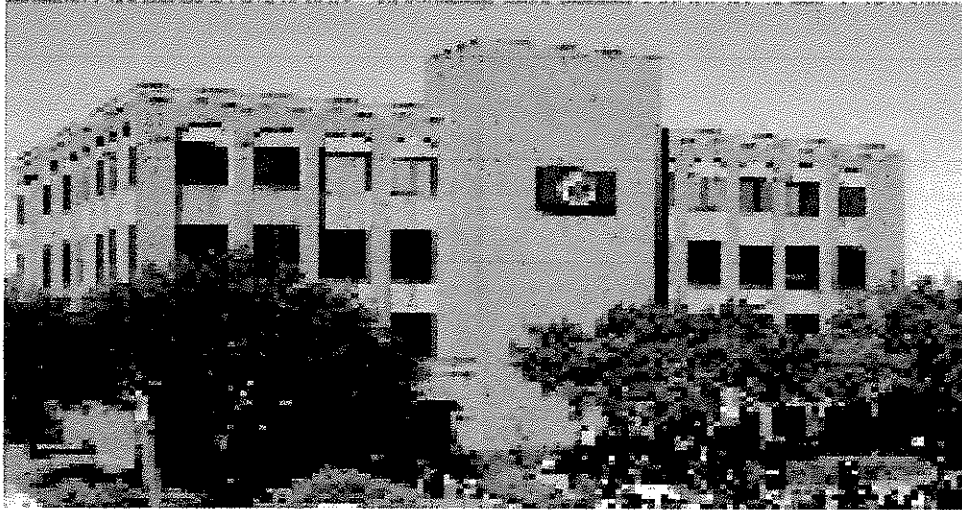
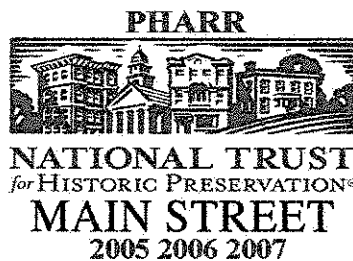


City of Pharr, Texas



Annual Financial Budget



**For the Fiscal Year
October 1, 2009 through September 30, 2010**

City of Pharr, TX

Annual Financial Budget

For the Fiscal Year
October 1, 2009 through September 30, 2010

ELECTED OFFICIALS

Leo "Polo" Palacios, Jr. - Mayor

Adan Farias
Francis Quintanilla
Oscar Elizondo, Jr.

Bobby Carrillo
Eduardo Cantu
Arturo J. Cortez

CITY MANAGER

Fred Sandoval

FINANCE DIRECTOR

Juan G. Guerra, CPA

Prepared by the Finance Department

CITY OF PHARR, TX

ANNUAL FINANCIAL BUDGET

FOR THE FISCAL YEAR
OCTOBER 1, 2009 THROUGH SEPTEMBER 30, 2010

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INTRODUCTORY SECTION



September 15, 2009

MAYOR
Leo "Polo" Palacios, Jr.

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

CITY MANAGER
Fred Sandoval



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, 2009 through September 30, 2010. 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, 2009, copies will be available for public reviewing in the City Secretary's office and at the Pharr Public Library. After a September 1, 2008 public hearing and an adoption date of September 15, 2008, the budget will become effective October 1, 2009.

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 maintain property taxes were analyzed. The 2009 tax rate was recommended and adopted at \$0.68000/\$100; this rate a decrease of the 2008 tax rate of \$0.68185/\$100. This rate was lower than the rollback rate and the effective tax rate; last year, the rollback rate was adopted. This year's rollback tax rate is \$0.7486/\$100, and in a fiscally responsible manner, the City Commission has chosen to keep the conservative and acceptable tax rate of \$0.68000/\$100.

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

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

The Operating Budget presents an overview of the revenues, expenditures/ expenses, and change in fund balances of all of the funds budgeted. For each individual fund, the appropriate level of detail is presented for revenues and

expenditures/expenses. Each significant fund/department, as appropriate, includes a summary, presenting its purpose, goals and objectives for fiscal year 2008-2009, significant budget and service level changes, performance indicators and authorized personnel.

HISTORY OF PHARR

For many centuries, nomadic 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.

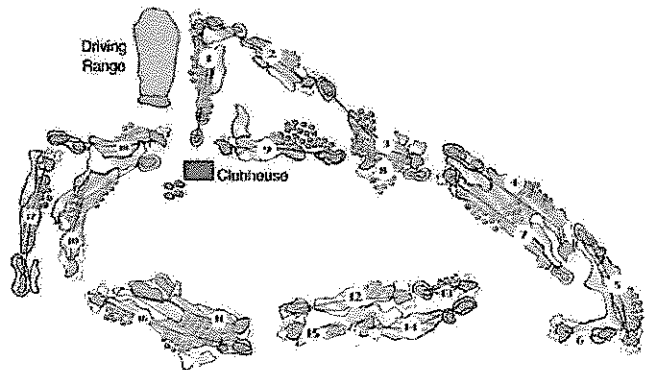
International Bridge

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.



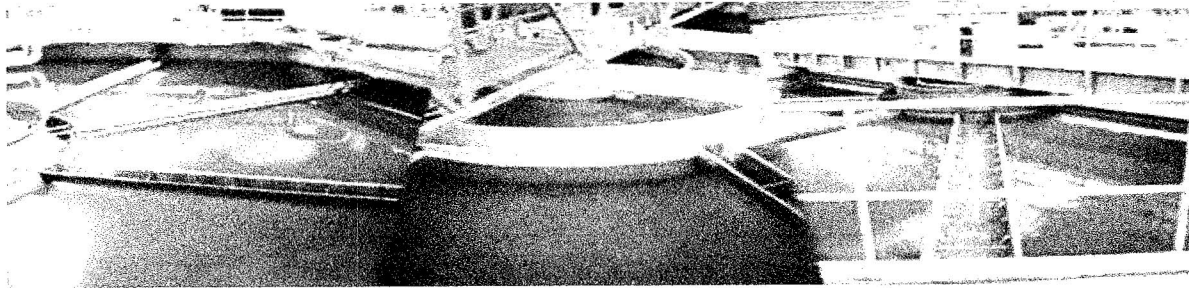
Parks & Recreation

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 and a wastewater treatment plant. The water treatment plant is a 10 million gallons per day plant. The wastewater treatment plant is a 5.0 million gallons per day plant. The wastewater treatment plant, which was expanded in 1998, is an activated aerobic sludge plant.



ACCOMPLISHMENTS OF FISCAL YEAR 2008-2009

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 2008-2009 are as follows:

General Fund

City Manager's Office

- Formulated administrative policies to ensure fiscal oversight while increasing unreserved fund balance to five million dollars.
- Managed City budget and expenditures during nation’s economic downturn while continuing all regular City services and no layoffs and infrastructure assistance for new businesses relocating to the City.
- Implemented the City’s first Information Technology Department to manage city-wide technology needs and services
- Implemented and digitized City Commission agendas for paperless agenda
- Created 4b sales tax authority to fund quality of life capital projects
- Expansion of industrial development areas to support international bridge crossings
- Completion of the Texas Registered Municipal Clerk certification by the City Clerks

Finance Department

- Completed the annual audit on time for the 2nd straight year
- Drastically improved the unreserved fund balance from \$0 to roughly \$5 million
- Managed the City’s finances during economic slowdown and a reduction in revenue collections through identification, communication, and cautious use of funds
- Obtained the ability to process online payments for water and court transactions

-
- Obtained the ability to process credit cards for court transactions
 - Submitted CAFR to the Government Finance Officer's Association (GFOA) for Certificate of Achievement award for financial reporting
 - Was awarded the GFOA Certificate of Achievement award for distinguished budget
 - Entered into an inter-local agreement with the county to outsource the property tax collection efforts
 - Changed the City's fund structure

Police Department

- Established GREAT Program providing instruction to Middle School Students on how to resist joining gangs, conflict resolution, self esteem etc...
- Acquired funding for the implementation of Automated License Plate Reader Project for the detection of stolen vehicles and vehicles of interest
- Increased number of community outreach activities to include partnerships with faith based groups in addressing community concerns
- Graduated multiple Police Academy Classes that set a record for academic achievement on their state licensing exam
- Implemented with collaboration of the Pharr San Juan Alamo School District a school canine program in efforts of reducing narcotics on school campuses

Municipal Court

- Increased revenues due to better collections and allowed for the best collection amount in the history of the department
- Continued to reduce expenditures from prior year
- Increased communication between police department and municipal court

Fire Protection

- Awarded SAFER Grant for nine (9) firefighters
- Added a Ladder Truck to Fire fleet
- Replaced a Pumper Truck to Fire fleet
- Extended collective bargaining contract for one more year
- Commenced Departmental Policy & Procedures modifications
- Minor remodeling of three fire stations
- Inspected all businesses, schools, and daycare facilities
- Started the beginning stages for two new fire station's development
- Completed 2nd stage of video conferencing to substations for training and meetings

Administrative Services

- Began an online employment application system to enhance access to City employment
- Provided training through TML for all employees in the areas of loss prevention
- Provided free health and wellness clinics for all employees that included flu vaccinations through Crosspoint Medical Clinic
- Implemented new ordinance for health retirement benefits of which resulted in savings to the City

-
- Implemented a medical coverage plan for retirees over the age of 65 of which also resulted in savings to the City.

Street Maintenance

- Completion of 2008/2009 Repair and Maintenance Program's proposed improvements
- Continued La Quinta street/drainage
- Completed community development roads – West Rancho Blanco, Casa, and West Park Ave
- Started a new recycling program with grant funds

Municipal Library

- Accomplished fiscal responsibility
- Provided computer classes to our patrons
- Added an additional 25 computers
- Increase library awareness through programs
- Increased bandwidth for our computers

Parks & Recreation

- Completed the development of the Comprehensive Parks Master Plan update
- Began the process of planning for the construction of a new aquatic facility by developing a swimming pool feasibility study
- Renovated the roof of the Pharr International Convention Center
- Successfully coordinated and implemented the 1st annual youth tackle football league

Planning & Community Development

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

Utility Fund

- Received "Superior" rating from Texas Commission on Environmental Quality
- Upgraded waterlines and added fire protection on Fir Street
- Install sewer line at City Road
- Removed and replaced 250 old water meters
- Made all long-term debt payments

Bridge Fund

- The Northbound lanes project was completed on 12/16/2008. This project consisted of
- adding vehicle inspections for passenger and commercial vehicles
- Bridge lane rehabilitation of passenger and commercial vehicle concrete lanes. Approximately 50 % of the lanes were rehabilitated.

-
- Weather forecaster equipment was purchased and installed to detect wind speeds. An aerometer will assist us to determine when wind endangers traffic on the bridge.
 - A new updated automated toll accounting system was purchased and installed. This system will provide detailed accounting and allow bridge customers online access to their accounts
 - A new treadle axle system was installed at each Toll lane that counts each axle that crosses the toll booth. This provides actual accounting for each vehicle that pays a toll.

Golf Course Fund

- Updated the membership and fee schedule
- Became self sustaining for the 1st time in the fund's history
- Installed a decorative aerating fountain

Debt Service Fund

- Made all long-term general obligation debt payments

Capital Project Funds

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

MAJOR GOALS FOR FISCAL YEAR 2009-2010

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

General Fund

City Manager's Office

- Get all departments online with electronic imaging to store long-term documents
- Purchase document management software and licenses
- Completion of imaging 20 volumes of birth records and 10 volumes of death records
- Continued oversight of finances, capital improvement programs and fund balance to achieve an "A" bond rating
- Improvement of sales tax revenues through continued management of City Economic Development Program

Finance Department

- Improve the unreserved fund balance position
- Improve the City's bond rating

- Complete the annual audit on time
- Prepare and submit the City's CAFR to the GFOA for Certificate of Achievement award for financial reporting
- Prepare and submit the City's budget to the GFOA for Certificate of Achievement award for distinguished budget
- Develop policies and procedures manual
- Develop a fraud prevention program
- Develop a Five-Year Budget

Police Department

- Expanding our Gang Resistance education And Training program to the elementary schools
- Establishing a comprehensive gang model to address youth gangs that will require partnerships with faith based organizations, schools, civic org., and non-profit organization
- Establishing a volunteer program that will recruit, train and mobilize volunteers to in police/community activities and projects
- Establishing a firearm reduction program to reduce the number of violent crime involving the use of firearms
- Enhancing our technology program to provide more effective and efficient service to our citizens and enhance officer productivity

Traffic Safety

- Re-lamping all traffic signal lenses to light-emitting diode 's through energy an efficiency grant
- developing a pick-up evacuation plan for pets for Hurricane Preparedness
- Continue to synchronize traffic signals

Municipal Court

- Install metal detectors in the building entrances
- Increase the training of staff

Fire Protection

- Plan for new fire stations and substations
- Propose to adopt the 2009 International Fire Code
- Apply for SAFER Grant for six (6) additional personnel, and one (1) Fire Inspector through Fire Prevention and Safety Grant
- Replace 1995 Suburban training unit

Administrative Services

- Implement new employee orientation monthly meetings
- Implement a salary wage classification and compensation plan for all job positions
- Update all job position descriptions
- Implement a health awareness week to all City of Pharr personnel
- To continue with free health and wellness clinics for the well being of the employee
- To continue to provide excellent customer service to our employees and citizens of Pharr

Street Maintenance

- Complete drainage improvement projects – Citrus Bay Subdivision, Darlene Drive, and Southwest and Northwest downtown
- Complete Repair and Maintenance Program for: Sugar Road, Sioux Road, East Rancho Blanco, West Hall Acres, and Owassa Road

Municipal Library

- Increase library's collection by 5,000 titles
- Increase library's circulation 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

Parks & Recreation

- Construct a new aquatic facility that includes a pool, diving area, and family oriented water features
- Attempt to partner with the school district to construct a sports complex for baseball, soccer, and other park amenities

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

Utility Fund

- Continue to receive "Superior" rating from Texas Commission on Environmental Quality
- Remove and replace water meters that are over 20 years old
- Relocation of force-main from Sioux Rd to Nolana on Sugar Road "in house" resulting in significant financial savings
- Meet fiscal budget requirements
- Continue effort to improve customer service

Bridge Fund

- Plans for a southbound staging and inspection area is proposed so that all law enforcement personnel can work safely and efficiently.
- Plans for a fiber optic cabled smart traffic system is proposed so that bridge personnel can monitor bridge traffic and open and close traffic lanes as needed.
- Plans are being proposed to build a cold room fruit and vegetable inspection area at the bridge to facilitate inspection without damaging perishable goods.
- Plans are made to continue with the bridge lanes rehabilitation project. We are determined to realign all concrete lanes.
- Proposing to build a monitoring room at the bridge administration building so that all bridge systems can be monitored systematically.

Golf Course Fund

- Continue to be self supporting with the review of fees and maintaining of a lean budget
- Renovate the Golf Club facility
- Replace the fleet of 72 golf carts with new carts

Special Revenue Funds

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

Debt Service Fund

- Make all long-term general obligation debt payments

Capital Project Funds

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

CURRENT/SHORT TERM ISSUES

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

Financial Sustainability Issues

Financial Policy

The lack of stated and Commission approved financial policies has been identified as a weakness by our external auditors for several fiscal years. Last year the Commission approved financial policies. 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. Both of these major steps in the corrective plan are in place this fiscal year. The fund balance should be replenished to three months of operating expenditures by the end of this new fiscal year.

Cash Management

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

Audit Findings

The City has been able to complete the annual fiscal audit for two straight years without delay for the first time in 19 years. There are no worrisome internal control issues identified. All findings have been corrected except one. The remaining find is the lack of written procedure manuals for several activities. This fiscal year, this manual should be produced thereby eliminating all findings.

Bond Issuances

The City has issued bonds for utility projects and to refund utility bonds in the past three years. There are no plans to issue any new bonds this fiscal year for any fund in the City.

Evaluation of Fees and Charges

Current fees and charges were evaluated to determine whether the City is recovering the cost of the services being provided. They were also benchmarked against those being charged by neighboring cities. As a result of this evaluation and benchmarking, all the City fees remained the same for this fiscal year.

Economic Factors

Economic indicators in the City of Pharr estimating the health of the economy in the City include several revenue trends. Sales tax revenues received by the City continue to decrease (3%) for the past fiscal year. The decrease is attributable to the national economy as well as the lack of major new retail activity in the city. Major retail is expected in the very near future that is projected to reverse the trend and increase sales tax revenue. The Hotel/Motel tax received by the City has decreased with no change in the growth identified. This decrease is due to a hotel closing. Building permit revenues have been reduced for three straight years and no change in that trend is evident. The City is monitoring these economic indicators to ensure the health of the City remains strong. The City, in comparison to the surrounding cities, is in a positive economic position.

New Funds

The Paving and Drainage Fund is a new fund created this fiscal year to better track over \$600,000 of revenues and several street improvement project expenditures.

Personnel Issues

Pay Wages

Due to the need to replenish the fund balance and shore up the City's financial position, pay wages for employees were not recommended. Certain employees may be provided an increase

in wages but this determination is made by the City Manager and consistent with employee output, job performance, and skill/certifications gained; no employee-wide wage increase is budgeted.

Retirement System

Any employee who work 1,000 or more hours per calendar year are required to be included a defined contribution retirement plan administered by Texas Municipal Retirement System (TMRS). The City's contribution rate by each employee for the next calendar year will remain the same as the recently change rate of 7%. The contribution rate for the City is budgeted at 10.58%.

Employee Positions Changes - Citywide

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

The General Fund had many changes to the personnel budget. Each full time employee is counted as 1 position, and each part time employee is counted as .5 employee. There were several changes due to this "reclassification" of authorized positions. The City Manager's office had a slight change in personnel including than the reclassification, they added half the cost of a security guard. The Finance department personnel authorized changed due to a change of budgeting source from the Utility Administration department. Both departments changed 3.5 employees. Both the Fire and Police departments employees were reduced by one position each due to a civilian position being unbudgeted per department. Municipal Court changed in that a part time Administrative Aid and a full time Court Clerk were added to assist in the continued increase in revenue collection efforts. Administrative Services Department added a temporary part time clerk position. The Street Maintenance department added two employees to handle the new recycling program. The Planning department changes are due to half of the director's salary being paid out of Community Development and the reclassifications.

The Utility Fund had several changes to the personnel budget. There was one change in the Administration department other than the change in budgeting source as discussed in the previous paragraph, half the cost of a security officer was added (City Manager has the other half). The Water Distribution department added a Backflow Inspector. The Lift Station department eliminated two budgeted positions.

The Bridge Fund added a part time technology employee. The Golf Course Fund had no change other than the reclassification. The Garage eliminated a budgeted mechanic position. Community Development Fund added half of the Planning Director's salary and a secretary.

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

GENERAL FUND	FY 08/09	FY 09/10	DIFFERENCE
City Manager's Office	9.0	8.0	-1.0
Finance Department	5.5	9.0	3.5
Police Department	161.0	160.0	-1.0
Municipal Court	5.0	6.5	1.5
Fire Protection	66.0	65.0	-1.0
Administrative Services	7.0	7.5	0.5
Street Maintenance	29.0	31.0	2.0
Municipal Library	26.0	22.5	-3.5
Planning & Community Dev	22.0	18.5	-3.5
			-2.5
UTILITY FUND			
Administration	12.5	9.5	-3.0
Water Distribution	23.0	23.5	0.5
Lift Station	3.0	1.0	-2.0
			-4.5
OTHER FUNDS			
Bridge Fund	25.0	25.5	0.5
Golf Course Fund	15.5	15.0	-0.5
Garage	5.0	4.0	-1.0
Community Development	4.0	5.5	1.5
			0.5
Net Change City-Wide			-6.5

THE FY 2008-2009 BUDGET AS A WHOLE

Overall Budget Basis of Accounting

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

Revenues and Transfers In

Total revenues for all funds are budgeted at \$65,975,630. This is a decrease of \$210,910 from last fiscal year's original budget of \$66,185,540. This decrease is mainly due to a reduction in transfer funds from the Bridge Fund. This reduction is a purposeful intent to reduce the City's reliance on the Bridge revenues.

Expenditures/Expenses and Transfers Out

Total expenditures/expenses for all funds are budgeted at \$122,752,460. This is an increase of \$24,477,460 from last fiscal year's original budget of \$98,275,000. This increase is mainly due to roughly over \$25 million in Utility Capital Projects Fund.

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 two funds that have expenditures over their annual revenues. They are budgeted that way for a purposeful reason. The Parkland Dedication and Utility Capital Project 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 three funds that have a change greater than 10% to their fund balance. The three funds and their change are: Parkland Dedication (100%), Hotel/Motel (27%), and the Utility Capital Projects Fund (100%). The details of the change are stated in their sections 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 developing a Five Year Budget Plan. A City-wide comprehensive master plan that integrates the departmental plans will be conducted.

Fiscal Management

The history of the City's financial management was analyzed and today's problems are actually a mirror of those of the past. Long-term fiscal management is a major concern to today's City leaders and management. The long-term fiscal viability of the City is a priority and a plan to correct the negative fund balance identified in the September 30, 2007 audit is approved and should enable proper fiscal management regardless of who is managing or leading the City's operations. This problem has been identified and is being corrected. The major fund balance and cash flow situations should be fully corrected by the end of this fiscal year. Unfunded retirement liabilities will be the next fiscal issue to address in the near future.

International Bridge Traffic

Commercial crossings form the majority of traffic on the City's international bridge. There has been a continued decrease in the amount of crossings. There are a couple of local international bridges that are opening up and are expected to impact the City financially. To remain a viable bridge, several improvements and long-term concerns must be addressed. The City is in the process of forming an international trade corridor that flows through the City's bridge.

Infrastructure Development

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

Quality of Life

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

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

Public Safety

The City limits stretch, although not very wide, they do so very long. This creates a public safety issue in trying to provide a presence in all sections of the city. There is a need to establish mobile substations, technology for citizen communication/information without the need to travel, establish equipment replacement programs, ensure there is an adequate hire, retention, and recruitment program established, and conduct a needs assessment for the possible future annexation of land. The civil service process places a huge stress on the ability to provide adequate public safety. This is due to the financial impact the majority of the demands are and the increasing amount of requests that are put forth for negotiations. Plans are currently being discussed concerning the possibility of two new fire stations, a fire administrative building, 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 estimated to be in 2010, water rights will have to be purchased to keep up with the anticipated need of the community. Should the City annex the available 5,000 acres of land for the anticipated high value subdivisions, water supply must be reevaluated. The purchase of water rights is attempted when fiscally feasible.

Economic Position

The economic position of the city of Pharr seems to be very favorable. The city has forecasts a steady level of business growth or improvement during 2009-10. The State Comptroller on August 12, 2008 issued a 110 page report stating that the economic outlook of the South Texas region is excellent. The economic indicators stated earlier are monitored and a trend analysis performed to ensure that the City is aware of any possible changes.

Technical/Regulatory/State Changes

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

Outside of accounting, public safety, utilities, and development must contend with the constant changing rules and requirements of regulatory agencies: Texas Commission on Environmental Quality and Environmental Protection Agency.

DISTINGUISHED BUDGET AWARD

The Government Finance Officers Association (GFOA) of the United States and Canada presented a Distinguished Budget Presentation Award to the City of Pharr, Texas for its annual budget for the fiscal year beginning October 1, 2008. 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 first 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, MBA, CGFO, CPM
Finance Director



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Pharr
Texas**

For the Fiscal Year Beginning

October 1, 2008

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	Francis Quintanilla

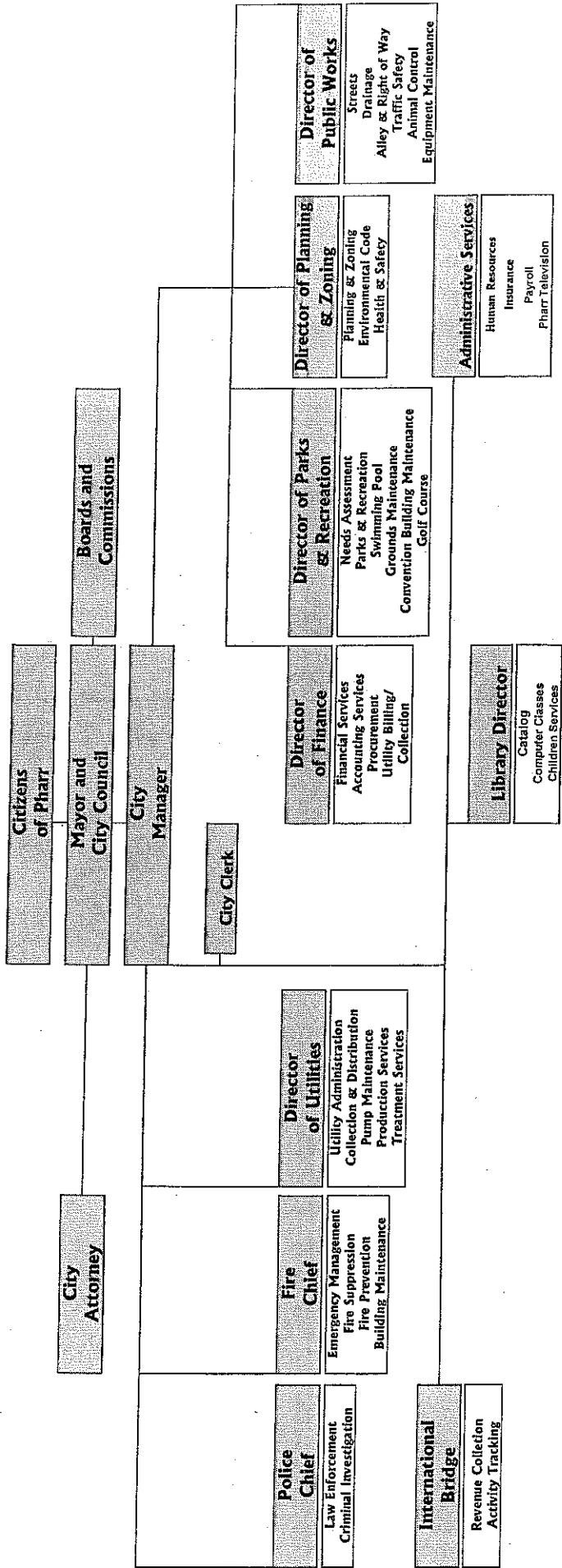
Appointed Officials

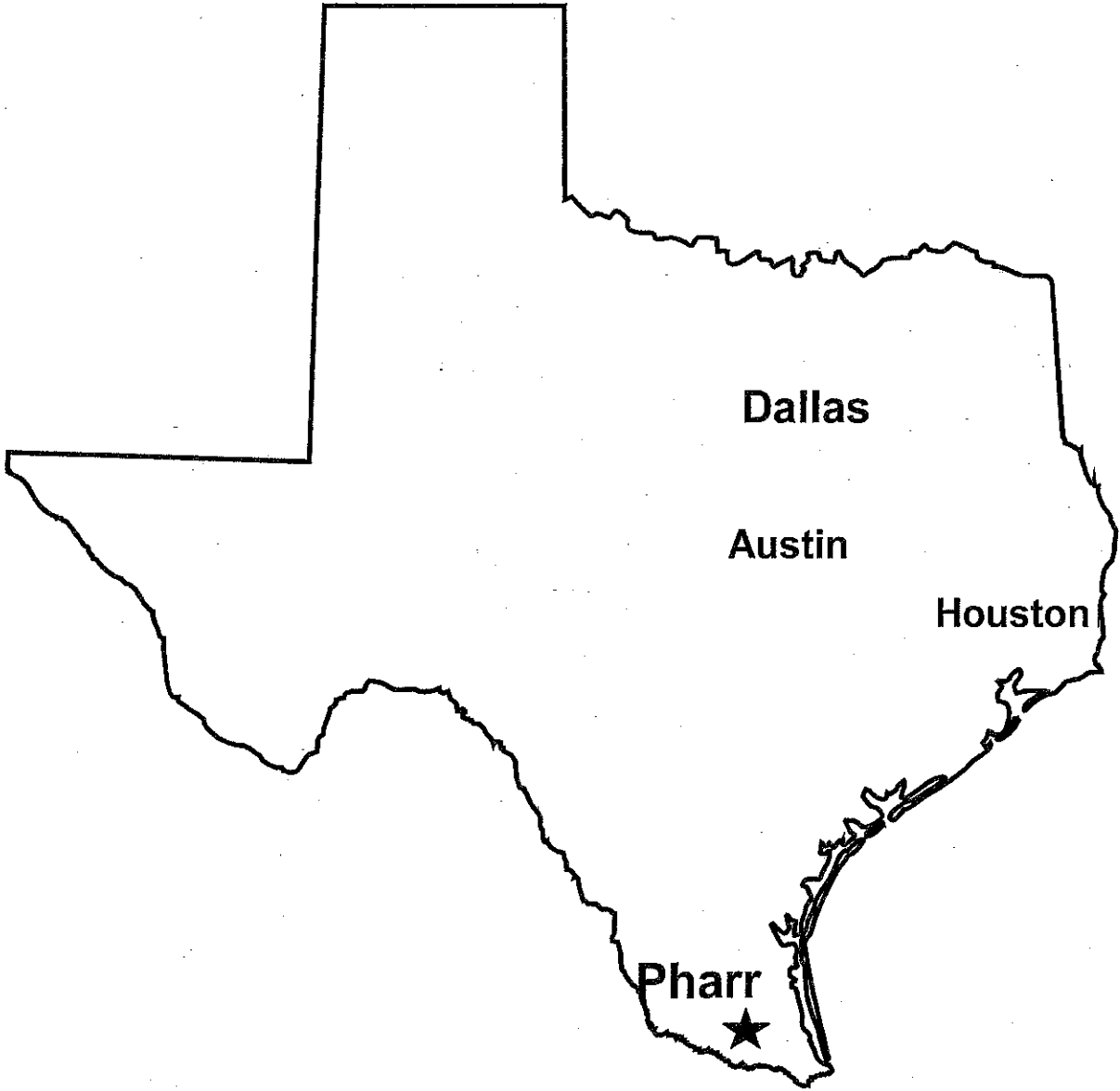
City Manager	Fred Sandoval
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Department Directors

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

ORGANIZATION CHART - CITY OF PHARR





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		

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

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, 2008, the following funds are considered major funds: General Fund and Capital Projects 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				
Administrative Services	X							
Street Maintenance	X							X
Municipal Library	X			X				
Parks & Recreation	X				X	X		
Planning & Community Development	X		X					
Utility								
Bridge								
Golf Course								
Garage								

DEPARTMENT	CAPITAL PROJECT FUNDS			DEBT SERVICE	ENTERPRISE FUNDS			INTERNAL SERVICE	AGENCY FUND
	GENERAL CAPITAL PROJECTS	BRIDGE CAPITAL PROJECT	UTILITY CAPITAL PROJECT	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
Administrative Services									
Street Maintenance	X							X	
Municipal Library	X								
Parks & Recreation	X						X		
Planning & Community Development									
Utility			X		X				
Bridge		X				X			
Golf Course							X		
Garage								X	

GENERAL FUND

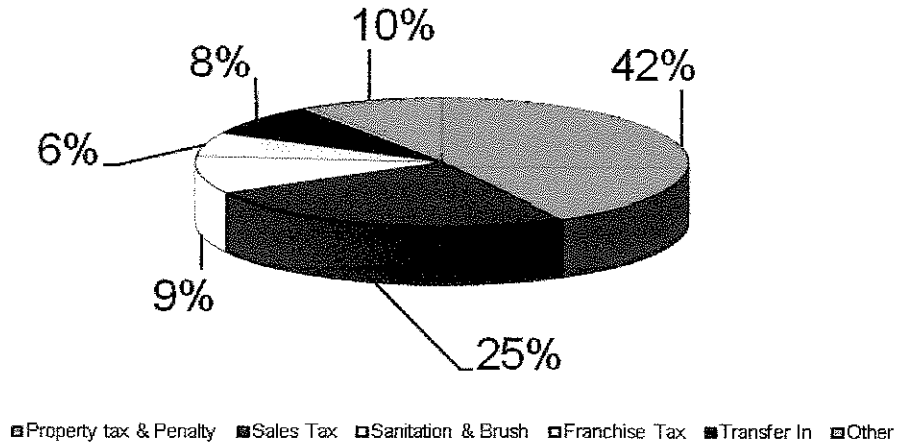
The General Fund is the general operating fund of the City. It is used to account for all financial resources traditionally associated with government, except those required to be accounted for in another fund.

Revenues

The General Fund is expected to generate \$31,346,740, which is a decrease of over \$2.9 million, or 9.3%, over last year's original budget. The decrease is primarily attributable to three reasons. The first reason is the change in commercial sanitation billing & collection. Waste Management directly charges and collects on sanitation accounts instead of the City acting as a pass through agent. This change reduces revenues by \$1.6 million, which in essence has no direct impact on City funds. The second reason is the reduced estimate of sales tax revenues. For the past three

fiscal years, sales tax revenues have shown a negative trend. Although recent sales tax collections indicate a possible reversal of this trend, it is prudent to continue with a conservative estimate. This negative trend in sales tax is a reduction in budgeted revenues of nearly \$500,000. The third reason is transfer in from Bridge fund which was reduced by \$1.2 million.

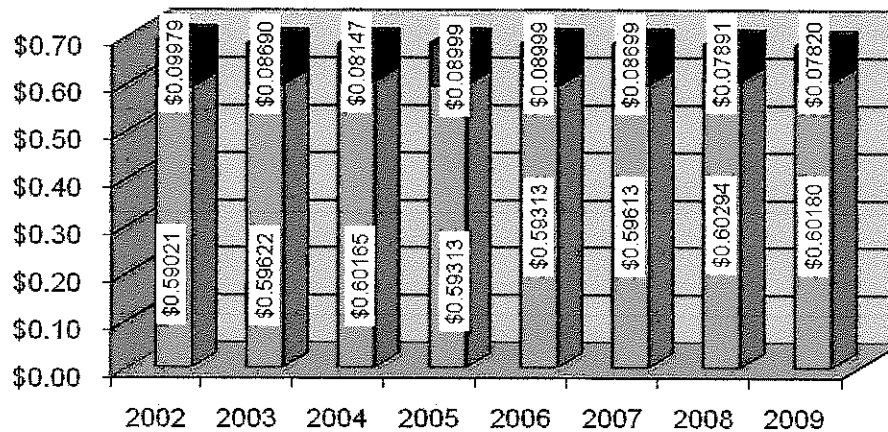
GENERAL FUND REVENUE BY SOURCE



As illustrated in this graph, four major revenue line items account for over \$25.8 million, which is 82.4% of total revenues. The major revenues are the Property Tax (current tax, delinquent tax, and penalty & interest), \$13,147,200; Sales Tax, \$7,835,500; Sanitation & Brush, \$2,976,000; and Franchise Tax, \$1,879,400.

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 be reduced for the second straight fiscal year. The tax rate this year is 68.000¢ per \$100 taxable assessed value, as determined by the Hidalgo County Appraisal District. This tax rate is lower than the effective tax, lower than the rollback tax rate, and is part of the City Commission’s efforts to keep property taxes low. Last year, the rollback tax rate was adopted. The assessed value grew very minimal from \$2.18 billion to \$2.20 billion. This represents an increase of \$20.7 million, or about 0.9% over the prior year (last year, assessed value grew over 19%). This marginal increase in assessed value is attributed to a decrease in assessed value on several properties along with over \$60 million in new construction. Budgeted current advalorem tax revenues are \$11.9 million or 38.0% of budgeted revenues. This represents an increase of \$28,070, or about 0.2% 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 eight years is as follows:



Sales Tax

One of the most significant revenue line item generators for the General Fund is sales tax. It is the second biggest revenue source and therefore one that must be continuously monitored. It is a gauge of the City's economic health and is also a source of public safety since property tax alone cannot sustain the police and fire departments budgets, sales tax revenues must contribute as well. Due to its historical sensitivity to fluctuations in the strength of the state's economy and to a point, the Mexican peso, the City continues to take a conservative approach in estimating its performance. The sales tax for the City is 1.5% for every eligible purchase. 1% is strictly sales tax, .5% is credit in lieu of property tax (assists in keeping the property tax from increasing). Over the last seven years, the general trend is for sales tax receipts is hard to identify. From fiscal year 2003/04 to 2005/06, sales tax increased from one year to the next, and was budgeted accordingly. From fiscal year 2006/07 to our projected 2009/10, sales tax is mainly flat with no growth in actual revenues, even a decrease. The fiscal year 2009/10 sales tax revenues are conservatively budgeted at \$7.8 million or 25.0% of budgeted revenues. This represents a 5.9% decrease in revenues from the past fiscal year's original budget and 4% decrease from projected year end actual sales tax revenue.

<u>Change</u>	<u>FY 04/05</u>	<u>FY 05/06</u>	<u>FY 06/07</u>	<u>FY 07/08</u>	<u>FY 08/09*</u>	<u>FY 09/10</u>
Change in Actual	6.3%	15.7%	-0.6%	-0.4%	-2.6%	0.0%
Change in Budget	12.3%	15.4%	15.1%	6.9%	-10.2%	-4.0%

**Based on actual amount from FY 08/09*

Sanitation & Brush Collection

Sanitation and Brush Collection is the activity of collecting and disposing of refuse. The budgeted amount for the fiscal year is \$2.9 million or 9.5% of budgeted revenues. This represents a decrease of \$1.6 million or 36.2%. The amount being budgeted this fiscal year is less than the amount budgeted the previous fiscal year due to a change of billing/collection operations in commercial sanitation accounts. The City used to act as a pass through agent for Waste Management, who collected sanitation and brush. Waste Management now bills and collects their own accounts. This nets out to a zero gain/loss for the City.

Franchise Taxes

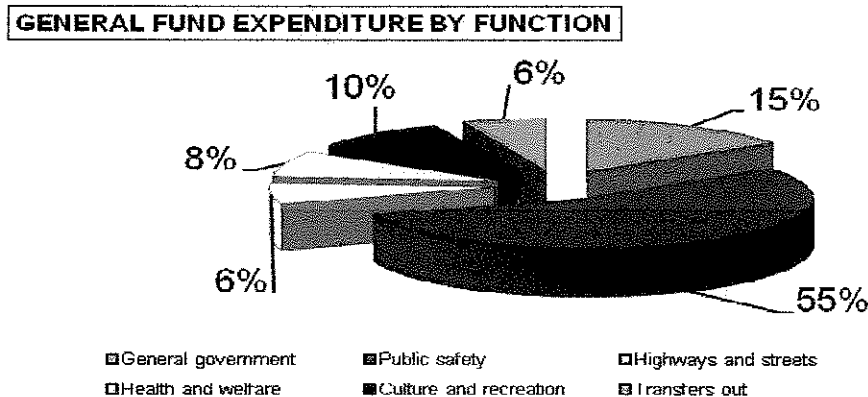
Franchise taxes are collected from the electric, telephone, gas, and sewer, and cable television companies. Over the past couple of years, it has experienced a steady upward trend. Total budgeted franchise tax revenues for next fiscal year are \$1.8 million or 6.0% of budgeted revenues. This is a slight increase of \$21,000 or 1.1% from the prior budget due to an attempt to match the past fiscal year's actual collection.

Other Revenues and Transfers

Other revenues are budgeted at \$3.0 million or 9.7% and transfers \$2.5 million or 7.9% of budgeted revenues. Other revenues mainly consists of license and permits (\$473,000), charges for services (\$698,830), fines & fees (\$1,210,400), intergovernmental (\$316,580), miscellaneous revenue producing rentals (\$171,930), and bingo & mixed beverage tax (\$168,800). Transfers are due from three sources: Bridge revenues over operations (\$2,000,000), PEDC 4b reimbursement for administrative services (\$124,500), golf course improvement fee (\$30,000), and Utility Fund's reimbursement for administrative services (\$314,600).

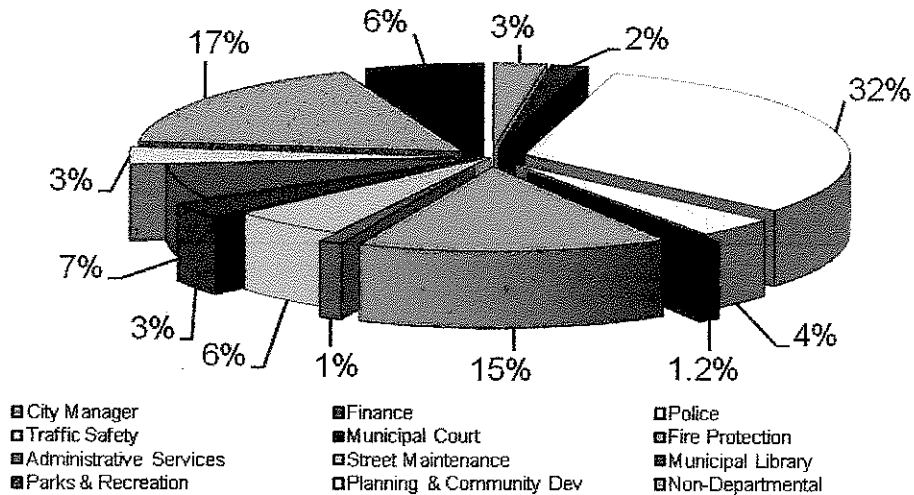
Expenditures

The General Fund's overall expenditures including transfers-out is roughly \$32.1 million, a decrease of over \$2.9 million or 9.3% of last year's original budget. The major reason for this decrease is due to the decrease of \$1.9 million in sanitation expenditures. This decrease is the amount netted against the reduction in sanitation revenues. Another reason for the decrease is the reduction in budgets from the Police Department and the Parks & Recreation Department by roughly \$461,000 and \$307,000 respectively. The main reason for the reductions in the department's budgets is mainly due to payroll benefits (not salary) expenditures. The following chart depicts how the expenditures are allocated among functions:

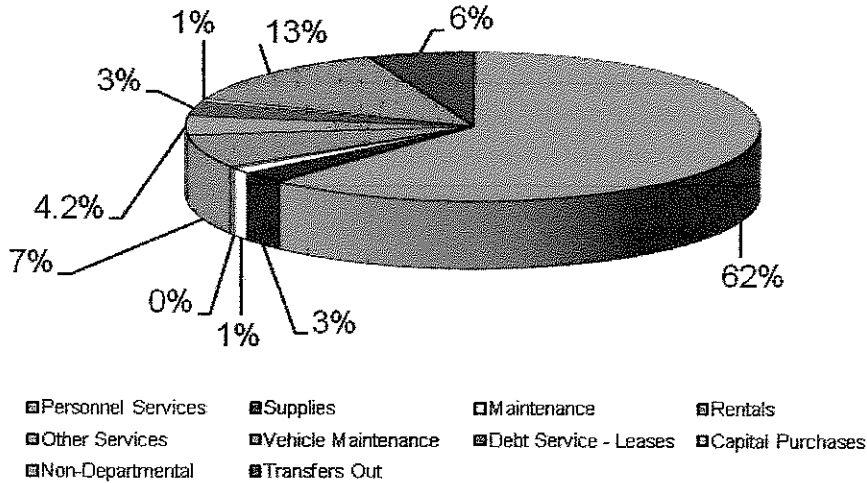


To allow more analysis of the expenditures, two other formats are presented on the following page: by department and by activity. This page contains an analysis of the expenditures by department. The major changes are the Police Department, Parks & Recreation Department, and Non-Departmental. Non-Departmental make up the majority of expenditure changes. The change is negative \$1.8 million. This expenditure was reduced as stated in the previous paragraph, due to a decrease in sanitation expenditures (mainly commercial sanitation). The Police Department budget was reduced over \$400,000 mainly due to personnel expenditures (direct salaries were not materially adjusted). The Parks & Recreation Department budget was reduced over \$300,000 mainly due to personnel expenditures.

GENERAL FUND EXPENDITURE BY DEPARTMENT



GENERAL FUND EXPENDITURE BY ACTIVITY



In total, expenditures decreased over \$2.9 million, or 9.3%. The General Fund is the City's most financially important fund whose activity is monitored and analyzed. The tables on the following page disclose comparable activity between fiscal years with different views for analysis.

Table 1 – Change In Departmental Budget – Original Prior Year Budget Compared To This Year’s Budget

DEPARTMENT	FISCAL YEAR		Increase/ (Decrease)	Percent Change
	2009-10	2008-09		
City Manager	\$ 947,390	\$ 909,400	\$ 37,990	4.2%
Finance	679,370	625,370	54,000	8.6%
Police	10,366,060	10,827,360	(461,300)	-4.3%
Traffic Safety	1,205,350	1,344,480	(139,130)	-10.3%
Municipal Court	391,270	398,780	(7,510)	-1.9%
Fire Protection	5,331,710	5,318,000	13,710	0.3%
Administrative Services	455,470	394,470	61,000	0.0%
Street Maintenance	2,009,040	1,961,690	47,350	2.4%
Municipal Library	1,048,200	1,090,720	(42,520)	-3.9%
Parks & Recreation	2,028,340	2,335,770	(307,430)	-13.2%
Planning & Community Dev	910,510	1,103,530	(193,020)	-17.5%
Non-Departmental	4,083,000	5,927,310	(1,844,310)	-31.1%
Transfers Out	1,891,030	2,031,240	(140,210)	-6.9%
TOTAL	\$ 31,346,740	\$ 34,268,120	\$ (2,921,380)	

Table 2 – Change In Departmental Budget – Amended Prior Year’s Budget Compared To This Year’s Budget

DEPARTMENT	2009-10	Amended	Increase/ (Decrease)	Budget Year % Change	% of
		Budget 2008-09			Budget
City Manager	\$ 947,390	\$ 957,160	\$ (9,770)	-1.0%	3.0%
Finance	679,370	634,940	44,430	7.0%	2.2%
Police	10,366,060	10,681,420	(315,360)	-3.0%	33.1%
Traffic Safety	1,205,350	1,387,440	(182,090)	-13.1%	3.8%
Municipal Court	391,270	393,740	(2,470)	-0.6%	1.2%
Fire Protection	5,331,710	6,116,880	(785,170)	-12.8%	17.0%
Administrative Services	455,470	461,120	(5,650)	-1.2%	1.5%
Street Maintenance	2,009,040	2,238,490	(229,450)	-10.3%	6.4%
Municipal Library	1,048,200	1,074,290	(26,090)	-2.4%	3.3%
Parks & Recreation	2,028,340	2,299,540	(271,200)	-11.8%	6.5%
Planning & Community Dev	910,510	1,086,910	(176,400)	-16.2%	2.9%
Non-Departmental	4,083,000	4,327,310	(244,310)	-5.6%	13.0%
Transfers Out	1,891,030	3,445,990	(1,554,960)	-45.1%	6.0%
	\$ 31,346,740	\$ 35,105,230	\$ (3,758,490)		

Table 3 – Change In Departmental Budget - Without Capital Purchases

	FY 08/09 Amended Budget w/o Capital Purchases	FY 09/10 Budget w/o Capital Purchases	Budgeted Difference In FY's
City Manager's Office	\$ 894,080	\$ 947,390	6.0%
Finance Department	619,940	679,370	9.6%
Police Department	10,618,420	10,366,060	-2.4%
Traffic Safety	1,266,490	1,162,850	-8.2%
Municipal Court	393,740	391,270	-0.6%
Fire Protection	5,200,880	5,278,220	1.5%
Administrative Svcs	389,150	455,470	17.0%
Street Maintenance	1,880,490	1,994,040	6.0%
Municipal Library	984,290	947,700	-3.7%
Parks & Recreation	2,299,540	2,028,340	-11.8%
Planning & Zoning	1,086,910	910,510	-16.2%
	\$ 25,633,930	\$ 25,161,220	

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

GENERAL CONTINGENCY RESERVE

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

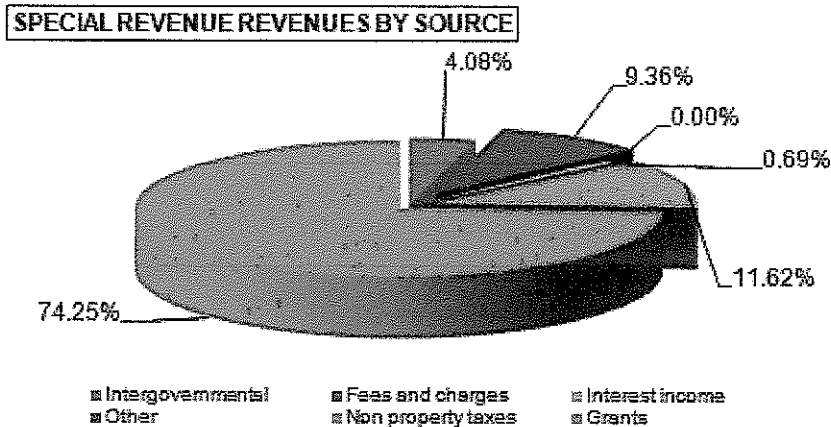
During the September 30, 2007 annual audit, the unreserved fund balance was identified as being negative \$6.4 million. We are estimating that by September 30, 2009, the unreserved fund balance will be roughly \$5 million. By City charter, 3% to no more than 10% must be budgeted as contingency reserve. Just under 7% of budgeted general expenditures (not including transfers) is budgeted at \$1.87 million. This fiscal year's funding should put the City's unreserved fund balance in an ideal position of having three months of operating expenditures set aside. These funds are not combined with the pooled cash bank account but in a separate bank account to be used only for emergency situations.

SPECIAL REVENUE

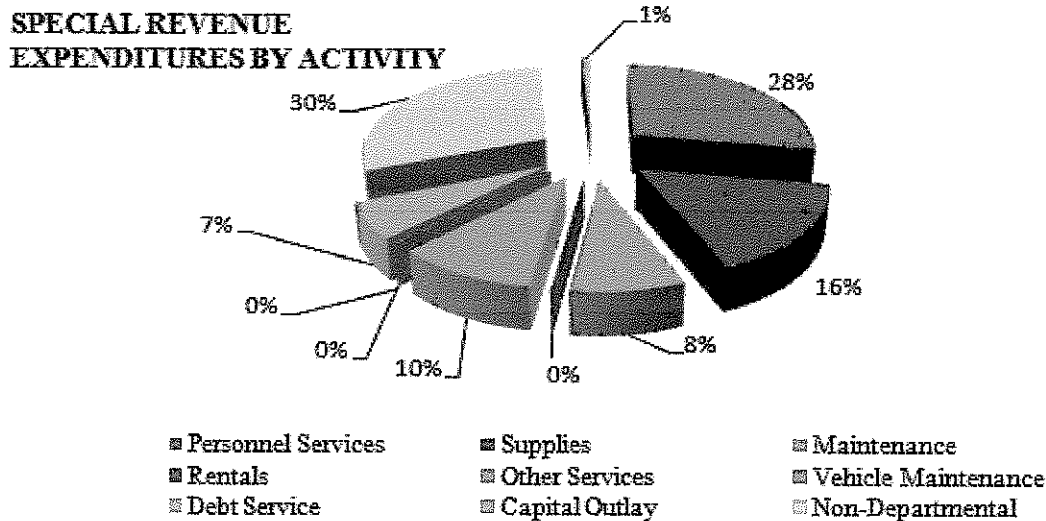
The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

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 \$7,417,960 special revenue revenue funds are budgeted. Grants account for \$5,459,770 of revenues, non-property tax account for \$854,600, fees and charges for \$688,000, interest income account for \$51,000, intergovernmental revenues for \$300,000, and Transfer In account for the remaining \$64,590.

The following graph describes the importance of each revenue source for the special revenue funds as a percentage of the overall budgeted special revenue revenues.



A total of \$7,853,550 special revenue expenditure funds are budgeted. Personnel account for \$2,151,670 of expenditures, supplies account for \$1,279,290, maintenance accounts for \$651,000, rentals account for \$4,220, other services account for \$805,760, vehicle maintenance account for \$3,000, debt service accounts for \$0; capital outlay accounts for \$500,000, non-departmental expenditures account for \$2,380,780, and the remaining \$77,830 is due to transfers out. The following graph describes the importance of each expenditure activity for the special revenue funds as a percentage of the overall budgeted special revenue expenditures.



Community Development Block Grant (CDBG)

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

The CDBG Fund will receive \$1,121,970 this fiscal year. This fund has \$1,208,000 in unspent funds from prior years dating back to 2005/06. Total budgeted revenues and expenditures for this fund is \$2,394,560.

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 and expenditures for this fund are \$305,000.

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 \$31,000. The expenditures are budgeted at \$270,000. Prior year's net revenues/fund balance will be used up in its entirety, 100%. The purpose for this is to pay for architecture to develop a new swimming pool facility.

Grants

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

Total budgeted revenues and expenditures for this fund are \$3,129,800. Police Department grant revenues are budgeted at \$922,510; Fire Department grant revenues are budgeted at \$1,442,650; General grant revenues are budgeted at \$600,000, and Library Department grant revenues are budgeted at \$164,640.

Paving & Drainage*(New Fund)*

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.

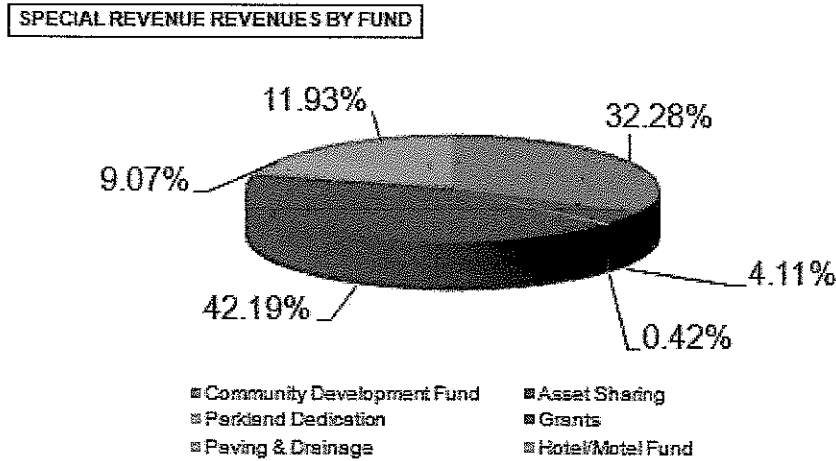
Total budgeted revenues and expenditures for this fund are \$673,000.

Hotel/Motel

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

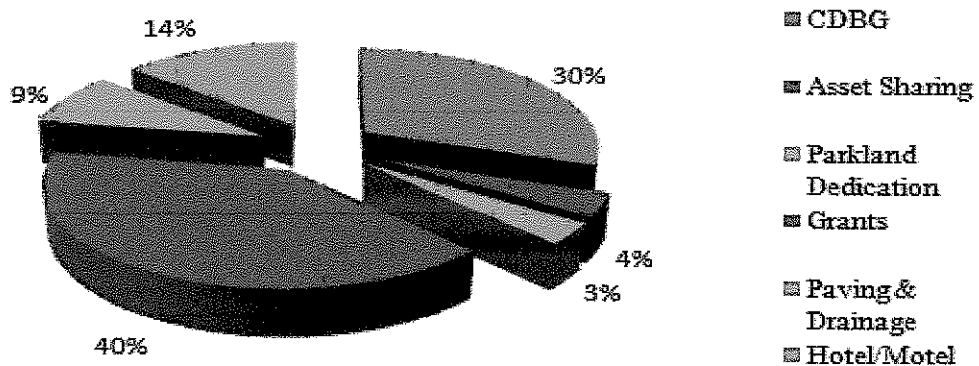
Total budgeted revenues for this fund are \$884,600. The expenditures are budgeted at \$1,081,190. Prior year's net revenues/fund balance will be used up greater than 27%. The purpose for this is to pay for a feasibility study to analyze the possibility of renovating the convention center.

The following graph distributes the total special revenue per fund.



Expenditures for the special revenue funds are distributed in various ways. Total special revenue expenditures are budgeted at \$7,853,550. The following graph should help in analyzing which special revenue funds are budgeted in comparison to one another.

SPECIAL REVENUE EXPENDITURES BY FUND



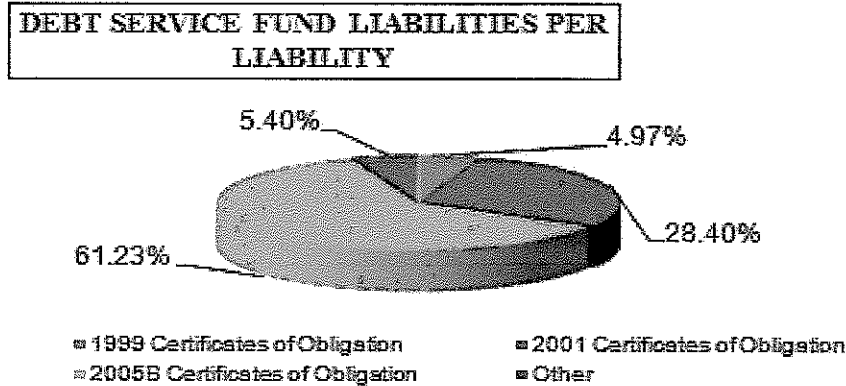
DEBT SERVICE

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

Debt service requirements remained fairly steady this fiscal year since no new bond issuances were scheduled. This fiscal year, bond payments and expenditures are estimated to be \$2,224,540. In the calculation of the tax rate, only the bond liabilities were used to calculate the amount needed for liabilities. The collection of taxes should be sufficient to cover the expenditures of the note liability. At a collection rate estimated at 90%, current property tax revenues are estimated to generate \$1,549,760, other tax collections are budgeted at \$162,000,

other revenue is budgeted at \$512,780. No new debt payments are budgeted from previous fiscal years.

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



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

For the second straight fiscal year, all major general capital projects were purposefully put on hold. Due to the materially sized negative fund balance identified during the annual audit report for September 30, 2007, the unreserved fund balance was identified as in need of drastic improvement. Stopping any new capital projects from beginning is a major part in improving our fund balance. Budgeted expenditures are \$0.00.

UTILITY CAPITAL PROJECTS

The utility projects revenues are budgeted at \$1,216,000. The expenditures are budgeted at \$57,575,940. Prior year's net revenues/fund balance will be used up in its entirety, 100%. For this fiscal year, there are eleven utility capital projects: raw water pump upgrade; waterline upgrade; wastewater collection system improvements (6); wastewater and a water treatment plant construction; and a waterline relocation (Sugar Road) project.

The major projects are: the Wastewater Collection System upgrade with a projected total project cost of \$39,900,000, Wastewater Treatment Plant Expansion with a projected total project cost of \$14,700,000, and the Water Treatment Plant Expansion with a projected total project cost of \$14,000,000. The projects are needed to meet Texas Commission on Environment Quality standards as well as growth needs. Debt has been issued for these funds and is paid by the Utility Fund.

BRIDGE CAPITAL PROJECTS

The bridge project expense is budgeted at \$0. For this fiscal year, there are not any projects budgeted.

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.

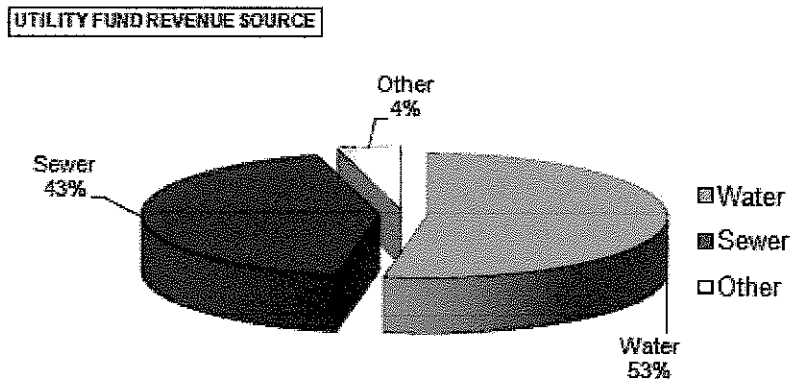
Utility Fund

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 \$12,170,200, which is a decrease of nearly 0.6% over last year's budget. The decrease is attributable to the tap fees associated with new connections.

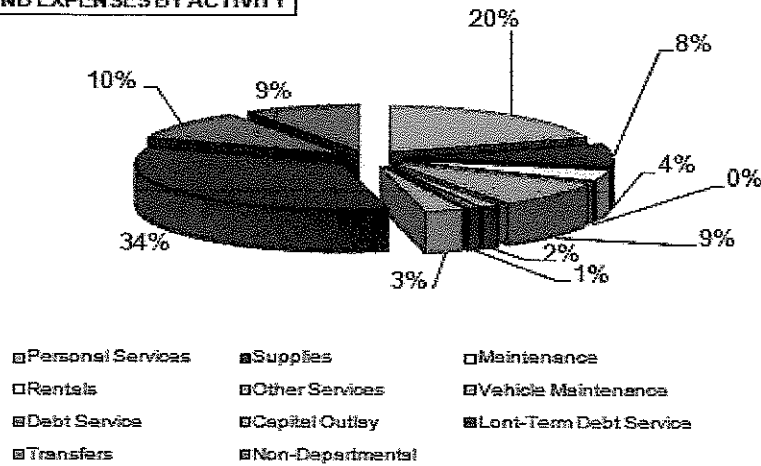
As illustrated in the following graph, there are three main revenue sources. The major revenue source comes from water and sewer revenues due to consumption. Water is budgeted at \$6.44 million; this is an increase of 3.0% from the previous budget. The increase is mainly attributable to the scheduled utility consumption trend. Sewer is budgeted at \$5.21 million; this is an increase of 2.6% from the previous budget. The increase is mainly due to the attempt to bring budgeted revenues closer to actual amounts. Other revenue is budgeted at \$518,200, this is a decrease of 43.2% from the previous budget. Other revenue mainly consists of tapping fees, reconnects, and interest. The decrease is due to the estimated decrease in tapping charges. 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 \$12.17 million, a decrease of \$780,220 or nearly 6.0% of last year's budget. The major reason for this decrease is due to the decrease of \$130,340 million in transfer out expenses. The change in transfers is due to the change in reimbursement calculation for General Fund services. The other main change is the continued reduction in budgeted personnel in the Utility Fund. Personnel expenses were reduced by \$359,670. The pie-chart on the following page depicts how the expenses are allocated among activities.

UTILITY FUND EXPENSES BY ACTIVITY



The table below identifies the budget comparison per department:

Department	Fiscal Year		Increase/ (Decrease)	Percent Change
	2009/10	2008/09		
Administration	\$ 554,200	\$ 729,590	\$ (175,390)	-24.0%
Water Production	1,270,940	1,363,950	(93,010)	-6.8%
Water Distribution	1,608,710	1,765,490	(156,780)	-8.9%
Water Treatment Plant	1,610,530	1,767,590	(157,060)	-8.9%
Sewer Collection	612,560	782,880	(170,320)	-21.8%
Debt Service	4,162,460	4,158,580	3,880	0.1%
Transfers Out	1,247,200	1,377,540	(130,340)	-9.5%
Non-Departmental	1,103,600	1,004,800	98,800	9.8%
	\$ 12,170,200	\$ 12,950,420	\$ (780,220)	

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.

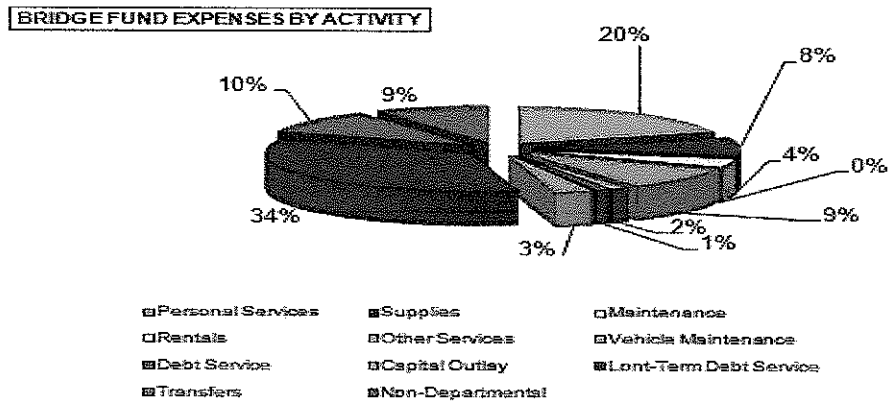
Revenues

The Bridge Fund is budgeted at \$8,365,990, which is a decrease of nearly \$1.28 million, or 13.3%, over last year’s budget. The decrease is attributable to the lack of capital lease funds that are not expected this fiscal year; the bridge budgeted \$850,000 million last fiscal year and is not expected to be available this fiscal year. The difference is an estimated 5% reduction in toll fee revenues.

Expenses

The bridge’s overall appropriation, including expenses and transfers-out is \$8.36 million, a decrease of \$1.82 million or nearly 17.9% of last year’s budget. The major reason for this

decrease is due to the decreases in transfers out to the General Fund (reduced \$1.2 million) and capital outlay of \$690,000. The following chart depicts how the expenses are allocated among activities.



GOLF COURSE FUND

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

The Golf Course Fund is balanced and is budgeted at \$882,000, which is a decrease of nearly \$67,540, or 7.1%, over last year’s expense budget. The decrease is attributable to the reduction in transfers from the General Fund.

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 is \$444,760.

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 to this fund are budgeted at \$31,000. Deductions are budgeted for the payment of pension due to the retired volunteers or their spouses. Deductions are budgeted at \$12,300.

CITYWIDE

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

Revenues for the fiscal year 2009-10 are \$65,975,630. The difference between funds was stated earlier in this Executive Summary, the comparisons between fiscal years are as follows:

Fund	FISCAL YEAR		Increase/	Percent
	2009-10	2008-09	(Decrease)	Change
General Fund	\$ 31,346,740	\$ 34,268,120	\$ (2,921,380)	-8.5%
General Contingency Reserve Fund	1,876,440	1,927,200	(50,760)	-2.6%
Community Development Fund	2,394,560	1,574,820	819,740	52.1%
Asset Sharing	305,000	151,500	153,500	101.3%
Parkland Dedication	31,000	33,000	(2,000)	-6.1%
Grants	3,129,800	540,050	2,589,750	479.5%
Paving & Drainage	673,000	-	673,000	0.0%
Hotel/Motel Fund	884,600	920,000	(35,400)	-3.8%
General Capital Project Fund	-	-	-	0.0%
Utility Capital Project Fund	1,216,000	1,424,820	(208,820)	-14.7%
Bridge Capital Project Fund	-	1,700,000	(1,700,000)	-100.0%
Debt Service Fund	2,224,540	2,220,860	3,680	0.2%
Garage Fund	444,760	481,260	(36,500)	-7.6%
Utility Fund	12,170,200	12,241,780	(71,580)	-0.6%
Bridge Fund	8,365,990	9,649,790	(1,283,800)	-13.3%
Golf Course Fund	882,000	949,540	(67,540)	-7.1%
Volunteer Firemen Pension	31,000	31,000	-	0.0%
	\$ 65,975,630	\$ 68,113,740	\$ (2,138,110)	

Expenditures for the fiscal year 2009-10 are \$122,752,460. The difference between funds was stated earlier in this Executive Summary, the comparisons between fiscal years are as follows:

Fund	FISCAL YEAR		Increase/ (Decrease)	Percent Change
	2009-10	2008-09		
General Fund	\$ 31,346,740	\$ 34,268,120	\$ (2,921,380)	-8.5%
General Contingency Reserve Fund	1,876,440	1,927,200	(50,760)	-2.6%
Community Development Fund	2,394,560	1,574,820	819,740	52.1%
Asset Sharing	305,000	151,500	153,500	101.3%
Parkland Dedication	270,000	298,000	(28,000)	-9.4%
Grants	3,129,800	590,050	2,539,750	430.4%
Paving & Drainage	673,000	-	673,000	0.0%
Hotel/Motel Fund	1,081,190	470,010	611,180	130.0%
General Capital Project Fund	-	-	-	0.0%
Utility Capital Project Fund	57,575,940	32,418,060	25,157,880	77.6%
Bridge Capital Project Fund	-	1,700,000	(1,700,000)	-100.0%
Debt Service Fund	2,224,540	2,220,860	3,680	0.2%
Garage Fund	444,760	481,260	(36,500)	-7.6%
Utility Fund	12,170,200	12,950,420	(780,220)	-6.0%
Bridge Fund	8,365,990	10,190,060	(1,824,070)	-17.9%
Golf Course Fund	882,000	949,540	(67,540)	-7.1%
Volunteer Firemen Pension	12,300	12,300	-	0.0%
	\$ 122,752,460	\$ 100,202,200	\$ 22,550,260	

TRANSFERS IN/OUT

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

<u>Transfers</u>	FY 2009/10	
	<u>IN</u>	<u>Out</u>
General Fund - Bridge	\$ 2,000,000	
General Fund - PEDC	\$ 124,500	
General Fund - Utility	314,600	
General Fund - Golf	30,000	
General Fund - CDBG		64,590
General Fund - Volunteer		30,000
General Fund - Contingency		1,767,340
General Fund - Fund Balance		29,100
CDBG Fund - General	64,590	
Debt Service Fund - Bridge		108,360
Debt Service Fund - PEDC	497,780	
Utility Fund - General		314,600
Utility Fund - Utility CIP		916,000
Bridge Fund - General		2,000,000
Bridge Fund - Hotel/Motel	77,830	
Bridge Fund - Debt Service	108,360	
PEDC - General		124,500
PEDC - Utility CIP		300,000
PEDC - Debt Service		497,780
Hotel/Motel Fund -Bridge		77,830
Utility CIP - Utility	916,000	
Utility CIP - PEDC	300,000	
Golf Fund - General		30,000
Volunteer Firemen - General	30,000	
General Contingency	1,767,340	
General Contingency	29,100	
	\$ 6,260,100	\$ 6,260,100

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	Traffic Safety	01-513-8803	42,500	Bucket truck (half paid by bridge)
General	Fire	01-515-8803	23,300	Passanger Van
General	Fire	01-515-8803	20,190	Medium Duty Truck for EMC
General	Fire	01-515-8804	10,000	Fire Gear Washer/Extractor
General	Streets	01-517-8803	15,000	Paving & Drainage Truck
General	Library	01-520-8804	15,000	Library IT upgrade system
General	Library	01-520-8812	85,500	Library Books
General	Non-Departmental	01-530-9902	10,000	Land/Right of Way
			\$ 221,490	
Special Rev	CDBG	30-510-xxxx	1,469,000	Street Improvements
Special Rev	Parkland Dedication	22-522-8806	270,000	Engineering for Swimming Pool
Special Rev	Grant - Police	32-512-8804	80,000	Operation Stonegarden vehicle purchase
Special Rev	Grant - Library	32-520-8804	150,000	Library IT upgrade system
			\$ 1,969,000	
Utility	Water Plant	60-582-8804	10,000	Air Conditioners
Utility	Water Plant	60-582-8806	20,000	West and East Ground Storage Tanks
Utility	Water Distribution	60-583-8803	108,000	JD Backhoe
Utility	Water Distribution	60-583-8803	14,500	Truck
Utility	Wastewater Treatment Plant	60-584-8804	5,000	Air Conditioner
Utility	Wastewater Treatment Plant	60-584-8806	25,000	Hopper Assembly Headworks
Utility	Lift Station	60-586-8803	18,000	Truck
Utility	Lift Station	60-586-8806	160,000	Nolana junction box project
Utility	Non-Departmental	60-587-9902	4,000	Land/Right of Way
			\$ 364,500	
Bridge	Bridge Admin	70-510-8801	10,000	Coin machine
Bridge	Bridge Admin	70-510-8803	42,500	Bucket truck (half paid by bridge)
Bridge	Bridge Admin	70-510-8804	10,000	Data recording system
Bridge	Bridge Admin	70-510-8804	40,000	Air conditioning system
Bridge	Bridge Admin	70-510-8805	50,000	Joint repair on bridge
Bridge	Bridge Admin	70-510-8806	17,500	Security camera equipment
			\$ 170,000	
			\$ 2,724,990	
<u>Capital Projects Funded</u>				
Utility	Water Admin	61-587-8869	6,517,980	Wastewater collection system phase 1b
Utility	Water Admin	61-587-8870	8,224,120	Wastewater collection system phase 1c
Utility	Water Admin	61-587-8871	1,494,460	Wastewater collection system phase 1d
Utility	Water Admin	61-587-8872	9,400,000	Wastewater collection system phase 1e
Utility	Water Admin	61-587-8865	13,500,000	Wastewater Treatment Plant
Utility	Water Admin	61-587-8867	14,009,560	Water Treatment Plant
Utility	Water Admin	61-587-8864	120,000	Raw Water Pump
Utility	Water Admin	61-587-8866	216,000	E Polk Waterline upgrade
Utility	Water Admin	61-587-8862	968,200	Wastewater collection system engineering
Utility	Water Admin	61-587-8868	2,425,620	Wastewater collection system phase 1a
Utility	Water Admin	61-587-8873	700,000	Sugar Road Waterline Relocation
			57,575,940	



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FINANCIAL BUDGET SECTION



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

	ACTUAL 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
REVENUES					
<i>General:</i>					
General Fund	43,392,392	34,268,120	33,917,030	34,487,732	31,346,740
General Contingency Reserve Fund	1,000,356	1,927,200	2,932,200	3,996,500	1,876,440
<i>Total General Funds</i>	44,392,748	36,195,320	36,849,230	38,484,232	33,223,180
<i>Special Revenue Funds:</i>					
Community Development Fund	1,101,779	1,574,820	1,574,820	1,122,280	2,394,560
Asset Sharing	609,547	151,500	151,500	371,100	305,000
Parkland Dedication	30,590	33,000	33,000	23,500	31,000
Grants	686,190	540,050	540,050	380,900	3,129,800
Paving & Drainage	-	-	-	-	673,000
Hotel/Motel Fund	1,048,602	920,000	920,000	825,000	884,600
<i>Total Special Revenue Funds</i>	3,476,709	3,219,370	3,219,370	2,722,780	7,417,960
<i>Capital Project Fund:</i>					
General Capital Project Fund	5,898,350	-	-	276,264	-
Utility Capital Project Fund	-	1,424,820	1,424,820	8,185,405	1,216,000
Bridge Capital Project Fund	-	1,700,000	1,700,000	1,700,000	-
	5,898,350	3,124,820	3,124,820	10,161,669	1,216,000
<i>Debt Service Fund:</i>					
Debt Service Fund	2,253,830	2,220,860	2,173,860	2,245,240	2,224,540
<i>Internal Service Fund:</i>					
Garage Fund	529,232	481,260	481,260	487,537	444,760
<i>Enterprise Funds:</i>					
Utility Fund	20,264,690	12,241,780	12,241,780	12,967,080	12,170,200
Bridge Fund	10,831,635	9,649,790	9,649,790	9,744,688	8,365,990
Golf Course Fund	6,910,636	949,540	949,540	863,998	882,000
<i>Total Enterprise Funds</i>	38,006,961	22,841,110	22,841,110	23,575,766	21,418,190
<i>Agency Fund:</i>					
Volunteer Firemen Pension	362,584	31,000	31,000	31,000	31,000
Total Revenues	94,920,414	68,113,740	68,720,650	77,708,224	65,975,630

EXPENDITURES/EXPENSES

<i>General:</i>									
General Fund	\$ 43,173,404	\$ 34,268,120	\$ 35,105,230	\$ 34,110,630	\$ 31,346,740				
General Contingency Reserve Fund	-	1,927,200	1,927,200	-	1,876,440				
<i>Total General Funds</i>	<u>43,173,404</u>	<u>36,195,320</u>	<u>37,032,430</u>	<u>34,110,630</u>	<u>33,223,180</u>				
<i>Special Revenue Funds:</i>									
Community Development Fund	981,389	1,574,820	1,574,820	1,237,839	2,394,560				
Asset Sharing	408,658	151,500	151,500	518,500	305,000				
Parkland Dedication	138,862	298,000	298,000	9,370	270,000				
Grants	643,897	590,050	590,050	380,900	3,129,800				
Paving & Drainage	-	-	-	-	673,000				
Hotel/Motel Fund	330,937	470,010	2,089,890	2,118,890	1,081,190				
<i>Total Special Revenue Funds</i>	<u>2,503,743</u>	<u>3,084,380</u>	<u>4,704,260</u>	<u>4,265,499</u>	<u>7,853,550</u>				
<i>Capital Project Fund:</i>									
General Capital Project Fund	6,652,215	-	-	275,770	-				
Utility Capital Project Fund	1,415,554	32,418,060	32,418,060	4,030,600	57,575,940				
Bridge Capital Project Fund	1,838,406	1,700,000	1,700,000	1,700,000	-				
	9,906,175	34,118,060	34,118,060	6,006,370	57,575,940				
<i>Debt Service Fund:</i>									
Debt Service Fund	3,198,116	2,220,860	2,220,860	2,220,860	2,224,540				
<i>Internal Service Fund:</i>									
Garage Fund	1,490,670	481,260	481,260	457,537	444,760				
<i>Enterprise Funds:</i>									
Utility Fund	16,482,179	12,950,420	12,747,270	10,963,936	12,170,200				
Bridge Fund	10,495,654	10,190,060	10,361,380	9,937,673	8,365,990				
Golf Course Fund	1,173,715	949,540	949,540	863,998	882,000				
<i>Total Enterprise Funds</i>	<u>28,151,548</u>	<u>24,090,020</u>	<u>24,058,190</u>	<u>21,765,607</u>	<u>21,418,190</u>				
<i>Agency Fund:</i>									
Volunteer Fireman Pension	6,525	12,300	12,300	12,300	12,300				
<i>Total Expenditures/Expenses</i>	<u>88,430,181</u>	<u>100,202,200</u>	<u>102,627,360</u>	<u>68,838,803</u>	<u>122,752,460</u>				
Net Revenues Over/(Under) Expenditures/Expenses,	6,490,233	(32,088,460)	(33,906,710)	8,869,421	(56,776,830)				
Change in Available Resources									

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

	ESTIMATED BEGINNING FUND BALANCE/ NET ASSETS 9/30/09	BUDGETED OPERATING REVENUES 2009-2010	DEBT PROCEEDS 2009-2010	TRANSFER IN 2009-2010	TRANSFER OUT 2009-2010
<i>General:</i>					
General Fund	4,260,103	28,877,640	-	2,469,100	(1,891,030)
General Contingency Reserve Fund	5,700,000	80,000	-	1,796,440	-
<i>Total General Funds</i>	<u>9,960,103</u>	<u>28,957,640</u>	<u>-</u>	<u>4,265,540</u>	<u>(1,891,030)</u>
<i>Special Revenue Funds:</i>					
Community Development Fund	132,580	2,329,970	-	64,590	-
Grants	928	3,129,800	-	-	-
Hotel/Motel Fund	709,807	884,600	-	-	(77,830)
Parkland Dedication	239,644	31,000	-	-	-
Asset Sharing	371,507	305,000	-	-	-
Paving & Drainage	-	673,000	-	-	-
<i>Total Special Revenue Funds</i>	<u>1,454,466</u>	<u>7,353,370</u>	<u>-</u>	<u>64,590</u>	<u>(77,830)</u>
<i>Capital Project Fund:</i>					
General Capital Project Fund	-	-	-	-	-
Bridge Capital Project Fund	-	-	-	-	-
Utility Capital Project Fund	56,359,940	-	-	1,216,000	-
	<u>56,359,940</u>	<u>-</u>	<u>-</u>	<u>1,216,000</u>	<u>-</u>
<i>Debt Service Fund:</i>					
Debt Service Fund	307,941	1,726,760	-	497,780	(108,360)
<i>Enterprise Funds:</i>					
Utility Fund	54,860,018	12,170,200	-	-	(1,230,600)
Bridge Fund	9,394,385	8,179,800	-	186,190	(2,000,000)
Golf Course Fund	4,259,309	882,000	-	-	(30,000)
<i>Total Enterprise Funds</i>	<u>68,513,712</u>	<u>21,232,000</u>	<u>-</u>	<u>186,190</u>	<u>(3,260,600)</u>
<i>Internal Service Fund:</i>					
Garage Fund	591,576	444,760	-	-	-
<i>Agency Fund:</i>					
Volunteer Firemen Pension	373,505	-	-	30,000	-
TOTALS	<u>131,861,243</u>	<u>59,634,530</u>	<u>-</u>	<u>4,463,660</u>	<u>(5,337,820)</u>

OPERATING EXPENDITURES/ EXPENSES 2009-2010	CAPITAL OUTLAY 2009-2010	LONG-TERM DEBT SERVICE 2009-2010	TOTAL APPROPRIATIONS (NOT INCLUDING TRANSFERS) 2009-2010	REVENUES OVER/ (UNDER) EXPENDITURES/ EXPENSES 2009-2010	PROJECTED ENDING FUND BALANCE/ NET ASSETS 9/30/10
(29,234,220)	(221,490)	-	(29,455,710)	-	4,260,103
(1,876,440)	-	-	(1,876,440)	-	5,700,000
<u>(31,110,660)</u>	<u>(221,490)</u>	<u>-</u>	<u>(31,332,150)</u>	<u>-</u>	<u>9,960,103</u>
(558,400)	(1,469,000)	(367,160)	(2,394,560)	-	132,580
(2,899,800)	(230,000)	-	(3,129,800)	-	928
(1,003,360)	-	-	(1,003,360)	(196,590)	513,217
-	(270,000)	-	(270,000)	(239,000)	644
(305,000)	-	-	(305,000)	-	371,507
(673,000)	-	-	(673,000)	-	-
<u>(5,439,560)</u>	<u>(1,969,000)</u>	<u>(367,160)</u>	<u>(7,775,720)</u>	<u>(435,590)</u>	<u>1,018,876</u>
-	-	-	-	-	-
-	-	-	-	-	-
-	(57,575,940)	-	(57,575,940)	(56,359,940)	-
-	<u>(57,575,940)</u>	<u>-</u>	<u>(57,575,940)</u>	<u>(56,359,940)</u>	<u>-</u>
(8,000)	-	(2,108,180)	(2,116,180)	-	307,941
(6,412,640)	(364,500)	(4,162,460)	(10,939,600)	-	54,860,018
(3,685,870)	(170,000)	(2,510,120)	(6,365,990)	-	9,394,385
(852,000)	-	-	(852,000)	-	4,259,309
<u>(10,950,510)</u>	<u>(534,500)</u>	<u>(6,672,580)</u>	<u>(18,157,590)</u>	<u>-</u>	<u>68,513,712</u>
(444,760)	-	-	(444,760)	-	591,576
(12,300)	-	-	(12,300)	17,700	391,205
<u>(46,089,350)</u>	<u>(60,300,930)</u>	<u>(9,147,920)</u>	<u>(115,538,200)</u>	<u>(56,777,830)</u>	<u>75,083,413</u>

CITY OF PHARR, TX
CITY-WIDE BUDGET SUMMARY OF MAJOR REVENUES & EXPENDITURES/EXPENSES

	GENERAL FUND		SPECIAL REVENUE FUNDS					
	GENERAL FUND	GENERAL CONTINGENCY	CDBG	GRANTS	HOTEL/MOTEL	PARKLAND DEDICATION	ASSET SHARING	PAVING & DRAINAGE
REVENUES								
Taxes								
Property Tax	\$ 12,603,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property Tax Penalty and Interest	544,200	-	-	-	-	-	-	-
Sales Tax	7,835,500	-	-	-	-	-	-	-
Franchise Tax	1,879,400	-	-	-	-	-	-	-
Hotel Tax	-	-	-	-	854,600	-	-	-
Other Taxes	168,800	-	-	-	-	-	-	-
Total Taxes	23,030,900	-	-	-	854,600	-	-	-
Sanitation and Brush								
Sanitation	2,040,000	-	-	-	-	-	-	-
Brush	936,000	-	-	-	-	-	-	-
Total Sanitation and Brush	2,976,000	-	-	-	-	-	-	-
Revenue Producing Facilities	460,640	-	-	-	-	-	-	-
Fines and Fees	1,210,400	-	-	-	-	-	-	-
License and Permits	473,000	-	-	-	-	-	-	-
Charges For Current Services	330,120	-	-	-	-	28,000	-	660,000
Intergovernmental	316,580	-	2,329,970	3,129,800	-	-	300,000	-
Interest	80,000	80,000	-	-	30,000	3,000	5,000	13,000
Total Operating Revenues	28,877,640	80,000	2,329,970	3,129,800	884,600	31,000	305,000	673,000
Transfers In	2,469,100	1,796,440	64,590	-	-	-	-	-
Total Revenues	\$ 31,346,740	\$ 1,876,440	2,394,560	3,129,800	884,600	31,000	305,000	673,000

EXPENDITURES/EXPENSES								
Personnel Services	\$ 19,348,950	\$ -	\$ 247,830	\$ 1,717,250	\$ 186,590	\$ -	\$ -	\$ -
Supplies	807,230	-	7,000	579,290	15,000	-	305,000	373,000
Maint., Rentals, & Vehicle Maint.	1,815,650	-	8,220	600,000	50,000	-	-	-
Other Services	2,226,800	-	22,500	3,260	480,000	-	-	300,000
Debt Service	962,590	-	367,160	-	-	-	-	-
Capital Outlay	211,490	-	1,469,000	230,000	-	270,000	-	-
Transfers Out	1,891,030	-	-	-	77,830	-	-	-
Non-Departmental	4,083,000	1,876,440	272,850	-	271,770	-	-	-
Total Expenditures/Expenses	\$ 31,346,740	\$ 1,876,440	\$ 2,394,560	\$ 3,129,800	\$ 1,081,190	\$ 270,000	\$ 305,000	\$ 673,000

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 PENSION	
\$ -	\$ -	\$ -	\$ 1,641,760	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,244,760
-	-	-	70,000	-	-	-	-	-	614,200
-	-	-	-	-	-	-	-	-	7,835,500
-	-	-	-	-	-	-	-	-	1,879,400
-	-	-	-	-	-	-	-	-	854,600
-	-	-	-	-	-	-	-	-	168,800
-	-	-	1,711,760	-	-	-	-	-	25,597,260
-	-	-	-	-	-	-	-	-	2,040,000
-	-	-	-	-	-	-	-	-	936,000
-	-	-	-	-	-	-	-	-	2,976,000
-	-	-	-	-	-	-	-	-	460,640
-	-	-	-	-	-	-	-	-	1,210,400
-	-	-	-	-	-	-	-	-	473,000
-	-	-	-	11,670,200	8,119,800	880,000	444,760	-	22,132,880
-	-	-	-	-	-	-	-	-	6,076,350
-	-	-	15,000	500,000	60,000	2,000	-	-	788,000
-	-	-	1,726,760	12,170,200	8,179,800	882,000	444,760	-	59,714,530
-	-	1,216,000	497,780	-	186,190	-	-	30,000	6,260,100
-	-	1,216,000	2,224,540	12,170,200	8,365,990	882,000	444,760	30,000	65,974,630

\$ -	\$ -	\$ -	\$ -	\$ 2,391,680	\$1,016,200	\$ 519,440	\$ 151,510	\$ -	\$ 25,579,450
-	-	-	-	1,014,190	73,000	77,820	8,950	-	3,260,480
-	-	-	-	627,950	129,000	85,260	274,660	-	3,590,740
-	-	-	8,000	1,132,970	670,200	155,190	9,640	-	5,008,560
-	-	-	2,108,180	4,292,110	205,250	14,290	-	-	7,949,580
-	-	57,575,940	-	360,500	170,000	-	-	-	60,286,930
-	-	-	108,360	1,230,600	2,000,000	30,000	-	-	5,337,820
-	-	-	-	1,120,200	1,592,220	-	-	12,300	9,228,780
\$ -	\$ -	\$57,575,940	\$ 2,224,540	\$ 12,170,200	\$5,855,870	\$882,000	\$ 444,760	\$ 12,300	\$ 120,242,340



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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, 2009 THROUGH SEPTEMBER 30, 2010

Note: payroll fund not included

	<u>ACTUAL</u> <u>2007-2008</u>	<u>ORIGINAL</u> <u>BUDGET</u> <u>2008-2009</u>	<u>AMENDED</u> <u>BUDGET</u> <u>2008-2009</u>	<u>PROJECTED</u> <u>ACTUAL</u> <u>2008-2009</u>	<u>BUDGET</u> <u>2009-2010</u>
REVENUES					
General Tax Revenue					
Property	\$ 11,450,404	\$ 13,074,290	\$ 12,718,290	\$ 12,847,300	\$ 13,147,200
Sales	8,478,696	8,329,000	8,162,000	8,162,000	7,835,500
Franchise	1,897,438	1,858,120	1,858,120	1,908,120	1,879,400
Other	183,154	170,000	170,000	182,000	168,800
Total	<u>22,009,692</u>	<u>23,431,410</u>	<u>22,908,410</u>	<u>23,099,420</u>	<u>23,030,900</u>
Licenses and permits					
Building	422,618	300,000	300,000	420,000	220,000
Professional services	152,056	155,000	155,000	156,567	150,000
Other	148,818	60,300	60,300	147,275	103,000
Total	<u>723,493</u>	<u>515,300</u>	<u>515,300</u>	<u>723,842</u>	<u>473,000</u>
Intergovernmental					
Grants	1,766	-	-	-	-
School security	203,477	229,940	229,940	229,940	310,580
County fire runs	11,300	6,000	6,000	6,000	6,000
Total	<u>216,542</u>	<u>235,940</u>	<u>235,940</u>	<u>235,940</u>	<u>316,580</u>
Fees and charges:					
Sanitation	3,868,368	3,677,100	2,077,100	2,077,100	2,040,000
Brush	1,011,182	988,380	988,380	928,380	936,000
Wells Fargo rental	205,014	204,960	204,960	204,960	204,960
Other rentals	350,834	298,680	298,680	291,680	253,680
Other fees	331,234	295,000	355,000	222,500	240,190
Total	<u>5,766,632</u>	<u>5,464,120</u>	<u>3,924,120</u>	<u>3,724,620</u>	<u>3,674,830</u>
Fines					
Court fines	684,299	762,600	762,600	1,078,090	1,070,000
Police records/fees	99,075	92,210	92,210	104,370	102,000
Library fines	31,687	27,000	27,000	36,000	38,400
Total	<u>815,060</u>	<u>881,810</u>	<u>881,810</u>	<u>1,218,460</u>	<u>1,210,400</u>
Interest income	Total 149,113	50,000	50,000	100,000	80,000
Contributions and donations					
Toys 4 Tots	6,962	-	-	-	-
Children's Christmas fund	2,568	-	-	-	-
Total	<u>9,529</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Other					
Miscellaneous	459,914	100,000	100,000	80,000	81,930
Oil and gas royalties	16,846	9,000	9,000	13,000	10,000
Total	<u>476,760</u>	<u>109,000</u>	<u>109,000</u>	<u>93,000</u>	<u>91,930</u>
Total revenues	<u>30,166,822</u>	<u>30,687,580</u>	<u>28,624,580</u>	<u>29,195,282</u>	<u>28,877,640</u>

	<u>ACTUAL</u> <u>2007-2008</u>	<u>ORIGINAL</u> <u>BUDGET</u> <u>2008-2009</u>	<u>AMENDED</u> <u>BUDGET</u> <u>2008-2009</u>	<u>PROJECTED</u> <u>ACTUAL</u> <u>2008-2009</u>	<u>BUDGET</u> <u>2009-2010</u>
EXPENDITURES					
Current:					
General government	4,925,056	4,782,780	4,890,140	4,692,151	4,795,740
Public safety	18,273,923	17,652,370	18,343,230	17,295,461	17,058,140
Highways and streets	2,270,708	1,961,690	2,238,490	1,972,364	2,009,040
Health and welfare	4,305,918	4,413,550	2,813,550	2,593,550	2,516,250
Culture and recreation	3,528,231	3,426,490	3,373,830	3,194,154	3,076,540
Debt service	-	-	-	-	-
Total expenditures	<u>33,303,836</u>	<u>32,236,880</u>	<u>31,659,240</u>	<u>29,747,680</u>	<u>29,455,710</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,137,014)</u>	<u>(1,549,300)</u>	<u>(3,034,660)</u>	<u>(552,398)</u>	<u>(578,070)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in					
Bridge	5,242,020	3,106,540	3,248,570	3,248,570	2,000,000
PEDC	-	-	-	-	124,500
Other	422,436	-	1,569,880	1,569,880	-
Utility	4,684,115	444,000	444,000	444,000	314,600
Golf Course	-	30,000	30,000	30,000	30,000
Total	<u>10,348,570</u>	<u>3,580,540</u>	<u>5,292,450</u>	<u>5,292,450</u>	<u>2,469,100</u>
Transfers (out)					
Contingency	-	(1,611,840)	(2,616,840)	(2,616,840)	(1,767,340)
Fund Balance Improvement	-	(306,360)	(306,360)	(1,306,360)	(29,100)
Golf Course	(299,423)	(83,040)	(83,040)	-	-
Volunteer Firemen Pension	-	(30,000)	(30,000)	(30,000)	(30,000)
Other	(9,570,145)	-	(409,750)	(409,750)	(64,590)
Total	<u>(9,869,569)</u>	<u>(2,031,240)</u>	<u>(3,445,990)</u>	<u>(4,362,950)</u>	<u>(1,891,030)</u>
Lease proceeds	<u>2,877,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses	<u>3,356,002</u>	<u>1,549,300</u>	<u>1,846,460</u>	<u>929,500</u>	<u>578,070</u>
Net change in fund balance	218,988	-	(1,188,200)	377,102	-
Fund balance (deficit) - beginning	4,600,125	3,883,001	3,883,001	3,883,001	4,260,103
Prior period adjustment	(936,112)	-	-	-	-
Fund balance - ending	<u>\$ 3,883,001</u>	<u>\$ 3,883,001</u>	<u>\$ 2,694,801</u>	<u>\$ 4,260,103</u>	<u>\$ 4,260,103</u>

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

	ACTUAL 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
Revenues					
500 - General Tax Revenue	\$ 20,002,953	\$ 21,463,290	\$ 20,940,290	\$ 21,081,300	\$ 21,054,700
520 - Gross Receipts	2,006,739	1,968,120	1,968,120	2,018,120	1,976,200
530 - Revenue Producing Facilities	5,447,742	5,187,120	3,587,120	3,509,120	3,436,640
540 - Fines and Fees	815,060	881,810	881,810	1,218,460	1,210,400
550 - Licenses and Permits	723,493	515,300	515,300	723,842	473,000
560 - Charges for Current Services	1,159,539	671,940	731,940	644,440	726,700
570 - Grants	11,295	-	-	-	-
580 - Transfers/Others	13,225,570	3,580,540	5,292,450	5,292,450	2,469,100
Total Revenues	\$ 43,392,392	\$ 34,268,120	\$ 33,917,030	\$ 34,487,732	\$ 31,346,740
Expenditures					
10 - City Manager's Office	\$ 1,280,722	\$ 909,400	\$ 957,160	\$ 881,476	\$ 947,390
11 - Finance Department	639,529	625,370	634,940	540,397	679,370
12 - Police Department	11,008,543	10,827,360	10,681,420	10,299,415	10,366,060
13 - Traffic Safety	1,182,354	1,344,480	1,387,440	1,285,030	1,205,350
14 - Municipal Court	447,514	398,780	393,740	387,078	391,270
15 - Fire Protection	5,875,542	5,318,000	6,116,880	5,560,188	5,331,710
16 - Administrative Services	-	394,470	461,120	444,943	455,470
17 - Street Maintenance	2,270,708	1,961,690	2,238,490	1,972,364	2,009,040
20 - Municipal Library	982,291	1,090,720	1,074,290	955,222	1,048,200
22 - Parks & Recreation	2,545,940	2,335,770	2,299,540	2,238,932	2,028,340
27 - Planning & Community Development	998,783	1,103,530	1,086,910	907,095	910,510
30 - Non-Departmental	15,941,478	7,958,550	7,773,300	8,638,490	5,974,030
Total Expenditures	\$ 43,173,404	\$ 34,268,120	\$ 35,105,230	\$ 34,110,630	\$ 31,346,740
Net Revenues Over/(Under) Expenditures	\$ 218,988	\$ -	\$ (1,188,200)	\$ 377,102	\$ -

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

	ACTUAL 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
Department					
10 - City Manager's Office	\$ 1,280,722	\$ 909,400	\$ 957,160	\$ 881,476	\$ 947,390
11 - Finance Department	639,529	625,370	634,940	540,397	679,370
12 - Police Department	11,008,543	10,827,360	10,681,420	10,299,415	10,366,060
13 - Traffic Safety	1,182,354	1,344,480	1,387,440	1,285,030	1,205,350
14 - Municipal Court	447,514	398,780	393,740	387,078	391,270
15 - Fire Protection	5,875,542	5,318,000	6,116,880	5,560,188	5,331,710
16 - Administrative Services	-	394,470	461,120	444,943	455,470
17 - Street Maintenance	2,270,708	1,961,690	2,238,490	1,972,364	2,009,040
20 - Municipal Library	982,291	1,090,720	1,074,290	955,222	1,048,200
22 - Parks & Recreation	2,545,940	2,335,770	2,299,540	2,238,932	2,028,340
27 - Planning & Community Development	998,783	1,103,530	1,086,910	907,095	910,510
30 - Non-Departmental	15,941,478	7,958,550	7,773,300	8,638,490	5,974,030
Total Expenditures	\$ 43,173,404	\$ 34,268,120	\$ 35,105,230	\$ 34,110,630	\$ 31,346,740
Activity					
1100- Personnel Services	\$ 18,703,997	\$ 20,076,760	\$ 19,748,396	\$ 18,522,029	\$ 19,348,950
2200- Supplies	744,741	810,620	805,250	732,308	807,230
3300- Maintenance	389,554	379,200	377,200	337,040	355,390
4400- Rentals	135,490	155,370	156,370	157,450	153,900
5500- Other Services	2,486,640	2,590,540	2,647,104	2,340,679	2,226,800
6600- Vehicle Maintenance	1,231,690	1,158,760	929,410	868,920	1,306,360
7700- Debt Service	1,260,401	970,200	970,200	977,200	962,590
8800- Capital Outlay	2,279,412	168,120	1,698,000	1,536,514	211,490
9900- Transfers Out	9,869,569	2,031,240	3,445,990	4,362,950	1,891,030
9900- Non-Departmental	6,071,910	5,927,310	4,327,310	4,275,540	4,083,000
Total Expenditures	\$ 43,173,404	\$ 34,268,120	\$ 35,105,230	\$ 34,110,630	\$ 31,346,740
Function					
General government	\$ 4,925,056	\$ 4,782,780	\$ 4,890,140	\$ 4,692,151	\$ 4,795,740
Public safety	18,273,923	17,652,370	18,343,230	17,295,461	17,058,140
Highways and streets	2,270,708	1,961,690	2,238,490	1,972,364	2,009,040
Health and welfare	4,305,918	4,413,550	2,813,550	2,593,550	2,516,250
Culture and recreation	3,528,231	3,426,490	3,373,830	3,194,154	3,076,540
Transfers Out	9,869,569	2,031,240	3,445,990	4,362,950	1,891,030
Total Expenditures	\$ 43,173,404	\$ 34,268,120	\$ 35,105,230	\$ 34,110,630	\$ 31,346,740

City of Pharr, Texas

Department: City Manager's Office

Function: General

Fund: General

EXPENDITURES	Actual 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 636,134	\$ 393,670	\$ 400,706	\$ 429,935	\$ 437,600
Employee Benefits	186,852	126,210	109,090	120,632	112,300
Supplies	42,416	22,390	24,890	13,390	37,240
Maintenance	29,307	12,620	7,620	1,000	5,640
Rentals	7,892	9,180	9,180	7,060	7,820
Contractual Services	173,730	152,000	152,000	152,000	165,000
Other Services	200,178	188,530	185,794	155,559	176,790
Vehicle Maintenance	4,214	4,800	4,800	1,900	5,000
Debt Service	-	-	-	-	-
Capital Outlay	-	-	63,080	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,280,722	\$ 909,400	\$ 957,160	\$ 881,476	\$ 947,390

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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 311,203	\$ 252,130	\$ 256,750	\$ 272,594	\$ 362,170
Employee Benefits	131,018	119,990	114,560	93,973	116,390
Supplies	46,641	59,000	54,380	28,380	37,500
Maintenance	24,020	25,540	25,540	15,540	17,310
Rentals	4,854	5,400	5,400	5,400	5,520
Contractual Services	42,763	90,000	90,000	70,000	97,000
Other Services	53,108	53,980	53,980	35,180	38,500
Vehicle Maintenance	-	-	-	-	-
Debt Service	7,455	19,330	19,330	19,330	4,980
Capital Outlay	18,467	-	15,000	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 639,529	\$ 625,370	\$ 634,940	\$ 540,397	\$ 679,370

Purpose

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

Main Duties

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

Divisions

Accounting, Accounts Payable, Purchasing

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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
Output:					
1 Prepare CAFR	Y	Y	Y	Y	Y
2 Prepare Official Budget Document	Y	Y	Y	Y	Y
3 Number of Qtrly Investment Report	1	4	4	4	4
Effectiveness:					
1 GFOA's CAFR award	N	Y	Y	Y	Y
2 GFOA's Budget award	N	Y	Y	Y	Y
3 GTOT Investment Policy award	N	Y	Y	Y	Y

City of Pharr, Texas

Department: Administrative Services

Function: General

Fund: General

EXPENDITURES	Actual 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ -	\$ 238,950	\$ 238,950	\$ 222,095	\$ 265,750
Employee Benefits	-	83,860	78,540	66,008	97,080
Supplies	-	19,400	19,400	18,280	18,530
Maintenance	-	15,530	15,530	17,000	14,140
Rentals	-	2,890	2,890	2,890	3,560
Contractual Services	-	-	-	-	-
Other Services	-	29,040	29,040	37,700	39,920
Vehicle Maintenance	-	4,800	4,800	2,000	4,800
Debt Service	-	-	-	7,000	11,690
Capital Outlay	-	-	71,970	71,970	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ -	\$ 394,470	\$ 461,120	\$ 444,943	\$ 455,470

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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 620,014	\$ 669,490	\$ 669,490	\$ 549,578	\$ 577,370
Employee Benefits	231,542	279,320	264,200	219,047	191,050
Supplies	16,326	24,100	22,600	21,250	24,100
Maintenance	9,803	6,000	6,000	6,000	6,000
Rentals	3,106	4,000	4,000	5,300	4,000
Contractual Services	4,003	13,200	13,200	4,800	6,000
Other Services	49,171	48,700	56,000	53,400	52,940
Vehicle Maintenance	34,887	36,500	29,200	25,500	36,500
Debt Service	29,932	22,220	22,220	22,220	12,550
Capital Outlay	-	-	-	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 998,783	\$ 1,103,530	\$ 1,086,910	\$ 907,095	\$ 910,510

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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Sanitation	\$ 3,512,142	\$ 3,605,000	\$ 2,005,000	\$ 1,805,000	\$ 1,680,000
Debris/Brush	553,746	572,300	572,300	552,300	600,000
Street Lights	583,252	569,500	569,500	539,500	600,000
Legal	399,171	300,000	300,000	300,000	300,000
Engineering	156,240	120,000	120,000	135,000	120,000
City Hall	323,878	288,800	288,800	288,800	288,000
City Commission	51,664	100,000	100,000	80,000	100,000
Contingency	-	1,918,200	2,923,200	3,923,200	1,796,440
Transfers	9,869,569	113,040	522,790	439,750	94,590
Other	491,817	371,710	371,710	574,940	395,000
DEPARTMENT TOTAL	\$ 15,941,478	\$ 7,958,550	\$ 7,773,300	\$ 8,638,490	\$ 5,974,030

City of Pharr, Texas

Department: Police

Function:

Public Safety

Fund: General

EXPENDITURES	Actual 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 6,075,503	\$ 6,368,450	\$ 6,368,450	\$ 6,191,031	\$ 6,363,900
Employee Benefits	2,139,984	2,726,970	2,583,030	2,391,616	2,300,940
Supplies	130,358	143,000	142,000	138,028	107,000
Maintenance	36,598	39,000	40,000	39,500	39,000
Rentals	75,705	59,000	59,000	70,000	54,000
Contractual Services	89,989	120,000	120,000	120,000	120,000
Other Services	570,544	548,300	568,300	552,500	439,040
Vehicle Maintenance	640,814	527,930	442,930	437,930	654,810
Debt Service	292,645	294,710	294,710	294,710	287,370
Capital Outlay	956,403	-	63,000	64,100	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 11,008,543	\$ 10,827,360	\$ 10,681,420	\$ 10,299,415	\$ 10,366,060

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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 2,858,050	\$ 3,038,080	\$ 3,019,380	\$ 2,708,210	\$ 3,137,120
Employee Benefits	1,061,847	1,270,340	1,216,790	1,089,758	1,196,440
Supplies	138,281	109,540	112,790	98,370	115,750
Maintenance	123,535	92,010	94,010	77,000	86,000
Rentals	8,972	12,000	13,000	13,000	15,000
Contractual Services	22,494	-	-	-	15,000
Other Services	163,754	186,350	203,350	149,530	138,170
Vehicle Maintenance	189,836	204,020	173,020	140,280	196,000
Debt Service	546,796	368,540	368,540	368,540	378,740
Capital Outlay	761,978	37,120	916,000	915,500	53,490
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 5,875,542	\$ 5,318,000	\$ 6,116,880	\$ 5,560,188	\$ 5,331,710

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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 456,468	\$ 430,570	\$ 430,570	\$ 429,438	\$ 420,600
Employee Benefits	183,544	215,780	206,390	179,418	170,820
Supplies	65,535	154,750	154,750	146,800	157,430
Maintenance	7,153	9,500	9,500	9,500	9,500
Rentals	1,028	1,000	1,000	1,000	1,000
Contractual Services	-	1,500	1,500	1,500	1,500
Other Services	322,195	333,300	335,300	265,950	267,910
Vehicle Maintenance	79,452	87,600	53,000	56,000	89,600
Debt Service	66,980	74,480	74,480	74,480	44,490
Capital Outlay	-	36,000	120,950	120,944	42,500
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,182,354	\$ 1,344,480	\$ 1,387,440	\$ 1,285,030	\$ 1,205,350

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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 175,160	\$ 155,100	\$ 155,100	\$ 160,872	\$ 196,270
Employee Benefits	67,978	70,580	65,540	58,006	68,870
Supplies	10,861	13,100	13,100	14,200	15,050
Maintenance	1,466	2,000	2,000	2,000	2,000
Rentals	2,438	2,100	2,100	3,000	3,200
Contractual Services	165,537	122,000	122,000	128,000	82,000
Other Services	21,029	29,800	29,800	20,000	19,780
Vehicle Maintenance	3,045	4,100	4,100	1,000	4,100
Debt Service	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 447,514	\$ 398,780	\$ 393,740	\$ 387,078	\$ 391,270

Purpose

Main Duties

Divisions

Administration, Court

Mission Statement

PERFORMANCE INDICATORS	Actual 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 734,232	\$ 732,650	\$ 732,650	\$ 681,523	\$ 774,050
Employee Benefits	322,246	448,280	425,530	350,681	357,480
Supplies	36,653	65,900	65,900	51,000	65,900
Maintenance	20,323	24,000	24,000	20,000	24,000
Rentals	6,518	31,000	31,000	21,000	31,000
Contractual Services	6,500	3,500	3,500	4,000	3,500
Other Services	184,195	276,350	282,350	258,850	294,980
Vehicle Maintenance	229,385	247,010	182,560	175,310	273,550
Debt Service	249,608	133,000	133,000	133,000	169,580
Capital Outlay	481,047	-	358,000	277,000	15,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 2,270,708	\$ 1,961,690	\$ 2,238,490	\$ 1,972,364	\$ 2,009,040

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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 1,318,732	\$ 1,183,520	\$ 1,183,520	\$ 1,139,926	\$ 1,071,270
Employee Benefits	457,268	477,160	449,930	480,996	379,910
Supplies	238,305	174,590	170,590	180,290	197,110
Maintenance	121,926	129,000	129,000	127,000	129,000
Rentals	5,105	9,500	9,500	9,500	9,500
Contractual Services	-	-	-	-	18,000
Other Services	287,560	262,080	264,080	214,300	128,360
Vehicle Maintenance	50,058	42,000	35,000	29,000	42,000
Debt Service	66,986	57,920	57,920	57,920	53,190
Capital Outlay	-	-	-	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 2,545,940	\$ 2,335,770	\$ 2,299,540	\$ 2,238,932	\$ 2,028,340

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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 533,394	\$ 569,950	\$ 569,950	\$ 489,908	\$ 563,100
Employee Benefits	202,828	225,710	209,280	196,784	188,470
Supplies	19,366	24,850	24,850	22,320	31,620
Maintenance	15,424	24,000	24,000	22,500	22,800
Rentals	19,872	19,300	19,300	19,300	19,300
Contractual Services	-	-	-	-	-
Other Services	129,889	131,910	136,910	117,410	122,410
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	-
Capital Outlay	61,517	95,000	90,000	87,000	100,500
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 982,291	\$ 1,090,720	\$ 1,074,290	\$ 955,222	\$ 1,048,200

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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	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 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
REVENUES					
Transfers In	\$ -	\$ 306,360	\$ 306,360	\$ 1,306,360	\$ 1,796,440
Interest	<u>1,000,356</u>	<u>1,620,840</u>	<u>2,625,840</u>	<u>2,690,140</u>	<u>80,000</u>
Total Revenues	\$ 1,000,356	\$ 1,927,200	\$ 2,932,200	\$ 3,996,500	\$ 1,876,440
EXPENDITURES					
Emergency Contingencies	<u>\$ -</u>	<u>\$ 1,927,200</u>	<u>\$ 1,927,200</u>	<u>\$ -</u>	<u>\$ 1,876,440</u>
Total Expenditures	<u>\$ -</u>	<u>\$ 1,927,200</u>	<u>\$ 1,927,200</u>	<u>\$ -</u>	<u>\$ 1,876,440</u>
Net Revenues Over/(Under) Expenditures	\$ 1,000,356	\$ -	\$ 1,005,000	\$ 3,996,500	\$ -

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 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
Revenues					
500 - General Tax Revenue	\$ 1,006,532	\$ 890,000	\$ 890,000	\$ 800,000	\$ 854,600
560 - Charges for Current Services	22,663	30,000	30,000	20,000	688,000
560 - Intergovernmental	457,337	150,000	150,000	362,000	300,000
570 - Grants	1,781,175	2,114,870	2,114,870	1,335,900	5,459,770
580 - Others	129,724	34,500	34,500	38,300	51,000
580 - Transfers/Others	79,278	-	-	166,580	64,590
Total Revenues	\$ 3,476,709	\$ 3,219,370	\$ 3,219,370	\$ 2,722,780	\$ 7,417,960
Expenditures					
General government	\$ 775,257	\$ 860,970	\$ 860,970	\$ 843,989	\$ 1,520,560
Public safety	1,082,049	1,290,580	1,290,580	1,082,250	2,675,160
Highways and streets	161,822	100,000	100,000	150,000	2,142,000
Culture and recreation	402,677	752,820	802,820	539,370	1,438,000
Transfer Out	81,938	80,010	1,649,890	1,649,890	77,830
Total Expenditures	\$ 2,503,743	\$ 3,084,380	\$ 4,704,260	\$ 4,265,499	\$ 7,853,550
Net Revenues Over/(Under) Expenditures	\$ 972,966	\$ 134,990	\$ (1,484,890)	\$ (1,542,719)	\$ (435,590)

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

	ACTUAL 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
REVENUES					
Grants-CDBG - Current Year	\$ 830,754	\$ 1,104,820	\$ 1,104,820	\$ 850,000	\$ 1,121,970
Grants-Other CDBG Program Funds	264,231	470,000	470,000	105,000	1,208,000
Misc	6,794	-	-	700	-
Transfer In	-	-	-	166,580	64,590
Total Revenues	<u>\$ 1,101,779</u>	<u>\$ 1,574,820</u>	<u>\$ 1,574,820</u>	<u>\$ 1,122,280</u>	<u>\$ 2,394,560</u>
EXPENDITURES					
Personnel	\$ 188,659	\$ 190,900	\$ 190,900	\$ 208,649	\$ 247,830
Supplies	4,215	6,320	6,320	5,500	7,000
Maintenance	3,013	1,500	1,500	1,000	1,000
Rentals	2,529	3,000	3,000	4,200	4,220
Other	7,182	14,750	14,750	12,700	22,500
Vehicle Maintenance	176	4,500	4,500	400	3,000
Debt Service (operating funds)	-	-	-	-	-
Capital Outlay (operating funds)	-	-	-	-	-
Non-Departmental	775,616	1,353,850	1,353,850	1,005,390	2,109,010
Total Expenditures	<u>\$ 981,389</u>	<u>\$ 1,574,820</u>	<u>\$ 1,574,820</u>	<u>\$ 1,237,839</u>	<u>\$ 2,394,560</u>
Net Revenues Over/(Under) Expenditures	\$ 120,390	\$ -	\$ -	\$ (115,559)	\$ -
EXPENDITURES					
General government	775,257	860,970	860,970	843,989	920,560
Public safety	44,310	613,850	613,850	243,850	5,000
Highways and streets	161,822	100,000	100,000	150,000	1,469,000
Total Expenditures	<u>\$ 981,389</u>	<u>\$ 1,574,820</u>	<u>\$ 1,574,820</u>	<u>\$ 1,237,839</u>	<u>\$ 2,394,560</u>

City of Pharr, Texas

Department: Administration

Fund: CDBG

EXPENSES	Actual 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 135,967	\$ 132,850	\$ 132,850	\$ 149,812	\$ 187,370
Employee Benefits	52,691	58,050	58,050	58,837	60,460
Supplies	4,215	6,320	6,320	5,500	7,000
Maintenance	3,013	1,500	1,500	1,000	1,000
Rentals	2,529	3,000	3,000	4,200	4,220
Contractual Services	-	-	-	-	-
Other Services	7,182	14,750	14,750	12,700	22,500
Vehicle Maintenance	176	4,500	4,500	400	3,000
Debt Service	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Non-Departmental	775,616	1,353,850	1,353,850	1,005,390	2,109,010
DEPARTMENT TOTAL	\$ 981,389	\$ 1,574,820	\$ 1,574,820	\$ 1,237,839	\$ 2,394,560

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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
<u>REVENUES</u>					
Police	\$ 549,376	\$ 309,020	\$ 309,020	\$ 303,500	\$ 922,510
Fire	79,735	216,210	216,210	16,400	1,442,650
Library	57,080	14,820	14,820	61,000	164,640
Other	-	-	-	-	600,000
Total Revenues	<u>\$ 686,190</u>	<u>\$ 540,050</u>	<u>\$ 540,050</u>	<u>\$ 380,900</u>	<u>\$ 3,129,800</u>
<u>EXPENDITURES BY FUNCTION</u>					
Public Safety:					
Police	\$ 573,609	\$ 309,020	\$ 309,020	\$ 303,500	\$ 922,510
Fire	55,472	216,210	216,210	16,400	1,442,650
	<u>629,081</u>	<u>525,230</u>	<u>525,230</u>	<u>319,900</u>	<u>2,365,160</u>
Culture and Recreation:					
Library	14,816	64,820	64,820	61,000	164,640
General:					
General	-	-	-	-	600,000
Total Expenditures	<u>\$ 643,897</u>	<u>\$ 590,050</u>	<u>\$ 590,050</u>	<u>\$ 380,900</u>	<u>\$ 3,129,800</u>
Net Revenues Over/(Under) Expenditures	\$ 42,294	\$ (50,000)	\$ (50,000)	\$ -	\$ -
<u>EXPENDITURES BY ACTIVITY</u>					
Personnel	\$ 386,747	\$ 278,250	\$ 278,250	\$ 226,500	\$ 1,717,250
Supplies	98,132	311,800	311,800	126,000	579,290
Maintenance	6,550	-	-	-	600,000
Rentals	-	-	-	-	-
Other	617	-	-	1,000	3,260
Vehicle Maintenance	4,351	-	-	3,000	-
Debt Service	-	-	-	-	-
Capital Outlay	147,500	-	-	24,400	230,000
Total Expenditures	<u>\$ 643,897</u>	<u>\$ 590,050</u>	<u>\$ 590,050</u>	<u>\$ 380,900</u>	<u>\$ 3,129,800</u>

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

	ACTUAL 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
REVENUES					
Hotel/Motel Tax	\$ 1,006,532	\$ 890,000	\$ 890,000	\$ 800,000	\$ 854,600
Other	698	-	-	-	-
Interest	41,372	30,000	30,000	25,000	30,000
Total	<u>\$ 1,048,602</u>	<u>\$ 920,000</u>	<u>\$ 920,000</u>	<u>\$ 825,000</u>	<u>\$ 884,600</u>
EXPENDITURES					
Culture and Recreation:					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ 186,590
Supplies	29,000	15,000	15,000	10,000	15,000
Maintenance	-	150,000	41,000	45,000	50,000
Rentals	-	-	-	-	-
Other: Chamber	220,000	220,000	220,000	220,000	320,000
Other: Misc	-	5,000	55,000	85,000	160,000
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	-
Capital Outlay	-	-	109,000	109,000	-
Non-Departmental	-	-	-	-	271,770
Transfer Out	81,938	80,010	1,649,890	1,649,890	77,830
Total	<u>\$ 330,937</u>	<u>\$ 470,010</u>	<u>\$ 2,089,890</u>	<u>\$ 2,118,890</u>	<u>\$ 1,081,190</u>
Net Revenues Over/(Under) Expenditures	\$ 717,665	\$ 449,990	\$(1,169,890)	\$ (1,293,890)	\$ (196,590)

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

	ACTUAL 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
REVENUES					
Parkland Dedication Fees	\$ 22,663	\$ 30,000	\$ 30,000	\$ 20,000	\$ 28,000
Interest	7,928	3,000	3,000	3,500	3,000
Total	\$ 30,590	\$ 33,000	\$ 33,000	\$ 23,500	\$ 31,000
EXPENDITURES					
Culture and Recreation:					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	298,000	298,000	-	-
Maintenance	12,770	-	-	-	-
Rentals	-	-	-	-	-
Other	-	-	-	1,320	-
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	-
Capital Outlay	126,092	-	-	8,050	270,000
Total	\$ 138,862	\$ 298,000	\$ 298,000	\$ 9,370	\$ 270,000
Net Revenues Over/(Under) Expenditures	\$ (108,272)	\$ (265,000)	\$ (265,000)	\$ 14,130	\$ (239,000)

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

	ACTUAL 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
REVENUES					
Intergovernmental	\$ 457,337	\$ 150,000	\$ 150,000	\$ 362,000	\$ 300,000
Other	66,590	-	-	2,600	-
Interest	6,342	1,500	1,500	6,500	5,000
Transfer In	79,278	-	-	-	-
Total	\$ 609,547	\$ 151,500	\$ 151,500	\$ 371,100	\$ 305,000
EXPENDITURES					
Public Safety:					
Personnel	\$ 34,488	\$ -	\$ -	\$ 20,500	\$ -
Supplies	71,747	151,500	151,500	199,000	305,000
Maintenance	10,329	-	-	25,000	-
Rentals	14,588	-	-	12,000	-
Other	68,280	-	-	94,000	-
Vehicle Maintenance	17,656	-	-	2,000	-
Debt Service	-	-	-	-	-
Capital Outlay	191,570	-	-	166,000	-
Total	\$ 408,658	\$ 151,500	\$ 151,500	\$ 518,500	\$ 305,000
Net Revenues Over/(Under) Expenditures	\$ 200,889	\$ -	\$ -	\$ (147,400)	\$ -

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

	ACTUAL 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
<u>REVENUES</u>					
Paving & Drainage Fee	\$ -	\$ -	\$ -	\$ -	\$ 660,000
Interest Income	-	-	-	-	13,000
Total	\$ -	\$ -	\$ -	\$ -	\$ 673,000
<u>EXPENDITURES</u>					
Highways and Streets:					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	373,000
Maintenance	-	-	-	-	-
Rentals	-	-	-	-	-
Other	-	-	-	-	300,000
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Total	\$ -	\$ -	\$ -	\$ -	\$ 673,000
Net Revenues Over/(Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -

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 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
REVENUES					
Transfers In	\$ 5,880,578	\$ -	\$ -	\$ 226,264	\$ -
Other	<u>17,772</u>	<u>-</u>	<u>-</u>	<u>50,000</u>	<u>-</u>
Total Revenues	\$ 5,898,350	\$ -	\$ -	\$ 276,264	\$ -
EXPENDITURES					
Street Projects	\$ 1,949,370	\$ -	\$ -	\$ 185,270	\$ -
Other	<u>4,702,845</u>	<u>-</u>	<u>-</u>	<u>90,500</u>	<u>-</u>
Total Expenditures	\$ 6,652,215	\$ -	\$ -	\$ 275,770	\$ -
Net Revenues Over/(Under) Expenditures	\$ (753,865)	\$ -	\$ -	\$ 494	\$ -

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

	ACTUAL 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
REVENUES					
Grants - TXDot	\$ -	\$ -	\$ -	\$ -	\$ -
Other	-	1,700,000	1,700,000	1,700,000	-
Total Revenues	\$ -	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ -
EXPENSES					
Northbound Lane	\$ 1,643,276	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ -
Fast Lane	195,130	-	-	-	-
Other	-	-	-	-	-
Total Expenses	\$ 1,838,406	\$ 1,700,000	\$ 1,700,000	\$ 1,700,000	\$ -
Net Revenues Over/(Under) Expenses	\$(1,838,406)	\$ -	\$ -	\$ -	\$ -

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

	ACTUAL 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
REVENUES					
Grants - NADBank	\$ -	\$ -	\$ -	\$ 6,907,700	\$ -
Grants - TWDB	-	491,280	491,280	344,165	-
Loan Proceeds - NADBank	-	-	-	-	-
Loan Proceeds - TWDB -CW	-	-	-	-	-
Loan Proceeds - TWDB -DW	-	-	-	-	-
Transfer In	-	933,540	933,540	933,540	1,216,000
Total Revenues	\$ -	\$ 1,424,820	\$ 1,424,820	\$ 8,185,405	\$ 1,216,000
EXPENSES					
Raw Water Pump	\$ 160,051	\$ 944,770	\$ 944,770	\$ 840,000	\$ 120,000
WL Upgrades	-	390,100	390,100	390,600	216,000
WL Relocation	-	-	-	-	700,000
Wastewater Collection Sys.	-	17,220,000	17,220,000	1,400,000	29,030,380
Wastewater Treatment Plant	1,161,802	7,220,000	7,220,000	200,000	13,500,000
Water Treatment Plant	93,701	6,643,190	6,643,190	1,200,000	14,009,560
Other	-	-	-	-	-
Total Expenses	\$ 1,415,554	\$ 32,418,060	\$ 32,418,060	\$ 4,030,600	\$ 57,575,940
Net Revenues Over/(Under) Expenses	\$(1,415,554)	\$(30,993,240)	\$(30,993,240)	\$ 4,154,805	\$(56,359,940)



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DEBT SERVICE FUND

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

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

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

	ACTUAL 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
<u>REVENUES</u>					
Property Tax (Current & Delinquent)	\$ 1,527,174	\$ 1,644,710	\$ 1,597,710	\$ 1,652,740	\$ 1,641,760
Property Tax Penalty and Interest	87,369	63,650	63,650	80,000	70,000
Interest	23,657	15,000	15,000	15,000	15,000
Transfer In	<u>615,630</u>	<u>497,500</u>	<u>497,500</u>	<u>497,500</u>	<u>497,780</u>
Total Revenues	\$ 2,253,830	\$ 2,220,860	\$ 2,173,860	\$ 2,245,240	\$ 2,224,540
<u>EXPENDITURES</u>					
Principal	\$ 1,210,000	\$ 1,265,000	\$ 1,265,000	\$ 1,265,000	\$ 1,320,000
Interest	778,484	839,080	839,080	839,080	788,180
Other	9,631	8,000	8,000	8,000	8,000
Transfer Out	<u>1,200,000</u>	<u>108,780</u>	<u>108,780</u>	<u>108,780</u>	<u>108,360</u>
Total Expenditures	\$ 3,198,116	\$ 2,220,860	\$ 2,220,860	\$ 2,220,860	\$ 2,224,540
Net Revenues Over/(Under) Expenditures	\$ (944,286)	\$ -	\$ (47,000)	\$ 24,380	\$ -



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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 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
Revenues					
Water Fees	\$ 6,962,298	\$ 6,462,500	\$ 6,462,500	\$ 6,645,000	\$ 6,440,000
Sewer Fees	5,517,374	5,242,500	5,242,500	5,282,500	5,212,000
Toll Fees	8,185,755	8,405,000	8,405,000	8,450,000	7,984,800
Direct Golf Course Fees	530,540	580,000	580,000	571,998	585,000
Intergovernmental	5,668,426	-	-	-	-
Other	1,822,557	1,307,780	1,307,780	1,342,478	448,200
Interest	1,451,360	571,500	571,500	745,000	562,000
Transfer In	7,868,650	271,830	271,830	538,790	186,190
Total Revenues	\$ 38,006,961	\$ 22,841,110	\$ 22,841,110	\$ 23,575,766	\$ 21,418,190
Expenses					
Personnel Services	\$ 4,104,473	\$ 4,344,940	\$ 4,278,000	\$ 3,809,632	\$ 3,927,320
Supplies	876,079	1,079,350	1,076,730	1,127,930	1,165,010
Maintenance	557,152	541,640	549,640	510,740	551,360
Rentals	70,847	82,220	82,220	76,220	82,850
Other Services	2,115,261	2,015,180	1,851,380	1,643,860	1,958,360
Vehicle Maintenance	254,660	221,000	218,500	219,300	208,000
Long Term Debt Service	6,616,936	6,666,080	6,666,080	5,758,420	6,672,580
Debt Service-Lease	16,236	488,480	488,480	354,270	349,190
Capital Outlay	-	1,357,250	1,411,250	1,256,125	530,500
Transfer Out	10,058,245	6,214,080	6,356,110	6,356,110	3,260,600
Non-Departmental	3,481,660	1,079,800	1,079,800	653,000	2,712,420
Total Expenditures	\$ 28,151,548	\$ 24,090,020	\$ 24,058,190	\$ 21,765,607	\$ 21,418,190
Net Revenues Over/(Under) Expenses	\$ 9,855,413	\$ (1,248,910)	\$ (1,217,080)	\$ 1,810,159	\$ -

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

	<u>ACTUAL</u> <u>2007-2008</u>	<u>ORIGINAL</u> <u>BUDGET</u> <u>2008-2009</u>	<u>AMENDED</u> <u>BUDGET</u> <u>2008-2009</u>	<u>PROJECTED</u> <u>ACTUAL</u> <u>2008-2009</u>	<u>BUDGET</u> <u>2009-2010</u>
REVENUES					
Operating revenues:					
Charges for sales and services:					
Water sales	\$ 6,599,447	\$ 6,250,000	\$ 6,250,000	\$ 6,400,000	\$ 6,250,000
Sewer service	5,208,213	5,080,000	5,080,000	5,110,000	5,080,000
Tap fees	496,814	250,000	250,000	262,500	200,000
Other	176,199	125,000	125,000	156,000	122,000
Total operating revenues	<u>12,480,672</u>	<u>11,705,000</u>	<u>11,705,000</u>	<u>11,928,500</u>	<u>11,652,000</u>
EXPENSES					
Operating expenses:					
Personnel services	2,487,002	2,782,250	2,731,520	2,399,741	2,391,680
Supplies and Materials	1,470,259	1,739,610	1,736,990	1,754,140	1,829,640
Contractual Services	1,968,704	2,395,190	2,245,390	1,839,470	1,910,120
Depreciation	1,756,663	-	-	-	-
Total operating expenses	<u>7,682,628</u>	<u>6,917,050</u>	<u>6,713,900</u>	<u>5,993,351</u>	<u>6,131,440</u>
Operating income (loss)	<u>4,798,045</u>	<u>4,787,950</u>	<u>4,991,100</u>	<u>5,935,149</u>	<u>5,520,560</u>
Nonoperating revenues (expenses):					
Investment earnings	1,336,921	500,000	500,000	675,000	500,000
Interest expense	(1,595,437)	(1,893,580)	(1,893,580)	(1,295,920)	(1,832,460)
Principal expense	(2,520,000)	(2,265,000)	(2,265,000)	(1,955,000)	(2,330,000)
Capital Outlay	-	(497,250)	(497,250)	(342,125)	(360,500)
Intergovernmental	4,668,426	-	-	-	-
Other	53,599	36,780	36,780	13,580	(267,000)
Total nonoperating revenues (expenses)	<u>1,943,509</u>	<u>(4,119,050)</u>	<u>(4,119,050)</u>	<u>(2,904,465)</u>	<u>(4,289,960)</u>
Income before contributions and transfers	6,741,553	668,900	872,050	3,030,684	1,230,600
Transfers in	453,485	-	-	350,000	-
Transfers out					
General Fund	(4,684,115)	(444,000)	(444,000)	(444,000)	(314,600)
Capital Projects	-	(933,540)	(933,540)	(933,540)	(916,000)
Capital contributions	<u>1,271,587</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Changes in net assets	<u>3,782,511</u>	<u>(708,640)</u>	<u>(505,490)</u>	<u>2,003,144</u>	<u>-</u>
Total net assets (non-GAAP) - beginning	48,265,630	52,856,874	52,856,874	52,856,874	54,860,018
Prior period adjustment	808,733	-	-	-	-
Total net assets (non-GAAP) - ending	<u>\$ 52,856,874</u>	<u>\$ 52,148,234</u>	<u>\$ 52,351,384</u>	<u>\$ 54,860,018</u>	<u>\$ 54,860,018</u>

**CITY OF PHARR, TX
UTILITY FUND**

SUMMARY OF REVENUES AND EXPENSES

	ACTUAL 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
REVENUES					
Water	\$ 6,962,298	\$ 6,462,500	\$ 6,462,500	\$ 6,645,000	\$ 6,440,000
Sewer	5,517,374	5,242,500	5,242,500	5,282,500	5,212,000
Intergovernmental	4,668,426	-	-	-	-
Other	1,326,186	36,780	36,780	14,580	18,200
Interest	1,336,921	500,000	500,000	675,000	500,000
Transfer In	453,485	-	-	350,000	-
Total Revenues	\$ 20,264,690	\$ 12,241,780	\$ 12,241,780	\$ 12,967,080	\$ 12,170,200
EXPENSES					
81 Administration	\$ 604,384	\$ 729,590	\$ 722,290	\$ 609,102	\$ 554,200
82 Water Production	1,200,121	1,363,950	1,286,290	1,217,560	1,270,940
83 Water Distribution	1,281,215	1,765,490	1,743,590	1,760,001	1,608,710
84 Water Treatment Plant	1,642,983	1,767,590	1,673,170	1,638,664	1,610,530
86 Sewer Collection	449,107	782,880	781,010	537,149	612,560
87 Non-Departmental	7,188,934	2,382,340	2,382,340	1,950,540	2,350,800
72 Debt Service	4,115,437	4,158,580	4,158,580	3,250,920	4,162,460
Total Expenses	\$ 16,482,179	\$ 12,950,420	\$ 12,747,270	\$ 10,963,936	\$ 12,170,200
Net Revenues Over/(Under) Expenses	\$ 3,782,511	\$ (708,640)	\$ (505,490)	\$ 2,003,144	\$ -
1100- Personnel Services	\$ 2,472,087	\$ 2,751,350	\$ 2,700,620	\$ 2,399,741	\$ 2,391,680
2200- Supplies	718,609	947,250	944,630	996,780	1,014,190
3300- Maintenance	431,205	423,140	423,140	388,140	431,860
4400- Rentals	9,177	19,220	19,220	19,220	19,590
5500- Other Services	1,308,466	1,319,980	1,170,180	1,160,360	1,132,970
6600- Vehicle Maintenance	222,250	183,500	183,500	188,300	176,500
7273 Long Term Debt Service	4,115,437	4,158,580	4,158,580	3,250,920	4,162,460
7700- Debt Service-Lease	16,015	267,810	267,810	267,810	129,650
8800- Capital Outlay	-	497,250	497,250	342,125	360,500
9900- Transfer Out	4,684,115	1,377,540	1,377,540	1,377,540	1,230,600
9900- Non-Departmental	2,504,819	1,004,800	1,004,800	573,000	1,120,200
	16,482,179	12,950,420	12,747,270	10,963,936	12,170,200

City of Pharr, Texas

Department: Debt Service

Fund: Utility

EXPENSES	Actual 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Financial Services	\$ 18,131	\$ 21,000	\$ 21,000	\$ 23,000	\$ 25,000
2007 CWSRF Interest - TWDB	981,790	921,620	921,620	768,000	900,820
2007A DWSRF Interest - TWDB	34,464	367,630	367,630	-	359,120
2007B Interest - NADBank	311,961	358,690	358,690	299,000	345,380
2008 Refunding - Interest	42,511	224,640	224,640	205,920	202,140
Other Interest	206,580	-	-	-	-
2007 CWSRF Principal - TWDB	710,000	730,000	730,000	730,000	745,000
2007A DWSRF Principal - TWDB	370,000	370,000	370,000	60,000	380,000
2007B Principal - NADBank	435,000	355,000	355,000	355,000	370,000
2008 Refunding - Principal	190,000	625,000	625,000	625,000	650,000
1988 Principal	185,000	185,000	185,000	185,000	185,000
Other Principal	630,000	-	-	-	-
DEPARTMENT TOTAL	\$ 4,115,437	\$ 4,158,580	\$ 4,158,580	\$ 3,250,920	\$ 4,162,460

City of Pharr, Texas

Department: Administration

Fund: Utility

EXPENSES	Actual 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 343,338	\$ 345,090	\$ 347,510	\$ 281,351	\$ 248,530
Employee Benefits	109,027	146,460	139,160	115,721	80,430
Supplies	98,943	102,000	99,380	99,380	104,000
Maintenance	29,092	17,340	17,340	17,340	16,680
Rentals	4,675	5,400	5,400	5,400	5,760
Contractual Services	1,924	30,000	28,000	15,000	30,000
Other Services	16,765	63,960	66,160	45,760	63,820
Vehicle Maintenance	-	-	-	-	-
Debt Service	620	19,340	19,340	19,340	4,980
Capital Outlay	-	-	-	9,810	-
Non-Departmental					
DEPARTMENT TOTAL	\$ 604,384	\$ 729,590	\$ 722,290	\$ 609,102	\$ 554,200

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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 571,707	\$ 621,180	\$ 621,180	\$ 633,022	\$ 621,090
Employee Benefits	304,914	394,370	372,470	331,199	282,790
Supplies	210,236	280,700	280,700	325,700	310,690
Maintenance	15,721	7,000	7,000	7,000	7,000
Rentals	1,358	5,930	5,930	5,930	5,960
Contractual Services	-	-	-	-	-
Other Services	13,678	24,020	24,020	28,000	36,910
Vehicle Maintenance	150,563	120,000	120,000	120,000	115,000
Debt Service	13,038	162,040	162,040	162,040	106,770
Capital Outlay	-	150,250	150,250	147,110	122,500
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,281,215	\$ 1,765,490	\$ 1,743,590	\$ 1,760,001	\$ 1,608,710

Purpose

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

Main Duties

Provide safe potable water that meet TCEQ requirements or better; maintain all water lines, valves, water meters in the WD system to ensure uninterrupted service; to meet all EPA & TCEQ effluent discharge 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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 313,373	\$ 294,370	\$ 294,370	\$ 284,216	\$ 324,570
Employee Benefits	113,402	142,640	134,980	119,104	147,380
Supplies	239,187	349,800	349,800	340,800	300,250
Maintenance	102,001	110,000	110,000	80,000	86,620
Rentals	1,366	2,630	2,630	2,630	2,620
Contractual Services	-	-	-	4,000	-
Other Services	409,420	391,000	321,000	313,300	341,100
Vehicle Maintenance	19,014	17,000	17,000	17,000	20,500
Debt Service	2,357	56,510	56,510	56,510	17,900
Capital Outlay	-	-	-	-	30,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,200,121	\$ 1,363,950	\$ 1,286,290	\$ 1,217,560	\$ 1,270,940

Purpose

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

Main Duties

Provide safe potable water that meet TCEQ requirements or better; maintain all water lines, valves, water meters in the WD system to ensure uninterrupted service; to meet all EPA & TCEQ effluent discharge 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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 390,528	\$ 431,050	\$ 431,050	\$ 406,099	\$ 460,450
Employee Benefits	166,212	212,040	197,620	170,860	178,460
Supplies	114,255	143,150	143,150	150,650	170,350
Maintenance	273,897	277,800	277,800	277,800	310,560
Rentals	1,240	2,630	2,630	2,630	2,620
Contractual Services	-	-	-	-	-
Other Services	675,232	589,000	509,000	513,500	438,590
Vehicle Maintenance	21,619	20,000	20,000	27,000	19,500
Debt Service	-	29,920	29,920	29,920	-
Capital Outlay	-	62,000	62,000	60,205	30,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,642,983	\$ 1,767,590	\$ 1,673,170	\$ 1,638,664	\$ 1,610,530

Purpose

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

Main Duties

Provide safe potable water that meet TCEQ requirements or better; maintain all water lines, valves, water meters in the WD system to ensure uninterrupted service; to meet all EPA & TCEQ effluent discharge 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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 90,196	\$ 83,700	\$ 83,700	\$ 29,277	\$ 31,550
Employee Benefits	69,390	80,450	78,580	28,892	16,430
Supplies	55,988	71,600	71,600	80,250	128,900
Maintenance	10,493	11,000	11,000	6,000	11,000
Rentals	538	2,630	2,630	2,630	2,630
Contractual Services	-	-	-	-	-
Other Services	191,447	222,000	222,000	240,800	222,550
Vehicle Maintenance	31,054	26,500	26,500	24,300	21,500
Debt Service	-	-	-	-	-
Capital Outlay	-	285,000	285,000	125,000	178,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 449,107	\$ 782,880	\$ 781,010	\$ 537,149	\$ 612,560

Purpose

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

Main Duties

Provide safe potable water that meet TCEQ requirements or better; maintain all water lines, valves, water meters in the WD system to ensure uninterrupted service; to meet all EPA & TCEQ effluent discharge 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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

Department: Non-Departmental			Fund: Utility		
EXPENSES	Actual 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Legal	\$ 86,780	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Engineering	66,726	250,000	250,000	50,000	350,000
Water rights	-	200,000	200,000	50,000	-
Raw water	311,268	350,000	350,000	350,000	364,000
Depreciation	1,756,663	-	-	-	-
Transfer out - General Fund	4,684,115	444,000	444,000	444,000	314,600
Transfer out - Capital Projects	-	933,540	933,540	933,540	916,000
Other	283,383	129,800	129,800	48,000	331,200
DEPARTMENT TOTAL	\$ 7,188,934	\$ 2,382,340	\$ 2,382,340	\$ 1,950,540	\$ 2,350,800

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

	ACTUAL 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
REVENUES					
Toll Fees	\$ 8,185,755	\$ 8,405,000	\$ 8,405,000	\$ 8,450,000	\$ 7,984,800
Grant	1,000,000	-	-	-	-
Lease Funds	-	850,000	850,000	895,638	-
Other	252,181	136,000	136,000	145,260	135,000
Interest	111,760	70,000	70,000	65,000	60,000
Transfer In - Hotel/Motel	81,938	80,010	80,010	80,010	77,830
Transfer In - Other	1,200,000	108,780	108,780	108,780	108,360
Total	<u>\$ 10,831,635</u>	<u>\$ 9,649,790</u>	<u>\$ 9,649,790</u>	<u>\$ 9,744,688</u>	<u>\$ 8,365,990</u>
EXPENSES					
Personnel	\$ 1,021,916	\$ 1,011,810	\$ 995,600	\$ 903,303	\$ 1,016,200
Supplies	81,463	70,000	70,000	65,000	73,000
Maintenance	99,161	100,000	108,000	110,000	100,000
Rentals	4,977	13,000	13,000	7,000	13,000
Other	625,838	533,000	519,000	325,800	670,200
Vehicle Maintenance	8,983	16,000	13,500	13,500	16,000
Long Term Debt Service	2,501,499	2,507,500	2,507,500	2,507,500	2,510,120
Debt Service-Lease	-	197,210	197,210	63,000	205,250
Capital Outlay	-	860,000	914,000	914,000	170,000
Transfer Out	5,369,897	4,806,540	4,948,570	4,948,570	2,000,000
Non-Departmental	781,921	75,000	75,000	80,000	1,592,220
Total	<u>\$ 10,495,654</u>	<u>\$ 10,190,060</u>	<u>\$ 10,361,380</u>	<u>\$ 9,937,673</u>	<u>\$ 8,365,990</u>
Net Revenues Over/(Under) Expenses	\$ 335,981	\$ (540,270)	\$ (711,590)	\$ (192,985)	\$ -

City of Pharr, Texas

Department: Administration

Fund: Bridge

EXPENSES	Actual 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 706,624	\$ 696,830	\$ 696,830	\$ 622,133	\$ 696,270
Employee Benefits	315,292	314,980	298,770	281,170	319,930
Supplies	81,463	70,000	70,000	65,000	73,000
Maintenance	99,161	100,000	108,000	110,000	100,000
Rentals	4,977	13,000	13,000	7,000	13,000
Contractual Services	319,506	100,000	100,000	100,000	214,000
Other Services	306,331	433,000	419,000	225,800	456,200
Vehicle Maintenance	8,983	16,000	13,500	13,500	16,000
Debt Service - Leases	-	197,210	197,210	63,000	205,250
Debt Service - Bonds/Notes	2,501,499	2,507,500	2,507,500	2,507,500	2,510,120
Capital Outlay	-	860,000	914,000	914,000	170,000
Non-Departmental					
Depreciation	675,813	-	-	-	-
Transfers Out - General Fund	5,242,020	3,106,540	3,248,570	3,248,570	2,000,000
Transfers Out - CIP Funds	7,248	1,700,000	1,700,000	1,700,000	-
Transfers Out - Other Funds	120,630	-	-	-	-
Contingency	-	-	-	-	1,517,220
Other	106,108	75,000	75,000	80,000	75,000
DEPARTMENT TOTAL	\$ 10,495,654	\$ 10,190,060	\$ 10,361,380	\$ 9,937,673	\$ 8,365,990

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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
REVENUES					
Green & Member Fees	\$ 254,913	\$ 300,000	\$ 300,000	\$ 281,998	\$ 305,000
Cart Rental	177,881	190,000	190,000	180,000	180,000
Food & Beverage	97,747	90,000	90,000	110,000	100,000
Other	244,190	285,000	285,000	287,000	295,000
Interest	2,679	1,500	1,500	5,000	2,000
Transfer In	6,133,227	83,040	83,040	-	-
Total Revenues	\$ 6,910,636	\$ 949,540	\$ 949,540	\$ 863,998	\$ 882,000
EXPENSES					
Personnel	\$ 610,471	\$ 581,780	\$ 581,780	\$ 506,588	\$ 519,440
Supplies	76,007	62,100	62,100	66,150	77,820
Maintenance	26,787	18,500	18,500	12,600	19,500
Rentals	56,693	50,000	50,000	50,000	50,260
Other	180,958	162,200	162,200	157,700	155,190
Vehicle Maintenance	23,427	21,500	21,500	17,500	15,500
Long Term Debt Service	-	-	-	-	-
Debt Service-Lease	221	23,460	23,460	23,460	14,290
Capital Outlay	-	-	-	-	-
Transfer Out	4,233	30,000	30,000	30,000	30,000
Non-Departmental	194,920	-	-	-	-
Total Expenses	\$ 1,173,715	\$ 949,540	\$ 949,540	\$ 863,998	\$ 882,000
Net Revenues Over/(Under) Expenses	\$ 5,736,922	\$ -	\$ -	\$ -	\$ -

City of Pharr, Texas

Department: Administration

Fund: Golf Course

EXPENSES	Actual 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 447,157	\$ 406,350	\$ 406,350	\$ 342,808	\$ 358,100
Employee Benefits	163,314	175,430	175,430	163,780	161,340
Supplies	76,007	62,100	62,100	66,150	77,820
Maintenance	26,787	18,500	18,500	12,600	19,500
Rentals	56,693	50,000	50,000	50,000	50,260
Contractual Services	83,427	90,000	90,000	80,000	84,500
Other Services	97,531	72,200	72,200	77,700	70,690
Vehicle Maintenance	23,427	21,500	21,500	17,500	15,500
Debt Service	221	23,460	23,460	23,460	14,290
Capital Outlay	-	-	-	-	-
Non-Departmental					
Depreciation	194,920	-	-	-	-
Transfer Out	4,233	30,000	30,000	30,000	30,000
DEPARTMENT TOTAL	\$ 1,173,715	\$ 949,540	\$ 949,540	\$ 863,998	\$ 882,000

Purpose

Main Duties

Divisions

Mission Statement

PERFORMANCE INDICATORS	Actual 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
REVENUES					
General Fund	\$ 478,784	\$ 417,260	\$ 431,760	\$ 396,337	\$ 355,260
Utility Fund	50,448	56,500	49,500	83,300	81,500
Bridge Fund	-	6,000	-	6,000	6,000
Golf Course Fund	-	1,500	-	1,500	1,500
CDBG Fund	-	-	-	400	500
Total	\$ 529,232	\$ 481,260	\$ 481,260	\$ 487,537	\$ 444,760
EXPENSES					
Personnel	\$ 59,564	\$ 188,210	\$ 188,210	\$ 171,171	\$ 151,510
Supplies	9,793	8,950	8,950	5,950	8,950
Maintenance	5,207	5,000	5,000	2,000	5,000
Rentals	748	800	800	800	800
Other	22,090	13,440	13,440	10,580	9,640
Vehicle Maintenance	1,071,946	264,860	264,860	264,860	268,860
Debt Service	536	-	-	-	-
Capital Outlay	88,554	-	-	-	-
Non-Departmental	232,233	-	-	2,176	-
Total	\$ 1,490,670	\$ 481,260	\$ 481,260	\$ 457,537	\$ 444,760
Net Revenues Over/(Under) Expenses	\$ (961,438)	\$ -	\$ -	\$ 30,000	\$ -

City of Pharr, Texas

Department: Administration

Fund: Garage

EXPENSES	Actual 07-08	Original Budget 08-09	Amended Budget 08-09	Projected Actual 08-09	Budget 09-10
Salaries	\$ 4,311	\$ 127,550	\$ 127,550	\$ 119,354	\$ 104,000
Employee Benefits	55,253	60,660	60,660	51,817	47,510
Supplies	9,793	8,950	8,950	5,950	8,950
Maintenance	5,207	5,000	5,000	2,000	5,000
Rentals	748	800	800	800	800
Contractual Services	-	-	-	-	-
Other Services	22,090	13,440	13,440	10,580	9,640
Vehicle Maintenance	1,071,946	264,860	264,860	264,860	268,860
Debt Service	536	-	-	-	-
Capital Outlay	88,554	-	-	-	-
Non-Departmental	232,233	-	-	2,176	-
DEPARTMENT TOTAL	\$ 1,490,670	\$ 481,260	\$ 481,260	\$ 457,537	\$ 444,760

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 07-08	Budget 08-09	Amend. Budget 08-09	Projected 08-09	Budget 09-10
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

FIDUCIARY FUND

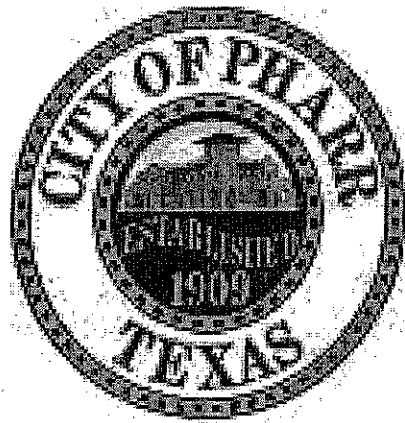
AGENCY FUND

Agency Fund typically does 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 2007-2008	ORIGINAL BUDGET 2008-2009	AMENDED BUDGET 2008-2009	PROJECTED ACTUAL 2008-2009	BUDGET 2009-2010
<u>Additions</u>					
Transfer In Interest	\$ - 353,318	\$ 30,000 -	\$ 30,000 -	\$ 30,000 -	\$ 30,000 -
Total Additions	\$ 353,318	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
<u>Deductions</u>					
Pension	\$ 6,525	\$ 12,300	\$ 12,300	\$ 12,300	\$ 12,300
Total Deductions	\$ 6,525	\$ 12,300	\$ 12,300	\$ 12,300	\$ 12,300
Net Additions Over/(Under) Deductions	\$ 346,793	\$ 17,700	\$ 17,700	\$ 17,700	\$ 17,700



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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 Six Fiscal Years¹
 (Accrual Basis of Accounting)
 (amount expressed in thousands)

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

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

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

Expenses	Fiscal Year					
	2003	2004	2005	2006	2007	2008
Governmental activities:						
General government	\$ 6,484	\$ 4,386	\$ 5,463	\$ 7,181	\$ 8,178	\$ 8,265
Public safety	10,331	13,179	14,069	15,000	16,504	18,495
Streets		2,140	2,276	2,361	2,442	2,114
Sanitation	2,453	3,411	3,519	3,227	3,518	4,537
Culture and recreation	826	3,156	3,248	3,253	3,340	3,831
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
Total governmental activities expenses	22,079	30,312	32,251	34,141	38,068	38,365
Business-type activities:						
Utility	5,085	6,298	6,885	7,576	7,879	9,291
Toll Bridge	2,070	3,244	3,830	3,156	3,454	3,300
Tierra Del Sol Golf Course	965	1,239	988	1,054	1,241	1,171
Total business-type activities expenses	8,120	10,781	11,703	11,786	12,574	13,763
Total primary government expenses	\$ 30,199	\$ 41,093	\$ 43,954	\$ 45,927	\$ 50,642	\$ 52,127
Program Revenues						
Governmental activities:						
Charges for services:						
General government	\$ 125	\$ 705	\$ 2,051	\$ 208	\$ 1,790	\$ 2,375
Public Safety	11	1,038	63	571	1,908	1,662
Streets	-	-	-	85	472	67
Sanitation	3,055	3,069	3,464	3,006	3,274	4,969
Culture and recreation	71	488	489	131	911	372
Economic development	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Operating grants and contributions	79	1,944	1,753	1,648	1,867	2,465
Capital grants and contributions	3,349	1,067	-	1,094	-	1,481
Total governmental activities program revenues	6,690	8,311	7,820	6,743	10,222	13,391
Business-type activities:						
Charges for services:						
Utility	6,079	6,475	7,645	11,200	10,851	12,483
Toll Bridge	5,811	6,669	7,611	7,714	8,058	8,281
Tierra Del Sol Golf Course	696	737	809	350	631	766
Operating grants and contributions	-	-	-	-	-	-
Capital grants and contributions	-	2,936	250	-	-	6,940
Total business-type activities program revenues	12,586	16,817	16,315	19,264	19,540	28,469
Total primary government program revenues	\$ 19,276	\$ 25,128	\$ 24,135	\$ 26,007	\$ 29,762	\$ 41,861
Net (expense)/revenue						
Governmental activities	\$(15,389)	\$(22,001)	\$(24,431)	\$(27,398)	\$(27,846)	\$(24,973)
Business-type activities	4,466	6,036	4,612	7,478	6,966	14,707
Total primary government net expense	\$(10,923)	\$(15,965)	\$(19,819)	\$(19,920)	\$(20,880)	\$(10,267)

	Fiscal Year					
	2003	2004	2005	2006	2007	2008
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
Sales taxes	8,272	9,297	10,043	11,346	11,160	11,305
Other Taxes	289	2,163	2,283	2,543	2,912	3,087
Investment earnings	440	162	306	419	445	357
Grants, Donations, and Miscellaneous	2,004	1,459	2,657	3,854	2,159	365
Transfers	-	1,640	6,362	2,288	8,655	2,190
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>
Business-type activities:						
Investment earnings	-	35	610	1,011	866	1,451
Grants, Donations, and Miscellaneous	699	403	10	-	495	217
Transfers	-	(1,640)	(6,362)	(2,288)	(8,655)	(2,190)
Total business-type activities	<u>699</u>	<u>(1,202)</u>	<u>(5,742)</u>	<u>(1,277)</u>	<u>(7,294)</u>	<u>(522)</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>\$ 29,864</u>
Change in Net Assets						
Governmental activities	\$ 1,944	\$ 1,315	\$ 6,933	\$ 3,527	\$ 8,761	\$ 5,413
Business-type activities	5,165	4,834	(1,130)	6,201	(328)	14,185
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>

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

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

	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
General Fund										
Reserved	\$ 55	\$ 51	\$ 60	\$ 54	\$ 54	\$ 3,037	\$ 3,903	\$ 7,405	\$ 11,002	\$ 1,049
Unreserved, undesignated	2,250	3,156	4,091	3,825	3,489	1,433	602	195	(6,402)	2,081
Designated	-	-	-	-	-	-	1,327	-	-	756
Total general fund	<u>\$ 2,305</u>	<u>\$ 3,207</u>	<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>
All other governmental funds										
Reserved	\$ 285	\$ 82	\$ 74	\$ 1,025	\$ (15)	\$ 1,369	\$ 2,894	\$ 5,447	\$ 7,572	\$ 4,718
Unreserved, reported in:										
Special revenue funds	517	66	168	200	2	824	3,573	142	2,425	3,238
Capital projects funds	5,022	3,344	12,422	10,536	4,534	-	-	(2,590)	(1,508)	-
Debt service funds	429	356	271	314	356	-	-	1,044	-	-
Total all other governmental funds	<u>\$ 6,253</u>	<u>\$ 3,848</u>	<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>
Total governmental fund balances	<u>\$ 8,558</u>	<u>\$ 7,055</u>	<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>

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									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Revenues										
Taxes	\$ 10,097	\$ 11,758	\$ 12,734	\$ 14,205	\$ 15,051	\$ 20,022	\$ 21,929	\$ 24,350	\$ 25,972	\$ 27,370
Licenses and permits	275	360	533	712	688	555	681	1,468	886	685
Intergovernmental	1,788	2,705	1,674	3,210	3,606	3,431	2,296	1,178	1,751	2,455
Charges for services	2,594	2,619	2,785	3,042	3,558	3,647	3,971	4,287	5,073	6,382
Fines	251	326	411	518	761	1,056	1,415	968	800	880
Investment earnings	441	354	474	644	440	162	306	419	445	349
Miscellaneous	622	1,059	686	982	1,318	1,079	1,481	2,127	1,970	644
Total Revenues	16,068	19,181	19,297	23,313	25,422	29,952	32,079	34,797	36,897	38,765
Expenditures										
General government	8,814	10,018	9,141	13,231	16,536	8,287	6,985	14,218	12,943	6,034
Public safety	5,581	7,044	7,900	8,708	9,767	11,558	13,452	15,391	15,642	19,392
Highways and streets	563	696	740	942	1,287	2,076	5,351	2,542	2,121	4,443
Sanitation	1,817	1,945	2,108	2,226	2,235	3,059	-	3,021	3,483	4,306
Culture and recreation	359	400	477	601	752	3,168	3,323	977	3,422	5,661
Economic development	269	260	470	117	933	2,149	2,109	3,120	5,757	2,067
Debt service	1,334	1,412	1,558	2,615	3,169	3,227	3,211	2,803	5,129	4,380
Other charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	18,737	21,775	22,394	28,440	34,679	33,524	34,431	42,072	48,497	46,283
Excess of revenues over (under) expenditures	(2,669)	(2,594)	(3,097)	(5,127)	(9,257)	(3,572)	(2,352)	(7,275)	(11,600)	(7,518)
Other financing sources (uses)										
Transfers in	502	886	705	1,524	1,986	2,302	10,721	4,044	9,298	16,941
Transfers out	(27)	(169)	(20)	(9)	-	(662)	(4,359)	(1,756)	(669)	(14,415)
Proceeds of Long Term Debt	86	329	12,204	-	-	312	16,567	3,120	2,480	2,877
Other	-	-	-	-	-	-	(15,149)	979	3,479	1,819
Total other financing sources (uses)	561	1,046	12,889	1,515	1,986	1,952	7,780	6,387	14,588	7,222
Net change in fund balances	\$ (2,108)	\$ (1,548)	\$ 9,792	\$ (3,612)	\$ (7,271)	\$ (1,620)	\$ 5,428	\$ (888)	\$ 2,988	\$ (297)
Debt service as a percentage of noncapital expenditures	7.7%	6.9%	7.5%	10.1%	10.1%	10.7%	10.3%	7.1%	11.8%	10.5%

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

<u>Fiscal Year Ended</u>	<u>Tax Year</u>	<u>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>
1999	1998	\$ 750,745	\$ 26,351	\$ 724,394	\$ 0.6423	\$ 724,394	103.64%
2000	1999	792,599	26,192	766,407	0.6423	766,407	103.42%
2001	2000	917,247	34,266	882,981	0.6623	882,981	103.88%
2002	2001	1,003,668	33,547	970,122	0.6900	970,122	103.46%
2003	2002	1,059,189	31,435	1,027,754	0.6831	1,027,754	103.06%
2004	2003	1,239,070	35,865	1,203,205	0.6831	1,203,205	102.98%
2005	2004	1,396,726	45,216	1,351,511	0.6831	1,351,511	103.35%
2006	2005	1,489,878	47,732	1,442,146	0.6831	1,442,146	103.31%
2007	2006	1,661,456	44,162	1,617,294	0.6831	1,617,294	102.73%
2008	2007	\$ 1,847,671	\$ 50,825	\$ 1,796,846	\$ 0.6819	\$ 1,796,846	102.83%

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
Property Tax Rates¹ and Tax Levies
Direct and Overlapping² Governments
Last Ten Fiscal Years

Fiscal Year Ending	City of Pharr Tax Rate			Overlapping Tax Rates		
	Operating	Debt Service	Total	Drainage District #1	Hidalgo County	P.S.J.A ISD
1999	\$ 0.529	\$ 0.113	\$ 0.642	Operating \$ 0.038	Debt \$ 0.038	Operating \$ 1.380
2000	0.534	0.108	0.642	0.038	0.038	1.500
2001	0.565	0.098	0.662	0.046	0.046	1.500
2002	0.590	0.100	0.690	0.046	0.046	1.500
2003	0.596	0.087	0.683	0.044	0.044	1.500
2004	0.602	0.081	0.683	0.044	0.044	1.500
2005	0.593	0.090	0.683	0.044	0.044	1.500
2006	0.593	0.090	0.683	0.041	0.041	1.500
2007	0.596	0.087	0.683	0.040	0.009	1.500
2008	\$ 0.603	\$ 0.079	\$ 0.682	\$ 0.042	\$ 0.028	1.040
				\$ 0.070	\$ 0.070	\$ 0.231
						\$ 1.271

Fiscal Year Ending	Overlapping Tax Rates			Total Direct & Overlapping Rates
	Operating	Debt Service	Total	
1999	\$ 0.037	\$ 0.037	\$ 0.074	\$ 2.837
2000	0.037	0.037	0.074	2.900
2001	0.039	0.039	0.078	2.991
2002	0.039	0.039	0.078	3.164
2003	0.039	0.039	0.078	3.152
2004	0.039	0.039	0.078	3.132
2005	0.039	0.039	0.078	3.128
2006	0.039	0.039	0.078	3.122
2007	0.049	0.049	0.098	2.737
2008	\$ 0.049	\$ 0.049	\$ 0.098	\$ 2.812

Fiscal Year Ending	Overlapping Tax Rates			Total Direct & Overlapping Rates
	Operating	Debt Service	Total	
1999	\$ 0.080	\$ 0.012	\$ 0.092	\$ 2.837
2000	0.080	0.012	0.092	2.900
2001	0.079	0.011	0.090	2.991
2002	0.110	0.068	0.178	3.164
2003	0.110	0.064	0.174	3.152
2004	0.110	0.055	0.165	3.132
2005	0.110	0.049	0.159	3.128
2006	0.110	0.045	0.155	3.122
2007	0.110	0.044	0.154	2.737
2008	\$ 0.110	\$ 0.040	\$ 0.150	\$ 2.812

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

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

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

City of Pharr, Texas
Principal Property Taxpayers
Fiscal Year End 2008 and 1999
(amounts expressed in thousands)

Taxpayer	2008			1999		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Wilder Corp	\$ 16,409	1	0.91%	\$ 9,393	2	1.30%
McAllen Levcal LLC	14,978	2	0.83%	-	-	-
Shell Western E&P (Total E&P)	13,148	3	0.73%	-	-	-
Central Power & Light	12,706	4	0.71%	7,727	5	1.07%
AEP Texas Central Co.	12,377	5	0.69%	-	-	-
Wayne Windle Enterprises et al	9,798	6	0.55%	-	-	-
FJRS Investments LTD	9,168	7	0.51%	-	-	-
Southwestern Bell Tele	8,591	8	0.48%	11,413	1	1.58%
Gold Star Warehousing LTD	8,470	9	0.47%	-	-	-
Capote Farms LTD	8,010	10	0.45%	-	-	-
Spigel, Stanley	-	-	-	8,564	3	1.18%
Fina Oil & Ch-Vannie Cook Trsts	-	-	-	8,501	4	1.17%
Westbrea Enterprises, Inc.	-	-	-	5,857	6	0.81%
H E Butt Grocery Company	-	-	-	5,130	7	0.71%
Home Depot U.S.A., Inc.	-	-	-	4,463	8	0.62%
Matt's Cash & Carry	-	-	-	4,070	9	0.56%
Financial Mngmnt Intl Corp	-	-	-	4,001	10	0.55%
Totals	<u>\$ 113,656</u>		6.3%	<u>\$ 69,119</u>		9.5%
Assessed Taxable Value	\$1,796,846			\$ 724,394		

Source: Hidalgo County Appraisal District

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

Fiscal Year Ended	Tax Year	Total Tax Levy for Fiscal Year	Collections within the Fiscal Year of the Levy		Delinquent Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
1999	1998	\$ 4,653	\$ 4,076	87.6%	\$ 307	\$ 4,383	94.2%
2000	1999	4,923	5,186	105.3%	391	5,577	113.3%
2001	2000	5,848	5,024	85.9%	438	5,462	93.4%
2002	2001	6,694	5,684	84.9%	515	6,199	92.6%
2003	2002	7,021	6,330	90.2%	520	6,849	97.6%
2004	2003	8,219	7,485	91.1%	623	8,109	98.7%
2005	2004	9,232	8,373	90.7%	663	9,036	97.9%
2006	2005	9,852	9,072	92.1%	789	9,861	100.1%
2007	2006	11,048	10,239	92.7%	1,020	11,259	101.9%
2008	2007	\$ 12,275	\$ 11,561	94.2%	813	\$ 12,375	100.8%

Source: City of Pharr Tax Assessor/Collector

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

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				
1999	\$ 86	\$ 13,195	-	\$ 100	\$ 42,979	-	-	\$ 56,360	0.04%	\$ 1,271	
2000	-	14,560	-	305	38,821	113	-	53,799	0.07%	1,153	
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	

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 Obligations Bonds</u>	<u>Percentage of Estimated Actual Taxable Value¹ of Property</u>	<u>Per Capita²</u>
1999	\$ 13,281	1.83%	\$ 300
2000	14,560	1.90%	312
2001	26,060	2.95%	529
2002	25,500	2.63%	496
2003	24,170	2.35%	444
2004	23,330	1.94%	411
2005	23,195	1.72%	393
2006	22,095	1.53%	360
2007	20,935	1.29%	325
2008	\$ 19,725	1.10%	\$ 299

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, 2008
(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	\$ 169,180	8.2%	\$ 13,862
Hidalgo Irrigation District #1	27,719	8.2%	2,271
South Texas College	85,914	37.0%	31,788
South Texas ISD	-	0.0%	-
Pharr, San Juan, Alamo Independent School District	199,180	53.2%	106,035
		Subtotal, overlapping debt	<u>153,956</u>
City of Pharr direct debt	19,725	100.0%	<u>19,725</u>
Total direct and overlapping debt			<u>\$ 173,681</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.

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									
	1999	2000	2001	2002	2003	2004	2005	2007	2008	
Debt Limit	\$ 79,260	\$ 91,725	\$ 100,367	\$ 105,919	\$ 123,907	\$ 139,673	\$ 148,988	\$ 166,146	\$ 184,767	
Total net debt applicable to limit	14,560	26,060	25,500	24,170	23,330	23,195	22,095	20,935	19,725	
Legal debt margin	\$ 64,700	\$ 65,665	\$ 74,867	\$ 81,749	\$ 100,577	\$ 116,478	\$ 126,893	\$ 145,211	\$ 165,042	
Total net debt applicable to the limit as a percentage of debt limit	18.4%	28.4%	25.4%	22.8%	18.8%	16.6%	14.8%	12.6%	10.7%	

Legal Debt Margin Calculation for Fiscal Year 2007

Assessed Value	\$ 1,796,846
Add Back: exempt property	50,825
Total Assessed Value	\$ 1,847,671
Debt limit (10% of total assessed value)	184,767
Debt applicable to limit:	
General obligation bonds	19,725
Legal debt margin	\$ 165,042

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

<u>Fiscal Year</u>	<u>Utility Sewer Charges and Other</u>	<u>Less: Operating Expenses</u>	<u>Net Available Revenue</u>	<u>Debt Service</u>		<u>Coverage</u>
				<u>Principal</u>	<u>Interest</u>	
1999	\$ 5,361	\$ 3,058	\$ 2,303	\$ 1,755	\$ 1,013	0.83
2000	6,020	3,378	2,642	4,158	962	0.52
2001	6,083	3,235	2,848	2,055	841	0.98
2002	6,038	3,612	2,426	2,168	780	0.82
2003	6,193	3,762	2,431	1,106	725	1.33
2004	6,605	4,311	2,294	1,231	646	1.22
2005	7,829	4,881	2,948	1,291	604	1.56
2006	11,594	5,695	5,899	937	542	3.99
2007	10,722	5,427	5,295	870	702	3.37
2008	\$ 13,820	\$ 5,910	\$ 7,910	\$ 2,265	\$ 1,873 ^a	1.91

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.

^a Principal and interest payments explained on Notes to the Financial Statements.

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 Enrollment</u>	<u>Unemployment Rate³</u>
1999	44,327	\$ 24,333	\$ 9,462	Unknown	Unknown	21,050	16.1%
2000	46,660	38,967	9,462	27.4	47.3%	21,724	7.4%
2001	49,224	38,967	9,462	27.4	47.3%	22,537	8.1%
2002	51,362	38,967	9,462	27.4	47.3%	23,826	8.6%
2003	54,452	38,967	9,462	27.4	47.3%	25,210	8.6%
2004	56,752	38,967	9,462	27.4	47.3%	26,493	7.2%
2005	59,029	38,967	9,462	27.4	47.3%	27,338	5.8%
2006	61,360	38,967	9,462	27.8	47.3%	28,088	5.7%
2007	64,318	38,967	9,462	27.8	47.3%	28,868	5.5%
2008	66,078	\$ 38,967	\$ 9,462	27.8	47.3%	29,999	7.2%

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

¹Population data from 2001 to 2007 taken from Planning/Zoning department. 2008 population estimate based on average growth over prior 8 years.
²Represents population age 25 or greater that has graduated from high school.

³Unemployment rate as of September of each year. (Source: U.S. Department of Labor - Bureau of Labor Statistics)

**City of Pharr, Texas
Principal Employers
Fiscal Year Ending 2008 and 1999**

2008			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment¹</u>
Pharr-San Juan-Alamo ISD	4,972	1	22.17%
Convergys	1,638	2	7.30%
Lack's	720	3	3.21%
City of Pharr	455	4	2.03%
Ticketmaster	401	5	1.79%
Texas Department of Transportation	369	6	1.65%
HEB Food Stores	250	7	1.11%
Lowe's	163	8	0.73%
Frank Smith Toyota	143	9	0.64%
Home Depot	130	10	0.58%
Total	9,241		41.21%

1999*			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Pharr-San Juan-Alamo ISD	Unknown	-	0.00%
Convergys	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	-		0.00%

Source: Pharr Economic Development Corporation

* Information was not tracked to provide stated information.

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

	Budgeted Full-time Equivalent Employees as of September 30,									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
GENERAL FUND										
City Manager	6.0	12.0	12.0	16.0	16.7	9.0	9.0	9.0	9.0	9.0
Finance	7.0	7.0	7.0	7.0	8.0	10.0	12.0	12.5	13.5	5.5
Police Department	90.0	101.5	105.5	121.5	124.5	130.0	134.0	146.0	155.0	161.0
Traffic Safety	7.0	9.0	13.0	13.0	13.0	13.0	16.0	13.0	16.0	16.0
Municipal Court	3.0	3.0	3.0	4.0	4.0	6.0	6.0	6.0	6.0	5.0
Fire Protection	48.0	49.0	51.0	52.0	53.0	54.0	57.0	57.0	65.0	66.0
Administrative Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.0
Street Maintenance	19.0	23.0	23.0	24.0	24.0	24.0	25.0	28.0	30.0	29.0
Municipal Library	12.0	13.0	14.0	16.0	18.0	23.0	23.0	25.0	26.0	26.0
Parks & Recreation	38.5	45.0	46.0	47.0	51.0	53.0	70.0	71.0	73.0	102.0
Planning & Community Dev	14.0	15.7	16.0	17.0	17.3	19.0	22.0	20.0	23.0	22.0
Total General Fund	244.5	278.2	290.5	317.5	329.5	341.0	374.0	387.5	416.5	448.5
UTILITY FUND										
Administrative	5.0	6.0	7.0	8.0	8.0	8.0	9.0	9.5	10.5	12.5
Water Production	10.0	10.0	9.0	11.0	9.0	9.0	9.0	9.0	10.0	10.0
Water Distribution	18.0	18.0	19.0	19.5	21.5	21.0	23.0	25.0	26.0	23.0
Water Treatment Plant	10.0	10.0	11.0	12.0	11.0	11.0	11.0	11.0	13.0	13.0
Lift Station	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0
Total Utility Fund	47.0	48.0	50.0	54.5	53.5	53.0	56.0	58.5	63.5	61.5
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	0.0	2.0	2.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0
Total Internal Svc Fund	1.0	3.0	3.0	4.0	4.0	4.0	4.0	5.0	5.0	5.0
INTERNATIONAL BRIDGE FUND										
Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Others	16.0	17.0	21.0	22.0	19.0	25.0	25.0	26.0	26.0	24.0
Total Int'l Bridge	17.0	18.0	22.0	23.0	20.0	26.0	26.0	27.0	27.0	25.0
OTHER										
CDBG	4.3	4.0	4.3	5.3	5.7	6.0	6.0	6.0	6.0	4.0
Golf Course	0.0	31.0	25.0	21.0	8.0	18.0	18.0	15.0	15.0	15.5
Total Other	4.3	35.0	29.3	26.3	13.7	24.0	24.0	21.0	21.0	19.5
GRAND TOTAL	313.8	382.2	394.8	425.3	420.7	448.0	484.0	499.0	533.0	559.5

Source: City of Pharr Budget Reports

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

Function	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Police										
Physical arrests	2,787	4,066	4,117	3,841	4,848	2,897	3,857	2,858	2,808	2,944
Parking & Traffic Violations	4,037	7,897	6,008	6,587	10,101	10,897	15,983	13,742	12,742	15,194
Fire										
Number of calls answered	1,540	2,089	1,935	2,216	2,189	1,737	1,624	1,701	1,794	2,238
Inspections	359	511	401	573	725	1,235	877	809	1,108	1,344
Highways and streets										
Street resurfacing (miles)	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	2	7
Potholes repaired	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	137
International Bridge										
Car Crossings	unknown	1,841,749	1,768,363	1,879,256	1,749,112	1,785,564	1,780,599	1,716,751	1,683,048	1,649,983
Truck Crossings	unknown	256,792	260,344	276,840	312,300	359,320	384,572	404,103	433,880	461,559
Culture and recreation										
Int'l Convention Center Events	68	82	92	unknown	75	72	95	86	95	216
Other Community Center Events	176	189	259	unknown	306	269	231	206	268	597
Water										
New connections	448	627	290	717	614	867	832	1,204	638	324
Water mains breaks	unknown	unknown	unknown	unknown	unknown	unknown	unknown	3,948	4,156	578
Average daily consumption (millions of gallons)	4.6 MGD	4.4 MGD	5.1 MGD	5.1 MGD	5.0 MGD	4.7 MGD	6.1 MGD	6.6 MGD	5.6 MGD	6.5MGD
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	5.0 MGD	5.0 MGD	4.94 MGD

Sources: Various City Departments.

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

Function	Fiscal Year									
	1999	2000	2001	2002	2003	2004	2005	2006	2007	2008
Public Safety										
Police:										
Stations										
Patrol units	2	2	2	2	2	2	2	2	2	2
Fire stations	unknown	unknown	unknown	unknown	64	69	76	82	84	90
Highways and streets	3	3	3	3	3	3	3	3	3	3
Streets (miles)	unknown	unknown	unknown	unknown	unknown	unknown	180	213	213	213
Streetlights	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown
Traffic signals	unknown	unknown	unknown	unknown	unknown	unknown	47	51	51	51
Culture and recreation										
Parks Acreage (Developed)	41	41	41	41	41	41	41	57	57	57
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	2	2	2	2	2	2	2	2	2	2
Community and Convention Centers	4	4	4	4	4	4	4	4	4	4
Water										
Water mains (miles)	unknown	unknown	unknown	unknown	unknown	~170	~182	~190	191.6	~313.4
Fire hydrants	1,330	1,440	1,596	1,712	1,730	1,750	1,820	1,918	2,010	2,030
Maximum daily capacity (thousands of gallons)	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	8.28 MGD
Sewer										
Sanitary sewers (miles)	unknown	unknown	unknown	~169	~186	~204	~224	~246	~262	~265
Storm sewers (miles)	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	57
Maximum daily treatment capacity (thousands of gallons)	3.22 MGD	3.31 MGD	3.45 MGD	3.63 MGD	3.82 MGD	4.15 MGD	4.19 MGD	4.25 MGD	4.45 MGD	5.7 MGD

Sources: Various city departments.



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OTHER SUPPLEMENTARY INFORMATION

City of Pharr, Texas

Financial Management Policy Statements

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

OPERATING BUDGETARY POLICIES

Fiscal Year

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

Budget Preparation Guidance

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

GFOA Distinguished Budget Program

The City will submit its official budget each year to the GFOA with an application for the Distinguished Budget Program. The City won its first GFOA Budget award last fiscal year, Fiscal Year 2008-2009. This will be the second year that the City submits an official budget and participates in the program.

Designated Budget Officer

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

Funds Included in the Annual Budget

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

Basis of Accounting

Budgets are adopted on a basis consistent with generally accepted accounting principals. The legal basis of accounting for budgetary purposes within the governmental funds, consistent with generally accepted accounting principles, is the modified accrual basis. The proprietary and fiduciary funds are budgeted, using the accrual basis of accounting.

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

Budgetary Control

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

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

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

Balanced Budget

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

Budgeted Tax Rates

Prior to adopting the budget tax rate, including the levy, the City Commission shall hold a public hearing according to the dates established in the budget calendar (if required by

law). The City Commission shall provide for public notice of the date, time, and location of the hearing.

Public Hearings, Accessibility of Budget to the Public

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

THE BUDGET PROCESS

Original Budget

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

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

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

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

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

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

workshops, changes are made to the Officer's recommended budget. The budget reflecting these changes is the proposed budget.

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

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

Revisions to the Adopted Budget

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

Monitoring Compliance with the Budget

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

Duration of Budgeted Revenues and Appropriations

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

REVENUES POLICIES

Balance and Diversification in Revenue Sources

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

User Fees

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

Currently, the Utility Fund will transfer funds to the General Fund in an amount equal to that which is estimated to be comparable with the resources it uses. 10% of City Manager's Office and Administrative Services, 25% of Finance Department, and 5% of Planning and Community Development's budgeted departmental expenditures.

The PEDC II fund (component unit), transfers funds to the General Fund in an amount equal to that which is estimated to be comparable with the resources it uses. 40% of City Manager's salary, 10% of Administrative Services Director salary, and 25% of the Finance Director and Planning and Community Development Director's respective salaries.

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. The City has reduced the tax rate for the last two fiscal years.

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 and Charter mandated contingency funding.

Retained Earnings of Other Operating Funds

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

Use of Fund Balance/Retained Earnings

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

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

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

Retained Earnings of Internal Service Funds

The City shall not regularly maintain positive retained earnings in excess of 10 percent of the current year's operation and maintenance expense in an internal service fund. Normally, when an internal service fund's retained earnings exceed 10 percent, the City shall reduce the charges for services provided by the internal service fund to other City operating funds.

Debt Service Funds

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

CAPITAL IMPROVEMENTS POLICIES

Capital Improvements Planning

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

Long-Term Capital Planning

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

Capital Project Funding

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

Replacement of Capital Assets on a Regular Schedule

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

Capital Expenditure Financing

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

DEBT MANAGEMENT POLICIES

Capital Improvement Plan

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

Debt Policies

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

Debt Term Limitation

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

Use of Long-Term Debt for Maintenance & Operating Cost

The City will not utilize long-term debt to finance recurring maintenance and operating costs.

Debt Structure

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

Call Provisions

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

Sale Process

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

Rating Agencies Presentations

Full disclosure of operations and open lines of communication shall be made to the rating agencies. City staff, with assistance of financial advisors, shall prepare the necessary materials and presentation to the rating agencies. Credit ratings will be sought from one or more of the nationally recognized municipal bond rating agencies, currently Moody's, Standard & Poor's, and Fitch, as recommended by the City's financial advisor.

Continuing Disclosure

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

Debt Refunding

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

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

Interest Earnings

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

Lease/Purchase Agreements

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

Proposals from Investment Bankers

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

INTERGOVERNMENTAL RELATIONS POLICIES

Inter-local Cooperation in Delivering Services

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

Legislative Program

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

GRANT POLICIES

Grant Guidelines

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

Indirect Costs

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

Grant Review

All grant submittals shall be reviewed for their cash match requirements, their potential impact on the operating budget, and the extent to which they meet the City's policy objectives. Departments shall seek Commission approval prior to submission of a grant

application. Should time constraints under the grant program make this impossible, the department shall obtain approval to submit an application from the City Manager and then, at the earliest feasible time, seek formal Commission approval. If there are cash match requirements, the source of funding shall be identified prior to application. An annual report on the status of grant programs and their effectiveness shall also be prepared.

Grant Program Termination

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

FISCAL COMMISSION MONITORING POLICIES

Financial Status and Performance Reports

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

Five-year Forecast of Revenues and Expenditures

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

Commission Agenda Decision Recommendations

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

Status Reports on Capital Projects

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

Compliance with Commission Policy Statements

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

FINANCIAL CONSULTANTS POLICY

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

ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICIES

Conformance to Accounting Principles

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

Selection of Auditors

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

Audit Completion

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

INTERNAL CONTROLS POLICIES

Proper Authorization

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

Separation of Duties

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

Proper Recording

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

Access to Assets and Records

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

Independent Checks

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

Costs and Benefits

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

E-COMMERCE POLICIES

Fully Integrated Financial Systems

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

Emerging Technologies

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

Direct Deposits

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

Internet Payment Options

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

INVESTMENT POLICIES

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

HUMAN RESOURCE POLICIES

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

BUDGET CALENDAR FOR FISCAL YEAR 2009-2010

DATE	RESPONSIBLE	EVENT
MAY 18	Finance	Budget Kickoff – Communicate department budget policies, calendar, and request procedures
MAY 22	Finance	Budget Training - Provide two training sessions for department management and employees to prepare for upcoming budget requirements
JUNE 2	City Commission	Initial Budget Workshop
JUNE 12	Payroll/HR	Projected Current Payroll Budget Ending Status - Salary expenditures need to be calculated to properly get to the year end projected expenditures
JUNE 19	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
JUNE 23	City Commission	Budget Workshop - Long Term Prioritization
JUNE 26	Departments	Projected Current Budget Ending Status - The projected year end balance of the current budget needs to be estimated based on expected results
JUNE 26	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)
JULY 3	Departments/Finance	Preliminary Revenue Estimates - must be calculated based on historical information and expected future changes
JULY 6 through 17	City Manager	Budget Request Review - will review budget requests with departments to prioritize before presenting to City Commissioners
JULY 21	Finance	Revise Budget Estimates - Update preliminary budget revenues and expenditures for City Manager review
JULY 29 through 31	City Commission	Budget Workshop - Commission is presented with departmental budget request and Finance overview. Present draft budget.
AUGUST 4	Appraisal District	Certified Appraisal Roll Totals
AUGUST 18	Finance/City Commission	Certify Anticipated Debt Collection Rate
AUGUST 18	Finance/City Commission	Certify Effective & Rollback Tax Rate; discussion of tax rates (vote on intention to raise taxes)
SEPTEMBER 1	Finance/City Commission	Present updated draft budget to the City Commission
SEPTEMBER 1	City Commission	Public hearing on budget
SEPTEMBER 1	City Commission	City Commission adoption of tax rate
SEPTEMBER 15	City Commission	City Commission adoption of the budget
SEPTEMBER 16	Finance	File adopted budget with the City Secretary's Office and City Library

*Tentative dates until set by city council.

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

Note:

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

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

FULL TIME EQUIVALENTS

	<u>FY 05/06</u>	<u>FY 06/07</u>	<u>FY 07/08</u>	<u>FY 08/09</u>	<u>FY 09/10</u>
<u>GENERAL FUND</u>					
10 - City Manager's Office	9	9	9	9	8.0
11 - Finance Department	12.5	13.5	14	5.5	9.0
12 - Police Department	146	155	167	161	160.0
13 - Traffic Safety	13	16	17	16	16.0
14 - Municipal Court	6	6	6	5	6.5
15 - Fire Protection	57	65	68	66	65.0
16 - Administrative Services	0	0	0	7	7.5
17 - Street Maintenance	28	30	29	29	31.0
20 - Municipal Library	25	26	26	26	22.5
22 - Parks & Recreation	71	73	73	102	102
27 - Planning & Community Development	20	23	23	22	18.5
Total General Fund Employees	387.5	416.5	432	448.5	446.0
<u>UTILITY FUND</u>					
81- Administration	9.5	10.5	11	12.5	9.5
82- Water Production	9	10	10	10	10.0
83- Water Distribution	25	26	26	23	23.5
84- Water Treatment Plant	11	13	13	13	13.0
86- Lift Station	4	4	4	3	1.0
Total Utility Fund Employees	58.5	63.5	64	61.5	57.0
<u>OTHER FUNDS</u>					
Bridge Fund	27	27	29	25	25.5
Golf Course Fund	15	15	17	15.5	15.0
Garage	5	5	5	5	4.0
Community Development	6	6	5	4	5.5
Total Other Funds	53	53	56	49.5	50.0
Grand Total City Employees	499	533	552	559.5	553.0

City of Pharr, TX
Description of Outstanding Bond Issues
As of 9/30/09

Owning Fund	Issuance		Outstanding	Series	Revenue Source	Type	Interest Rates		Date Issued	Final Payment Through	Balance September 30, 2008
	Authorized	Issued					Lowest	Highest			
GO	2,165,000	2,165,000	\$ -	1999	Prop Tax	Certificate of Obligation	5.53%	5.53%	03/15/1999	08/15/2010	\$ 105,000
GO	12,035,000	12,035,000	-	2001	Prop Tax	Certificate of Obligation	4.50%	5.00%	05/15/2001	08/15/2015	3,225,000
									Subtotal - Certificates of Obligation		3,330,000
GO	16,110,000	16,110,000	-	2005B	Prop Tax	Refunding Bonds	3.50%	5.00%	08/15/2005	08/15/2021	15,130,000
									Subtotal - Refunding Bonds		15,130,000
CDBG	\$ 2,125,000	\$ 2,125,000	\$ -	2001A	HUD	Note	2.89%	2.90%	08/09/2001	08/01/2011	525,000
									Subtotal - Notes		525,000
									Governmental Total		\$ 18,985,000
Utility	\$ 3,260,000	\$ 3,260,000	\$ -	1988	User Fees	Revenue Bonds Jr. Lien	0.00%	0.00%	06/01/1988	09/01/2013	\$ 750,000
Utility	29,000,000	29,000,000	-	2007	User Fees	Revenue Bonds - CWSRF	2.90%	3.50%	07/11/2007	09/01/2027	27,560,000
Utility	14,000,000	14,000,000	-	2007A	User Fees	Revenue Bonds - DWSRF	2.30%	2.95%	08/03/2007	09/01/2027	13,570,000
Utility	10,000,000	10,000,000	-	2007B	User Fees	Revenue Bonds - NADBank	3.75%	3.75%	12/04/2007	09/01/2027	9,210,000
									Subtotal - Revenue Bonds		51,090,000
Bridge	9,755,000	9,755,000	-	2005A	Toll Fees	Refunding Bonds	3.50%	4.50%	08/15/2005	08/15/2022	7,805,000
Utility	6,430,000	6,430,000	-	2008	User Fees	Refunding Bonds	3.60%	3.60%	07/24/2008	09/01/2018	5,615,000
									Subtotal - Refunding Bonds		13,420,000
Bridge	\$ 7,100,000	\$ 7,100,000	\$ -	2006	Toll Fees	Note	4.22%	4.24%	12/27/2006	08/15/2011	3,125,000
									Subtotal - Notes		3,125,000
									Business-Type Total		\$ 67,635,000
									TOTAL CITY-WIDE DEBT		\$ 86,620,000

Governmental Activities

Business-Type Activities

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

Debt Service Schedule

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

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/01/2010	0	2.89%	15,161	15,161		525,000
08/01/2010	255,000	2.89%	15,161	270,161	285,323	270,000
02/01/2011	0	2.90%	7,830	7,830		270,000
08/01/2011	270,000	2.90%	7,830	277,830	285,660	0
Total	525,000		45,983	570,983	570,983	

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

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/15/2010	0	-	2,903	2,903	0	105,000
08/15/2010	105,000	5.530%	2,903	107,903	110,807	0
Total	105,000		5,807	110,807	110,807	

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

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/15/2010	0	-	76,433	76,433	0	3,225,000
08/15/2010	480,000	4.500%	76,433	556,433	632,865	2,745,000
02/15/2011	0	-	65,633	65,633	0	2,745,000
08/15/2011	500,000	4.500%	65,633	565,633	631,265	2,245,000
02/15/2012	0	-	54,383	54,383	0	2,245,000
08/15/2012	520,000	4.650%	54,383	574,383	628,765	1,725,000
02/15/2013	0	-	42,293	42,293	0	1,725,000
08/15/2013	545,000	4.800%	42,293	587,293	629,585	1,180,000
02/15/2014	0	-	29,213	29,213	0	1,180,000
08/15/2014	575,000	4.900%	29,213	604,213	633,425	605,000
02/15/2015	0	-	15,125	15,125	0	605,000
08/15/2015	605,000	5.000%	15,125	620,125	635,250	0
Total	3,225,000		566,155	3,791,155	3,791,155	

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

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/15/2010	0	-	314,746	314,746	0	15,130,000
08/15/2010	735,000	3.500%	314,746	1,049,746	1,364,491	14,395,000
02/15/2011	0	-	301,883	301,883	0	14,395,000
08/15/2011	865,000	3.625%	301,883	1,166,883	1,468,766	13,530,000
02/15/2012	0	-	286,205	286,205	0	13,530,000
08/15/2012	905,000	3.750%	286,205	1,191,205	1,477,410	12,625,000
02/15/2013	0	-	269,236	269,236	0	12,625,000
08/15/2013	940,000	3.750%	269,236	1,209,236	1,478,473	11,685,000
02/15/2014	0	-	251,611	251,611	0	11,685,000
08/15/2014	970,000	3.722%	251,611	1,221,611	1,473,223	10,715,000
02/15/2015	0	-	233,559	233,559	0	10,715,000
08/15/2015	1,005,000	3.900%	233,559	1,238,559	1,472,118	9,710,000
02/15/2016	0	-	213,964	213,964	0	9,710,000
08/15/2016	1,675,000	5.000%	213,964	1,888,964	2,102,928	8,035,000
02/15/2017	0	-	172,089	172,089	0	8,035,000
08/15/2017	1,760,000	5.000%	172,089	1,932,089	2,104,178	6,275,000
02/15/2018	0	-	128,089	128,089	0	6,275,000
08/15/2018	1,850,000	4.000%	128,089	1,978,089	2,106,178	4,425,000
02/15/2019	0	-	91,089	91,089	0	4,425,000
08/15/2019	1,415,000	4.100%	91,089	1,506,089	1,597,178	3,010,000
02/15/2020	0	-	62,081	62,081	0	3,010,000
08/15/2020	1,475,000	4.125%	62,081	1,537,081	1,599,163	1,535,000
02/15/2021	0	-	31,659	31,659	0	1,535,000
08/15/2021	1,535,000	4.125%	31,659	1,566,659	1,598,319	0
Total	15,130,000		4,712,421	19,842,421	19,842,421	

City of Pharr, Texas INTERNATIONAL BRIDGE

\$9,755,000 Combination Tax & International Bridge Revenue Refunding Bonds

Series 2005A

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/15/2010	0	-	158,958	158,958	0	7,805,000
08/15/2010	525,000	3.500%	158,958	683,958	842,916	7,280,000
02/15/2011	0	-	149,771	149,771	0	7,280,000
08/15/2011	540,000	3.625%	149,771	689,771	839,541	6,740,000
02/15/2012	0	-	139,983	139,983	0	6,740,000
08/15/2012	565,000	3.750%	139,983	704,983	844,966	6,175,000
02/15/2013	0	-	129,389	129,389	0	6,175,000
08/15/2013	510,000	4.500%	129,389	639,389	768,779	5,665,000
02/15/2014	0	-	117,914	117,914	0	5,665,000
08/15/2014	530,000	4.500%	117,914	647,914	765,829	5,135,000
02/15/2015	0	-	105,989	105,989	0	5,135,000
08/15/2015	555,000	4.500%	105,989	660,989	766,979	4,580,000
02/15/2016	0	-	93,502	93,502	0	4,580,000
08/15/2016	580,000	4.000%	93,502	673,502	767,004	4,000,000
02/15/2017	0	-	81,902	81,902	0	4,000,000
08/15/2017	600,000	4.000%	81,902	681,902	763,804	3,400,000
02/15/2018	0	-	69,902	69,902	0	3,400,000
08/15/2018	625,000	4.050%	69,902	694,902	764,804	2,775,000
02/15/2019	0	-	57,246	57,246	0	2,775,000
08/15/2019	650,000	4.100%	57,246	707,246	764,491	2,125,000
02/15/2020	0	-	43,921	43,921	0	2,125,000
08/15/2020	680,000	4.125%	43,921	723,921	767,841	1,445,000
02/15/2021	0	-	29,896	29,896	0	1,445,000
08/15/2021	705,000	4.125%	29,896	734,896	764,791	740,000
02/15/2022	0	-	15,355	15,355	0	740,000
08/15/2022	740,000	4.150%	15,355	755,355	770,710	0
Total	7,805,000		2,387,455	10,192,455	10,192,455	

City of Pharr, Texas INTERNATIONAL BRIDGE

\$7,100,000 Tax Notes, Series 2006

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/15/2010	0	-	66,097	66,097	0	3,125,000
08/15/2010	1,530,000	4.220%	66,097	1,596,097	1,662,194	1,595,000
02/15/2011	0	-	33,814	33,814	0	1,595,000
08/15/2011	1,595,000	4.240%	33,814	1,628,814	1,662,628	0
Total	3,125,000		199,822	3,324,822	3,324,822	

City of Pharr, Texas UTILITIES

\$29,000,000 Waterworks & Sewer System Revenue Bonds, Series 2007

CWSRF

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
03/01/2010	0	-	450,408	450,408	0	27,560,000
09/01/2010	745,000	2.900%	450,408	1,195,408	1,645,815	26,815,000
03/01/2011	0	-	439,605	439,605	0	26,815,000
09/01/2011	765,000	2.900%	439,605	1,204,605	1,644,210	26,050,000
03/01/2012	0	-	428,513	428,513	0	26,050,000
09/01/2012	790,000	2.900%	428,513	1,218,513	1,647,025	25,260,000
03/01/2013	0	-	417,058	417,058	0	25,260,000
09/01/2013	815,000	2.950%	417,058	1,232,058	1,649,115	24,445,000
03/01/2014	0	-	405,036	405,036	0	24,445,000
09/01/2014	975,000	3.000%	405,036	1,380,036	1,785,073	23,470,000
03/01/2015	0	-	390,411	390,411	0	23,470,000
09/01/2015	1,005,000	3.000%	390,411	1,395,411	1,785,823	22,465,000
03/01/2016	0	-	375,336	375,336	0	22,465,000
09/01/2016	1,030,000	3.050%	375,336	1,405,336	1,780,673	21,435,000
03/01/2017	0	-	359,629	359,629	0	21,435,000
09/01/2017	1,155,000	3.100%	359,629	1,514,629	1,874,258	20,280,000
03/01/2018	0	-	341,726	341,726	0	20,280,000
09/01/2018	1,550,000	3.200%	341,726	1,891,726	2,233,453	18,730,000
03/01/2019	0	-	316,926	316,926	0	18,730,000
09/01/2019	1,740,000	3.200%	316,926	2,056,926	2,373,853	16,990,000
03/01/2020	0	-	289,086	289,086	0	16,990,000
09/01/2020	1,800,000	3.250%	289,086	2,089,086	2,378,173	15,190,000
03/01/2021	0	-	259,836	259,836	0	15,190,000
09/01/2021	1,860,000	3.300%	259,836	2,119,836	2,379,673	13,330,000
03/01/2022	0	-	229,146	229,146	0	13,330,000
09/01/2022	1,920,000	3.350%	229,146	2,149,146	2,378,293	11,410,000
03/01/2023	0	-	196,986	196,986	0	11,410,000
09/01/2023	1,980,000	3.400%	196,986	2,176,986	2,373,973	9,430,000
03/01/2024	0	-	163,326	163,326	0	9,430,000
09/01/2024	2,240,000	3.400%	163,326	2,403,326	2,566,653	7,190,000
03/01/2025	0	-	125,246	125,246	0	7,190,000
09/01/2025	2,315,000	3.450%	125,246	2,440,246	2,565,493	4,875,000
03/01/2026	0	-	85,313	85,313	0	4,875,000
09/01/2026	2,395,000	3.500%	85,313	2,480,313	2,565,625	2,480,000
03/01/2027	0	-	43,400	43,400	0	2,480,000
09/01/2027	2,480,000	3.500%	43,400	2,523,400	2,566,800	0
Total	27,560,000		10,633,975	38,193,975	38,193,975	

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 have stopped and are not required*

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
03/01/2009	0	-	183,813	183,813	0	13,570,000
09/01/2009	310,000	2.300%	183,813	493,813	677,625	13,260,000
03/01/2010	0	-	179,558	179,558	0	13,260,000
09/01/2010	380,000	2.350%	179,558	559,558	739,115	12,880,000
03/01/2011	0	-	175,093	175,093	0	12,880,000
09/01/2011	385,000	2.350%	175,093	560,093	735,185	12,495,000
03/01/2012	0	-	170,569	170,569	0	12,495,000
09/01/2012	380,000	2.350%	170,569	550,569	721,138	12,115,000
03/01/2013	0	-	166,104	166,104	0	12,115,000
09/01/2013	395,000	2.400%	166,104	561,104	727,208	11,720,000
03/01/2014	0	-	161,364	161,364	0	11,720,000
09/01/2014	455,000	2.450%	161,364	616,364	777,728	11,265,000
03/01/2015	0	-	155,790	155,790	0	11,265,000
09/01/2015	470,000	2.450%	155,790	625,790	781,580	10,795,000
03/01/2016	0	-	150,033	150,033	0	10,795,000
09/01/2016	475,000	2.500%	150,033	625,033	775,065	10,320,000
03/01/2017	0	-	144,095	144,095	0	10,320,000
09/01/2017	820,000	2.550%	144,095	964,095	1,108,190	9,500,000
03/01/2018	0	-	133,640	133,640	0	9,500,000
09/01/2018	840,000	2.650%	133,640	973,640	1,107,280	8,660,000
03/01/2019	0	-	122,510	122,510	0	8,660,000
09/01/2019	860,000	2.650%	122,510	982,510	1,105,020	7,800,000
03/01/2020	0	-	111,115	111,115	0	7,800,000
09/01/2020	885,000	2.700%	111,115	996,115	1,107,230	6,915,000
03/01/2021	0	-	99,168	99,168	0	6,915,000
09/01/2021	905,000	2.750%	99,168	1,004,168	1,103,335	6,010,000
03/01/2022	0	-	86,724	86,724	0	6,010,000
09/01/2022	930,000	2.800%	86,724	1,016,724	1,103,448	5,080,000
03/01/2023	0	-	73,704	73,704	0	5,080,000
09/01/2023	960,000	2.850%	73,704	1,033,704	1,107,408	4,120,000
03/01/2024	0	-	60,024	60,024	0	4,120,000
09/01/2024	985,000	2.850%	60,024	1,045,024	1,105,048	3,135,000
03/01/2025	0	-	45,988	45,988	0	3,135,000
09/01/2025	1,015,000	2.900%	45,988	1,060,988	1,106,975	2,120,000
03/01/2026	0	-	31,270	31,270	0	2,120,000
09/01/2026	1,045,000	2.950%	31,270	1,076,270	1,107,540	1,075,000
03/01/2027	0	-	15,856	15,856	0	1,075,000
09/01/2027	1,075,000	2.950%	15,856	1,090,856	1,106,713	0
Total	13,570,000		4,532,828	18,102,828	18,102,828	

City of Pharr, Texas UTILITIES

\$10,000,000 Waterworks & Sewer System Revenue Bonds, Series 2007B

NADBank

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
03/01/2010	0	-	172,688	172,688	0	9,210,000
09/01/2010	370,000	3.750%	172,688	542,688	715,375	8,840,000
03/01/2011	0	-	165,750	165,750	0	8,840,000
09/01/2011	380,000	3.750%	165,750	545,750	711,500	8,460,000
03/01/2012	0	-	158,625	158,625	0	8,460,000
09/01/2012	395,000	3.750%	158,625	553,625	712,250	8,065,000
03/01/2013	0	-	151,219	151,219	0	8,065,000
09/01/2013	410,000	3.750%	151,219	561,219	712,438	7,655,000
03/01/2014	0	-	143,532	143,532	0	7,655,000
09/01/2014	425,000	3.750%	143,532	568,532	712,063	7,230,000
03/01/2015	0	-	135,563	135,563	0	7,230,000
09/01/2015	440,000	3.750%	135,563	575,563	711,125	6,790,000
03/01/2016	0	-	127,313	127,313	0	6,790,000
09/01/2016	460,000	3.750%	127,313	587,313	714,625	6,330,000
03/01/2017	0	-	118,688	118,688	0	6,330,000
09/01/2017	475,000	3.750%	118,688	593,688	712,375	5,855,000
03/01/2018	0	-	109,782	109,782	0	5,855,000
09/01/2018	495,000	3.750%	109,782	604,782	714,563	5,360,000
03/01/2019	0	-	100,500	100,500	0	5,360,000
09/01/2019	510,000	3.750%	100,500	610,500	711,000	4,850,000
03/01/2020	0	-	90,938	90,938	0	4,850,000
09/01/2020	530,000	3.750%	90,938	620,938	711,875	4,320,000
03/01/2021	0	-	81,000	81,000	0	4,320,000
09/01/2021	550,000	3.750%	81,000	631,000	712,000	3,770,000
03/01/2022	0	-	70,688	70,688	0	3,770,000
09/01/2022	570,000	3.750%	70,688	640,688	711,375	3,200,000
03/01/2023	0	-	60,000	60,000	0	3,200,000
09/01/2023	595,000	3.750%	60,000	655,000	715,000	2,605,000
03/01/2024	0	-	48,844	48,844	0	2,605,000
09/01/2024	615,000	3.750%	48,844	663,844	712,688	1,990,000
03/01/2025	0	-	37,313	37,313	0	1,990,000
09/01/2025	640,000	3.750%	37,313	677,313	714,625	1,350,000
03/01/2026	0	-	25,313	25,313	0	1,350,000
09/01/2026	665,000	3.750%	25,313	690,313	715,625	685,000
03/01/2027	0	-	12,844	12,844	0	685,000
09/01/2027	685,000	3.750%	12,844	697,844	710,688	0
Total	9,210,000		3,621,190	12,831,190	12,831,190	

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
03/01/2010	-	-	101,070.00	101,070	0	5,615,000
09/01/2010	650,000.00	3.600%	101,070.00	751,070	852,140	4,965,000
03/01/2011	-	-	89,370.00	89,370	0	4,965,000
09/01/2011	675,000.00	3.600%	89,370.00	764,370	853,740	4,290,000
03/01/2012	-	-	77,220.00	77,220	0	4,290,000
09/01/2012	710,000.00	3.600%	77,220.00	787,220	864,440	3,580,000
03/01/2013	-	-	64,440.00	64,440	0	3,580,000
09/01/2013	730,000.00	3.600%	64,440.00	794,440	858,880	2,850,000
03/01/2014	-	-	51,300.00	51,300	0	2,850,000
09/01/2014	760,000.00	3.600%	51,300.00	811,300	862,600	2,090,000
03/01/2015	-	-	37,620.00	37,620	0	2,090,000
09/01/2015	780,000.00	3.600%	37,620.00	817,620	855,240	1,310,000
03/01/2016	-	-	23,580.00	23,580	0	1,310,000
09/01/2016	815,000.00	3.600%	23,580.00	838,580	862,160	495,000
03/01/2017	-	-	8,910.00	8,910	0	495,000
09/01/2017	420,000.00	3.600%	8,910.00	428,910	437,820	75,000
03/01/2018	-	-	1,350.00	1,350	0	75,000
09/01/2018	75,000.00	3.600%	1,350.00	76,350	77,700	0
Total	5,615,000		909,720	6,524,720	6,524,720	

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
						750,000
09/01/2010	185,000	-	0	185,000	185,000	565,000
09/01/2011	185,000	-	0	185,000	185,000	380,000
09/01/2012	190,000	-	0	190,000	190,000	190,000
09/01/2013	190,000	-	0	190,000	190,000	0
Total	750,000		0	750,000	750,000	

**CITY OF PHARR
AD VALOREM TAX REVENUE AND DISTRIBUTION
SUMMARY**

Calendar Year	2002	2003	2004	2005	2006	2007	2008	2009
Fiscal Year	2002-2003	2003-2004	2004-2005	2005-2006	2006-2007	2007-2008	2008-2009	2009-2010
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
IMPROVEMENTS-HOMESITE	247,179,894	273,103,088	326,961,752	354,792,703	381,314,593	450,843,430	485,618,398	478,884,365
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
PERSONAL PROPERTY	121,315,490	130,142,035	165,457,043	162,457,708	172,167,072	195,995,995	213,847,032	242,187,004
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
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
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
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
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
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
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
FREEPORT EXEMPTIONS	1,119,456	765,295	2,424,841	3,497,957	2,383,952	11,469,002	21,665,583	25,542,051
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
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
HISTORICAL	42,383	51,395	-	54,829	54,829	54,829	87,745	87,745
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
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
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
ASSESSMENT RATIO	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
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
FROZEN LEVY LOSS	-	-	-	(33,763)	(79,445)	(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
ESTIMATED % OF COLLECTION	90%	90%	90.5%	91%	91%	91%	91%	90%
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
ESTIMATED DEL. TAX COLLECTION	465,000	510,000	675,000	770,000	825,000	789,140	750,000	795,000
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

Calendar Year 2002 2003 2004 2005 2006 2007 2008 2009
 Fiscal Year 2002-2003 2003-2004 2004-2005 2005-2006 2006-2007 2007-2008 2008-2009 2009-2010

GENERAL FUND (M&O)

CURRENT YEAR TAX :								
Current Tax Rate	\$0.59021	\$0.59622	\$0.60165	\$0.59313	\$0.59313	\$0.59613	\$0.60294	\$0.60180
Current Distribution Percentage	86%	87%	88%	87%	87%	87%	88%	89%
Amount	\$5,501,763	\$6,511,289	\$7,413,342	\$7,824,550	\$8,781,181	\$9,860,647	\$11,871,927	\$11,926,589
DELINQUENT TAX								
Amount	405,000	430,000	585,000	670,000	715,000	700,000	663,200	703,000
SUB TOTAL								
Current Tax Rate	\$0.59021	\$0.59622	\$0.60165	\$0.59313	\$0.59313	\$0.59613	\$0.60294	\$0.60180
Current Distribution Percentage	86%	87%	88%	87%	87%	87%	88%	89%
Amount	\$5,906,763	\$6,941,289	\$7,998,342	\$8,494,550	\$9,496,181	\$10,560,647	\$12,535,127	\$12,629,589

DEBT SERVICE FUND (I & S)

CURRENT YEAR TAX								
Current Tax Rate	\$0.09979	\$0.08690	\$0.08147	\$0.08999	\$0.08999	\$0.08699	\$0.07891	\$0.07820
Current Distribution Percentage	14%	13%	12%	13%	13%	13%	12%	12%
Amount	\$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
DELINQUENT TAX								
Amount	60,000	80,000	90,000	100,000	110,000	89,140	86,800	92,000
SUB TOTAL								
Current Tax Rate	\$0.0998	\$0.0869	\$0.0815	\$0.0900	\$0.0900	\$0.0870	\$0.0789	\$0.0782
Current Distribution Percentage	14%	13%	12%	13%	13%	13%	12%	12%
Amount	\$990,213	\$1,029,031	\$1,093,848	\$1,287,145	\$1,442,285	\$1,528,050	\$1,640,543	\$1,641,783

TOTAL								
Current Tax Rate	\$0.69000	\$0.68312	\$0.68312	\$0.68312	\$0.68312	\$0.68312	\$0.68185	\$0.68000
Current Distribution Percentage	100%	100%	100%	100%	100%	100%	100%	100%
Amount	<u>\$6,896,975</u>	<u>\$7,970,319</u>	<u>\$9,092,189</u>	<u>\$9,781,695</u>	<u>\$10,938,466</u>	<u>\$12,088,697</u>	<u>\$14,175,670</u>	<u>\$14,271,371</u>

City of Pharr Current Property Tax Analysis

MONTH	Tax Yr 2002 FY 02/03	Tax Yr 2003 FY 03/04	Tax Yr 2004 FY 04/05	Tax Yr 2005 FY 05/06	Tax Yr 2006 FY 06/07	Tax Yr 2007 FY 07/08	Tax Yr 2008 FY 08/09	Difference FY 08/09-FY 07/08
OCT.	\$ 398,493.21	\$ 431,388.71	\$ 247,286.44	\$ 215,225.71	\$ 285,612.65	\$ 555,092.25	\$ 139,500.42	(415,591.83)
NOV.	437,003.21	535,237.58	624,423.47	764,147.95	917,250.90	912,641.77	494,626.61	(418,015.16)
DEC.	1,436,859.16	1,706,761.89	2,402,418.80	2,418,565.07	2,265,716.55	2,768,330.36	3,623,450.46	855,120.10
JAN.	2,858,039.11	3,225,774.05	3,401,724.51	3,769,150.83	4,758,269.75	4,913,544.88	5,876,620.51	963,075.63
FEB.	439,370.75	660,579.17	633,482.93	842,177.69	817,624.88	1,019,633.00	1,677,830.84	658,197.84
MAR.	200,963.14	273,365.93	247,544.27	356,837.19	340,723.36	320,127.86	476,003.11	155,875.25
APR.	141,296.04	164,409.30	164,901.38	153,707.85	149,180.76	231,843.60	245,274.70	13,431.10
MAY	114,753.79	132,652.43	209,324.25	185,903.08	192,237.90	270,594.17	201,462.90	(69,131.27)
JUN.	152,150.51	170,381.09	154,625.25	125,002.27	136,406.00	267,154.41	329,610.04	62,455.63
JUL.	62,022.62	79,164.49	90,301.38	82,213.07	137,111.00	158,829.12	119,589.38	(39,239.74)
AUG.	47,089.50	60,983.57	94,954.06	77,085.39	93,274.59	142,660.91	-	-
SEP.	40,005.37	39,821.44	85,422.63	82,113.82	62,800.72	73,774.42	-	-
TOTAL	\$ 6,328,046.41	\$ 7,480,519.65	\$ 8,356,409.37	\$ 9,072,129.92	\$ 10,156,209.06	\$ 11,634,226.75	\$ 13,183,968.97	\$ 1,766,177.55

1st Six Month Collection & % of Total Collection
 \$ 5,770,728.58 \$ 6,833,107.33 \$ 7,556,880.42 \$ 8,366,104.44 \$ 9,385,198.09 \$ 10,489,370.12 \$ 12,288,031.95
 91% 91% 90% 92% 92% 90% 93%

INCREASE/(DECREASE) IN CURRENT PROPERTY TAX COLLECTION
 \$ 642,581.65 \$ 1,152,473.24 \$ 875,889.72 \$ 715,720.55 \$ 1,084,079.14 \$ 1,478,017.69 \$ 1,766,177.55

INCREASE FROM PREVIOUS YEAR
 11.30% 18.21% 11.71% 8.56% 11.95% 14.55% 15.47%

BUDGET VS. ACTUAL VARIANCE ANALYSIS
 Budget \$ 7,501,766.00 \$ 8,463,693.00 \$ 10,116,891.00 \$ 11,337,400.00 \$ 13,022,670.00
 Bud vs. Actual \$ (21,246.35) \$ (107,283.63) \$ 129,777.92 \$ 296,826.75 \$ 161,298.97
 % Difference -0.28% -1.27% 1.45% 2.62% 1.24%

City of Pharr Delinquent Property Tax Analysis

MONTH	Tax Yr 2002 FY 02/03	Tax Yr 2003 FY 03/04	Tax Yr 2004 FY 04/05	Tax Yr 2005 FY 05/06	Tax Yr 2006 FY 06/07	Tax Yr 2007 FY 07/08	Tax Yr 2008 FY 08/09	Difference FY 08/09-FY 07/08
	\$ 37,720.12	\$ 59,931.12	\$ 81,800.83	\$ 137,991.47	\$ 59,828.76	\$ 123,776.68	\$ 61,598.99	(62,177.69)
OCT.	47,916.01	47,047.62	57,276.57	49,770.95	74,999.07	49,677.58	71,819.15	22,141.57
NOV.	55,182.44	50,373.39	49,060.26	73,001.29	63,171.67	85,738.65	107,050.29	21,311.64
DEC.	51,810.57	46,427.10	77,120.82	78,993.00	105,120.26	120,731.01	129,202.27	8,471.26
JAN.	58,060.26	61,719.43	57,650.80	72,978.31	66,639.10	111,196.02	145,698.55	34,502.53
FEB.	28,721.35	51,978.45	84,625.19	62,183.88	84,988.36	80,075.80	108,294.90	28,219.10
MAR.	41,169.81	59,995.24	66,827.31	48,014.12	61,534.33	84,812.81	89,343.93	4,531.12
APR.	36,047.08	63,828.61	45,133.59	45,686.40	56,161.75	87,984.02	78,883.29	(9,100.73)
MAY	38,673.45	43,972.74	44,776.94	77,652.11	49,058.84	57,192.37	70,156.49	12,964.12
JUN.	36,620.97	66,513.49	27,350.05	59,178.46	57,395.14	38,112.06	52,910.51	14,798.45
JUL.	57,858.06	36,453.52	43,182.01	40,591.66	64,849.45	42,113.11		
AUG.	31,085.05	25,032.95	35,624.85	43,081.67	60,129.05	56,331.96		
SEP.								
TOTAL	\$ 520,865.17	\$ 613,273.66	\$ 670,429.22	\$ 789,123.32	\$ 803,875.78	\$ 937,742.07	\$ 914,958.37	\$ 75,661.37

AVERAGE PER MONTH
 \$43,405.43 \$51,106.14 \$55,869.10 \$65,760.28 \$66,989.65 \$78,145.17 \$ 623,664.15

INCREASE/(DECREASE) IN DELINQUENT PROPERTY TAX COLLECTION
 \$ (27,721.31) \$ 92,408.49 \$ 57,155.56 \$ 118,694.10 \$ 14,752.46 \$ 133,866.29 \$ 75,661.37

INCREASE FROM PREVIOUS YEAR
 -5.05% 17.74% 9.32% 17.70% 1.87% 16.65% 9.01%

BUDGET VS. ACTUAL VARIANCE ANALYSIS
 Budget \$ 510,000.00 \$ 600,000.00 \$ 730,000.00 \$ 825,000.00 \$ 789,140.00 \$ 750,000.00
 Bud vs. Actual \$ 103,273.66 \$ 70,429.22 \$ 59,123.32 \$ (21,124.22) \$ 148,602.07 \$ 164,958.37
 % Difference 20.25% 11.74% 8.10% -2.56% 18.83% 21.99%

ORDINANCE NO: O-2009- 29

AN ORDINANCE SETTING THE TAX RATE AND LEVYING
AD VALOREM TAXES FOR THE CITY OF PHARR, TEXAS
BEGINNING FISCAL YEAR OCTOBER 1, 2009 AND ENDING
SEPTEMBER 30, 2010, 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 2009-2010, as hereinafter levied for current operating expenses, and capital outlays, to pay interest and to provide the sinking fund on outstanding bonds of the City issued for municipal purposes must be levied to provide the revenue requirements of the approved and adopted budget for said fiscal year.

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

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

SECTION 1: That there is hereby fixed, levied and assessed for the fiscal year beginning October 1, 2009, and ending September 30, 2010, 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:

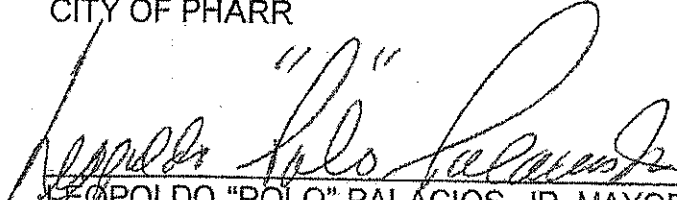
M & O	\$.6018
I & S	\$ <u>.0782</u>
TOTAL RATE	\$.6800

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 1st day of September, 2009.

CITY OF PHARR


LEOPOLDO "POLO" PALACIOS, JR. MAYOR

ATTEST:


HILDA PEDRAZA, CITY CLERK

GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

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

CAFR: Comprehensive Annual Financial Report. The CAFR is a financial report that is deemed as more informative than the standard required annual financial report.

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.

CDBG: Community Development Block Grant. A special revenue 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.

CGFO: Certified Governmental Finance Officer. The CGFO is a professional designation indicating a level of expertise based on the passing of exams governed by the Government Finance Officer's Association of Texas.

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.

CPA: Certified Public Accountant. The CPA is a professional designation indicating a level of expertise based on the passing of exams governed by the State of Texas.

CPM: Certified Public Manager. The CPM is a professional designation indicating a level of expertise based on the taking of exams governed by the State of Texas.

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

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

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

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

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

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

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

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

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

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

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

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

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

FY: Fiscal Year. The fiscal year begins October 1 and ends September 30.

GASB: Governmental Accounting Standards Board. The mission of the Governmental Accounting Standards Board is to establish and improve standards of state and local governmental accounting and financial reporting that will result in useful information for users of financial reports and guide and educate the public, including issuers, auditors, and users of those financial reports.

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.

GFOA: Government Finance Officer's Association. The purpose of the Government Finance Officers Association is to enhance and promote the professional management of governments for the public benefit by identifying and developing financial policies and practices and promoting them through education, training and leadership.

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.

I&S: Interest and Sinking. The ad valorem/property tax rate is broken down into two segments, M&O and I&S. The I&S is used to pay for interest and sinking liabilities (long term principle and interest debt payments) of the City.

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.

M&O: Maintenance and Operations. The ad valorem/property tax rate is broken down into two segments, M&O and I&S. The M&O is used to pay for maintenance and operating liabilities of the City.

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.

MBA: Master of Business Administration. The MBA is a professional designation indicating a level of expertise based on completion of higher education level courses in a certified university.

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.

PEDC: Pharr Economic Development Corporation. PEDC is a component unit of the City and serves as an entity whose sole purpose is to increase economic activity.

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.

TML: Texas Municipal League. TML exists solely to provide services to Texas cities. The TML constitution states that the purpose of the League is to "render services which individual cities have neither time, money nor strength to do alone."

TMRS: Texas Municipal Retirement System. TMRS purpose is to deliver secure and competitive retirement plans through a professionally managed organization that anticipates diverse needs; provides quality services; and openly and effectively communicates with members, retirees, and cities.

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

Working Capital: Current Assets less Current Liabilities.



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