<u>\$ 9,728</u>	<u>\$ 8,433</u>	<u>\$ 19,598</u>	<u>\$ 29,325</u>	<u>\$ 16,894</u>

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

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

	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
General Fund										
Reserved	\$ 60	\$ 54	\$ 54	\$ 3,037	\$ 3,903	\$ 7,405	\$11,002	\$ 1,049	\$ 102	\$ 231
Unreserved, undesignated	4,091	3,825	3,489	1,433	602	195	(6,402)	2,081	8,338	14,901
Designated	-	-	-	-	1,327	-	-	756	-	-
Total general fund	<u>\$ 4,151</u>	<u>\$ 3,879</u>	<u>\$ 3,543</u>	<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>
All other governmental funds										
Reserved	\$ 74	\$ 1,025	\$ (15)	\$ 1,369	\$ 2,894	\$ 5,447	\$ 7,572	\$ 4,718	\$ 6,407	\$ 2,501
Unreserved, reported in:										
Special revenue funds	168	200	2	824	3,573	142	2,425	3,238	1,333	1,086
Capital projects funds	12,422	10,536	4,534	-	-	(2,590)	(1,508)	-	-	1,251
Debt service funds	271	314	356	-	-	1,044	-	-	-	-
Total all other governmental funds	<u>\$ 12,935</u>	<u>\$ 12,075</u>	<u>\$ 4,877</u>	<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>\$ 4,839</u>
Total governmental fund balances	<u>\$ 17,086</u>	<u>\$ 15,954</u>	<u>\$ 8,420</u>	<u>\$ 6,663</u>	<u>\$ 12,299</u>	<u>\$ 11,644</u>	<u>\$ 13,089</u>	<u>\$ 11,842</u>	<u>\$ 16,180</u>	<u>\$ 19,970</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									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Revenues										
Taxes	\$ 12,734	\$ 14,205	\$ 15,051	\$ 20,022	\$ 21,929	\$ 24,350	\$ 25,972	\$ 27,370	\$ 28,215	\$ 28,707
Licenses and permits	533	712	688	555	681	1,468	886	685	682	550
Intergovernmental	1,674	3,210	3,606	3,431	2,296	1,178	1,751	2,455	2,448	4,579
Charges for services	2,785	3,042	3,558	3,647	3,971	4,287	5,073	6,382	4,468	5,226
Fines	411	518	761	1,056	1,415	968	800	880	1,122	1,107
Investment earnings	474	644	440	162	306	419	445	349	296	361
Miscellaneous	686	982	1,318	1,079	1,481	2,127	1,970	644	254	533
Total Revenues	19,297	23,313	25,422	29,952	32,079	34,797	36,897	38,765	37,486	41,064
Expenditures										
General government	9,141	13,231	16,536	8,287	6,985	14,218	12,943	6,034	6,220	6,609
Public safety	7,900	8,708	9,767	11,558	13,452	15,391	15,642	19,392	18,846	18,522
Highways and streets	740	942	1,287	2,076	5,351	2,542	2,121	4,443	2,499	4,012
Sanitation	2,108	2,226	2,235	3,059	-	3,021	3,483	4,306	2,318	2,423
Culture and recreation	477	601	752	3,168	3,323	977	3,422	5,661	3,472	3,664
Economic development	470	117	933	2,149	2,109	3,120	5,757	2,067	2,165	1,360
Debt service - Principal	781	1,080	1,768	1,690	1,554	1,912	3,904	3,371	3,335	1,781
Debt service - Interest	777	1,535	1,401	1,537	1,657	891	1,225	1,009	978	819
Other charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	22,394	28,440	34,679	33,524	34,431	42,072	48,497	46,283	39,833	39,191
Excess of revenues over (under) expenditures	(3,097)	(5,127)	(9,257)	(3,572)	(2,352)	(7,275)	(11,600)	(7,518)	(2,347)	1,872
Other financing sources (uses)										
Transfers in	705	1,524	1,986	2,302	10,721	4,044	9,298	16,941	6,066	9,951
Transfers out	(20)	(9)	-	(662)	(4,359)	(1,756)	(669)	(14,415)	(2,882)	(8,110)
Proceeds of Long Term Debt	12,204	-	-	312	16,567	3,120	2,480	2,877	-	-
Other	-	-	-	-	(15,149)	979	3,479	1,819	3,587	245
Total other financing sources (uses)	12,889	1,515	1,986	1,952	7,780	6,387	14,588	7,222	6,771	2,086
Net change in fund balances	\$ 9,792	\$ (3,612)	\$ (7,271)	\$ (1,620)	\$ 5,428	\$ (888)	\$ 2,988	\$ (297)	\$ 4,424	\$ 3,959
Debt service as a percentage of noncapital expenditures	7.5%	10.1%	10.1%	10.7%	10.3%	7.1%	11.8%	10.5%	12.1%	7.1%

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: 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>
2001	2000	N/A	N/A	N/A	N/A	N/A	917,247	34,266	882,981	0.662	882,981	103.88%
2002	2001	787,288	226,387	10,117	47,909	125,419	1,003,668	33,547	970,122	0.690	970,122	103.46%
2003	2002	862,278	231,716	9,865	38,843	121,315	1,059,189	31,435	1,027,754	0.683	1,027,754	103.06%
2004	2003	1,029,748	283,257	10,850	41,693	130,142	1,239,070	35,865	1,203,205	0.683	1,203,205	102.98%
2005	2004	1,142,164	310,068	12,810	49,042	165,457	1,396,726	45,216	1,351,511	0.683	1,351,511	103.35%
2006	2005	1,217,836	327,593	13,845	52,742	162,458	1,489,878	47,732	1,442,146	0.683	1,442,146	103.31%
2007	2006	1,383,161	362,968	14,996	54,079	172,167	1,661,456	44,162	1,617,294	0.683	1,617,294	102.73%
2008	2007	1,549,417	397,886	14,537	51,312	195,896	1,847,671	50,825	1,796,846	0.683	1,796,846	102.83%
2009	2008	1,831,559	496,061	15,957	52,232	213,847	2,161,338	57,791	2,103,546	0.680	2,103,546	102.75%
2010	2009	1,852,609	528,963	16,672	49,303	242,187	2,226,371	64,605	2,161,766	0.680	2,161,766	102.99%

Source: Hidalgo County Central Appraisal District

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

¹Includes tax-exempt property.

City of Pharr, Texas

Overlapping Tax Rates

Overlapping Tax Rates

Financial Audit Reports

'Tax 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 2010 and 2001
(amounts expressed in thousands)

Taxpayer	2010			2001		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
AEP Texas Central Co.	\$ 13,684	1	0.63%	-		-
Capote Farms LTD	13,647	2	0.63%	-		-
Shell Western E&P	13,192	3	0.61%	-		-
Wilder Corporation of Delaware	13,126	4	0.61%	11,470	2	1.30%
Central Power & Light	10,277	5	0.48%	10,710	4	1.21%
McAllen LEVCAL, LLC	9,988	6	0.46%	-		-
Frank Smith Toyota-Isuzu	7,243	7	0.34%	-		-
Southwestern Bell Tele	7,000	8	0.32%	11,282	3	1.28%
Gold Star Warehousing LTD	6,825	9	0.32%	11,413		1.29%
Wayne Windle Enterprises Et Al	6,825	10	0.32%	-		-
TotalFinaElf E&P USA INC	-		-	17,297	1	1.96%
Spigel, Stanley	-		-	8,805	5	1.00%
Home Depot, The	-		-	5,803	6	0.66%
City of Pharr	-		-	5,393	7	0.61%
H E Butt Grocery Company	-		-	4,994	8	0.57%
Matt's Cash & Carry	-		-	4,290	9	0.49%
Westbrae Enterprises, Inc	-		-	4,135	10	0.47%
Totals	\$ 101,808		4.7%	\$ 95,591		10.8%
Assessed Taxable Value	\$ 2,161,766			\$ 882,981		

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
2001	2000	\$ 5,671	\$ 4,979	87.8%	\$ 631	\$ 5,610	98.9%
2002	2001	6,423	5,762	89.7%	586	6,348	98.8%
2003	2002	7,092	6,323	89.2%	675	6,998	98.7%
2004	2003	8,220	7,423	90.3%	672	8,095	98.5%
2005	2004	9,233	8,335	90.3%	727	9,062	98.2%
2006	2005	9,831	8,980	91.3%	613	9,593	97.6%
2007	2006	11,014	10,094	91.6%	625	10,720	97.3%
2008	2007	12,275	11,231	91.5%	545	11,776	95.9%
2009	2008	14,567	13,391	91.9%	657	14,048	96.4%
2010	2009	\$ 14,824	\$ 13,673	92.2%	\$ -	\$ 13,673	92.2%

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				Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Certificates of Obligation	Notes	Capital Leases	Utility & Toll Bridge Bonds/Notes	Capital Leases	Notes				
2001	\$ -	\$ 26,060	\$ -	\$ 594	\$ 36,766	\$ 320	\$ -	\$	63,740	0.06%	\$ 1,295
2002	-	25,500	1,960	242	32,327	389	-		60,418	0.06%	1,176
2003	-	24,170	1,785	632	36,882	289	-		63,758	0.06%	1,171
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

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>
2001	\$ -	0.00%	\$ -
2002	-	0.00%	-
2003	-	0.00%	-
2004	-	0.00%	-
2005	16,110	1.15%	273
2006	16,025	1.08%	261
2007	15,935	0.96%	248
2008	15,840	0.86%	240
2009	15,130	0.70%	226
2010	\$ 14,395	0.65%	\$ 214

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, 2010
(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	\$ 178,617	8.2%	\$ 14,635
Hidalgo Irrigation District #1	99,034	8.2%	8,119
South Texas College	68,385	37.0%	25,302
South Texas ISD	-	0.0%	-
Pharr, San Juan, Alamo Independent School District	286,121	53.2%	152,318
Overlapping debt			<u>200,374</u>
City of Pharr direct debt	17,140	100.0%	<u>17,140</u>
Total direct and overlapping debt			<u>\$ 217,514</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									
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Debt Limit	\$ 91,725	\$ 100,367	\$ 105,919	\$ 123,907	\$ 139,673	\$ 148,988	\$ 166,146	\$ 184,767	\$ 216,134	\$ 222,637
Total net debt applicable to limit	26,060	25,500	24,170	23,330	23,195	22,095	20,935	19,725	15,130	14,395
Legal debt margin	\$ 65,665	\$ 74,867	\$ 81,749	\$ 100,577	\$ 116,478	\$ 126,893	\$ 145,211	\$ 165,042	\$ 201,004	\$ 208,242
Total net debt applicable to the limit as a percentage of debt limit	28.4%	25.4%	22.8%	18.8%	16.6%	14.8%	12.6%	10.7%	7.0%	6.5%

Legal Debt Margin Calculation for Fiscal Year 2010

Assessed Value	\$ 2,161,766
Add Back: exempt property	<u>64,605</u>
Total Assessed Value	\$ 2,226,371
Debt limit (10% of total assessed value)	222,637
Debt applicable to limit:	
General obligation bonds	14,395
Legal debt margin	<u><u>208,242</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		
2001	\$ 6,083	\$ 3,235	\$ 2,848	\$ 2,055	\$ 841		0.98
2002	6,038	3,612	2,426	2,168	780		0.82
2003	6,193	3,762	2,431	1,106	725		1.33
2004	6,605	4,311	2,294	1,231	646		1.22
2005	7,829	4,881	2,948	1,291	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

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, but not tap fees. Operating expenses do not include interest or depreciation. Historical information taken from prior financial reports.

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

<u>Fiscal Year</u>	<u>Population¹</u>	<u>Median Household Income</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Education Level in Years of Formal Schooling²</u>	<u>School Enrollment³</u>	<u>Unemployment Rate⁴</u>
2001	49,224	38,967	9,462	27.4	47.3%	22,537	8.1%
2002	51,362	38,967	9,462	27.4	47.3%	23,826	8.6%
2003	54,452	38,967	9,462	27.4	47.3%	25,210	8.6%
2004	56,752	38,967	9,462	27.4	47.3%	26,493	7.2%
2005	59,029	38,967	9,462	27.4	47.3%	27,338	5.8%
2006	61,360	38,967	9,462	27.8	47.3%	28,088	5.7%
2007	64,318	38,967	9,462	27.8	47.3%	28,868	5.5%
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%	14,724	10.5%

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

¹Population data from 2001 to 2007 taken from Planning/Zoning department. 2010 population estimate based on percentage increase of US Census Bureau totals for 2008 and 2009.

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

³School Enrollment data for 2001 to 2007 includes enrollment for Pharr San Juan and Alamo School District. Enrollment data for 2010 includes student enrollment in Pharr schools only, excluding San Juan and Alamo enrollment.

⁴Unemployment rate as of November 2010. (Source: Texas Workforce Commission)

**City of Pharr, Texas
Principal Employers
Fiscal Year Ending 2010 and 2001**

2010			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment¹</u>
Pharr-San Juan - Alamo ISD	4,500	1	20.07%
Convergy's	1,154	2	5.15%
Valley View ISD	863	3	3.85%
VDP Healthcare	675	4	3.01%
City of Pharr	487	5	2.17%
Lack's	365	6	1.63%
Royal Freight	354	7	1.58%
Texas Department of Transportation	345	8	1.54%
HEB	340	9	1.52%
Limon Masonry	315	10	1.40%
Total	<u>9,398</u>		<u>41.91%</u>

2001			
<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: Pharr Economic Development Corporation

* Information was not tracked to provide stated information.

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

Budgeted Full-time Equivalent Employees as of September 30,										
	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
GENERAL FUND										
City Manager	12.0	16.0	16.7	9.0	9.0	9.0	9.0	9.0	9.0	8.0
Finance	7.0	7.0	8.0	10.0	12.0	12.5	13.5	14.0	5.5	9.0
Police Department	105.5	121.5	124.5	130.0	134.0	146.0	155.0	167.0	161.0	160.0
Traffic Safety	13.0	13.0	13.0	13.0	16.0	13.0	16.0	17.0	16.0	16.0
Municipal Court	3.0	4.0	4.0	6.0	6.0	6.0	6.0	6.0	5.0	6.5
Fire Protection	51.0	52.0	53.0	54.0	57.0	57.0	65.0	68.0	66.0	65.0
Administrative Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.0	7.5
Street Maintenance	23.0	24.0	24.0	24.0	25.0	28.0	30.0	29.0	29.0	31.0
Municipal Library	14.0	16.0	18.0	23.0	23.0	25.0	26.0	26.0	26.0	22.5
Parks & Recreation	46.0	47.0	51.0	53.0	70.0	71.0	73.0	73.0	73.0	73.0
Planning & Community Dev	16.0	17.0	17.3	19.0	22.0	20.0	23.0	23.0	22.0	18.5
Total General Fund	290.5	317.5	329.5	341.0	374.0	387.5	416.5	432.0	419.5	417.0
UTILITY FUND										
Administrative	7.0	8.0	8.0	8.0	9.0	9.5	10.5	11.0	12.5	9.0
Water Production	9.0	11.0	9.0	9.0	9.0	9.0	10.0	10.0	10.0	10.0
Water Distribution	19.0	19.5	21.5	21.0	23.0	25.0	26.0	26.0	23.0	23.5
Water Treatment Plant	11.0	12.0	11.0	11.0	11.0	11.0	13.0	13.0	13.0	13.0
Lift Station	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	1.0
Total Utility Fund	50.0	54.5	53.5	53.0	56.0	58.5	63.5	64.0	61.5	56.5
INTERNAL SERVICE FUND										
Chief Mechanic	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Laborers	2.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	3.0
Total Internal Svc Fund	3.0	4.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0	4.0
INTERNATIONAL BRIDGE FUND										
Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Others	21.0	22.0	19.0	25.0	25.0	26.0	26.0	28.0	24.0	24.5
Total Int'l Bridge	22.0	23.0	20.0	26.0	26.0	27.0	27.0	29.0	25.0	25.5
OTHER										
CDBG	4.3	5.3	5.7	6.0	6.0	6.0	6.0	5.0	4.0	5.5
Golf Course	25.0	21.0	8.0	18.0	18.0	15.0	15.0	17.0	15.5	15.0
Total Other	29.3	26.3	13.7	24.0	24.0	21.0	21.0	22.0	19.5	20.5
GRAND TOTAL	394.8	425.3	420.7	448.0	484.0	499.0	533.0	552.0	530.5	523.5

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

Function	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Police										
Physical arrests	4,117	3,841	4,848	2,897	3,857	2,858	2,808	2,944	4,839	15,660
Parking & Traffic Violations	6,008	6,587	10,101	10,897	15,983	13,742	12,742	15,194	25,689	12,556
Fire										
Number of calls answered	1,935	2,216	2,189	1,737	1,624	1,701	1,794	2,238	2,148	2,144
Inspections	401	573	725	1,235	877	809	1,108	1,344	1,325	1,160
Highways and streets										
Street resurfacing (miles)	unknown	unknown	unknown	unknown	unknown	2	7	2	7	9
Potholes repaired	unknown	unknown	unknown	unknown	unknown	unknown	unknown	137	825	775
International Bridge										
Car Crossings	1,768,363	1,879,256	1,749,112	1,785,564	1,780,599	1,716,751	1,683,048	1,649,983	1,444,912	1,264,573
Truck Crossings	260,344	276,840	312,300	359,320	384,572	404,103	433,880	461,559	409,336	447,122
Culture and recreation										
Int'l Convention Center Events	92	unknown	75	72	95	86	95	216	84	50
Other Community Center Events	259	unknown	306	269	231	206	268	597	414	378
Water										
New connections	290	717	614	867	832	1,204	638	324	220	278
Water mains breaks	unknown	unknown	unknown	unknown	unknown	3,948	4,156	578	445	711
Average daily consumption (millions of gallons)	5.1 MGD	5.1 MGD	5.0 MGD	4.7 MGD	6.1 MGD	6.6 MGD	5.6 MGD	6.5MGD	7.3 MGD	6.3 MGD
Wastewater										
Average daily sewage treatment (thousands of gallons)	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	4.94 MGD	4.8 MGD	4.76MGD

Sources: Various City Departments.

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

Function	Fiscal Year									
	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>
Public Safety										
Police:										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol units	unknown	unknown	64	69	76	82	84	90	93	128
Fire stations	3	3	3	3	3	3	3	3	3	3
Highways and streets										
Streets (miles)	unknown	unknown	unknown	unknown	180	213	213	213	214	214
Streetlights	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown
Traffic signals	unknown	unknown	unknown	unknown	47	51	51	51	55	56
Culture and recreation										
Parks Acreage (Developed)	41	41	41	41	41	57	57	57	57	57
Swimming pools	2	2	2	2	2	2	2	2	2	-
Tennis courts	2	2	2	2	2	2	2	2	2	2
Community and Convention Centers	4	4	4	4	4	4	4	4	4	4
Water										
Water mains (miles)	unknown	unknown	unknown	~170	~182	~190	191.6	~313.4	315	313
Fire hydrants	1,596	1,712	1,730	1,750	1,820	1,918	2,010	2,030	1,896	1,946
Maximum daily capacity (thousands of gallons)	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	8.28 MGD	12.01 MGD	9.9 MGD
Sewer										
Sanitary sewers (miles)	unknown	~169	~186	~204	~224	~246	~262	~265	265	266
Storm sewers (miles)	unknown	unknown	unknown	unknown	unknown	unknown	unknown	57	82	94.43
Maximum daily treatment capacity (thousands of gallons)	3.45 MGD	3.63 MGD	3.82 MGD	4.15 MGD	4.19 MGD	4.25 MGD	4.45 MGD	5.7 MGD	5.9 MGD	5.3 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 principals. The legal basis of accounting for budgetary purposes within the governmental funds,

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

Budgetary Control

In developing and evaluating the City's accounting system, consideration is given to the adequacy of internal controls. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding: (1) the safeguarding of assets against loss 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 Undesignated/Unreserved Fund Balance

The City shall strive to maintain the General Fund undesignated/unreserved fund balance at 90 days of the current year's budget appropriation for operations and maintenance, which is defined as the total budget less the annual transfer from the General Fund to the other funds (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 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 costed.

Long-Term Capital Planning

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

Capital Project Funding

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

Replacement of Capital Assets on a Regular Schedule

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

Capital Expenditure Financing

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

Quarterly reports on the City's General, Utility, Bridge, and Golf, and 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 180 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

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

Internet Payment Options

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



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BUDGET CALENDAR FOR FISCAL YEAR 2011-2012

DATE	RESPONSIBLE	EVENT
APR 4	Finance	Budget Kickoff – Communicate department budget policies, calendar, and request procedures
APR 18	Finance	Budget Training - Provide two training sessions for department management and employees to prepare for upcoming budget requirements
APR 29	Payroll/HR	Projected Current Payroll Budget Ending Status - Salary expenditures need to be calculated to properly get to the year end projected expenditures
MAY 11	City Commission	SPECIAL CALLED MEETING: Initial Budget Workshop (Lunch Meeting) -Long Term Prioritization, Budget Projections and Overview.
MAY 13	Payroll/HR	Departmental Payroll Budget Requests - Budget requests are due to the Finance Department for payroll expenses; must be calculated using current/mandated approved payroll information
MAY 16	Departments	Departmental CIP budgets are due to Finance Department
MAY 19	Departments	Departmental grant budgets are due to Finance Department
MAY 20	Departments	Projected Current Budget Ending Status - The projected year end balance of the current budget needs to be estimated based on expected results
MAY 20	Departments	Departmental Budget Requests - Two budget requests are due to the Finance Department: 1) Current service operating needs, 2) New service needs (Payroll must be used for personnel budget requests)
JUNE 3	Departments/Finance	Preliminary Revenue Estimates - must be calculated based on historical information and expected future changes
JUNE 6 through 17	City Manager/Finance	Budget Request Review - will review budget requests with departments to prioritize before presenting to City Commissioners
JUN 19	Finance	Revise Budget Estimates - Update preliminary budget revenues and expenditures for City Manager review
JULY 19	Finance	Present proposed budget
JULY 26 through 29	City Commission	Budget Workshop - Commission is presented with departmental budget request and Finance overview. Present draft budget.
JULY 28	Appraisal District	Certified Appraisal Roll Totals
AUGUST 16	Finance/City Commission	Certify Anticipated Debt Collection Rate
AUGUST 16	Finance/City Commission	Certify Effective & Rollback Tax Rate; discussion of tax rates (vote on intention to raise taxes)
AUGUST 16	Finance/City Commission	Present updated proposed budget to the City Commission
AUGUST 16	Finance/County Tax Collector	Publish Certified Effective & Rollback Tax Rate
AUGUST 19	Departments	5 Year Projected Budget is due.
AUGUST 24	Finance	Publish Budget Public Hearing
SEPTEMBER 6	City Commission	Public hearing on budget
SEPTEMBER 6	City Commission	City Commission adoption of tax rate
SEPTEMBER 29	City Commission	City Commission adoption of the budget
SEPTEMBER 30	Finance	File adopted budget with the City Secretary's Office and City Library

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

FULL TIME EQUIVALENTS

	<u>FY 07/08</u>	<u>FY 08/09</u>	<u>FY 09/10</u>	<u>FY 10/11*</u>	<u>FY 11/12*</u>
<u>GENERAL FUND</u>					
10 - City Manager's Office	9	9.0	8.0	7.5	9.5
11 - Finance Department	14	5.5	9.0	9.0	14.0
12 - Police Department	167	161.0	160.0	172.0	174.5
13 - Traffic Safety	17	16.0	16.0	16.0	17.0
14 - Municipal Court	6	5.0	6.5	7.5	7.5
15 - Fire Protection	68	66.0	65.0	74.0	73.0
16 - Administrative Services	0	7.0	7.5	7.0	0.0
17 - Street Maintenance	29	29.0	31.0	33.0	32.0
18 - Information Technology	0	0.0	0.0	2.5	2.0
20 - Municipal Library	26	26.0	22.5	22.5	22.5
22 - Parks & Recreation	73	73.0	73.0	64.33	68.1
27 - Planning & Community Development	23	22.0	18.5	18.5	18.5
28 - Engineer	0	0.0	0.0	0.0	4.0
Total General Fund Employees	432	419.5	417.0	433.8	442.6
<u>UTILITY FUND</u>					
81- Administration	11	12.5	9.0	9.0	9.0
82- Water Production	10	10.0	10.0	10.0	10.0
83- Water Distribution	26	23.0	23.5	24.0	26.5
84- Water Treatment Plant	13	13.0	13.0	13.0	17.0
86- Lift Station	4	3.0	1.0	1.0	0.0
Total Utility Fund Employees	64	61.5	56.5	57.0	62.5
<u>OTHER FUNDS</u>					
Bridge Fund	29	25.0	25.5	25.0	23.0
Golf Course Fund	17	15.5	15.0	15.5	15.5
Garage	5	5.0	4.0	4.0	4.0
Events Center	0	0.0	0.0	0.0	6.4
Community Development	5	4.0	5.5	5.5	4.5
Total Other Funds	56	49.5	50.0	50.0	53.4
Grand Total City Employees	552	530.5	523.5	540.8	558.5

*FTE calculation, prior years were based on budgeted positions

City of Pharr, TX
Description of Outstanding Bond Issues
As of 9/30/11

Owning Fund	Issuance		Series	Revenue Source	Type	Interest Rates		Date Issued	Final Payment Through	Balance September 30, 2011
	Authorized	Issued				Lowest	Highest			
Governmental Activities	GO	16,110,000	-	2005B	Prop Tax	3.625%	5.00%	8/15/2005	8/15/2021	\$ 13,530,000
	GO	2,220,000	-	2011	Prop Tax	2.00%	4.00%	5/19/2011	8/15/2015	2,220,000
								Subtotal - Refunding Bonds		15,750,000
								Governmental Total		\$ 15,750,000
Business-Type Activities	Utility	\$ 3,260,000	\$ 3,260,000	1988	User Fees	0.00%	0.00%	6/1/1988	9/1/2013	\$ 380,000
	Utility	29,000,000	29,000,000	2007	User Fees	2.90%	3.50%	7/11/2007	9/1/2027	26,050,000
	Utility	14,000,000	14,000,000	2007A	User Fees	2.35%	2.35%	8/3/2007	9/1/2027	12,495,000
	Utility	10,000,000	10,000,000	2007B	User Fees	3.75%	3.75%	12/4/2007	9/1/2027	8,460,000
								Subtotal - Revenue Bonds		47,385,000
	Bridge	9,755,000	9,755,000	2005A	Toll Fees	3.625%	4.50%	8/15/2005	8/15/2022	6,740,000
	Utility	6,430,000	6,430,000	2008	User Fees	3.60%	3.60%	7/24/2008	9/1/2018	4,290,000
								Subtotal - Refunding Bonds		11,030,000
								Business-Type Total		\$ 58,415,000
								TOTAL CITY-WIDE DEBT		\$ 74,165,000

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
2/15/2012	0	-	33,550	33,550	0	2,220,000
8/15/2012	530,000	2.000%	33,550	563,550	597,100	1,690,000
2/15/2013	0	-	28,250	28,250	0	1,690,000
8/15/2013	545,000	3.000%	28,250	573,250	601,500	1,145,000
2/15/2014	0	-	20,075	20,075	0	1,145,000
8/15/2014	565,000	3.000%	20,075	585,075	605,150	580,000
2/15/2015	0	-	11,600	11,600	0	580,000
8/15/2015	580,000	4.000%	11,600	591,600	603,200	0
Total	2,220,000		186,950	2,406,950	2,406,950	

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

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
2/15/2012	0	-	286,205	286,205	0	13,530,000
8/15/2012	905,000	3.750%	286,205	1,191,205	1,477,410	12,625,000
2/15/2013	0	-	269,236	269,236	0	12,625,000
8/15/2013	940,000	3.750%	269,236	1,209,236	1,478,473	11,685,000
2/15/2014	0	-	251,611	251,611	0	11,685,000
8/15/2014	970,000	3.722%	251,611	1,221,611	1,473,223	10,715,000
2/15/2015	0	-	233,559	233,559	0	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	0	-	213,964	213,964	0	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	0	-	172,089	172,089	0	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	0	-	128,089	128,089	0	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	0	-	91,089	91,089	0	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	0	-	62,081	62,081	0	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	0	-	31,659	31,659	0	1,535,000
8/15/2021	1,535,000	4.125%	31,659	1,566,659	1,598,319	0
Total	13,530,000		3,479,164	17,009,164	17,009,164	

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
2/15/2012	0	-	139,983	139,983	0	6,740,000
8/15/2012	565,000	3.750%	139,983	704,983	844,966	6,175,000
2/15/2013	0	-	129,389	129,389	0	6,175,000
8/15/2013	510,000	4.500%	129,389	639,389	768,779	5,665,000
2/15/2014	0	-	117,914	117,914	0	5,665,000
8/15/2014	530,000	4.500%	117,914	647,914	765,829	5,135,000
2/15/2015	0	-	105,989	105,989	0	5,135,000
8/15/2015	555,000	4.500%	105,989	660,989	766,979	4,580,000
2/15/2016	0	-	93,502	93,502	0	4,580,000
8/15/2016	580,000	4.000%	93,502	673,502	767,004	4,000,000
2/15/2017	0	-	81,902	81,902	0	4,000,000
8/15/2017	600,000	4.000%	81,902	681,902	763,804	3,400,000
2/15/2018	0	-	69,902	69,902	0	3,400,000
8/15/2018	625,000	4.050%	69,902	694,902	764,804	2,775,000
2/15/2019	0	-	57,246	57,246	0	2,775,000
8/15/2019	650,000	4.100%	57,246	707,246	764,491	2,125,000
2/15/2020	0	-	43,921	43,921	0	2,125,000
8/15/2020	680,000	4.125%	43,921	723,921	767,841	1,445,000
2/15/2021	0	-	29,896	29,896	0	1,445,000
8/15/2021	705,000	4.125%	29,896	734,896	764,791	740,000
2/15/2022	0	-	15,355	15,355	0	740,000
8/15/2022	740,000	4.150%	15,355	755,355	770,710	0
Total	6,740,000		1,769,998	8,509,998	8,509,998	

City of Pharr, Texas INTERNATIONAL BRIDGE

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
3/1/2012	0	-	428,513	428,513	0	26,050,000
9/1/2012	790,000	2.900%	428,513	1,218,513	1,647,025	25,260,000
3/1/2013	0	-	417,058	417,058	0	25,260,000
9/1/2013	815,000	2.950%	417,058	1,232,058	1,649,115	24,445,000
3/1/2014	0	-	405,036	405,036	0	24,445,000
9/1/2014	975,000	3.000%	405,036	1,380,036	1,785,073	23,470,000
3/1/2015	0	-	390,411	390,411	0	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	0	-	375,336	375,336	0	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	0	-	359,629	359,629	0	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	0	-	341,726	341,726	0	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	0	-	316,926	316,926	0	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	0	-	289,086	289,086	0	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	0	-	259,836	259,836	0	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	0	-	229,146	229,146	0	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	0	-	196,986	196,986	0	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	0	-	163,326	163,326	0	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	0	-	125,246	125,246	0	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	0	-	85,313	85,313	0	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	0	-	43,400	43,400	0	2,480,000
9/1/2027	2,480,000	3.500%	43,400	2,523,400	2,566,800	0
Total	26,050,000		8,853,950	34,903,950	34,903,950	

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
3/1/2012	0	-	3,408	3,408	0	12,495,000
9/1/2012	290,000	2.300%	3,408	293,408	296,815	12,205,000
3/1/2013 *	0	-	166,104	166,104	0	12,205,000
9/1/2013 *	395,000	2.400%	166,104	561,104	727,208	11,810,000
3/1/2014 *	0	-	161,364	161,364	0	11,810,000
9/1/2014 *	455,000	2.450%	161,364	616,364	777,728	11,355,000
3/1/2015 *	0	-	155,790	155,790	0	11,355,000
9/1/2015 *	470,000	2.450%	155,790	625,790	781,580	10,885,000
3/1/2016 *	0	-	150,033	150,033	0	10,885,000
9/1/2016 *	475,000	2.500%	150,033	625,033	775,065	10,410,000
3/1/2017 *	0	-	144,095	144,095	0	10,410,000
9/1/2017 *	820,000	2.550%	144,095	964,095	1,108,190	9,590,000
3/1/2018 *	0	-	133,640	133,640	0	9,590,000
9/1/2018 *	840,000	2.650%	133,640	973,640	1,107,280	8,750,000
3/1/2019 *	0	-	122,510	122,510	0	8,750,000
9/1/2019 *	860,000	2.650%	122,510	982,510	1,105,020	7,890,000
3/1/2020 *	0	-	111,115	111,115	0	7,890,000
9/1/2020 *	885,000	2.700%	111,115	996,115	1,107,230	7,005,000
3/1/2021 *	0	-	99,168	99,168	0	7,005,000
9/1/2021 *	905,000	2.750%	99,168	1,004,168	1,103,335	6,100,000
3/1/2022 *	0	-	86,724	86,724	0	6,100,000
9/1/2022 *	930,000	2.800%	86,724	1,016,724	1,103,448	5,170,000
3/1/2023 *	0	-	73,704	73,704	0	5,170,000
9/1/2023 *	960,000	2.850%	73,704	1,033,704	1,107,408	4,210,000
3/1/2024 *	0	-	60,024	60,024	0	4,210,000
9/1/2024 *	985,000	2.850%	60,024	1,045,024	1,105,048	3,225,000
3/1/2025 *	0	-	45,988	45,988	0	3,225,000
9/1/2025 *	1,015,000	2.900%	45,988	1,060,988	1,106,975	2,210,000
3/1/2026 *	0	-	31,270	31,270	0	2,210,000
9/1/2026 *	1,045,000	2.950%	31,270	1,076,270	1,107,540	1,165,000
3/1/2027 *	0	-	15,856	15,856	0	1,165,000
9/1/2027 *	1,165,000	2.950%	15,856	1,180,856	1,196,713	0
Total	12,495,000		3,121,580	15,616,580	15,616,580	

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
3/1/2012	0	-	158,625	158,625	0	8,460,000
9/1/2012	395,000	3.750%	158,625	553,625	712,250	8,065,000
3/1/2013	0	-	151,219	151,219	0	8,065,000
9/1/2013	410,000	3.750%	151,219	561,219	712,438	7,655,000
3/1/2014	0	-	143,532	143,532	0	7,655,000
9/1/2014	425,000	3.750%	143,532	568,532	712,063	7,230,000
3/1/2015	0	-	135,563	135,563	0	7,230,000
9/1/2015	440,000	3.750%	135,563	575,563	711,125	6,790,000
3/1/2016	0	-	127,313	127,313	0	6,790,000
9/1/2016	460,000	3.750%	127,313	587,313	714,625	6,330,000
3/1/2017	0	-	118,688	118,688	0	6,330,000
9/1/2017	475,000	3.750%	118,688	593,688	712,375	5,855,000
3/1/2018	0	-	109,782	109,782	0	5,855,000
9/1/2018	495,000	3.750%	109,782	604,782	714,563	5,360,000
3/1/2019	0	-	100,500	100,500	0	5,360,000
9/1/2019	510,000	3.750%	100,500	610,500	711,000	4,850,000
3/1/2020	0	-	90,938	90,938	0	4,850,000
9/1/2020	530,000	3.750%	90,938	620,938	711,875	4,320,000
3/1/2021	0	-	81,000	81,000	0	4,320,000
9/1/2021	550,000	3.750%	81,000	631,000	712,000	3,770,000
3/1/2022	0	-	70,688	70,688	0	3,770,000
9/1/2022	570,000	3.750%	70,688	640,688	711,375	3,200,000
3/1/2023	0	-	60,000	60,000	0	3,200,000
9/1/2023	595,000	3.750%	60,000	655,000	715,000	2,605,000
3/1/2024	0	-	48,844	48,844	0	2,605,000
9/1/2024	615,000	3.750%	48,844	663,844	712,688	1,990,000
3/1/2025	0	-	37,313	37,313	0	1,990,000
9/1/2025	640,000	3.750%	37,313	677,313	714,625	1,350,000
3/1/2026	0	-	25,313	25,313	0	1,350,000
9/1/2026	665,000	3.750%	25,313	690,313	715,625	685,000
3/1/2027	0	-	12,844	12,844	0	685,000
9/1/2027	685,000	3.750%	12,844	697,844	710,688	0
Total	8,460,000		2,944,315	11,404,315	11,404,315	

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
3/1/2012	-	-	77,220.00	77,220	0	4,290,000
9/1/2012	710,000.00	3.600%	77,220.00	787,220	864,440	3,580,000
3/1/2013	-	-	64,440.00	64,440	0	3,580,000
9/1/2013	730,000.00	3.600%	64,440.00	794,440	858,880	2,850,000
3/1/2014	-	-	51,300.00	51,300	0	2,850,000
9/1/2014	760,000.00	3.600%	51,300.00	811,300	862,600	2,090,000
3/1/2015	-	-	37,620.00	37,620	0	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	0	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	0	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	0	75,000
9/1/2018	75,000.00	3.600%	1,350.00	76,350	77,700	0
Total	4,290,000		528,840	4,818,840	4,818,840	

City of Pharr, Texas UTILITIES

\$3,260,000 Waterworks & Sewer System Junior Lien Revenue Bonds, Series 1988

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
9/1/2012	190,000	-	0	190,000	190,000	190,000
9/1/2013	190,000	-	0	190,000	190,000	0
Total	380,000		0	380,000	380,000	

CITY OF PHARR

AD VALOREM TAX REVENUE AND DISTRIBUTION

SUMMARY

Calendar Year Fiscal Year	2002 2002-2003	2003 2003-2004	2004 2004-2005	2005 2005-2006	2006 2006-2007	2007 2007-2008	2008 2008-2009	2009 2009-2010	2010 2010-2011	2011 2011-2012
LAND MARKET VALUE	\$ 415,732,780	\$ 540,256,685	\$ 567,337,401	\$ 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
IMPROVEMENTS-HOMESITE	247,179,894	273,103,088	326,961,752	354,792,703	381,314,593	450,843,430	465,618,398	478,884,365	488,915,754	491,035,265
IMPROVEMENTS-NON HOMESITES	440,946,751	510,495,053	570,742,113	618,888,462	687,892,767	780,514,223	865,068,624	882,610,712	947,260,745	963,714,077
PERSONAL PROPERTY	121,315,490	130,142,035	165,457,043	162,457,708	172,167,072	195,895,995	213,847,032	242,187,004	265,721,778	256,980,163
MINERALS	38,842,740	41,692,810	49,042,371	52,742,207	54,079,270	51,312,443	52,231,740	49,303,210	16,864,741	11,027,409
TOTAL MARKET VALUE	1,264,017,655	1,495,689,671	1,679,540,680	1,774,473,801	1,987,371,030	2,209,048,218	2,609,655,412	2,689,734,559	2,762,875,940	2,769,204,237
EXEMPTIONS:										
AG EXEMPTIONS	62,285,128	77,799,896	82,384,158	77,501,869	112,443,498	103,203,113	134,506,943	144,277,351	144,219,613	146,946,839
HOMESTEAD CAP	3,400,996	8,161,398	6,984,000	4,008,182	4,629,664	23,713,065	23,332,829	12,705,529	8,095,094	5,774,279
TAX ABATEMENTS	1,736,787	5,881,568	12,738,239	13,305,616	10,342,764	6,878,043	2,774,514	2,122,019	6,206,218	4,102,564
DISABLED VETERANS	1,389,901	1,433,189	1,602,920	1,696,421	1,854,587	2,139,440	2,301,422	5,337,116	7,119,488	8,052,326
FULL EXEMPTIONS	139,142,519	170,658,172	193,446,101	203,085,944	208,841,689	234,460,911	290,477,824	306,380,769	372,690,550	379,559,896
FREPORT EXEMPTIONS	1,119,456	765,295	2,424,841	3,497,957	2,383,952	11,469,002	21,665,583	25,542,051	20,615,082	26,413,611
OVER 65	26,911,612	27,616,588	28,441,455	29,168,364	29,517,279	30,282,975	30,961,287	31,513,127	31,759,363	33,823,036
DISABLE PERSON	-	-	-	-	-	-	-	-	-	-
MOBILE HOME	233,857	113,944	7,069	6,844	6,632	-	-	-	-	-
HOUSE BILL	1,171	3,434	1,336	1,881	2,047	803	926	2,573	47,879	-
POLLUTION	-	-	-	-	-	-	-	-	181,240	-
HISTORICAL	42,383	51,395	-	54,829	54,829	54,829	87,745	87,745	87,741	87,336
TOTAL EXEMPTIONS	236,263,810	292,484,879	328,030,119	332,327,907	370,076,941	412,202,181	506,109,073	527,968,280	591,022,268	604,759,887
PENDING PROTEST	7,990,983	10,234,103	10,001,589	15,529,806	14,551,335	32,487,104	77,796,098	40,255,162	2,828,180	-
NET TAXABLE VALUE	\$ 1,035,744,828	\$ 1,213,438,895	\$ 1,361,512,150	\$ 1,457,675,700	\$ 1,631,845,424	\$ 1,829,333,141	\$ 2,181,342,437	\$ 2,202,021,441	\$ 2,174,681,852	\$ 2,164,444,350
ASSESSMENT RATIO	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
PROPOSED TAX RATE/\$100	\$ 0.69000	\$ 0.68312	\$ 0.68312	\$ 0.68312	\$ 0.68312	\$ 0.68312	\$ 0.68185	\$ 0.68000	\$ 0.68000	\$ 0.68000
ESTIMATED TAX LEVY	7,146,639	8,289,244	9,300,762	9,957,674	11,147,462	12,496,541	14,873,483	14,973,746	14,787,837	14,718,222
FROZEN LEVY LOSS	-	-	-	-	(33,763)	(79,445)	(120,000)	-	-	-
TOTAL LEVY	7,146,639	8,289,244	9,300,762	9,957,674	11,113,699	12,417,096	14,753,483	14,973,746	14,787,837	14,718,222
ESTIMATED % OF COLLECTION	90%	90%	90.5%	90.5%	91%	91%	91%	90%	90%	92%
ESTIMATED TAX COLLECTION	6,431,975	7,460,319	8,417,189	9,011,695	10,113,466	11,299,557	13,425,670	13,476,371	13,309,053	13,540,764
ESTIMATED DEL. TAX COLLECTION	465,000	510,000	675,000	770,000	825,000	789,140	750,000	795,000	920,000	-
ESTIMATED TAX FUNDS AVAILABLE	\$6,896,975	\$7,970,319	\$9,092,189	\$9,781,695	\$10,938,466	\$12,088,697	\$14,175,670	\$14,271,371	\$14,229,053	\$13,540,764

Calendar Year Fiscal Year	2002 2002-2003	2003 2003-2004	2004 2004-2005	2005 2005-2006	2006 2006-2007	2007 2007-2008	2008 2008-2009	2009 2009-2010	2010 2010-2011	2011 2011-2012
GENERAL FUND (M&O)										
CURRENT YEAR TAX :										
Current Tax Rate	\$0.59021 86%	\$0.59622 87%	\$0.60165 88%	\$0.59313 87%	\$0.59313 87%	\$0.59613 87%	\$0.60294 88%	\$0.60180 89%	\$0.60180 89%	\$0.60210 89%
Current Distribution Percentage	\$5,501,763	\$6,511,289	\$7,413,342	\$7,824,550	\$8,781,181	\$9,860,647	\$11,871,927	\$11,926,589	\$11,778,512	\$11,989,550
Amount										
DELINQUENT TAX										
Amount	405,000	430,000	585,000	670,000	715,000	700,000	663,200	703,000	820,000	850,000
SUB TOTAL										
Current Tax Rate	\$0.59021 86%	\$0.59622 87%	\$0.60165 88%	\$0.59313 87%	\$0.59313 87%	\$0.59613 87%	\$0.60294 88%	\$0.60180 89%	\$0.60180 89%	\$0.60210 89%
Current Distribution Percentage	\$5,906,763	\$6,941,289	\$7,998,342	\$8,494,550	\$9,496,181	\$10,560,647	\$12,535,127	\$12,629,589	\$12,598,512	\$12,839,550
Amount										
DEBT SERVICE FUND (I & S)										
CURRENT YEAR TAX										
Current Tax Rate	\$0.09979 14%	\$0.08690 13%	\$0.08147 12%	\$0.08999 13%	\$0.08999 13%	\$0.08699 13%	\$0.07891 12%	\$0.07820 12%	\$0.07820 12%	\$0.07790 11%
Current Distribution Percentage	\$930,212.79	\$949,030.56	\$1,003,847.67	\$1,187,144.94	\$1,332,285.43	\$1,438,910.43	\$1,553,742.92	\$1,549,782.69	\$1,530,541.09	\$1,551,213.98
Amount										
DELINQUENT TAX										
Amount	60,000	80,000	90,000	100,000	110,000	89,140	86,800	92,000	100,000	110,000
SUB TOTAL										
Current Tax Rate	\$0.0998 14%	\$0.0869 13%	\$0.0815 12%	\$0.0900 13%	\$0.0900 13%	\$0.0870 13%	\$0.0789 12%	\$0.0782 12%	\$0.0782 12%	\$0.0779 11%
Current Distribution Percentage	\$990,213	\$1,029,031	\$1,093,848	\$1,287,145	\$1,442,285	\$1,528,050	\$1,640,543	\$1,641,783	\$1,630,541	\$1,661,214
Amount										
TOTAL										
Current Tax Rate	\$0.69000 100%	\$0.68312 100%	\$0.68312 100%	\$0.68312 100%	\$0.68312 100%	\$0.68312 100%	\$0.68185 100%	\$0.68000 100%	\$0.68000 100%	\$0.68000 100%
Current Distribution Percentage	\$6,896,975	\$7,970,319	\$9,092,189	\$9,781,695	\$10,938,466	\$12,088,697	\$14,175,670	\$14,271,371	\$14,229,053	\$14,500,764
Amount										

City of Pharr

Current Property Tax Analysis - Cash Collections

MONTH	Tax Yr 2005 FY 05/06	Tax Yr 2006 FY 06/07	Tax Yr 2007 FY 07/08	Tax Yr 2008 FY 08/09	Tax Yr 2009 FY 09/10	Tax Yr 2010 FY 10/11	Difference FY 10/11 - FY 09/10
OCT.	215,226	285,613	555,092	139,500	88,747	61,748	(26,999)
NOV.	764,148	917,251	912,642	494,627	690,655	863,479	172,824
DEC.	2,418,565	2,265,717	2,768,330	3,623,450	3,980,702	4,182,581	201,879
JAN.	3,769,151	4,758,270	4,913,545	5,876,621	3,375,811	5,626,517	2,250,706
FEB.	842,178	817,625	1,019,633	1,677,831	3,703,857	1,384,613	(2,319,244)
MAR.	356,837	340,723	320,128	476,003	763,310	677,840	(85,470)
APR.	153,708	149,181	231,844	245,275	286,589	233,526	(53,063)
MAY	185,903	192,238	270,594	201,463	237,195	205,436	(31,759)
JUN.	125,002	136,406	267,154	329,610	229,939	151,604	(78,335)
JUL.	82,213	137,111	158,829	119,607	114,766	72,012	(42,754)
AUG.	77,085	93,275	142,661	82,997	128,463	65,927	(62,537)
SEP.	82,114	62,801	73,774	123,823	93,954	41,755	(52,198)
TOTAL	9,072,130	10,156,209	11,634,227	13,390,806	13,693,988	13,567,038	(126,950)

1st Six Month Collection & % of Total Collection
 \$ 8,366,104 \$ 9,385,198 \$ 10,489,370 \$ 12,288,032 \$ 12,603,082 \$ 13,567,038
 92% 92% 90% 92% 92% 94%

INCREASE/(DECREASE) IN CURRENT PROPERTY TAX COLLECTION
 \$ 1,591,610 \$ 1,084,079 \$ 1,478,018 \$ 1,756,580 \$ 303,181 \$ (126,950)

INCREASE FROM PREVIOUS YEAR
 21.28% 11.95% 14.55% 15.10% 2.26% -0.93%

BUDGET VS. ACTUAL VARIANCE ANALYSIS
 \$ 8,942,352 \$ 10,116,891 \$ 11,337,400 \$ 13,022,670 \$ 13,449,760 \$ 13,310,000
 \$ 129,778 \$ 39,318 \$ 296,827 \$ 368,136 \$ 244,228 \$ 257,038
 1.45% 0.39% 2.62% 2.83% 1.82% 1.93%

City of Pharr Delinquent Property Tax Analysis - Cash Collections

MONTH	Tax Yr 2005 FY 05/06	Tax Yr 2006 FY 06/07	Tax Yr 2007 FY 07/08	Tax Yr 2008 FY 08/09	Tax Yr 2009 FY 09/10	Tax Yr 2010 FY 10/11	Difference FY 10/11 - FY 09/10
OCT.	137,991	59,829	123,777	61,599	81,893	89,961	8,068
NOV.	49,771	74,999	49,678	71,419	63,694	134,574	70,880
DEC.	73,001	63,172	85,739	107,050	88,328	124,939	36,611
JAN.	78,993	105,120	120,731	129,202	118,350	104,543	(13,807)
FEB.	72,978	66,639	111,196	146,099	136,846	92,967	(43,879)
MAR.	62,184	84,988	80,076	108,295	120,986	103,391	(17,595)
APR.	48,014	61,534	84,813	89,344	100,405	89,776	(10,628)
MAY	45,686	56,162	87,984	78,883	66,705	70,464	3,759
JUN.	77,652	49,059	57,192	70,156	63,569	44,559	(19,009)
JUL.	59,178	57,395	38,112	52,911	47,945	36,785	(11,160)
AUG.	40,592	64,849	42,113	56,713	58,401	47,775	(10,626)
SEP.	43,082	60,129	56,332	35,683	71,425	50,795	(20,630)
TOTAL	789,123	803,876	937,742	1,007,354	1,018,546	990,531	(28,015)

AVERAGE PER MONTH
\$ 65,760 \$ 66,990 \$ 78,145 \$ 83,946 \$ 84,879 \$ 82,544

INCREASE/(DECREASE) IN DELINQUENT PROPERTY TAX COLLECTION
\$ 175,850 \$ 14,752 \$ 133,866 \$ 69,612 \$ 11,192 \$ (28,015)

INCREASE FROM PREVIOUS YEAR
28.67% 1.87% 16.65% 7.42% 1.11% -2.75%

BUDGET VS. ACTUAL VARIANCE ANALYSIS
\$ 600,000 \$ 730,000 \$ 825,000 \$ 789,140 \$ 750,000 \$ 920,000
\$ 189,123 \$ 73,876 \$ 112,742 \$ 218,214 \$ 268,546 \$ 70,531
31.52% 10.12% 13.67% 27.65% 35.81% 7.67%

ORDINANCE NO: O-2011- 45

**AN ORDINANCE SETTING THE TAX RATE AND LEVYING
AD VALOREM TAXES FOR THE CITY OF PHARR, TEXAS
BEGINNING FISCAL YEAR OCTOBER 1, 2011 AND ENDING
SEPTEMBER 30, 2012, DIRECTING THE ASSESSMENT AND
COLLECTION THEREOF, DECLARING AN EMERGENCY
AND AN EFFECTIVE DATE**

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

WHEREAS, the Board of Commissioners finds that the tax rate for the fiscal year 2011-2012, as hereinafter levied for current operating expenses, and capital outlays, to pay interest and to provide the sinking fund on outstanding bonds of the City issued for municipal purposes must be levied to provide the revenue requirements of the approved and adopted budget for said fiscal year.

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

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

SECTION 1: That there is hereby fixed, levied and assessed for the fiscal year beginning October 1, 2011, and ending September 30, 2012, an ad valorem tax of on each \$100 valuation of property within the limits of the City of Pharr and not exempt from taxation by valid law; that such ad valorem tax shall be apportioned between the interest and sinking fund and the general fund as follows:

M & O	\$.6021
I & S	\$ <u>.0779</u>
TOTAL RATE	\$.6800

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

SECTION 3: The fact that the fixing and levying of Ad Valorem taxes is of great importance to the order, health, safety and general welfare of the public creates an emergency. The requirement that this Ordinance is to be read on three (3) separate meetings is hereby waived and dispensed with and this Ordinance shall take effect and be in full force from and after its passage and approval. Publication may also be in caption form as allowed under Section 9 of the Pharr City Charter.

APPROVED AND ADOPTED BY THE BOARD OF CITY COMMISSIONERS OF
THE CITY OF PHARR, TEXAS, on this the 6th day of September, 2011.

CITY OF PHARR


LEOPOLDO "POLO" PALACIOS, JR. MAYOR

ATTEST:


HILDA PEDRAZA, CITY CLERK



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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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.