

City of Pharr, Texas



Annual Financial Budget

For the Fiscal Year
October 1, 2012 through September 30, 2013



City of Pharr, TX

Annual Financial Budget

For the Fiscal Year
October 1, 2012 through September 30, 2013

ELECTED OFFICIALS

Leo "Polo" Palacios, Jr. - Mayor

Adan Farias
Aquiles Garza
Oscar Elizondo, Jr.

Bobby Carrillo
Eduardo Cantu
Arturo J. Cortez

CITY MANAGER

Fred Sandoval

FINANCE DIRECTOR

Juan G. Guerra, CPA

Prepared by the Finance Department

CITY OF PHARR, TX
ANNUAL FINANCIAL BUDGET
FOR THE FISCAL YEAR
OCTOBER 1, 2012 THROUGH SEPTEMBER 30, 2013
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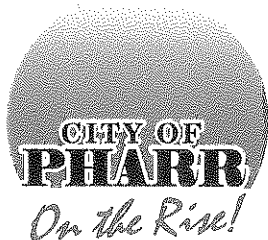
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INTRODUCTORY SECTION



September 28, 2012

MAYOR

Leo "Polo" Palacios, Jr.

COMMISSIONERS

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

CITY MANAGER

Fred Sandoval



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, 2012 through September 30, 2013. 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, 2012, copies will be available for public reviewing in the City Secretary's office and at the Pharr Public Library. After a public hearing and an adoption date of September 18, 2012, the budget will become effective October 1, 2012.

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

As directed, this budget reflects the following policy decisions:

Ad Valorem Tax Rate – Attempts to responsibly reduce property taxes were analyzed. The 2012 tax rate was recommended and adopted at \$0.68000/\$100; this rate is equal to the 2009, 2010, & 2011 tax rate.

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

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

The Operating Budget presents an overview of the revenues, expenditures/ expenses, and change in fund balances of all of the funds budgeted. For each individual fund, the appropriate level of detail is presented for revenues and expenditures/expenses. Each significant fund/department, as appropriate, includes a summary, presenting its purpose, goals and objectives for fiscal year 2012-2013, 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 second 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 three service areas: the parks maintenance division, recreation and athletics, and building maintenance. The Department oversees 57 acres of park space, 25 acres of landscaping, four public buildings, as well as recreation and athletic programs for the community.



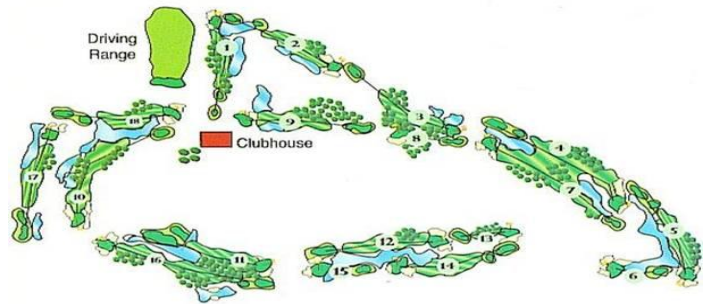
Water Treatment and Production

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



Quality of Life – Tierra Del Sol Golf Course

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



Quality of Life – Pharr Events Center

The City owns and operates the Pharr Events Center, which is an 80,000 square foot venue with a maximum occupancy of 4,000 people, complete with an outsourced snack bar and valet parking. Our citizens and region have enjoyed over 70 concerts and events this fiscal year. More concerts happen in Pharr than anywhere else in the South Texas area.

ACCOMPLISHMENTS OF FISCAL YEAR 2011-2012

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 2011-2012 are as follows:

General Fund

City Manager's Office

- Implemented citywide marketing program to leverage available resources for the cost-efficient promotion of the city.
- Implemented sales tax revenues through management and re-structuring of city economic development program and implemented targeted area master plans.
- Implemented a professionally produced state and federal legislative agenda to enhance city functions.
- Implemented the Landscaping Partnership Program which beautifies the city and contributes to economic development.
- Implemented the Tax Increment Reinvestment Zone (TIRZ) for industrial and retail corridor development
- Developed the Pharr Produce Subdivision, a 90-acre produce district as part of a public-private 400 acre master planned development to enhance job creation and property tax revenues.

Finance Department

- Completed the annual audit on time for the 5th straight year, not done prior 19 years
- Made all long-term debt payments and ensured compliance with debt covenants
- Was awarded the highest State of Texas fiscal transparency circle: Gold
- Submitted and received the GFOA Budget Award
- Prepared and submitted the CAFR for the Certificate of Achievement award from GFOA
- Submitted and received the PAFR for the Popular Annual Financial Report award from GFOA
- Submitted comprehensive quarterly fiscal reports to the City Commission and posted them online
- Provided budget preparation training along with budget manual
- Managed Economic Development Corporation fiscal management operations
- Upgraded utility bill process from postcard to envelope sized allowing for better communication to our citizens
- Collected and processed over \$13 million in utility payments

Police Department

- Implemented H2O (Helping to Overcome) Gang Reduction Program
- Acquired Grant Funding for a Smart Policing Study to be Conducted by this Department and UTPA
- Established Grant Funded Domestic Violence Liaison Program Assisting Victims of Domestic Violence

-
- Implemented Sports, Prevention and Active Recreation for Kids (S.P.A.R.K.) in partnership with the Parks and Recreation Dept and the Pharr Boys and Girls Club
 - Crime Reduction Achieved to Include Home Invasions and Gang Related Violent Crime

Municipal Court

- Successfully conducted Amnesty Program in December 2011 and extended it through April 2012.
- Set up a Failure to Attend School Clerk.
- Designated a Collections Specialist who updated our financial status application.

Fire Protection

- Received the TIFMAS truck through the Texas Forest Service grant of \$100,000.00 and placed this truck in service.
- Received CDBG grant and presently ordering Fire Equipment for the Department.
- Completed 30% of revamping Departmental Policy and Procedures modifications to include S.O.G's
- Received a Hotzone grant to cover tuition for firefighter personnel to attend training.
- Successfully completed the 2nd Annual 911 Practicum in Law Certification Internship with the local school district, which awarded them with a national certification for dispatchers.
- Received a donated ambulance unit from a local ambulance company for fire/arson investigation use.
- Donated a Reserve Class A 1990 Smeal Fire truck to the City of Pharr's sister city in Dolores, Hidalgo, Mexico.
- Completed the civil service testing to hire replacement firefighters if needed.
- Replaced Thermal Imaging cameras for the department.
- Completed 25% of Re-GPSing hydrants in the City of Pharr.
- Completed 75% of inspections for businesses, schools and daycares in the City of Pharr.
- The Fire Department purchased Rope Rescue Equipment to replace existing outdated material.
- Began remodeling of Station #2, which was intended for the improvement and positive image overall.
- FireComm was established and currently in the process of taking effect along with the City of McAllen.
- The CAD system was implemented to improve communication amongst emergency personnel.
- Completion of Hepatitis B vaccines for all firefighter personnel.

Street Maintenance/Traffic Safety

- R.A.M.P Repair and Maintenance Program ; Veteran's Blvd (FM 495-Moore Road). One pass overlay.
- Street improvements to Sugar Road; project consists of reconstruction and widening of an existing 2 lane road to a 4 lane with a continuous left turn lane. The entire length of project is 2 miles (Sioux Road to Owassa Road).

-
- Street improvements to West Las Milpas Road, West Thomas Drive, West Polk Avenue, East Polk Avenue, Mariposa Street, South Las Palmas Street. Full Depth Reclamation.

Municipal Library

- Provided Computer Classes to our patrons and added MS Office curriculum
- Revamped the café 121
- Upgraded all of the internal network equipment with grant funds.
- Increase internet Bandwidth to 100Mbps X 100Mbps
- Increased library awareness through programs.
- Partnered up with PSJA ISD Art Dept for increased student art exhibition program

Parks & Recreation

- Continued coordinating with the P-SJ-A ISD and the partnership effort to construct the much anticipated Pharr Aquatic Center.
- Partnering with the school district for programs such as flag football, volleyball, winter baseball, basketball, and soccer.
- New programs consisted of offering the Spring PONY Baseball/Softball League.
- New summer recreation programs included Autism Day Camp, Baking, Little Scientists, Sign Language, Vocal (Singing) Lessons, 4-H Summer Camp, and Movie Nights Program.

Planning & Community Development

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

Information Technology

- Deployment of a city wide secure email system
- consolidation of Information Technology resources and personnel city – wide
- completed a Criminal Justice Information Systems audit (TxDPS/FBI) on key infrastructure
- replaced aging network infrastructure within city hall, and conducted upgrades to other networks around the city; to include the police department

City Engineer

- Provided coordination with Parks Department and the Architect in completing the New Pharr Aquatic Facility plans and specifications.
- Provided coordination with Public Works in completing Veterans Road Repaving, Sam Houston, Veracruz and Hall Acres street improvements.
- Provided procedures of capital improvement budgets by requiring consultants and contractors submit City of Pharr standard request for payment forms. These forms indicate the engineering fee and construction cost status of each capital provide project.
- Provided coordination with Public Utilities in completing Polk Avenue, Sam Houston and Hall Acres Road with water line improvements.

Utility Fund

- Received Superior Rating from TCEQ
- No major violations from TCEQ Inspections
- Completion of removing and replacing over 6000 old (20 yrs or over 1 MG) water meters

Bridge Fund

- The cold inspection facility project was bid and awarded with construction to begin this summer.
- Outbound port hardening project completed allowing us to construct a temporary inspection facility adjacent the toll plaza.
- New security gates with tire deflators were installed to reduce the number of stolen cars crossing at our bridge.
- Overhead bridge signs delineating the lanes
- The bridge repaired the lanes' surface and the under bridge to fix crack.

Events Center

- 65,000 guests attended ticketed events.
- Averaged more than 5 ticketed events per month.
- No major safety problems arose during any event.

Golf Course Fund

- Renovated Club House.
- Sand Traps were improved.
- Golf Course Equipment upgraded.

Debt Service Fund

- Made all long-term general obligation debt payments

MAJOR GOALS FOR FISCAL YEAR 2012-2013

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

General Fund

City Manager's Office

- Direct all major city economic development projects on behalf of the City, PEDC, and City Commission.
- Enhance city-wide beautification and trademark "Pharr - The Cleanest City in the RGV" for our citizens.

-
- Maximize return-on-investment for all economic development projects to enhance future revenues for additional city growth projects.
 - Develop approximately 40 acres at Jackson Road site north of COSTCO as an entertainment destination with restaurants, a theater, and retail stores.
 - Re-develop the El Centro Mall property as a new retail destination point and lifestyle center.

Finance Department

- Submit the CAFR for GFOA Award
- Submit budget for GFOA Award
- Submit PAFR for GFOA Award
- Submit investment policy for GTOT Distinction Award
- Submit transparency information for State Comptroller Transparency Award
- Develop a fraud prevention program
- Create and conduct semi-annual courses for a City-wide financial training program
- Update the City's purchasing operations for the City to receive a governmental purchasing award
- Reduce the time utility bill payers are in-line
- Continue to improve customer service
- Launch electronic time-tracking system
- Outsource payroll processing
- Update and fund post-retirement program
- Implement an employee health and fitness program
- Implement a return to work program
- Implement a safety program to reduce on-the-job injuries

Police Department

- Implementation of New Policing Strategies and Initiatives Based on Smart Policing Project Revitalizing Old Pharr Downtown Area and South Pharr
- Establishing a Law Enforcement Training Center In Pharr with Partnership of South Texas College (S.T.C.) and P.S.J.A. ISD
- Continued Reduction of Violent Crime Specifically Those Effecting Quality of Life of Our Citizens (Gang Related Incidents, Home Invasions etc....)
- Enhancing Our Technology Program to Provide More Effective and Efficient Service to Our Citizens and Enhance Employee Performance
- Introduction and Implementation of Taser Project

Municipal Court

- Implement the Scofflaw Program designating the court's Collections Specialist to oversee its inception and operation.
- Establish new systems which are more effective for organizing and storing data and for improving collections.
- Continue to activate warrants
- Continue our clerk cross-training program so that all clerks are able to perform the duties of each other.

-
- Continue making contact with debtors by mail (including e-mail), telephone, and in person.

Fire Protection

- 100% completion of inspections for the businesses, schools and daycares for City of Pharr.
- Continue applying for any upcoming grants for suppression and prevention.
- Fully furnish the donated ambulance and place it in service as a fire investigation unit.
- Develop physical fitness standards for the department with recommendations from the Collective Bargaining members.
- Send personnel to get trained in Swiftwater Rescue.
- Continue sending firefighter personnel to WMD Training free of charge.
- Reconstruct Station #3 and new construction of Station #1.
- Installation of Exhaust Filtration System for all 3 Station bay areas.
- Begin the construction of a new station in the North Side of Pharr.
- Replacement of outdated workout equipment for all Stations.
- Implementation of new training for fire personnel to include Fire Officer I & II conducted by TEEX.
- To create a reputable honor guard for the Fire Department for City wide events.

Street Maintenance

- Drainage improvements to downtown; construction of up-sizing main drain line to outfall from 30"-36" inch pipe to a 11x6 box.
- Street improvements to West Hall Acres Road; project will consist of the reconstruction and widening of an existing 2 lane road to a 4 lane road. The entire length of project is 1.27 miles (281 Cage to Jackson Road).
- Street improvements to Sam Houston Blvd; project consist of reconstruction and widening of an existing 2 lane roadway to a 2 lane with a continuous left turn lane. Engineering is underway and should commence construction in 2012.
- Street improvements to R.A.M.P Repair and Maintenance Program ; Siete Encinos Subdivision, Los Ebanos Subdivision. Full Depth Reclamation.
- Street improvements to East Bell Street and East Anaya Road. Full Depth Reclamation

Information Technology

Municipal Library

- Increase the library's total collection by 5,000 titles
- Increase the library's total membership to 45,000 patrons
- Increase Library Programs for adults
- Maintain constant level library awareness through advertising
- Partner w/ various community organizations digitize historical material archiving
- Provide a merit increase to outstanding library employees.
- Convert all 75 public computers to thinclients.

Parks & Recreation

- Completion of the Pharr Aquatic Center which will allow aquatic opportunities to include swimming lessons

-
- Attempt to obtain funding to partner with the school district to construct a city/school neighborhood park north of Expressway 83. Potential amenities will include youth soccer fields, tennis facilities, playground areas, walking trails, as well other basic park amenities.
 - Begin the development of plans, specifications, and construct the Special Needs Park at Victor Garcia Municipal Park, also a Nature Park with walking trails and educational nature facilities.

Planning & Community Development

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

Engineering

- Continue improving coordination between departments for capital improvements projects.
- Establish and update City of Pharr control points to be within a standardized coordinate datum.
- Development of standardized construction details and specifications for capital improvement projects.
- Assist departments in engineering small capital projects by providing in house plans and specifications.

Utility Fund

- Rehab of LBJ tower
- Continue to obtain Superior Rating for WTP
- Reduce sanitary sewer overflow throughout the City
- Rehabilitation or Replace of Old Brick Manholes

Bridge Fund

- Construction of cold storage inspection facilities
- Initiate the Intelligent Traffic system project which will allow to disseminate information on bridge traffic
- Add a new exit gate to connect dock area with the BSIF
- Add FAST lanes for commercial more efficient cargo x-ray inspection
- Expand administration building
- Build the Border Safety Inspection facility

Events Center

- Sell advertising in the building to promote outside businesses.
- Increase staff to compete with the ticket sales and provide better service.
- Hiring an in house marketing / advertiser consultant.

Golf Fund

- Redo the greens for Holes #1 - #9.
- Refurbish the Cart barn and cart barn area.
- Improve the tennis court area.
- Improve the fence line at the main entrance (including electronic rolling gate).
- Improve Club House landscaping.
- Improve the tunnel area.

Debt Service Fund

- Make all long-term general obligation debt payments

CURRENT/SHORT TERM ISSUES

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

Financial Sustainability Issues

Financial Policy

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

Fund Balance

During the annual audit ending September 30, 2007, the General Fund was identified as having a negative \$6.4 million unreserved fund balance. This major deficiency was in need of immediate attention and an action plan to correct it was approved by the City Commission September 16, 2008. One of the main corrective actions was to separate the contingency funding from the General Fund into an identifiable emergency-type account, in order to force the funding of the unreserved fund balance. Another corrective action was to strive to provide funding in addition to the contingency funds to speed up the reversal of the negative balance. With these corrective actions in place, we were able to fully fund the unreserved fund balance. The unreserved fund balance in the General Fund has been fully funded at \$8.3 million.

Cash Management

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

Audit Findings

The City has been able to complete the annual fiscal audit for five straight years without delay for the first time dating back the previous 19 years. There are no worrisome internal control issues identified. All findings have been corrected.

Bond Issuances and Debt

There are no plans to issue any General Obligation bonds this fiscal year. The Utility Fund may issue utility infrastructure related debt, if the fiscal analysis proves to be a responsible option. The City, its independent funds, and its component units have entered into several industrial and economic development funding debt which limits the ability to pay for new debt. The Public Facilities Corporation #1 entered into a \$15 million loan for economic development. The Economic Development Corporation II entered into a \$7.6 and will very soon enter into a \$4.6 million loan for industrial development. The Paving & Drainage Fund entered into a \$1 million loan for the development of the new Public Works building.

The City plans on going out for competitive sealed bids for capital outlay financing. The amount of funding for this fiscal year is \$1,271,870.

In an effort to assist with economic development, the City entered into a 5 year note with the local school district (Pharr-San Juan-Alamo School District) for \$4.5 million to pay for property located in a prime location for economic development.

Evaluation of Fees and Charges

Current fees and charges were evaluated to determine whether the City is recovering the cost of the services being provided. They were also benchmarked against those being charged by neighboring cities. As a result of this evaluation and benchmarking, City fees changed for the events center and bridge crossing occurred during the previous fiscal year, none are expected this fiscal year.

Economic Factors

Economic indicators in the City of Pharr estimating the health of the economy in the City include several revenue trends. Sales tax revenues received by the City continued to show a welcomed increase for the past 24 out of the last 25 months, and out of the past eight months, averaging growth of 15.73%. The increase is attributable to the regional economy as well as the increased activity of the City's major retail and home improvement stores. More major retail and entertainment stores are expected in the very near future, which is projected to supplement this trend and continue to increase sales tax revenue. Property tax appraisals and collections have shown positive trends. This year, appraisals are up roughly 1.5% while current collections are budgeted up 1.6% from the previous fiscal year's original budget. Building permit revenues have increased for two out of the last three years and are expected to remain steady this fiscal year. The City is monitoring these economic indicators to ensure the health of the City remains strong. The City, in comparison to the surrounding cities, is in a positive economic position.

Personnel Issues

Pay Wages

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

Retirement System

Any employee who work 1,000 or more hours per calendar year are required to be included a defined contribution retirement plan administered by Texas Municipal Retirement System (TMRS). The contribution rate by each employee for the next calendar year will remain the same rate of 7%. The City matches that rate 2:1. After actuarial analysis, the contribution rate for the City is budgeted at 6.92%.

Employee Positions Changes - Citywide

City needs are evaluated on an annual basis. There were several modifications, additions, and deletions to the budgeted positions based on last fiscal year. Each full time employee is counted as 1 position, and each part time employee is counted as .5 employee (based on the amount of hours worked). This method of counting positions is considered to be Full-Time Equivalents (FTE).

The General Fund had several changes to the personnel budget. City Manager's Office changed by 1 FTE. They eliminated one full-timer and transferred one part-timer to a component unit while adding a part-timer. The Police Department added 6 FTE, a dispatcher and a Crime Scene Specialist and grant personnel. Municipal Court added .5 FTE by increasing a position from part-time to full-time. The Fire Department increased their FTE by 5 positions, 3 custodians which were transferred from Parks & Recreation, and 2 dispatchers. Information Technology Department increased by 3 FTE, all which were transferred from other departments. The Municipal Library increased FTE by 1, which was a transfer from Parks & Recreation. Parks & Recreation department reduced their FTE's by 21.07, adding one temporary Groundskeeper, a new Secretary, an Aquatic Supervisor; the remaining reduction is due to the creation of the Pharr Athletics department via the transfer and elimination of seasonal for the recreational staff. The Planning & Community Development and Engineering departments both added 1.5 FTE's each. Planning added a Senior Planner and a Clerk while Engineering added an intern and a GIS Professional.

The Utility Fund-Administration department added 4.5 FTE's due to 4 new Plant Operators, 2 new Laborers at Water Distribution division, the addition of a part time Custodian, and while eliminating a Laborer and Backhoe Operator.

The Golf Fund added 3.4 FTE's. They added two Groundskeepers and a Custodian while eliminating a Cart Attendant and a part-time Clerk. They also received seasonal recreational staff for operations.

THE BUDGET AS A WHOLE

Overall Budget Basis of Accounting

The budget basis that the City has adopted by past practice is the modified accrual basis for all governmental fund types. The accrual basis has been adopted for the proprietary fund types, with some modifications; principally the inclusion of department 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 \$92,264,330. This is an increase of \$2,361,190 from last fiscal year's original budget of \$89,903,140. This increase is mainly due to an increase in Bridge toll revenues, expected to be an increase of just over \$1,022,000 and a transfer into the General Fund by the Bridge Fund of \$1.5 more this year than last year.

Expenditures/Expenses and Transfers Out

Total expenditures/expenses for all funds are budgeted at \$106,916,330. This is a decrease of \$10,131,520 from last fiscal's year original budget of \$117,047,850. This decrease is mainly due to the contingency funds of \$8 million not being appropriated.

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 four funds that have expenditures over their annual revenues. They are budgeted that way for a purposeful reason. The General Fund, Asset Sharing, General Capital Project, and Utility 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 four funds that have a change greater than 10% to their fund balance. The funds and their change are: General Fund (change of -35.2% to pay for an economic development loan, demolition of property on land for economic development purposes, and to pay for a Master Plan update), Asset Sharing (change of -82% to possibly purchase capital outlay, use for overtime pay, and training), General Capital Project (change of -100% for capital projects), and Utility (change of -44% for capital projects). More information of the changes is detailed in their section of the Executive Summary.

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

LONG-TERM GOALS, CONCERNS, AND ISSUES

The City of Pharr is a well-managed city with fiscal constraints and in need of long-term foresight. Planning for future concerns will enable this city to continue to serve the citizens and

provide services that improve the quality of life for the population. Some of the long-term goals, concerns, and issues are as follows:

Long-Term Plans

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

Fiscal Management

The history of the City's financial management was analyzed and the problems of five year ago are actually a mirror of those of the past. Long-term fiscal management is a major concern to today's City leaders and management. The long-term fiscal viability of the City is a priority and a plan to correct the negative fund balance was identified in the September 30, 2007 audit was approved several years ago to enable proper fiscal management regardless of who is managing or leading the City's operations. This plan was executed during the Fiscal Year 08/09 and the fund balance has been corrected.

International Bridge Traffic

Commercial crossings form the majority of traffic on the City's international bridge. There are a couple of local international bridges that just opened up and are expected to impact the City financially. Additionally, security is a major concern for travelers going to Mexico. To remain a viable bridge, several improvements and long-term concerns must be addressed. The City is in the planning stages of building additional commercial and passenger inspection areas, three cold storage inspection stations, as well as a overweight truck staging area to reduce wait time, provide efficient crossing, and assist businesses in saving money.

Infrastructure Development

The growth of the city the past 20 years has been causing a strain on the finances of the City. Once a small town community, now a retail, entertainment, and family location, the City of Pharr's needs not only include services, but infrastructure. Infrastructure is mainly identified as roads, bridges, and utility lines. Utility lines are being upgraded along with a water and wastewater plant. The international bridge has spent heavily on increasing its capacity and reducing the time it takes to cross the bridge and should see the outcome in several years.

Quality of Life

With the City vying for major retail along with other area cities, quality of life has seemed to be the difference with the corporate decision makers. Pharr has always had many entertainment venues, but mainly in the form of texano music genre. The City is now focused on diversifying

the entertainment. The City converted the City's Convention Center to a first class entertainment venue, the Pharr Events Center. This has opened up a vast array of music genre for the citizens. A new museum is also planned. This would enable a history of Pharr artifacts to be shown as well as other historical items.

Recreational programs continue to grow with the assistance of local non-profit entities. This year, the City created the Pharr Athletics department within the General Fund to assist the main non-profit entity, the Police Athletics League (PAL) Program. This league, along with City staff, will operate the annual activities that our Parks and Recreation department used to manager along with the Boy & Girls Club. The main sports that PAL will oversee will be Baseball, Football, Rugby, Tennis, and Soccer.

Parks is also a major priority to the Commission due to the importance it has on families. Although Pharr has several parks, more is being considered to ensure that new growth also brings in new parks. The City owned Tierra Del Sol golf course has undergone millions of dollars of improvements ever since being purchased. The construction of a new swimming pool recreation area will begin this year along with a new sports complex, making this park a destination location for our citizens.

Public Safety

The City limits are not wide, but are very long. This creates a public safety issue in trying to provide a presence in all sections of the city. There is a need to establish mobile substations, technology for citizen communication/information without the need to travel, establish equipment replacement programs, ensure there is an adequate hire, retention, and recruitment program established, and conduct a needs assessment for the possible future annexation of land. The escalation of violence across the international boundary has required a change in our strategies to of addressing narcotics, stolen vehicles, and violent crimes. The civil service process places a huge stress on the ability to provide adequate public safety. This is due to the financial impact the majority of the demands are and the increasing amount of requests that are put forth for negotiations. Plans are currently being discussed concerning the possibility of a new fire station and a police sub-station. The possible annexation of 5,000 acres of land is another source of concern for the current level of public safety personnel and equipment.

Population Growth

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

Water Supply

Water is expected to become the next "oil" as far as value and scarcity. Water is already being traded in the commodity market. The current supply of water is currently sufficient to cover the

needs of the city, but must be reevaluated continuously. The quality of water being drawn from the Hidalgo County Irrigation District's reservoir is sufficient for now. Once the water/wastewater plant expansion is completed in late 2012, water rights will have to be purchased to keep up with the anticipated need of the community. Should the City annex the available 5,000 acres of land for the anticipated high value subdivisions, water supply must be reevaluated. The purchase of water rights is attempted when fiscally feasible.

Economic Position

The economic position of the city of Pharr seems to be very favorable. The city has forecasts a steady level of business growth or improvement during the upcoming year. The City is currently in the final stages of managing the redevelopment of the major economic corridor in the city; this will create jobs, increase property tax, and bring new sales tax dollars into the City. The economic indicators stated earlier will be monitored and a trend analysis performed to ensure that the City is aware of any possible changes.

Technical/Regulatory/State Changes

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

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

DISTINGUISHED BUDGET AWARD

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

This award is valid for a period of one year only. This is the City's fourth GFOA budget award. We believe that our current budget conforms to program requirements.

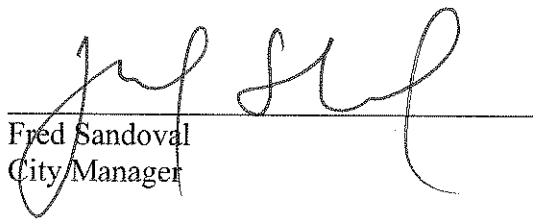
SUMMARY

The approval of this budget represents the culmination of many hours of preparation by staff and deliberation by the City Commission in order to accomplish their responsibility of maintaining the highest quality of service in a cost-effective manner to the citizens of Pharr. We believe that

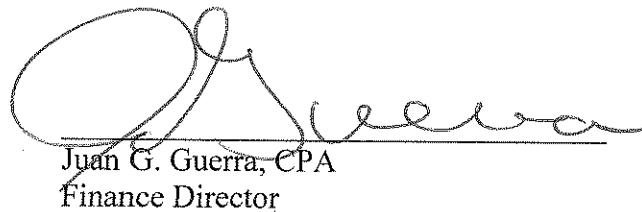
this budget is realistic, attainable and cost-effectively meets not only the existing level of services which you have directed the City staff to provide and which our citizens have come to expect and deserve, but also addresses the issues that arose during the budget process. It will be closely monitored as to the performance of revenues and compliance with appropriation limits, with monthly and quarterly reports provided to management and monitored by all departmental directors.

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

Respectfully Submitted,



Fred Sandoval
City Manager



Juan G. Guerra, CPA
Finance Director



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Pharr
Texas**

For the Fiscal Year Beginning

October 1, 2011

Linda C. Davidson Jeffrey R. Emen

President

Executive Director

CURRENT CITY OFFICIALS

Elected Officials

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

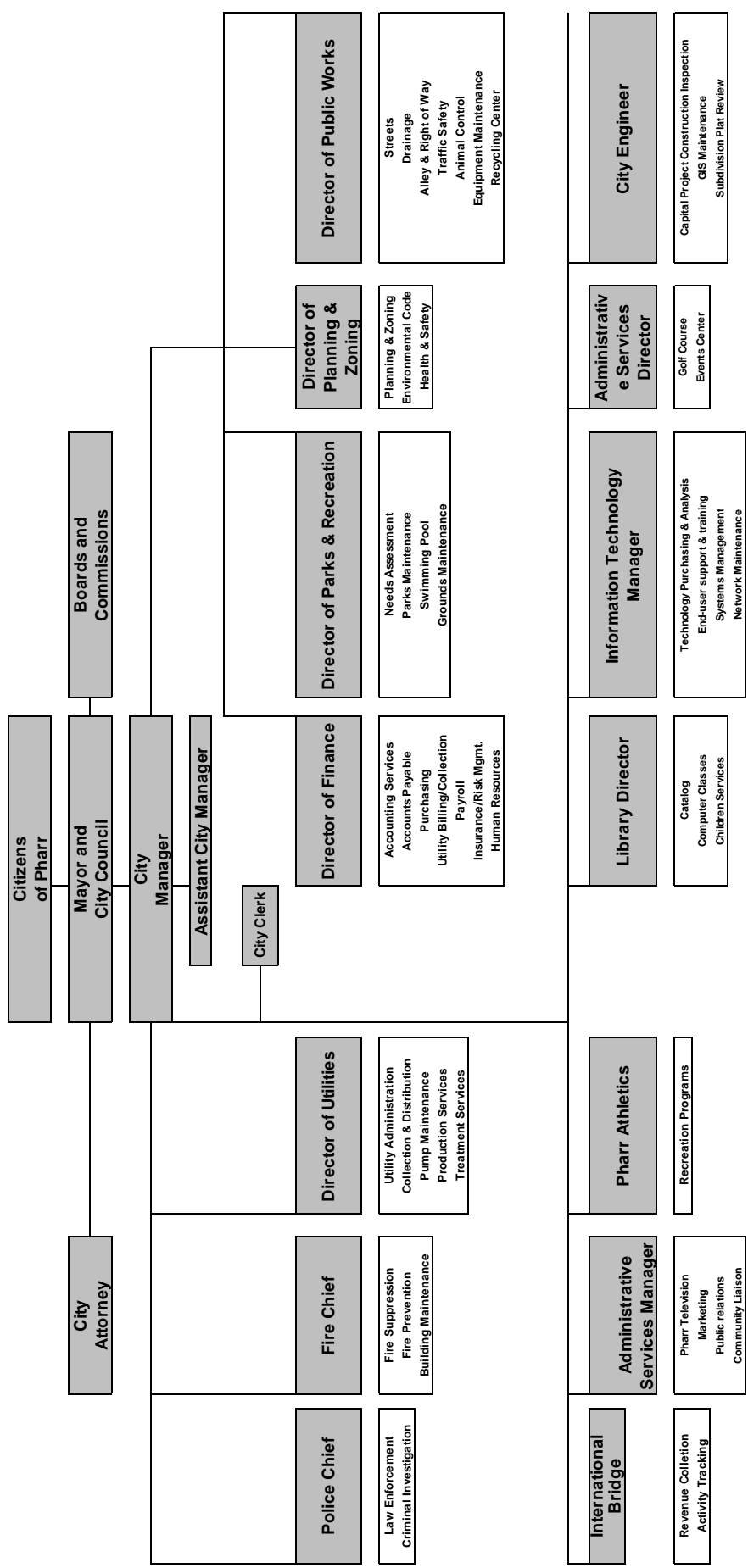
Appointed Officials

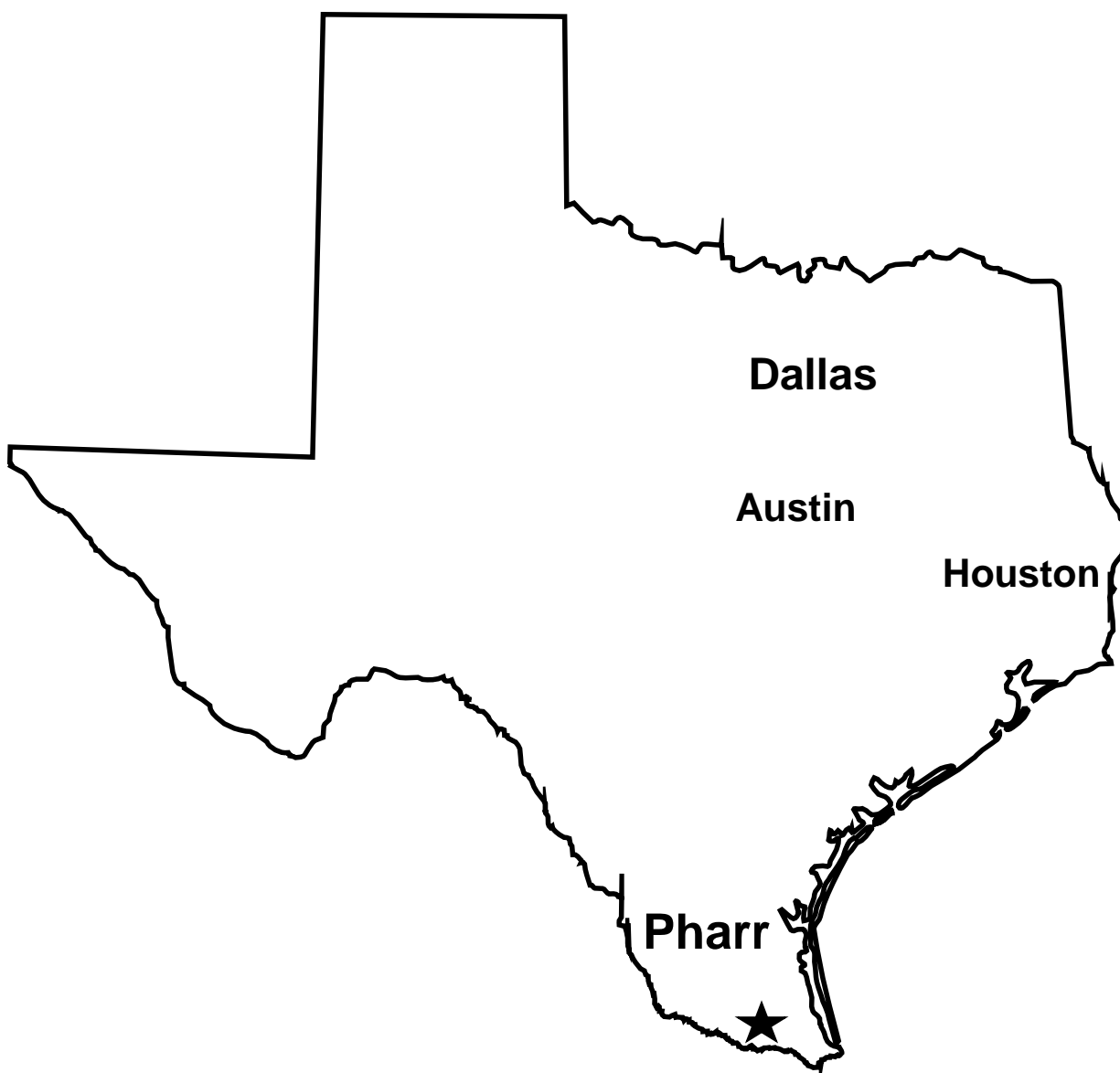
City Manager	Fred Sandoval
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Department Directors

City Clerk	Hilda Pedraza
Police Chief	Ruben Villescascas
Fire Chief	Jaime Guzman
Assistant City Manager/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 IT	Jason Arms
Bridge Director	Jesse Medina
Director of Administrative Services	Raul Garza

ORGANIZATION CHART - CITY OF PHARR







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FINANCIAL BUDGET SECTION

EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

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

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

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

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

The Utility and Bridge capital project funds are listed as capital project funds but will become consolidated during the annual audit with the Utility and Bridge funds respectively. Based on the audit report ending September 30, 2011, the following fund is considered major fund: General Fund. The table on the following page shows the relationship between funds and departments.

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

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

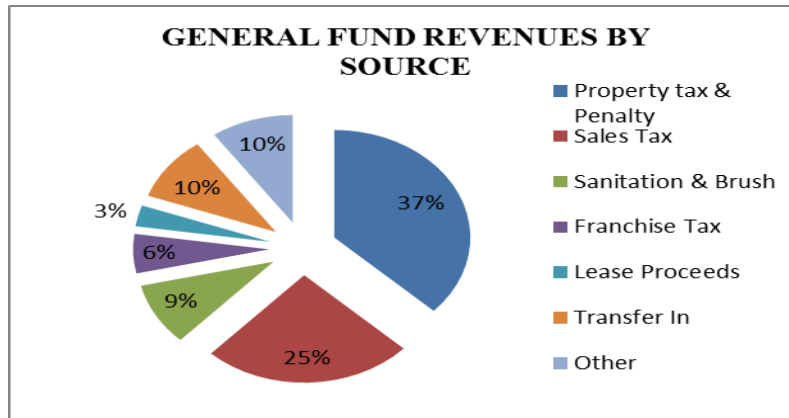
GENERAL FUND

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

Revenues

The General Fund is expected to generate \$37,640,300, which is an increase of approximately \$4,415,950 or 11.7%, over last year's budget. This marginal increase is primarily attributable to a net difference of increases caused by several reasons. The first reason is an increase of nearly \$1,900,000 in sales tax collections. The second reason is an increase in transfers in of over

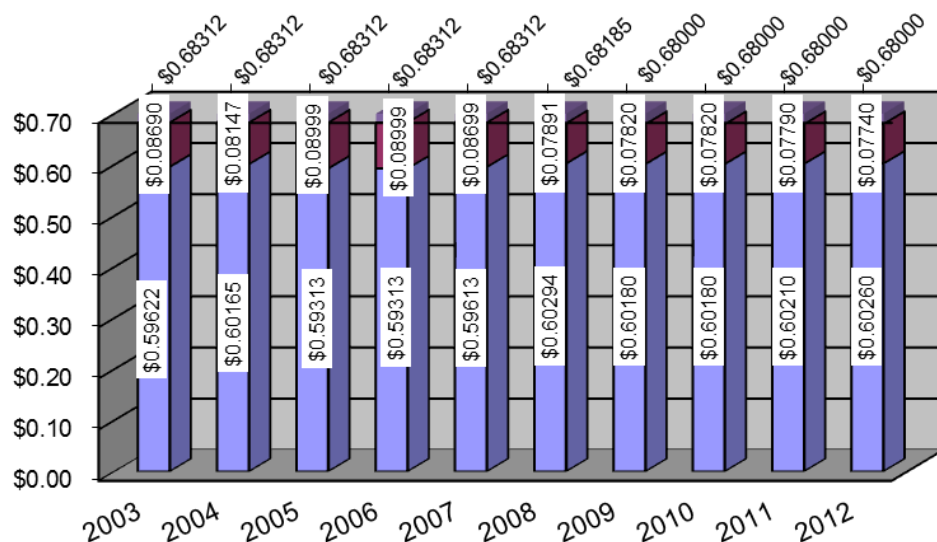
\$863,000 compared to last year's original budget. The third reason is an increase of \$631,000 mainly due to charges for services.



As illustrated in this graph, five major revenue line items account for over \$34.3 million, which is 91.1% of total revenues. The major revenues are the Current Property Tax, \$12,177,000; Sales Tax, \$9,899,950; Sanitation & Brush, \$3,447,800; Other Revenues, \$3,782,690, which mainly consists of \$734,620 in licenses and permits, \$1,110,100 in charges for services and \$950,500 in court fine collection; and Transfers In, \$3,600,990..

Current Property Tax (32.4% of budgeted revenues)

The State of Texas limits the ad valorem tax rate to \$2.50 per \$100 valuation. Other than the amount resulting from such rate limitation, there is no legal debt limit. The property tax rate will remain the same as last year. The tax rate this year is 68.000¢ per \$100 taxable assessed value, as determined by the Hidalgo County Appraisal District. The certified assessed value increased from \$2.164 billion to \$2.196 billion. This represents an increase of \$31.9 million, or about 1.48% under the prior year. Budgeted current advalorem tax revenues are \$13.74 million. This represents an increase of \$176,000, or about 1.5% over the prior year original budget. The 68.000¢ per \$100 valuation is distributed for two purposes: Interest and Sinking (I&S), and Maintenance and Operation (M&O). The I&S is used to pay for bond payments and is put into its own fund, the Debt Service Fund. The M&O is used for general operational expenditures of the City. The following is a distribution of the tax rate for the past ten years:



The purple section of the column is our M&O tax rate while the maroon section of the column is our I&S tax rate. The tax rate has either been reduced or stayed the same for the past ten years. This is yet another strong indicator of the City's fiscal health. Along with the proper management of our tax rate, the City has experienced a healthy trend in the collection of property tax revenues. The City budgeted the estimated 92% collection of the tax levy. The percentage of levy collected has steadily increased in the last ten years, as stated in the following table,:

Fiscal Year Ended	Tax Year	Total Tax Levy for Fiscal Year	Collections within the Fiscal Year of the Levy	
			Amount	Percentage of Levy
2002	2001	6,423,035	5,761,968	89.7%
2003	2002	7,091,644	6,323,099	89.2%
2004	2003	8,220,042	7,422,859	90.3%
2005	2004	9,232,739	8,335,423	90.3%
2006	2005	9,830,866	8,980,357	91.3%
2007	2006	11,014,296	10,094,357	91.6%
2008	2007	12,274,614	11,231,002	91.5%
2009	2008	14,567,322	13,390,856	91.9%
2010	2009	14,823,730	13,672,751	92.2%
2011	2010	\$ 14,673,859	\$ 13,558,630	92.4%

Sales Tax (26.3% of budgeted revenues)

One of the most significant revenue line item generators for the General Fund is sales tax. It is the second biggest revenue source and therefore one that must be continuously monitored. It is a gauge of the City's economic health and is also a source of public safety since property tax alone cannot sustain the police and fire departments budgets, sales tax revenues must contribute as well. Due to its historical sensitivity to fluctuations in the strength of the state's economy and to a point, the Mexican peso, the City continues to take a conservative approach in estimating its performance. The sales tax for the City is 1.5% for every eligible purchase. 1% is strictly sales tax, .5% is credit in lieu of property tax (assists in keeping the property tax from increasing). Over the last seven years, the general trend for sales tax receipts is hard to identify. From fiscal year 2005/06 till last fiscal year, sales tax increased or decreased from one year to the next without any proper reason as to why. We have consistently budgeted very conservative with this revenue source. Our 2011/12 sales tax collection through the month of August 2012 shows an increase of 14.75% in sales tax revenues compared to the prior fiscal year. The fiscal year 2012/13 sales tax revenues are budgeted at \$9.9 million. This represents a 23.76% increase in revenues from the past fiscal year's original budget and a 2% increase from projected year end actual sales tax revenue. This 2% increase is estimated due to the conservative nature of budgeting as well as the fluctuation in the overall economy. The table on the following page provides a good illustration as to the fluctuations in sales tax collections; all collections are identified using the cash basis and is not proper use for financial reporting.

MONTH	FY 05/06	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11*	FY 11/12
OCT.	\$ 632,315	\$ 704,485	\$ 676,618	\$ 697,020	\$ 569,780	\$ 644,328	\$ 715,896
NOV.	759,042	707,613	668,214	724,840	640,102	701,143	769,262
DEC.	634,732	616,083	688,392	773,417	534,751	663,417	685,645
JAN.	632,649	683,086	660,067	634,330	532,300	637,432	696,798
FEB.	735,971	755,650	774,025	672,782	663,103	772,331	910,841
MAR.	649,780	632,778	639,141	660,698	573,170	608,494	719,383
APR.	646,387	694,856	683,575	620,894	650,931	642,820	734,429
MAY	854,872	829,198	781,909	737,033	761,514	818,973	938,060
JUN.	700,623	680,903	716,256	654,026	635,718	694,182	823,674
JUL.	736,031	725,607	688,386	609,918	630,175	661,340	856,789
AUG.	814,607	751,093	742,289	732,364	741,889	798,921	920,112
SEP.	691,787	655,848	682,796	613,229	647,997	720,280	-
TOTAL	<u>\$8,488,796</u>	<u>\$8,437,200</u>	<u>\$8,401,668</u>	<u>\$8,130,552</u>	<u>\$7,581,430</u>	<u>\$8,363,662</u>	<u>\$8,770,890</u>

AVERAGE PER MONTH

\$ 707,400 \$ 703,100 \$ 700,139 \$ 677,546 \$ 631,786 \$ 696,972 \$ 797,354

INCREASE/(DECREASE) IN SALES TAX COLLECTION

\$ (51,596) \$ (35,532) \$ (271,116) \$ (549,121) \$ 782,231 \$1,127,508

INCREASE FROM PREVIOUS YEAR

-0.61% -0.42% -3.23% -6.75% 10.32% 14.75%

Sanitation & Brush Collection (9.2% of budgeted revenues)

Sanitation and Brush Collection is the activity of collecting and disposing of refuse. The budgeted amount for the fiscal year is \$3.45 million, which represents an increase of \$59,000 or 1.74%. This year, the budget for these revenues represents last year's projected ending balance. Sanitation and brush collections are based on the number of new water accounts. There is no major increase in water accounts expected for the upcoming fiscal year. The budget is based on the trend in collections in the tables on the following page. All collections are identified using the cash basis and is not proper use for financial reporting.

Sanitation Collection Activities

MONTH	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
OCT.	\$ 267,319	\$ 314,061	\$ 340,856	\$ 171,209	\$ 177,081	\$ 185,357
NOV.	242,411	244,710	321,878	158,831	179,947	189,358
DEC.	274,668	257,571	216,607	178,313	167,138	187,083
JAN.	283,059	330,581	168,144	169,643	188,928	196,099
FEB.	243,099	292,663	170,395	177,587	179,455	181,385
MAR.	295,113	328,877	178,236	198,296	196,784	210,880
APR.	207,672	291,751	166,448	171,345	167,923	176,839
MAY	380,760	330,824	163,378	167,741	195,316	182,083
JUN.	239,468	316,709	206,852	181,568	174,854	182,877
JUL.	255,398	290,740	179,700	179,296	180,285	191,392
AUG.	310,425	348,653	159,158	176,004	184,839	-
SEP.	262,562	305,151	172,756	173,190	183,638	-
	<u>\$ 3,261,956</u>	<u>\$ 3,652,291</u>	<u>\$ 2,444,408</u>	<u>\$ 2,103,024</u>	<u>\$ 2,176,189</u>	<u>\$ 1,883,353</u>

AVERAGE PER MONTH

\$ 271,830 \$ 304,358 \$ 203,701 \$ 175,252 \$ 181,349 \$ 188,335

INCREASE/(DECREASE) IN SALES TAX COLLECTION

\$ 390,336 \$ (1,207,883) \$ (341,385) \$ 73,165 \$ 75,641

INCREASE FROM PREVIOUS YEAR

12% -33% -13.97% 3.48% 4.18%

Brush Collection Activities

MONTH	FY 06/07	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
OCT.	\$ 76,565	\$ 88,388	\$ 75,194	\$ 76,287	\$ 76,490	\$ 78,680
NOV.	68,230	71,277	63,913	70,047	77,853	80,500
DEC.	83,413	70,184	89,075	77,232	72,846	80,655
JAN.	82,971	90,617	77,722	73,299	80,867	82,870
FEB.	71,752	81,169	76,623	76,210	75,320	76,033
MAR.	83,461	83,240	80,583	86,349	84,262	89,437
APR.	59,308	75,922	78,091	73,407	71,667	74,487
MAY	97,826	85,234	73,780	72,455	82,752	76,371
JUN.	68,686	84,843	95,020	77,653	73,807	77,590
JUL.	71,439	76,511	80,301	77,703	76,687	80,458
AUG.	85,874	93,440	71,558	76,165	77,880	-
SEP.	69,245	78,878	76,145	73,740	78,429	-
	<u>\$ 918,772</u>	<u>\$ 979,702</u>	<u>\$ 938,006</u>	<u>\$ 910,546</u>	<u>\$ 928,860</u>	<u>\$ 797,081</u>

AVERAGE PER MONTH

\$ 76,564 \$ 81,642 \$ 78,167 \$ 75,879 \$ 77,405 \$ 79,708

INCREASE/(DECREASE) IN SALES TAX COLLECTION

\$ 60,930 \$ (41,696) \$ (27,460) \$ 18,314 \$ 24,530

INCREASE FROM PREVIOUS YEAR

7% -4% -2.93% 2.01% 3.18%

Franchise Taxes (5.8% of budgeted revenues)

Franchise taxes are collected from the electric, telephone, gas, and sewer, and cable television companies. Over the past couple of years, it has experienced a steady upward trend. Total budgeted franchise tax revenues for next fiscal year are nearly \$2.17 million. This is an increase of \$274,800 or 14.52% from the prior budget due to a growth in electrical franchise fee revenues.

Other Revenues (10.0 % of budgeted revenues)

Other revenues are budgeted at \$3.78 million. Other revenues mainly consists of license and permits (\$734,620), fines and fees (\$950,500), charges for services (\$1,110,100), bingo & mixed beverage tax (\$140,000), Intergovernmental (\$280,540), and miscellaneous revenues (\$566,930).

Transfers (9.6% of budgeted revenues)

Transfer revenues are budgeted at \$3.78 million. Transfers are due from four sources: Bridge revenues over operations (\$3,026,100), PEDC reimbursement for administrative services (\$149,280), Utility Fund's reimbursement for administrative services (\$417,800), and a transfer in from Parkland Dedication Fee fund (\$5,200).

Expenditures

The General Fund's overall expenditures, including transfers-out is \$39,260,300, an increase of \$6.04 million or 18.2% of last year's original budget. There are four main reasons for this increase. The first reason for this increase is the increase of over \$1.9 million of transfer out expenditures; these expenditures are needed for a debt service payment to be made by a component unit of the City and the renovation of nine golf course holes and its cart barn. A second reason is the increase of over \$650,000 in 380 agreement incentives projected to be required. Third reason is due to the increase in debt service payments required of over \$1.86 million; this is attributed to the purchase of property from our school district and the increase in capital lease requirements. The last major reason for the increase in expenditures is due to the increase in personnel costs of over \$1.1 million, mainly due to the expected reduction in grant funding from previous public safety grants and the pay supplement that the City Commissioners will decide on in the near future. The following charts depict how the expenditures are allocated among several formats:

Chart 1 – Expenditure by Function

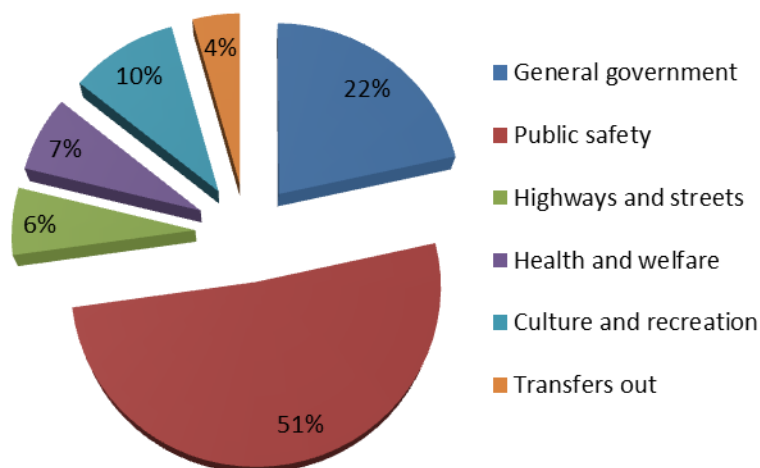


Chart 2 – Expenditure by Departmental

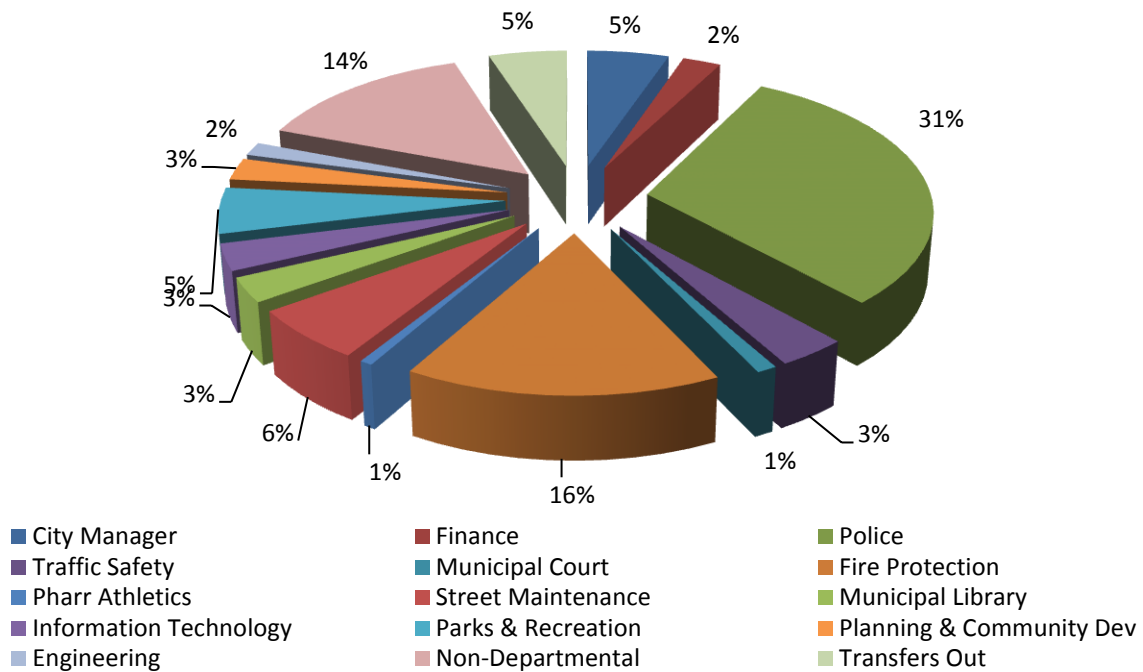
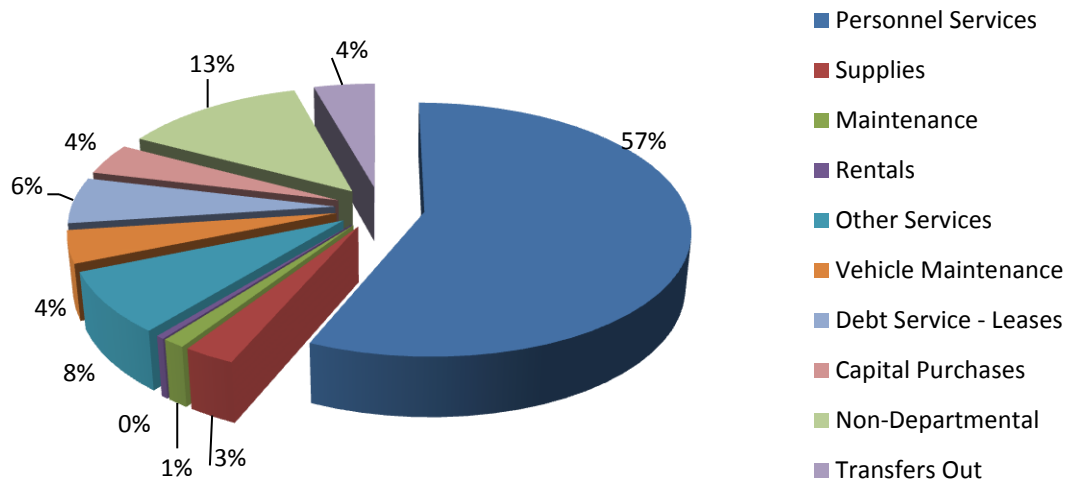


Chart 3 – Expenditure by Activity



To allow more analysis of the expenditures, the following tables are presented. The major changes are an increase in Transfers Out as previously discussed, and the City Manager's department. The City Manager has a debt payment to the school district of \$1 million for the purchase of school property. This debt is amortized of 5 years.

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

DEPARTMENT	FISCAL YEAR		Increase/ (Decrease)	Percent Change
	2012-13	2011-12		
City Manager	\$ 2,073,230	\$ 1,158,010	\$ 915,220	79.0%
Finance	971,620	943,860	27,760	2.9%
Police	11,976,550	11,453,000	523,550	4.6%
Traffic Safety	1,367,920	1,290,700	77,220	6.0%
Municipal Court	399,140	427,450	(28,310)	-6.6%
Fire Protection	6,140,030	5,836,070	303,960	5.2%
Pharr Athletics	251,450	-	251,450	0.0%
Street Maintenance	2,400,000	2,206,230	193,770	8.8%
Municipal Library	1,138,050	1,057,410	80,640	7.6%
Information Technology	1,227,910	544,790	683,120	125.4%
Parks & Recreation	2,116,470	2,374,170	(257,700)	-10.9%
Planning & Community Dev	1,015,240	1,031,950	(16,710)	-1.6%
Engineering	615,130	288,750	326,380	100.0%
Non-Departmental	5,583,630	4,492,300	1,091,330	24.3%
Transfers Out	<u>1,983,930</u>	<u>119,660</u>	<u>1,864,270</u>	1558.0%
TOTAL	\$ 39,260,300	\$ 33,224,350	\$ 6,035,950	

On the following page, Table 2 has several major changes. The City Manager's change is discussed above. The Fire Department has a reduction of over \$310,000 due to the capital purchase of a fire truck last fiscal year. The Non-Departmental difference of over \$18.3 million is due to the purchase of several pieces of land last fiscal year. The last major difference is Transfers Out, which is discussed in the previous page.

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

DEPARTMENT	2012-13	Amended Budget 2011-12	Increase/ (Decrease)	Budget Year % Change	% of FY 11/12 Budget
City Manager	\$ 2,073,230	\$ 1,203,862	\$ 869,368	72.2%	5.3%
Finance	971,620	961,118	10,502	1.1%	2.5%
Police	11,976,550	11,898,318	78,232	0.7%	30.5%
Traffic Safety	1,367,920	1,303,820	64,100	4.9%	3.5%
Municipal Court	399,140	433,172	(34,032)	-7.9%	1.0%
Fire Protection	6,140,030	6,424,972	(284,942)	-4.4%	15.6%
Pharr Athletics	251,450	-	251,450	0.0%	0.6%
Street Maintenance	2,400,000	2,236,536	163,464	7.3%	6.1%
Municipal Library	1,138,050	637,526	500,524	78.5%	2.9%
Information Technology	1,227,910	1,074,668	153,242	14.3%	3.1%
Parks & Recreation	2,116,470	2,601,266	(484,796)	-18.6%	5.4%
Planning & Community Dev	1,015,240	1,052,996	(37,756)	-3.6%	2.6%
Engineering	615,130	292,776	322,354	110.1%	1.6%
Non-Departmental	5,583,630	23,234,100	(17,650,470)	-76.0%	14.2%
Transfers Out	<u>1,983,930</u>	<u>557,300</u>	<u>1,426,630</u>	256.0%	5.1%
	\$ 39,260,300	\$ 53,912,430	\$(14,652,130)		

Table 3 – Departmental Change in Budget without Capital Purchases

	FY 11/12 Amended Budget w/o Capital Purchases	FY 12-13 Budget w/o Capital Purchases	Increase/ (Decrease)	Budgeted Difference In FY's
City Manager's Office	\$ 1,203,862	\$ 2,073,230	\$ 869,368	72.2%
Finance Department	951,118	951,620	502	0.1%
Police Department	11,436,818	11,137,780	(299,038)	-2.6%
Traffic Safety	1,303,820	1,367,920	64,100	4.9%
Municipal Court	423,172	399,140	(24,032)	-5.7%
Fire Protection	5,778,322	6,067,030	288,708	5.0%
Pharr Athletics	-	251,450	251,450	0.0%
Street Maintenance	2,236,536	2,332,000	95,464	4.3%
IT	397,526	1,118,050	720,524	181.3%
Municipal Library	974,168	999,410	25,242	2.6%
Parks & Recreation	2,401,266	1,790,370	(610,896)	-25.4%
Planning & Zoning	1,012,996	1,015,240	2,244	0.2%
Engineering	<u>285,976</u>	<u>439,630</u>	<u>153,654</u>	53.7%
	\$ 28,405,580	\$ 29,942,870	\$ 1,537,290	

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

GENERAL CONTINGENCY RESERVE

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

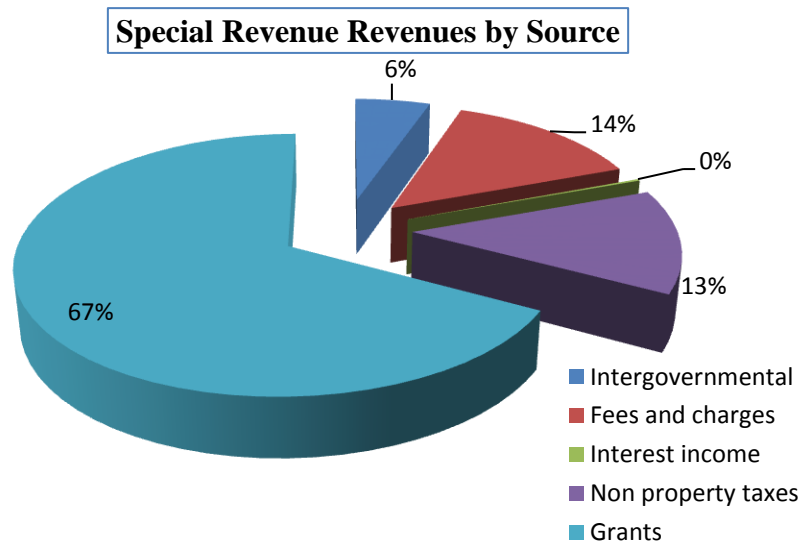
During the September 30, 2007 annual audit, the unreserved fund balance was identified as being negative \$6.4 million. By September 30, 2010, the unreserved fund balance was fully funded at \$8 million. By City charter, 3% to no more than 5% must be budgeted as contingency reserve. These funds are not combined with the pooled cash bank account but are in a separate bank account to be used only for emergency situations. Consequently, with the contingency reserve being fully funded at \$8.3 million, this year contingency reserve is budgeted at \$0.

SPECIAL REVENUE

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

Revenues

The funds received that are specified for a specific purpose are separated from the general fund and put into a group of funds called special revenue funds. A total of \$5,646,960 special revenue revenue funds are budgeted. Grants account for \$3,773,240 of revenues, non-property tax account for \$776,520, fees and charges account for \$785,000, and interest income accounts for the remaining \$12,200. 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.

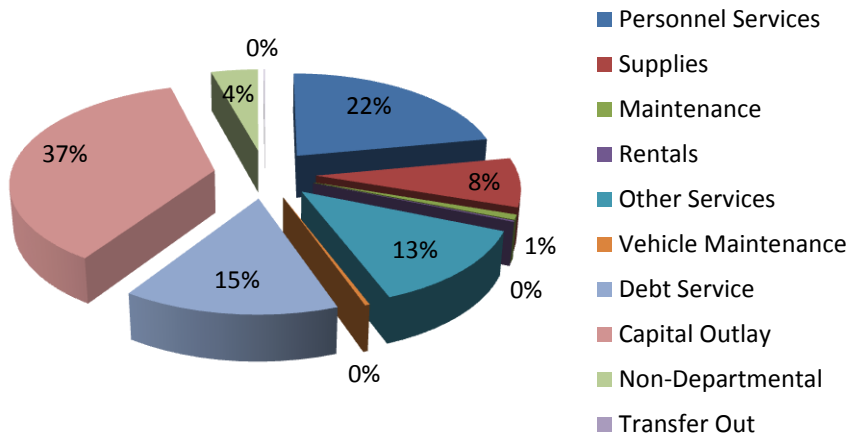


Expenditures

A total of \$6,838,960 special revenue expenditure funds are budgeted. Personnel account for \$1,502,160 of expenditures, supplies account for \$547,020, maintenance, rentals and vehicle maintenance account for \$97,120, other services account for \$882,430, debt service accounts for \$998,300; capital outlay accounts for \$2,480,230, non-departmental expenditures account for

\$286,500, and the remaining \$45,200 is due to transfers out. The graph on the following page describes the importance of each expenditure activity for the special revenue funds as a percentage of the overall budgeted special revenue expenditures.

Special Revenue Expenditure by Source



Community Development Block Grant (CDBG)

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

The CDBG Fund will receive \$1,188,760 HUD funds this fiscal year. This fund has \$832,800 in unspent funds from prior years dating back to 2006/07. Total budgeted revenues and expenditures for this fund are \$2,021,560.

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 for this fund are \$308,000, its expenditure budget is \$1,500,000 which will be funded by this funds reserves.

Parkland Dedication

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

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

Grants

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

Total budgeted revenues for this fund are \$1,751,680. Police Department grant revenues are budgeted at \$1,044,410; Fire Department grant revenues are budgeted at \$66,430; Public Works Department grant revenues are budgeted at \$40,840; Library Department grant revenues are budgeted at \$100,000; and the Parks & Recreation Department grant revenues are budgeted at \$500,000.

Paving & Drainage

Created by Ordinance O-2006-50 on September 19, 2006, this fund accounts for fees assessed to all utility service accounts. The fees are to be used for paving and drainage improvements in the City of Pharr.

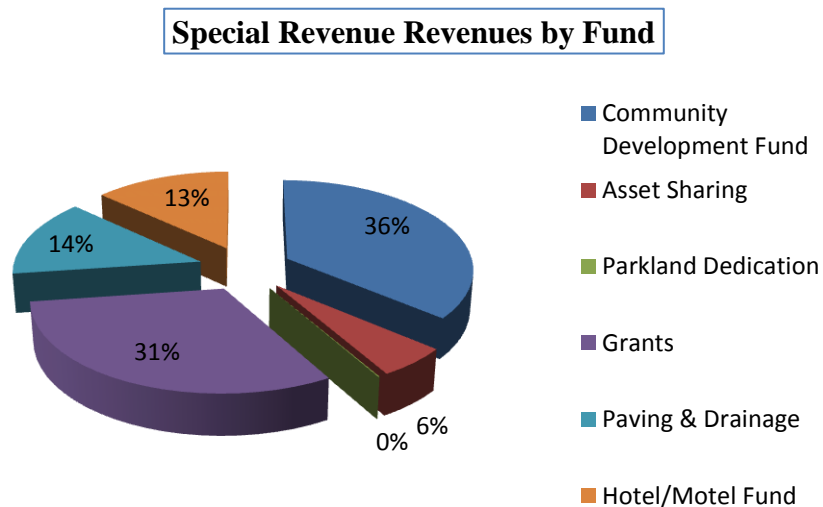
Total budgeted revenues and expenditures for this fund are \$782,000 respectively.

Hotel/Motel

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

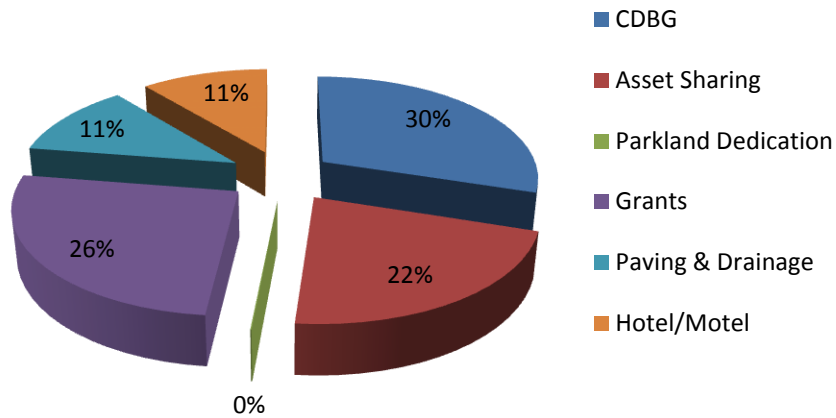
Total budgeted revenues and expenditures for this fund are \$778,520.

The following graph distributes the total special revenue per fund.



Expenditures for the special revenue funds are distributed in various ways. Total expenditures for special revenue funds total \$6,762,440. The graph on the following page should help in analyzing which special revenue funds are budgeted in comparison to one another.

Special Revenue Expenditures by Fund



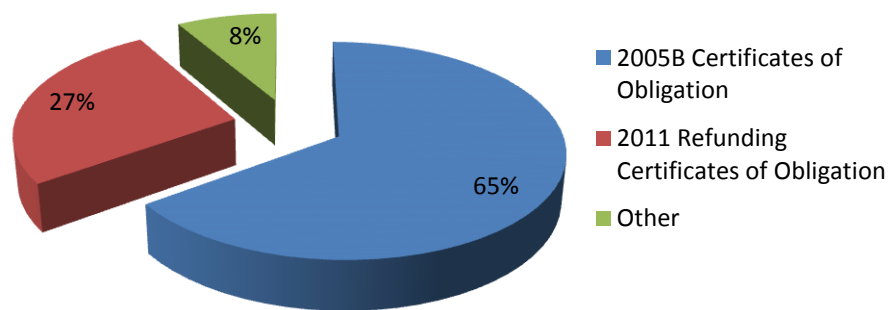
DEBT SERVICE

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

Debt service requirements remained fairly steady this fiscal year since no new bond issuances were scheduled. This fiscal year, bond payments and expenditures are estimated to be \$2,262,320. In the calculation of the tax rate, only bond liabilities were used to calculate the amount needed for liabilities. No new debt payments are budgeted from previous fiscal year levies. The collection of taxes should be sufficient to cover the expenditures of the outstanding liability. At a collection rate estimated at 92%, current property tax revenues are estimated to generate \$1,564,000, other tax collections are budgeted at \$110,000, and other revenue is budgeted at \$588,320.

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

Debt Service Expenditures



CAPITAL PROJECT FUNDS

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

GENERAL CAPITAL PROJECTS

The City's capital projects, once put on hold for several years in order to correct our fiscal situation, has been restarted. Our current plans range in purpose from public service, cultural, and street. Total budgeted expenditures are \$23,725,440. Funding for these projects will come from different sources including unrestricted fund balances, grants, and contributions from the local school district. The table on the following page outlines the project and the related financing needs.

Project Name	City Funding Required	PSJA ISD	Funds On Hand	Grant Funding	Total Funds Available
Shelter Dome 2 - Fire/Police Substation	\$ 600,000			\$ 1,800,000	\$ 2,400,000
Aquatic Park	-	5,000,000	5,500,000	-	10,500,000
Liberty Middle School/City Park	500,000			500,000	1,000,000
Shelter Dome 5 - Jones Box Park	600,000			1,800,000	2,400,000
Downtown Drainage (TDRA)	360,000			1,850,000	2,210,000
Sam Houston Widening	161,000			2,139,000	2,300,000
Ridge Rd Overlay	-		700,000		700,000
Hall Acres	735,440	300,000	1,180,000	-	2,215,440
	\$ 2,956,440	\$ 5,300,000	\$ 7,380,000	\$ 8,089,000	\$ 23,725,440

UTILITY CAPITAL PROJECTS

The utility project revenues are budgeted at \$4,500,000. The expenditures are also budgeted at \$4,500,000. For this fiscal year, there are four projects: reservoir cleaning with an estimated cost of \$2,000,000; rehab of the LBJ water tower with an estimated cost of \$1,500,000; and the extension of our Southside wastewater collection system with an estimated cost of \$1,000,000 for engineering costs. Funding for these projects will come from different sources, but mainly from available reserves.

BRIDGE CAPITAL PROJECTS

There is currently no bridge project expected to be funded this fiscal year.

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.

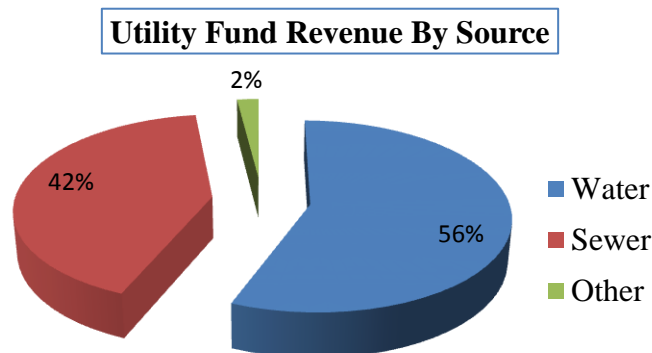
Utility Fund

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 \$12,522,670, which is an increase of 4.1% compared last year's original budget.

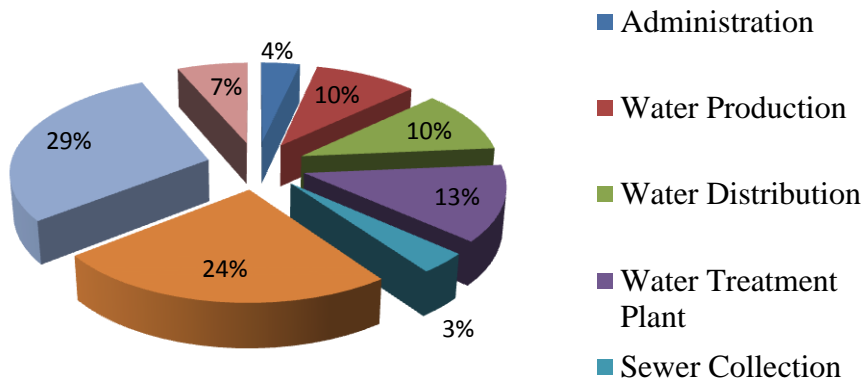
As illustrated in the following graph, there are three main revenue sources. The major revenue source comes from water and sewer revenues due to consumption. Water is budgeted at \$7 million; this is an increase of 7.3% from the previous budget. The increase is mainly attributable to the scheduled utility consumption trend; during dry years, water consumption increases. Sewer is budgeted at \$5.21 million; this is a slight increase from the previous budget. Other revenue is budgeted at \$307,670; this is a decrease of 20.6% from the previous budget, mainly due to the projected decrease in interest revenues. 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 \$17.02 million, an increase of roughly \$3.17 million or 22.9% of last year's budget. The major reason for this increase is due to the increase of \$2.7 million in transfers out to Utility CIP fund. The pie-chart on the following page depicts how the expenses are allocated among activities.

Utility Fund Expense By Activity



The table below identifies the budget comparison per department:

Department	Fiscal Year		Increase/ (Decrease)	Percent Change
	2012/13	2011/12		
Administration	\$ 607,410	\$ 602,280	\$ 5,130	0.9%
Water Production	1,624,720	1,376,050	248,670	18.1%
Water Distribution	1,830,990	2,039,325	(208,335)	-10.2%
Water Treatment Plant	2,178,210	1,860,245	317,965	17.1%
Sewer Collection	597,120	663,810	(66,690)	-10.0%
Debt Service	4,159,650	4,159,860	(210)	0.0%
Transfers Out	4,920,410	2,181,620	2,738,790	125.5%
Non-Departmental	1,104,160	970,800	133,360	13.7%
	\$ 17,022,670	\$ 13,853,990	\$ 3,168,680	

BRIDGE FUND

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

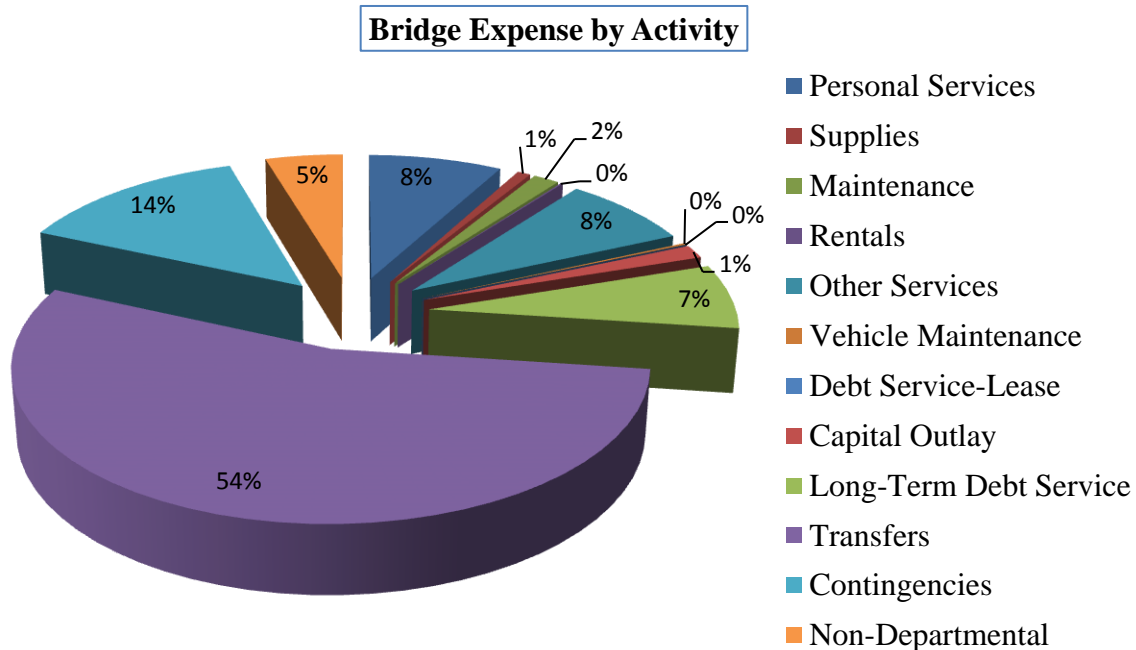
Revenues

The Bridge Fund revenues are budgeted at \$10,949,350 which is an increase of \$1.1 million, or 11.3%, of last year's budget. The increase is attributable to the toll rates increase along with the stabilization of projected bridge traffic.

Expenses

The bridge's overall appropriation, including expenses and transfers-out is \$10,941,610 million, a decrease of \$3.1 million or -22.1% of last year's budget. The decrease is due to the reduction

in transfers out of \$2.4 million, and the reduction in long-term debt payments of \$1 million. The following pie-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 \$1,794,040, which is an increase of nearly \$638,300 or 55.2%, over last year's expense budget. The increase is attributable to an increase in capital outlay of \$483,500, mainly for golf course greens improvements.

INTERNAL SERVICE FUNDS

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

CITY GARAGE FUND

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

This fund receives its revenues from the other funds in the City. Total budgeted revenues and expenses for this fund are \$603,250. The General Fund makes up 84% of garage activity, the Utility Fund makes up 14.6% of garage activity, and other funds make up the remaining 1.4% of garage activity.

FIDUCIARY FUND

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

CITYWIDE

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

Revenues for the fiscal year are \$92,264,330. 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
	2012-13	2011-12		
General Fund	\$ 37,640,300	\$ 33,224,350	\$ 4,415,950	13.3%
General Contingency Reserve Fund	-	-	-	0.0%
Community Development Fund	2,021,560	2,587,980	(566,420)	-21.9%
Asset Sharing	308,000	308,000	-	0.0%
Parkland Dedication	5,200	6,000	(800)	-13.3%
Grants	1,751,680	1,268,060	483,620	38.1%
Paving & Drainage	782,000	1,051,090	(269,090)	-25.6%
Hotel/Motel Fund	778,520	1,477,500	(698,980)	-47.3%
General Capital Project Fund	16,345,440	21,897,000	(5,551,560)	-25.4%
Utility Capital Project Fund	4,500,000	1,820,000	2,680,000	147.3%
Bridge Capital Project Fund	-	500,000	(500,000)	-100.0%
Debt Service Fund	2,262,320	2,242,870	19,450	0.9%
Garage Fund	603,250	489,650	113,600	23.2%
Utility Fund	12,522,670	12,033,990	488,680	4.1%
Bridge Fund	10,949,350	9,840,910	1,108,440	11.3%
Golf Course Fund	1,794,040	1,155,740	638,300	55.2%
Volunteer Firemen Pension	-	31,000	(31,000)	-100.0%
	\$ 92,264,330	\$ 89,934,140	\$ 2,330,190	2.6%

Expenditures for the fiscal year are \$106,956,330. The difference between funds was stated earlier in this Executive Summary. The comparisons between fiscal years are identified as follows:

General Fund	\$ 39,260,300	\$ 33,224,350	\$ 6,035,950	18.2%
General Contingency Reserve Fund	-	8,000,000	(8,000,000)	-100.0%
Community Development Fund	2,021,560	2,587,980	(566,420)	-21.9%
Asset Sharing	1,500,000	708,000	792,000	111.9%
Parkland Dedication	5,200	6,000	(800)	-13.3%
Grants	1,751,680	1,268,060	483,620	38.1%
Paving & Drainage	782,000	1,051,090	(269,090)	-25.6%
Hotel/Motel Fund	778,520	1,477,500	(698,980)	-47.3%
General Capital Project Fund	23,725,440	23,847,000	(121,560)	-0.5%
Utility Capital Project Fund	4,500,000	12,590,000	(8,090,000)	-64.3%
Bridge Capital Project Fund	-	500,000	(500,000)	-100.0%
Debt Service Fund	2,262,320	2,242,870	19,450	0.9%
Garage Fund	603,250	489,650	113,600	23.2%
Utility Fund	17,022,670	13,853,990	3,168,680	22.9%
Bridge Fund	10,949,350	14,045,620	(3,096,270)	-22.0%
Golf Course Fund	1,794,040	1,155,740	638,300	55.2%
Volunteer Firemen Pension	-	31,000	(31,000)	-100.0%
	<u>\$ 106,956,330</u>	<u>\$ 117,078,850</u>	<u>\$ (10,122,520)</u>	<u>-8.6%</u>

TRANSFERS IN/OUT

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

TRANSFERS	IN	Out	PURPOSE
General Fund - Bridge	\$ 1,500,000		General Operations
General Fund - Bridge	553,500		Funds for Golf Course Improvements
General Fund - Bridge	972,600		Funds for PPFC #1 Debt Payment
General Fund - PEDC - Gen Ops	149,280		Reimbursement of Admin. Expenses
General Fund - Utility	420,410		Reimbursement of Admin. Expenses
General Fund - Parkland	5,200		Reimbursement of Past General Payments
General Fund - Golf		697,040	See Corresponding "IN" Comment
General Fund - PPFC #1		972,600	See Corresponding "IN" Comment
General Fund - PAL		314,290	See Corresponding "IN" Comment
Parkland Fund - General Fund		5,200	See Corresponding "IN" Comment
Debt Service Fund - Bridge		176,350	See Corresponding "IN" Comment
Debt Service Fund - PEDC	498,320		Reimbursement of Long-Term Debt Issuance
Utility Fund - General		420,410	See Corresponding "IN" Comment
Utility Fund - Utility CIP		4,500,000	See Corresponding "IN" Comment
Bridge Fund - General		1,500,000	See Corresponding "IN" Comment
Bridge Fund - General		553,500	See Corresponding "IN" Comment
Bridge Fund - General		972,600	See Corresponding "IN" Comment
Bridge Fund - General CIP		2,956,440	See Corresponding "IN" Comment
Bridge Fund - Debt Service	176,350		Pay for Long-Term GO Debt Issuance
General CIP - Bridge	2,956,440		Bridge Excess Funds to Pay for General CIP
Utility CIP - Utility	4,500,000		Utility Excess Funds to Pay for Utility CIP
Golf Fund - General	697,040		To Help Balance the Fund
PPFC #1 - General Fund	972,600		To Help Balance the Fund (Component Unit)
PAL - General Fund	314,290		To Help Balance the Fund (Component Unit)
PEDC - Gen Operations		149,280	See Corresponding "IN" Comment (Component Unit)
PEDC - Debt Service		498,320	See Corresponding "IN" Comment (Component Unit)

\$13,716,030	\$13,716,030
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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.

Fund	Department	Amount	Description	Impact on Budget/Purpose of Need
General	Finance	\$ 20,000.00	IT Interface systems	Decrease Staff Cost for IT & Finance
General	Police	50,000.00	2012 Dodge Charger (2)	Reduce maintenance cost to fleet
General	Police	389,753.00	2013 Tahoe PPV (Patrol) (13)	Reduce maintenance cost to fleet
General	Police	21,747.00	2013 3500 Ext. Van - Jail	Reduce maintenance cost to fleet
General	Police	18,000.00	PD Bldg A/C Units (3)	Efficient A/C reduces utility costs
General	Police	23,630.00	Camera enhancements	Improve security tool at Police Station
General	Police	43,570.00	Interrogation cameras (3)	Meet legal operational mandates
General	Police	75,000.00	P25 Radios Interoperability (15)	Meet legal operational mandates
General	Police	205,630.00	Police Unit Equipment (13)	Reduce maintenance cost to fleet
General	Police	11,440.00	Prisoner Van Equipment	Reduce maintenance cost to fleet
General	Fire	20,000.00	Replace 911 recording system	Meet legal operational mandates
General	Fire	53,000.00	Utility Truck	Reduce maintenance cost to fleet
General	Streets	12,000.00	Security Cameras - New Bldg	Provide security tool at Public Works
General	Streets	26,000.00	Mosquito Poison Machine (4)	Reduce maintenance cost to fleet
General	Streets	30,000.00	Fuel System - New Bldg (2)	Save time filling up fleet and no added cost
General	IT	20,000.00	2025 Plan	Online Survey to assist in guiding City needs
General	Library	3,000.00	Grant Match Computers	Upgrade computers
General	Library	140,000.00	Carpet	Replace worn out carpet
General	Library	85,500.00	Books	Increase book collection
General	Parks	25,000.00	HEB Tennis Court Resurfacing	Improve tennis court
General	Parks	27,000.00	Mini Van	Reduce maintenance cost to fleet
General	Parks	31,600.00	Light Duty Pickup Truck (2)	Reduce maintenance cost to fleet
General	Parks	32,000.00	Light Duty SUV	Reduce maintenance cost to fleet
General	Parks	60,000.00	Double Cab Pickup Truck (2)	Reduce maintenance cost to fleet
General	Parks	25,000.00	Tri-Plex Reel Mower	Reduce maintenance cost to fleet
General	Parks	10,500.00	Riding Mower	Reduce maintenance cost to fleet
General	Parks	55,000.00	Backhoe	Reduce maintenance cost to fleet
General	Parks	60,000.00	Playground Equip	Upgrade park amenities
General	Engineering	18,000.00	Ford F-150 SuperCab	Reduce maintenance cost to fleet
General	Engineering	7,500.00	GIS System Access	Add more GIS accounts
General	Non-Departmental	10,000.00	Land	Miscellaneous Right-of-Way purchases
		<u>\$ 1,609,870.00</u>		

Fund	Department	Amount	Description	Impact on Budget/Purpose of Need
Special Rev	CDBG	\$ 165,010	Special Needs Park	Upgrade park amenities
Special Rev	CDBG	637,230	Street Paving	Reduce street maintenance cost
Special Rev	CDBG	211,450	Nature Park Walking Trails	Upgrade park amenities
Special Rev	CDBG	85,000	Fire Station Equipment	Reduce maintenance cost to equipment
Special Rev	Grant	20,700	JAG Grant Equipment	Reduce maintenance cost to equipment
Special Rev	Grant	30,840	Ford F-250	Reduce maintenance cost to fleet
Special Rev	Grant	10,000	Recycling Mascot	Replace worn out mascot
Special Rev	Grant	100,000	Library Computer Equipment	Upgrade computers
Special Rev	Grant	500,000	Park partnership with school	Upgrade park amenities
Special Rev	Seized Assets	425,000	Drug Vault/Evidence Room Upgrade	Safeguard evidence
Special Rev	Seized Assets	275,000	P25 Radios (70 radios)	Meet legal operational mandates
		<u>\$ 2,460,230.00</u>		

Fund	Department	Amount	Description	Impact on Budget/Purpose of Need
Utility	Water Production	\$ 6,500.00	48" SCAG Tiger Cub Mower	Reduce maintenance cost to equipment
Utility	Water Production	12,000.00	10 HP Flygt Pump	Reduce maintenance cost to equipment
Utility	Water Production	25,000.00	Sludge Pumps (2)	Reduce maintenance cost to equipment
Utility	Water Distribution	50,000.00	Excavator	Reduce maintenance cost to fleet
Utility	Water Distribution	45,000.00	Replace Roof	Reduce maintenance cost
Utility	Water Distribution	50,000.00	8" WL Rehab at Sugar Palms	Upgrade current asset
Utility	Water Distribution	50,000.00	Manhole Rehab (5)	Reduce maintenance cost to equipment
Utility	Water Plant	9,000.00	Digester Blower	Reduce maintenance cost to equipment
Utility	Water Plant	16,900.00	Fencing at water plant	Provide security tool at Water Plant
Utility	Water Plant	60,000.00	Clarifier Rehab	Reduce maintenance cost to asset
Utility	Water Plant	46,000.00	Flygt Pumps 20 & 35 HP (2)	Reduce maintenance cost to equipment
Utility	Wastewater Collection	160,000.00	Junction Boxes (8)	Increase safety on major thoroughfare
Utility	Wastewater Collection	16,500.00	4" Crown Pumps (3)	Reduce maintenance cost to equipment
Utility	Wastewater Collection	30,000.00	LS Electrical Panels (3)	Reduce maintenance cost to equipment
Utility	Wastewater Collection	50,000.00	Wet Well Repairs (5)	Reduce maintenance cost to equipment
Utility	Utility Non-Department	100,000.00	Water Rights	Increase access to water
Utility	Utility Non-Department	4,000.00	Land	Miscellaneous Right-of-Way purchases
		<u>\$ 730,900.00</u>		

Fund	Department	Amount	Description	Impact on Budget/Purpose of Need
Golf	Golf	\$ 48,000	Greens Mowers (2)	Reduce maintenance cost to equipment
Golf	Golf	48,000	Fairway Mower	Reduce maintenance cost to equipment
Golf	Golf	7,500	Security System Upgrade	Provide security tool at Golf Course
Golf	Golf	51,000	Cart Barn Improvements	Safeguard assets
Golf	Golf	20,000	Building Improvements	Extend useful life of asset
Golf	Golf	450,000	Replacement of Greens (#1-#9)	Upgrade course
Golf	Golf	20,000	Club House Landscaping	Upgrade golf course amenities
Golf	Golf	5,000	Parking Lot Repaving	Upgrade golf course amenities
Golf	Golf	12,000	Golf Course Software	Decrease Staff Cost for Golf & Finance
		<u>\$ 661,500</u>		

Fund	Department	Amount	Description	Impact on Budget/Purpose of Need
Bridge	Bridge	\$ 10,000.00	Currency counter	Replace current asset
Bridge	Bridge	40,000.00	Passenger Van	Reduce maintenance cost to fleet
Bridge	Bridge	10,000.00	Data recording system	Meet legal operational mandates
Bridge	Bridge	30,000.00	Electric Generator	Prepare for disasters
Bridge	Bridge	15,000.00	Accounting system maintenance	Decrease Staff Cost for Bridge & Finance
Bridge	Bridge	10,000.00	joint/roadway/repairs	Reduce maintenance cost to asset
		<u>\$ 115,000.00</u>		

Fund	Department	Amount	Description	Impact on Budget/Purpose of Need
Garage	Garage	22,000.00	RTA Fleet Management software	Track assets & identify replacement needs
		<u>\$ 22,000.00</u>		
		<u>\$ 5,599,500.00</u>		



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CITY-WIDE BUDGET SUMMARY



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CITY OF PHARR, TX

CITY-WIDE REVENUE AND EXPENDITURE/EXPENSES BUDGET

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
REVENUES					
<i>General:</i>					
General Fund	40,007,898	33,224,350	53,722,350	64,046,590	37,640,300
General Contingency Reserve Fund	54,654	-	-	-	-
<i>Total General Funds</i>	<u>40,062,552</u>	<u>33,224,350</u>	<u>53,722,350</u>	<u>64,046,590</u>	<u>37,640,300</u>
<i>Special Revenue Funds:</i>					
Community Development Fund	1,091,694	2,587,980	8,163,480	7,340,050	2,021,560
Asset Sharing	227,626	308,000	308,000	1,660,000	308,000
Parkland Dedication	21,500	6,000	6,000	8,200	5,200
Grants	1,511,233	1,268,060	1,268,060	-	1,751,680
Paving & Drainage	1,507,860	1,051,090	1,051,090	1,131,000	782,000
Hotel/Motel Fund	766,761	1,477,500	1,327,500	902,180	778,520
<i>Total Special Revenue Funds</i>	<u>5,126,674</u>	<u>6,698,630</u>	<u>12,124,130</u>	<u>11,041,430</u>	<u>5,646,960</u>
<i>Capital Project Fund:</i>					
General Capital Project Fund	3,775,112	21,897,000	17,397,000	9,508,000	16,345,440
Utility Capital Project Fund	-	1,820,000	1,820,000	320,000	4,500,000
Bridge Capital Project Fund	-	500,000	500,000	-	-
	<u>3,775,112</u>	<u>24,217,000</u>	<u>19,717,000</u>	<u>9,828,000</u>	<u>20,845,440</u>
<i>Debt Service Fund:</i>					
Debt Service Fund	2,274,289	2,242,870	2,242,870	2,279,870	2,262,320
<i>Internal Service Fund:</i>					
Garage Fund	500,596	489,650	482,650	543,210	603,250
<i>Enterprise Funds:</i>					
Utility Fund	14,717,635	12,033,990	12,276,540	13,473,400	12,522,670
Bridge Fund	10,933,601	9,840,910	9,840,910	11,126,690	10,949,350
Golf Course Fund	969,709	1,155,740	1,183,380	1,036,000	1,794,040
<i>Total Enterprise Funds</i>	<u>26,620,945</u>	<u>23,030,640</u>	<u>23,300,830</u>	<u>25,636,090</u>	<u>25,266,060</u>
Total Revenues	78,360,168	89,903,140	111,589,830	113,375,190	92,264,330

EXPENDITURES/EXPENSES

General:

General Fund	\$	38,260,472			\$	53,912,430	\$	56,125,140	\$	39,260,300
General Contingency Reserve Fund		-				8,000,000		-		-
<i>Total General Funds</i>		38,260,472				61,912,430		56,125,140		39,260,300

Special Revenue Funds:

Community Development Fund	1,084,958				8,167,750		7,340,050		2,021,560
Asset Sharing	639,961				708,000		654,500		1,500,000
Parkland Dedication	136,408				6,000		8,200		5,200
Grants	1,737,551				1,268,060		-		1,751,680
Paving & Drainage	1,121,331				2,251,090		2,121,000		782,000
Hotel/Motel Fund	3,937,596				1,483,624		1,288,430		778,520
<i>Total Special Revenue Funds</i>	8,657,805				13,884,524		11,412,180		6,838,960

Capital Project Fund:

General Capital Project Fund	3,314,779				19,347,000		-		23,725,440
Utility Capital Project Fund	-				12,590,000		-		4,500,000
Bridge Capital Project Fund	-				500,000		-		-
	3,314,779				32,437,000		-		28,225,440

Debt Service Fund:

Debt Service Fund	2,308,067				2,242,870		2,242,870		2,262,320
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Internal Service Fund:

Garage Fund	613,912				493,874		553,680		603,250
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Enterprise Funds:

Utility Fund	10,360,582				14,157,682		11,906,810		17,022,670
Bridge Fund	1,775,630				9,614,206		8,106,350		10,949,350
Golf Course Fund	1,266,238				1,194,282		1,036,000		1,794,040
<i>Total Enterprise Funds</i>	13,402,450				24,966,170		21,049,160		29,766,060
Total Expenditures/Expenses	66,557,485				135,936,868		91,383,030		106,956,330

Net Revenues Over/(Under) Expenditures/Expenses,

Change in Available Resources	11,802,683				(24,347,038)		21,992,160		(14,692,000)
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CITY OF PHARR, TX
CITY-WIDE BUDGET AND CHANGE IN AVAILABLE RESOURCES

	ESTIMATED BEGINNING AVAILABLE FUND BALANCE/ NET ASSETS 9/30/12	BUDGETED OPERATING REVENUES 2012-2013	DEBT PROCEEDS 2012-2013	TRANSFER IN 2012-2013	TRANSFER OUT 2012-2013
<i>General:</i>					
General Fund	4,600,000	32,875,440	1,163,870	3,600,990	(1,983,930)
General Contingency Reserve Fund	8,000,000	-	-	-	-
<i>Total General Funds</i>	<u>12,600,000</u>	<u>32,875,440</u>	<u>1,163,870</u>	<u>3,600,990</u>	<u>(1,983,930)</u>
<i>Special Revenue Funds:</i>					
Community Development Fund	-	2,021,560	-	-	-
Grants	-	1,751,680	-	-	-
Hotel/Motel Fund	-	778,520	-	-	-
Parkland Dedication	-	5,200	-	-	(5,200)
Asset Sharing	1,400,000	308,000	-	-	-
Paving & Drainage	-	782,000	-	-	-
<i>Total Special Revenue Funds</i>	<u>1,400,000</u>	<u>5,646,960</u>	<u>-</u>	<u>-</u>	<u>(5,200)</u>
<i>Capital Project Fund:</i>					
General Capital Project Fund	-	13,389,000	-	2,956,440	-
Bridge Capital Project Fund	-	-	-	-	-
Utility Capital Project Fund	-	-	-	4,500,000	-
	<u>-</u>	<u>13,389,000</u>	<u>-</u>	<u>7,456,440</u>	<u>-</u>
<i>Debt Service Fund:</i>					
Debt Service Fund	-	1,764,000	-	498,320	(176,350)
<i>Enterprise Funds:</i>					
Utility Fund	10,130,000	12,522,670	-	-	(4,920,410)
Bridge Fund	500,000	10,773,000	-	176,350	(5,982,540)
Golf Course Fund	-	989,000	108,000	697,040	-
<i>Total Enterprise Funds</i>	<u>10,630,000</u>	<u>24,284,670</u>	<u>108,000</u>	<u>873,390</u>	<u>(10,902,950)</u>
<i>Internal Service Fund:</i>					
Garage Fund	-	603,250	-	-	-
TOTALS	<u>24,630,000</u>	<u>78,563,320</u>	<u>1,271,870</u>	<u>12,429,140</u>	<u>(13,068,430)</u>

OPERATING EXPENDITURES/ EXPENSES 2012-2013	CAPITAL OUTLAY 2012-2013	LONG-TERM DEBT SERVICE 2012-2013	TOTAL APPROPRIATIONS (NOT INCLUDING TRANSFERS) 2012-2013	REVENUES OVER/ (UNDER) EXPENDITURES/ EXPENSES 2012-2013	PROJECTED ENDING FUND BALANCE/ NET ASSETS 9/30/112
(35,666,500)	(1,609,870)	-	(37,276,370)	(1,620,000)	2,980,000
-	-	-	-	-	8,000,000
<u>(35,666,500)</u>	<u>(1,609,870)</u>	<u>-</u>	<u>(37,276,370)</u>	<u>(1,620,000)</u>	<u>10,980,000</u>
(497,110)	(1,098,690)	(425,760)	(2,021,560)	-	-
(1,090,140)	(661,540)	-	(1,751,680)	-	-
(758,520)	(20,000)	-	(778,520)	-	-
-	-	-	-	-	-
(800,000)	(700,000)	-	(1,500,000)	(1,192,000)	208,000
<u>(782,000)</u>	<u>-</u>	<u>-</u>	<u>(782,000)</u>	<u>-</u>	<u>-</u>
<u>(3,927,770)</u>	<u>(2,480,230)</u>	<u>(425,760)</u>	<u>(6,833,760)</u>	<u>(1,192,000)</u>	<u>208,000</u>
-	(23,725,440)	-	(23,725,440)	(7,380,000)	(7,380,000)
-	-	-	-	-	-
<u>-</u>	<u>(4,500,000)</u>	<u>-</u>	<u>(4,500,000)</u>	<u>-</u>	<u>-</u>
<u>-</u>	<u>(28,225,440)</u>	<u>-</u>	<u>(28,225,440)</u>	<u>(7,380,000)</u>	<u>(7,380,000)</u>
(6,000)	-	(2,079,970)	(2,085,970)	-	-
(7,315,710)	(626,900)	(4,159,650)	(12,102,260)	(4,500,000)	5,630,000
(4,033,030)	(160,000)	(773,780)	(4,966,810)	-	500,000
(1,132,540)	(661,500)	-	(1,794,040)	-	-
<u>(12,481,280)</u>	<u>(1,448,400)</u>	<u>(4,933,430)</u>	<u>(18,863,110)</u>	<u>(4,500,000)</u>	<u>6,130,000</u>
(603,250)	-	-	(603,250)	-	-
<u>(52,684,800)</u>	<u>(33,763,940)</u>	<u>(7,439,160)</u>	<u>(93,887,900)</u>	<u>(14,692,000)</u>	<u>9,938,000</u>

CITY OF PHARR, TX
CITY-WIDE BUDGET SUMMARY OF MAJOR REVENUES & EXPENDITURES/EXPENSES
FISCAL YEAR 2012-2013

	GENERAL FUND		SPECIAL REVENUE FUNDS					
	GENERAL FUND	GENERAL CONTINGENCY	CDBG	GRANTS	HOTEL	PARKLAND DEDICATION	ASSET SHARING	PAVING & DRAINAGE
REVENUES								
Taxes								
Property Tax	\$13,027,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property Tax Penalty and Interest	550,000	-	-	-	-	-	-	-
Sales Tax	9,899,950	-	-	-	-	-	-	-
Franchise Tax	2,168,000	-	-	-	-	-	-	-
Hotel Tax	-	-	-	-	776,520	-	-	-
Other Taxes	140,000	-	-	-	-	-	-	-
Total Taxes	25,784,950	-	-	-	776,520	-	-	-
Sanitation and Brush								
Sanitation	2,420,000	-	-	-	-	-	-	-
Brush	1,027,800	-	-	-	-	-	-	-
Total Sanitation and Brush	3,447,800	-	-	-	-	-	-	-
Revenue Producing Facilities								
Fines	950,500	-	-	-	-	-	-	-
License and Permits	734,620	-	-	-	-	-	-	-
Charges For Current Services	1,110,100	-	-	-	-	5,000	-	780,000
Intergovernmental	280,540	-	2,021,560	1,751,680	-	-	300,000	-
Other	297,930	-	-	-	-	-	-	-
Interest	269,000	-	-	-	2,000	200	8,000	2,000
Total Operating Revenues	32,875,440	-	2,021,560	1,751,680	778,520	5,200	308,000	782,000
Debt/ Capital Lease Proceeds	1,163,870	-	-	-	-	-	-	-
Transfers In	3,600,990	-	-	-	-	-	-	-
Total Revenues	<u>\$37,640,300</u>	<u>\$ -</u>	<u>\$2,021,560</u>	<u>\$1,751,680</u>	<u>\$778,520</u>	<u>\$ 5,200</u>	<u>\$ 308,000</u>	<u>\$ 782,000</u>
EXPENDITURES/EXPENSES								
Personnel Services	\$21,563,280	\$ -	\$ 187,490	\$1,005,620	\$299,050	\$ -	\$ 10,000	\$ -
Supplies	993,250	-	5,500	24,520	22,000	-	495,000	-
Maint., Rentals, & Vehicle Maint.	2,219,020	-	6,120	-	11,000	-	80,000	-
Other Services	3,074,670	-	21,500	60,000	291,330	-	175,000	334,600
Debt Service	2,242,650	-	425,760	-	125,140	-	-	447,400
Capital Outlay	1,609,870	-	1,098,690	661,540	20,000	-	700,000	-
Transfers Out	1,983,930	-	-	-	-	5,200	-	-
Non-Departmental	5,573,630	-	276,500	-	10,000	-	-	-
Total Expenditures/Expenses	<u>\$39,260,300</u>	<u>\$ -</u>	<u>\$2,021,560</u>	<u>\$1,751,680</u>	<u>\$778,520</u>	<u>\$ 5,200</u>	<u>\$ 1,460,000</u>	<u>\$ 782,000</u>
Revenues Over/(Under) Expenditures	\$ (1,620,000)	\$ -	\$ -	\$ -	\$ -	\$ -	\$(1,152,000)	\$ -

CAPITAL PROJECT FUNDS			DEBT SERVICE	ENTERPRISE FUNDS			INTERNAL SERVICE FUND	TOTAL ALL FUNDS
GENERAL CAPITAL	BRIDGE CAPITAL	UTILITY CAPITAL	DEBT SERVICE	UTILITY	BRIDGE	GOLF COURSE	GARAGE	
\$ -	\$ -	\$ -	\$ 1,674,000	\$ -	\$ -	\$ -	\$ -	\$ 14,701,000
-	-	-	70,000	-	-	-	-	620,000
-	-	-	-	-	-	-	-	9,899,950
-	-	-	-	-	-	-	-	2,168,000
-	-	-	-	-	-	-	-	776,520
-	-	-	-	-	-	-	-	140,000
-	-	-	1,744,000	-	-	-	-	28,305,470
-	-	-	-	-	-	-	-	2,420,000
-	-	-	-	-	-	-	-	1,027,800
-	-	-	-	-	-	-	-	3,447,800
-	-	-	-	-	-	-	-	-
-	-	-	-	-	-	-	-	950,500
-	-	-	-	-	-	-	-	734,620
-	-	-	-	12,215,000	10,375,000	815,000	603,250	25,903,350
13,389,000	-	-	-	-	-	-	-	17,742,780
-	-	-	-	5,000	197,000	170,000	-	669,930
-	-	-	20,000	302,670	201,000	4,000	-	808,870
13,389,000	-	-	1,764,000	12,522,670	10,773,000	989,000	603,250	78,563,320
-	-	-	-	-	-	108,000	-	1,271,870
2,956,440	-	4,500,000	498,320	-	176,350	697,040	-	12,429,140
<u>\$16,345,440</u>	<u>\$ -</u>	<u>\$ 4,500,000</u>	<u>\$ 2,262,320</u>	<u>\$12,522,670</u>	<u>\$10,949,350</u>	<u>\$1,794,040</u>	<u>\$ 603,250</u>	<u>\$ 92,264,330</u>
\$ -	\$ -	\$ -	\$ -	\$ 2,728,440	\$ 870,070	\$ 636,330	\$ 183,330	\$ 27,483,610
-	-	-	-	1,164,480	86,500	201,530	10,740	3,003,520
-	-	-	-	806,010	203,000	101,200	378,710	3,805,060
-	-	-	6,000	1,426,960	861,720	73,500	8,470	6,333,750
-	-	-	2,079,970	4,245,310	773,780	114,690	-	10,454,700
23,725,440	-	4,500,000	-	626,900	160,000	661,500	22,000	33,785,940
-	-	-	176,350	4,920,410	5,982,540	-	-	13,068,430
-	-	-	-	1,104,160	2,011,740	5,290	-	8,981,320
<u>\$23,725,440</u>	<u>\$ -</u>	<u>\$ 4,500,000</u>	<u>\$ 2,262,320</u>	<u>\$17,022,670</u>	<u>\$10,949,350</u>	<u>\$1,794,040</u>	<u>\$ 603,250</u>	<u>\$ 106,916,330</u>
\$ (7,380,000)	\$ -	\$ -	\$ -	\$ (4,500,000)	\$ -	\$ -	\$ -	\$ (14,652,000)



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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, 2012 THROUGH SEPTEMBER 30, 2013

Note: payroll fund not included

		<u>ACTUAL</u> <u>2010-2011</u>	<u>ORIGINAL</u> <u>BUDGET</u> <u>2011-2012</u>	<u>AMENDED</u> <u>BUDGET</u> <u>2011-2012</u>	<u>PROJECTED</u> <u>ACTUAL</u> <u>2011-2012</u>	<u>BUDGET</u> <u>2012-2013</u>
REVENUES						
General Tax Revenue						
Property	\$	13,448,556	\$ 13,391,490	\$ 13,391,490	\$ 13,400,000	\$ 13,577,000
Sales		8,878,348	7,999,200	8,699,200	9,700,000	9,899,950
Franchise		2,037,427	1,893,200	1,893,200	2,108,000	2,168,000
Other		163,481	164,000	164,000	147,500	140,000
Total		<u>24,527,812</u>	<u>23,447,890</u>	<u>24,147,890</u>	<u>25,355,500</u>	<u>25,784,950</u>
Licenses and permits						
Building		504,234	350,000	350,000	350,000	350,000
Professional services		145,791	113,000	113,000	125,000	125,000
Other		173,796	195,530	195,530	196,200	259,620
Total		<u>823,821</u>	<u>658,530</u>	<u>658,530</u>	<u>671,200</u>	<u>734,620</u>
Intergovernmental						
Grants		-	-	-	-	-
School security		303,384	264,000	264,000	169,000	260,540
County fire runs		28,025	10,000	10,000	25,000	20,000
Total		<u>331,409</u>	<u>274,000</u>	<u>274,000</u>	<u>194,000</u>	<u>280,540</u>
Fees and charges:						
Sanitation		2,457,463	2,370,000	2,370,000	2,420,000	2,420,000
Brush		1,024,975	1,018,800	1,018,800	1,027,800	1,027,800
Events Center		-	-	-	355,000	470,000
City Hall rental		88,424	91,600	91,600	91,600	91,600
Other rentals		164,232	184,500	184,500	196,750	201,500
Other fees		194,081	183,000	153,000	250,650	347,000
Total		<u>3,929,175</u>	<u>3,847,900</u>	<u>3,817,900</u>	<u>4,341,800</u>	<u>4,557,900</u>
Fines						
Court fines		708,915	850,000	750,000	750,000	765,500
Police records/fees		153,753	140,000	140,000	153,000	150,000
Library fines		51,553	40,000	40,000	38,000	35,000
Total		<u>914,221</u>	<u>1,030,000</u>	<u>930,000</u>	<u>941,000</u>	<u>950,500</u>
Interest income	Total	280,834	240,000	240,000	280,000	269,000
Other						
Miscellaneous		343,201	130,650	168,650	220,850	287,930
Oil and gas royalties		10,426	10,000	10,000	14,000	10,000
Total		<u>353,627</u>	<u>140,650</u>	<u>178,650</u>	<u>234,850</u>	<u>297,930</u>
Total revenues		<u><u>31,160,899</u></u>	<u><u>29,638,970</u></u>	<u><u>30,246,970</u></u>	<u><u>32,018,350</u></u>	<u><u>32,875,440</u></u>

	<u>ACTUAL</u> <u>2010-2011</u>	<u>ORIGINAL</u> <u>BUDGET</u> <u>2011-2012</u>	<u>AMENDED</u> <u>BUDGET</u> <u>2011-2012</u>	<u>PROJECTED</u> <u>ACTUAL</u> <u>2011-2012</u>	<u>BUDGET</u> <u>2012-2013</u>
EXPENDITURES					
Current:					
General government	12,137,251	6,143,660	25,066,378	28,241,760	9,320,350
Public safety	17,870,744	18,757,220	19,810,282	19,010,130	19,575,640
Highways and streets	2,095,191	2,206,230	2,236,536	2,094,650	2,400,000
Health and welfare	2,550,317	2,566,000	2,566,000	2,624,000	2,636,000
Culture and recreation	3,446,077	3,431,580	3,675,934	3,649,680	3,344,380
Debt service	-	-	-	-	-
Total expenditures	<u>38,099,580</u>	<u>33,104,690</u>	<u>53,355,130</u>	<u>55,620,220</u>	<u>37,276,370</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,938,681)</u>	<u>(3,465,720)</u>	<u>(23,108,160)</u>	<u>(23,601,870)</u>	<u>(4,400,930)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in					
Bridge	6,900,000	1,500,000	1,500,000	1,500,000	3,026,100
PEDC	132,940	547,110	892,110	5,492,110	149,280
Other	136,408	298,500	15,243,500	14,976,360	5,200
Utility	-	361,620	361,620	361,620	420,410
Golf Course	30,000	30,000	30,000	-	-
Total	<u>7,199,348</u>	<u>2,737,230</u>	<u>18,027,230</u>	<u>22,330,090</u>	<u>3,600,990</u>
Transfers (out)					
CIP	-	-	-	-	-
Golf Course	(115,400)	(38,740)	(66,380)	(14,000)	(697,040)
Volunteer Firemen Pension	(30,000)	(30,000)	(30,000)	(30,000)	-
PPFC #1	-	-	(410,000)	(410,000)	(972,600)
PAL Sports Program	-	-	-	-	(314,290)
Other	(15,492)	(50,920)	(50,920)	(50,920)	-
Total	<u>(160,892)</u>	<u>(119,660)</u>	<u>(557,300)</u>	<u>(504,920)</u>	<u>(1,983,930)</u>
Lease proceeds	<u>1,647,651</u>	<u>848,150</u>	<u>5,448,150</u>	<u>9,698,150</u>	<u>1,163,870</u>
Total other financing sources and uses	<u>8,686,107</u>	<u>3,465,720</u>	<u>22,918,080</u>	<u>31,523,320</u>	<u>2,780,930</u>
Net change in fund balance	1,747,426	-	(190,080)	7,921,450	(1,620,000)
Fund balance (deficit) - beginning	15,131,907	8,879,333	8,879,333	16,879,333	24,800,783
Reserved for Contingency - Cash	<u>(8,000,000)</u>	<u>-</u>	<u>-</u>	<u>(8,000,000)</u>	<u>(8,000,000)</u>
Fund balance - ending	<u>\$ 8,879,333</u>	<u>\$ 8,879,333</u>	<u>\$ 8,689,253</u>	<u>\$ 16,800,783</u>	<u>\$ 15,180,783</u>

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

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
<u>Revenues</u>					
500 - General Tax Revenue	\$ 22,405,479	\$ 21,462,690	\$ 22,162,690	\$ 23,180,000	\$ 23,551,950
520 - Gross Receipts	2,122,333	1,985,200	1,985,200	2,175,500	2,233,000
530 - Revenue Producing Facilities	3,763,156	3,716,900	3,686,900	4,113,150	4,262,900
540 - Fines and Fees	927,585	1,035,000	935,000	959,000	965,500
550 - Licenses and Permits	823,821	658,530	658,530	671,200	734,620
560 - Charges for Current Services	846,197	780,650	818,650	919,500	1,127,470
580 - Lease Proceeds	-	-	-	4,250,000	-
580 - Transfers/Others	9,119,327	3,585,380	23,475,380	27,778,240	4,764,860
Total Revenues	\$ 40,007,898	\$ 33,224,350	\$ 53,722,350	\$ 64,046,590	\$ 37,640,300
<u>Expenditures</u>					
10 - City Manager's Office	\$ 1,046,148	\$ 1,158,010	\$ 1,203,862	\$ 1,031,950	\$ 2,073,230
11 - Finance Department	680,278	943,860	961,118	853,120	971,620
12 - Police Department	11,477,516	11,453,000	11,898,318	11,539,510	11,976,550
13 - Traffic Safety	1,247,716	1,290,700	1,303,820	1,324,030	1,367,920
14 - Municipal Court	359,525	427,450	433,172	417,480	399,140
15 - Fire Protection	5,087,430	5,836,070	6,424,972	6,049,110	6,140,030
16 - Pharr Athletics	529,362	-	-	-	251,450
17 - Street Maintenance	2,095,191	2,206,230	2,236,536	2,094,650	2,400,000
18 - Information Technology	727,973	544,790	637,526	648,850	1,138,050
20 - Municipal Library	1,019,652	1,057,410	1,074,668	1,028,830	1,227,910
22 - Parks & Recreation	2,426,425	2,374,170	2,601,266	2,620,850	2,116,470
27 - Planning & Community Development	1,007,121	1,031,950	1,052,996	1,025,750	1,165,240
28 - Engineering	-	288,750	292,776	204,400	465,130
30 - Non-Departmental	10,556,135	4,611,960	23,791,400	27,286,610	7,567,560
Total Expenditures	\$ 38,260,472	\$ 33,224,350	\$ 53,912,430	\$ 56,125,140	\$ 39,260,300
Net Revenues Over/(Under) Expenditures	\$ 1,747,426	\$ -	\$ (190,080)	\$ 7,921,450	\$ (1,620,000)

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

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
Department					
10 - City Manager's Office	\$ 1,046,148	\$ 1,158,010	\$ 1,203,862	\$ 1,031,950	\$ 2,073,230
11 - Finance Department	680,278	943,860	961,118	853,120	971,620
12 - Police Department	11,477,516	11,453,000	11,898,318	11,539,510	11,976,550
13 - Traffic Safety	1,247,716	1,290,700	1,303,820	1,324,030	1,367,920
14 - Municipal Court	359,525	427,450	433,172	417,480	399,140
15 - Fire Protection	5,087,430	5,836,070	6,424,972	6,049,110	6,140,030
16 - Pharr Athletics	529,362	-	-	-	251,450
17 - Street Maintenance	2,095,191	2,206,230	2,236,536	2,094,650	2,400,000
18 - Information Technology	727,973	544,790	637,526	648,850	1,138,050
20 - Municipal Library	1,019,652	1,057,410	1,074,668	1,028,830	1,227,910
22 - Parks & Recreation	2,426,425	2,374,170	2,601,266	2,620,850	2,116,470
27 - Planning & Community Development	1,007,121	1,031,950	1,052,996	1,025,750	1,165,240
28 - Engineering Department	-	288,750	292,776	204,400	465,130
30 - Non-Departmental	10,556,135	4,611,960	23,791,400	27,286,610	7,567,560
Total Expenditures	\$ 38,260,472	\$ 33,224,350	\$ 53,912,430	\$ 56,125,140	\$ 39,260,300
Activity					
1100- Personnel Services	\$ 20,518,977	\$ 20,950,220	\$ 21,667,640	\$ 20,726,900	\$ 21,563,280
2200- Supplies	915,171	955,930	971,250	896,240	993,250
3300- Maintenance	318,572	424,090	411,590	376,500	456,200
4400- Rentals	146,423	173,860	174,540	131,820	169,340
5500- Other Services	2,551,257	2,844,470	2,892,190	2,670,900	3,074,670
6600- Vehicle Maintenance	1,362,568	1,442,200	1,442,200	1,403,430	1,593,480
7700- Debt Service	685,518	846,170	846,170	846,170	2,242,650
8800- Capital Outlay	6,546,820	985,450	19,895,450	23,556,570	1,609,870
9900- Transfers Out	160,892	119,660	557,300	504,920	1,983,930
9900- Non-Departmental	5,054,274	4,482,300	5,054,100	5,011,690	5,573,630
Total Expenditures	\$ 38,260,472	\$ 33,224,350	\$ 53,912,430	\$ 56,125,140	\$ 39,260,300
Function					
General government	\$ 12,137,251	\$ 6,143,660	\$ 25,066,378	\$ 28,241,760	\$ 9,320,350
Public safety	17,870,744	18,757,220	19,810,282	19,010,130	19,575,640
Highways and streets	2,095,191	2,206,230	2,236,536	2,094,650	2,400,000
Health and welfare	2,550,317	2,566,000	2,566,000	2,624,000	2,636,000
Culture and recreation	3,446,077	3,431,580	3,675,934	3,649,680	3,344,380
Transfers Out	160,892	119,660	557,300	504,920	1,983,930
Total Expenditures	\$ 38,260,472	\$ 33,224,350	\$ 53,912,430	\$ 56,125,140	\$ 39,260,300

City of Pharr, Texas

Department: City Manager's Office

Function:

General

Fund: General

EXPENDITURES	Actual 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 496,044	\$ 540,350	\$ 555,872	\$ 517,600	\$ 525,300
Employee Benefits	142,605	152,970	155,580	135,000	127,180
Supplies	39,682	30,950	30,670	23,000	32,680
Maintenance	636	14,680	14,680	7,000	14,180
Rentals	5,455	9,000	9,000	5,880	9,020
Contractual Services	183,017	150,000	150,000	100,000	90,000
Other Services	177,847	242,960	270,960	224,910	236,160
Vehicle Maintenance	862	5,340	5,340	6,800	6,960
Debt Service	-	11,760	11,760	11,760	1,031,750
Capital Outlay	-	-	-	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,046,148	\$ 1,158,010	\$ 1,203,862	\$ 1,031,950	\$ 2,073,230

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 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 388,717	\$ 555,320	\$ 559,972	\$ 508,500	\$ 565,220
Employee Benefits	124,229	190,400	186,006	148,100	177,510
Supplies	31,609	37,600	40,700	35,310	39,800
Maintenance	11,608	22,410	22,410	20,500	2,000
Rentals	1,805	2,520	3,200	3,200	3,360
Contractual Services	72,000	65,000	75,000	75,000	115,000
Other Services	40,888	48,900	52,120	40,800	37,930
Vehicle Maintenance	-	-	-	-	-
Debt Service	1,722	11,710	11,710	11,710	10,800
Capital Outlay	7,700	10,000	10,000	10,000	20,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 680,278	\$ 943,860	\$ 961,118	\$ 853,120	\$ 971,620

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
1 Prepare CAFR	Y	Y	Y	Y	Y
2 Prepare Official Budget Document	Y	Y	Y	Y	Y
3 Number of Qtrly Investment Report	4	4	4	4	4
4 GFOA's CAFR award	Y	Y	Y	Y	Y
5 GFOA's Budget award	Y	Y	Y	Y	Y
6 GTOT Investment Policy award	Y	Y	Y	Y	Y

City of Pharr, Texas

Department: Information Technologies

Function:

General

Fund: General

EXPENDITURES	Actual 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 63,418	\$ 101,650	\$ 101,850	\$ 89,000	\$ 208,500
Employee Benefits	14,520	30,480	30,516	19,600	61,640
Supplies	61,337	46,990	46,990	54,500	89,170
Maintenance	190	13,000	13,000	13,000	164,500
Rentals	-	-	-	50	-
Contractual Services	17,865	50,000	50,000	50,000	15,000
Other Services	11,438	17,850	20,350	47,680	388,500
Vehicle Maintenance	933	11,000	11,000	11,200	12,200
Debt Service	72,817	123,820	123,820	123,820	178,540
Capital Outlay	485,455	150,000	240,000	240,000	20,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 727,973	\$ 544,790	\$ 637,526	\$ 648,850	\$ 1,138,050

Purpose

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

Main Duties

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

Divisions

Systems Engineering, Networking, Thin Clients

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Engineering

Function:

General

Fund: General

EXPENDITURES	Actual 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ -	\$ 193,100	\$ 196,518	\$ 134,500	\$ 244,030
Employee Benefits	-	47,040	47,648	35,700	56,950
Supplies	-	10,900	10,900	9,700	14,540
Maintenance	-	-	-	-	1,000
Rentals	-	7,300	7,300	-	5,000
Contractual Services	-	-	-	-	79,600
Other Services	-	18,610	18,610	14,500	24,500
Vehicle Maintenance	-	5,000	5,000	3,200	9,950
Debt Service	-	-	-	-	4,060
Capital Outlay	-	6,800	6,800	6,800	25,500
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ -	\$ 288,750	\$ 292,776	\$ 204,400	\$ 465,130

Purpose

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

Main Duties

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

Divisions

Subdivision platting, GIS, Project Management

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 573,518	\$ 562,290	\$ 580,158	\$ 560,000	\$ 627,590
Employee Benefits	196,429	187,450	190,628	190,300	197,960
Supplies	29,710	24,600	24,600	33,200	28,800
Maintenance	2,996	6,000	6,000	5,000	1,500
Rentals	3,546	4,500	4,500	6,110	6,800
Contractual Services	43,767	20,640	20,640	24,200	169,800
Other Services	118,571	136,900	136,900	120,600	81,450
Vehicle Maintenance	29,839	39,450	39,450	42,000	43,000
Debt Service	3,532	10,120	10,120	10,120	8,340
Capital Outlay	5,213	40,000	40,000	34,220	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,007,121	\$ 1,031,950	\$ 1,052,996	\$ 1,025,750	\$ 1,165,240

Purpose

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

Main Duties

Lessen congestion; secure safety from panic and other dangers; promote health and general welfare; protect the overcrowding of land and abutting traffic ways; avoid undue concentration of population; avoid undue concentration of population; facilitate the adequate provisions of transportation, water, sewage, schools, parks, and other public requirements, empower community self-help programs, establish community priorities to target code compliance and health issues; and protect and preserve places and areas of historical and cultural importance.

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Sanitation	\$ 1,696,924	\$ 1,740,000	\$ 1,740,000	\$ 1,740,000	\$ 1,752,000
Debris/Brush	551,950	576,000	576,000	564,000	576,000
Street Lights	521,739	600,000	600,000	560,000	600,000
Legal	331,954	192,500	192,500	205,000	200,000
Engineering	57,581	100,000	300,000	282,500	120,000
City Hall	854,445	328,000	328,000	300,000	320,000
City Commission	83,355	100,000	100,000	70,000	100,000
Contingency	-	-	-	-	-
Transfers	160,892	119,660	557,300	504,920	1,983,930
Land Purchase	5,340,969	10,000	18,180,000	21,770,000	10,000
Other	956,326	845,800	1,217,600	1,290,190	1,905,630
DEPARTMENT TOTAL	\$ 10,556,135	\$ 4,611,960	\$ 23,791,400	\$ 27,286,610	\$ 7,567,560

City of Pharr, Texas

Department: Police

Function: Public Safety

Fund: General

EXPENDITURES	Actual 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 6,859,521	\$ 6,983,800	\$ 7,392,068	\$ 7,085,000	\$ 7,132,370
Employee Benefits	2,516,593	2,151,680	2,188,730	2,177,800	2,115,430
Supplies	116,671	132,680	132,680	134,680	153,320
Maintenance	42,577	50,000	50,000	50,000	29,470
Rentals	68,983	70,380	70,380	60,000	61,700
Contractual Services	135,154	170,000	170,000	140,000	157,000
Other Services	457,712	504,860	504,860	460,820	379,620
Vehicle Maintenance	726,954	703,390	703,390	745,000	755,490
Debt Service	152,062	224,710	224,710	224,710	353,380
Capital Outlay	401,289	461,500	461,500	461,500	838,770
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 11,477,516	\$ 11,453,000	\$ 11,898,318	\$ 11,539,510	\$ 11,976,550

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 467,768	\$ 483,350	\$ 494,488	\$ 487,500	\$ 492,000
Employee Benefits	178,096	202,620	204,602	173,600	186,640
Supplies	136,710	189,040	189,040	127,050	190,020
Maintenance	9,387	9,500	9,500	6,000	9,500
Rentals	1,721	1,000	1,000	2,000	1,800
Contractual Services	-	2,500	2,500	250	2,500
Other Services	334,884	294,610	294,610	363,050	336,790
Vehicle Maintenance	110,387	101,400	101,400	112,000	142,000
Debt Service	8,763	6,680	6,680	6,680	6,670
Capital Outlay	-	-	-	45,900	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,247,716	\$ 1,290,700	\$ 1,303,820	\$ 1,324,030	\$ 1,367,920

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 euthanization.

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 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 193,176	\$ 218,950	\$ 223,808	\$ 214,500	\$ 236,490
Employee Benefits	66,305	66,170	67,034	60,650	64,850
Supplies	14,324	17,500	17,500	17,500	17,000
Maintenance	12,690	13,000	13,000	9,000	6,000
Rentals	1,903	2,700	2,700	2,700	2,700
Contractual Services	54,570	76,000	76,000	76,000	52,000
Other Services	15,654	20,200	20,200	24,200	17,700
Vehicle Maintenance	903	2,930	2,930	2,930	2,400
Debt Service	-	-	-	-	-
Capital Outlay	-	10,000	10,000	10,000	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 359,525	\$ 427,450	\$ 433,172	\$ 417,480	\$ 399,140

Purpose

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

Main Duties

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

Divisions

Administration, Court

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 3,067,157	\$ 3,409,130	\$ 3,527,052	\$ 3,401,500	\$ 3,503,780
Employee Benefits	1,133,963	1,164,570	1,185,550	1,129,600	1,385,540
Supplies	142,260	168,440	168,440	124,250	147,390
Maintenance	91,582	114,500	114,500	113,000	106,550
Rentals	16,130	15,960	15,960	16,080	15,960
Contractual Services	15,300	35,350	35,350	11,900	25,350
Other Services	125,195	157,600	157,600	140,010	132,820
Vehicle Maintenance	155,976	217,250	217,250	128,500	232,200
Debt Service	318,967	356,620	356,620	356,620	517,440
Capital Outlay	20,900	196,650	646,650	627,650	73,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 5,087,430	\$ 5,836,070	\$ 6,424,972	\$ 6,049,110	\$ 6,140,030

Purpose

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

Main Duties

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

Divisions

Administration; Prevention; Suppression; Communications

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 904,728	\$ 883,300	\$ 905,634	\$ 863,750	\$ 937,060
Employee Benefits	433,480	416,070	420,042	399,800	428,250
Supplies	15,998	63,550	63,550	51,250	76,530
Maintenance	14,493	28,000	28,000	15,000	28,000
Rentals	7,782	31,700	31,700	7,000	34,200
Contractual Services	4,045	92,500	92,500	50,000	92,500
Other Services	311,600	332,580	336,580	307,100	330,930
Vehicle Maintenance	285,274	303,780	303,780	296,000	327,200
Debt Service	61,060	54,750	54,750	54,750	77,330
Capital Outlay	56,731	-	-	50,000	68,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 2,095,191	\$ 2,206,230	\$ 2,236,536	\$ 2,094,650	\$ 2,400,000

Purpose

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

Main Duties

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

Divisions

Administration, Streets & Alleys, Drainage & Right Of Ways, and Recycling

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 552,378	\$ 565,640	\$ 580,292	\$ 562,000	\$ 590,950
Employee Benefits	193,825	180,930	183,536	178,200	182,540
Supplies	33,206	30,850	30,850	32,800	51,000
Maintenance	16,078	24,000	24,000	23,000	33,500
Rentals	25,815	19,300	19,300	19,300	19,300
Contractual Services	-	-	-	-	-
Other Services	124,114	136,190	136,190	112,730	120,020
Vehicle Maintenance	-	-	-	300	2,100
Debt Service	-	-	-	-	-
Capital Outlay	74,236	100,500	100,500	100,500	228,500
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,019,652	\$ 1,057,410	\$ 1,074,668	\$ 1,028,830	\$ 1,227,910

Purpose

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

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

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	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 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 1,167,262	\$ 1,221,720	\$ 1,244,724	\$ 1,232,000	\$ 936,250
Employee Benefits	412,831	441,240	445,332	422,700	327,800
Supplies	262,013	202,830	215,330	253,000	153,000
Maintenance	110,550	129,000	116,500	115,000	60,000
Rentals	13,133	9,500	9,500	9,500	9,500
Contractual Services	75,659	62,000	62,000	62,000	62,000
Other Services	176,869	209,220	209,220	225,150	127,500
Vehicle Maintenance	45,325	52,660	52,660	55,500	59,980
Debt Service	47,783	46,000	46,000	46,000	54,340
Capital Outlay	115,000	-	200,000	200,000	326,100
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 2,426,425	\$ 2,374,170	\$ 2,601,266	\$ 2,620,850	\$ 2,116,470

Purpose

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

Main Duties

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

Divisions

Administration, Park Maintenance, Building Maintenance, and Recreation.

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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: Pharr Athletics

Function:

Culture & Rec.

Fund: General

EXPENDITURES	Actual 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 258,326	\$ -	\$ -	\$ -	\$ 206,200
Employee Benefits	114,088	-	-	-	45,250
Supplies	31,651	-	-	-	-
Maintenance	5,785	-	-	-	-
Rentals	150	-	-	-	-
Contractual Services	24,087	-	-	-	-
Other Services	31,021	-	-	-	-
Vehicle Maintenance	6,115	-	-	-	-
Debt Service	18,812	-	-	-	-
Capital Outlay	39,327	-	-	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 529,362	\$ -	\$ -	\$ -	\$ 251,450

Purpose

To provide quality athletic opportunities to the citizens that we are proud to serve.

Main Duties

Responsible for athletic programs for the community.

Divisions

Administration, and Athletics

Mission Statement

To provide quality of life services in the community through the implementation of youth athletic opportunities.

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
<u>REVENUES</u>					
Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -
Interest	<u>54,654</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	\$ 54,654	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>					
Emergency Contingencies	<u>\$ -</u>	<u>\$ 8,000,000</u>	<u>\$ 8,000,000</u>	<u>\$ -</u>	<u>\$ -</u>
Total Expenditures	<u>\$ -</u>	<u>\$ 8,000,000</u>	<u>\$ 8,000,000</u>	<u>\$ -</u>	<u>\$ -</u>
Net Revenues Over/(Under) Expenditures	\$ 54,654	\$ (8,000,000)	\$ (8,000,000)	\$ -	\$ -

SPECIAL REVENUES FUNDS

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

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

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

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

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

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

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

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

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
<u>Revenues</u>					
500 - General Tax Revenue	\$ 643,817	\$ 790,000	\$ 790,000	\$ 750,000	\$ 776,520
560 - Charges for Current Services	900,125	1,257,500	1,257,500	808,000	785,000
560 - Intergovernmental	216,355	300,000	300,000	1,640,000	300,000
570 - Grants	2,592,508	3,805,120	3,805,120	1,712,700	3,773,240
580 - Others	48,214	166,090	5,591,590	5,750,810	12,200
580 - Transfers/Others	725,655	379,920	379,920	379,920	-
Total Revenues	\$ 5,126,674	\$ 6,698,630	\$ 12,124,130	\$ 11,041,430	\$ 5,646,960
<u>Expenditures</u>					
General government	\$ 982,831	\$ 2,244,720	\$ 7,824,490	\$ 7,075,000	\$ 1,311,320
Public safety	2,057,573	2,012,090	2,012,090	654,500	2,695,840
Highways and streets	1,412,037	1,308,320	2,508,320	2,386,050	1,460,070
Culture and recreation	4,145,012	1,163,070	1,169,194	1,155,540	1,371,730
Transfer Out	75,460	370,430	370,430	141,090	-
Total Expenditures	\$ 8,672,913	\$ 7,098,630	\$ 13,884,524	\$ 11,412,180	\$ 6,838,960
Net Revenues Over/(Under) Expenditures	\$ (3,546,239)	\$ (400,000)	\$ (1,760,394)	\$ (370,750)	\$ (1,192,000)

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

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
<u>REVENUES</u>					
Grants-CDBG - Current Year	\$ 484,706	\$ 1,015,600	\$ 1,015,600	\$ 970,790	\$ 1,188,760
Grants-Other CDBG Program Funds	596,569	1,521,460	1,521,460	741,910	832,800
Misc	8,975	-	5,575,500	5,576,430	-
Transfer In	1,444	50,920	50,920	50,920	-
Total Revenues	\$ 1,091,694	\$ 2,587,980	\$ 8,163,480	\$ 7,340,050	\$ 2,021,560
<u>EXPENDITURES</u>					
Personnel	\$ 205,749	\$ 223,920	\$ 228,190	\$ 182,200	\$ 187,490
Supplies	6,930	5,500	5,500	2,950	5,500
Maintenance	2,369	800	800	800	800
Rentals	-	2,500	2,500	2,500	2,500
Other	30,406	19,000	19,000	19,260	21,500
Vehicle Maintenance	451	2,320	2,320	1,520	2,820
Debt Service	-	-	-	-	425,760
Capital Outlay	-	-	-	-	1,098,690
Non-Departmental	839,053	2,333,940	7,909,440	7,130,820	276,500
Total Expenditures	\$ 1,084,958	\$ 2,587,980	\$ 8,167,750	\$ 7,340,050	\$ 2,021,560
Net Revenues Over/(Under) Expenditures	\$ 6,736	\$ -	\$ (4,270)	\$ -	\$ -
<u>EXPENDITURES</u>					
General government	756,513	2,244,720	7,824,490	7,075,000	1,039,320
Public safety	34,471	36,030	36,030	-	85,000
Culture and recreation	131,764	50,000	50,000	-	260,010
Highways and streets	162,210	257,230	257,230	265,050	637,230
Total Expenditures	\$ 1,084,958	\$ 2,587,980	\$ 8,167,750	\$ 7,340,050	\$ 2,021,560

City of Pharr, Texas

Department: Administration

Fund: CDBG

EXPENSES	Actual 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 151,651	\$ 171,300	\$ 174,924	\$ 138,500	\$ 146,700
Employee Benefits	54,098	52,620	53,266	43,700	40,790
Supplies	6,930	5,500	5,500	2,950	5,500
Maintenance	2,369	800	800	800	800
Rentals	-	2,500	2,500	2,500	2,500
Contractual Services	7,000	-	-	600	-
Other Services	23,406	19,000	19,000	18,660	21,500
Vehicle Maintenance	451	2,320	2,320	1,520	2,820
Debt Service	-	-	-	-	425,760
Capital Outlay	-	-	-	-	1,098,690
Non-Departmental	-	-	5,575,500	5,576,430	-
Community Programs	839,053	2,333,940	2,333,940	1,554,390	1,375,190
DEPARTMENT TOTAL	\$ 1,084,958	\$ 2,587,980	\$ 8,167,750	\$ 7,340,050	\$ 3,120,250

Purpose

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

Main Duties

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

Divisions

Administration

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

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

REVENUES

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
Intergovernmental	\$ 216,355	\$ 300,000	\$ 300,000	\$ 1,640,000	\$ 300,000
Other	-	-	-	-	-
Interest	11,271	8,000	8,000	20,000	8,000
Transfer In	-	-	-	-	-
Total	\$ 227,626	\$ 308,000	\$ 308,000	\$ 1,660,000	\$ 308,000

EXPENDITURES

Public Safety:

Personnel	\$ 95,579	\$ -	\$ -	\$ 8,000	\$ 10,000
Supplies	162,503	308,000	308,000	146,000	495,000
Maintenance	66,942	-	-	35,000	50,000
Rentals	8,275	-	-	-	10,000
Other	177,329	-	-	200,500	175,000
Vehicle Maintenance	19,130	-	-	25,000	20,000
Debt Service	-	-	-	-	-
Capital Outlay	110,203	400,000	400,000	240,000	700,000
Transfer Out	-	-	-	-	40,000
Total	\$ 639,961	\$ 708,000	\$ 708,000	\$ 654,500	\$ 1,500,000

Net Revenues Over/(Under) Expenditures \$ (412,335) \$ (400,000) \$ 1,005,500 \$ (1,192,000)

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

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
<u>REVENUES</u>					
Police	\$ 897,784	\$ 844,360	\$ 844,360	\$ -	\$ 1,044,410
Fire	470,249	423,700	423,700	-	66,430
Library	14,704	-	-	-	100,000
Public Works	128,496	-	-	-	40,840
Parks & Recreation	-	-	-	-	500,000
Total Revenues	\$ 1,511,233	\$ 1,268,060	\$ 1,268,060	\$ -	\$ 1,751,680
<u>EXPENDITURES BY FUNCTION</u>					
Public Safety:					
Police	\$ 912,895	\$ 844,360	\$ 844,360	\$ -	\$ 1,044,410
Fire	470,246	423,700	423,700	-	66,430
	<u>1,383,141</u>	<u>1,268,060</u>	<u>1,268,060</u>	<u>-</u>	<u>1,110,840</u>
Culture and Recreation:					
Library	14,704	-	-	-	100,000
Parks & Recreation	-	-	-	-	500,000
	<u>14,704</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>600,000</u>
Environmental:					
Public Works	128,496	-	-	-	40,840
General:					
General	<u>226,318</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures	\$ 1,752,659	\$ 1,268,060	\$ 1,268,060	\$ -	\$ 1,751,680
Net Revenues Over/(Under) Expenditures	\$ (241,426)	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES BY ACTIVITY</u>					
Personnel	\$ 1,078,446	\$ 885,550	\$ 885,550	\$ -	\$ 1,005,620
Supplies	101,079	30,380	30,380	-	24,520
Maintenance	129,004	-	-	-	-
Rentals	-	-	-	-	-
Other	69,952	117,500	117,500	-	60,000
Vehicle Maintenance	9,599	-	-	-	-
Debt Service	-	-	-	-	-
Capital Outlay	<u>364,579</u>	<u>234,630</u>	<u>234,630</u>	<u>-</u>	<u>661,540</u>
Total Expenditures	<u>\$ 1,752,659</u>	<u>\$ 1,268,060</u>	<u>\$ 1,268,060</u>	<u>\$ -</u>	<u>\$ 1,751,680</u>

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

REVENUES

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
Hotel/Motel Tax	\$ 643,817	\$ 790,000	\$ 790,000	\$ 750,000	\$ 776,520
Events Center	97,897	532,500	532,500	-	-
Other	-	150,000	-	150,000	-
Interest	25,047	5,000	5,000	2,180	2,000
Total	\$ 766,761	\$ 1,477,500	\$ 1,327,500	\$ 902,180	\$ 778,520

EXPENDITURES

General government:

Other Services	\$ -	\$ -	\$ -	\$ -	\$ 163,100
Supplies	-	-	-	-	5,000
Debt Service	-	-	-	-	93,900
Non-Departmental	-	-	-	-	10,000
	\$ -	\$ -	\$ -	\$ -	\$ 272,000

Culture and Recreation:

Personnel	\$ 191,082	\$ 228,700	\$ 234,824	\$ 398,800	\$ 299,050
Supplies	19,460	19,110	19,110	55,120	17,000
Maintenance	36,399	20,000	20,000	50,000	10,000
Rentals	-	-	-	-	1,000
Other: Chamber	369,329	220,000	220,000	220,000	-
Other: Misc	268,989	208,460	208,460	260,650	128,230
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	200,800	200,800	26,720	31,240
Capital Outlay	644,077	200,000	200,000	126,050	20,000
Non-Departmental	2,332,800	10,000	10,000	10,000	-
Transfer Out	75,460	370,430	370,430	141,090	-
Sub Total	3,937,596	1,477,500	1,483,624	1,288,430	506,520
Total	\$ 3,937,596	\$ 1,477,500	\$ 1,483,624	\$ 1,288,430	\$ 778,520

Net Revenues Over/(Under) Expenditures \$ (3,170,835)

\$ (156,124)

\$ (386,250)

\$ -

City of Pharr, Texas

Department: Events Center

Function:

Cultural

Fund:

Hotel/Motel

EXPENDITURES	Actual 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 240,330
Employee Benefits	-	-	-	-	58,720
Supplies	-	-	-	-	17,000
Maintenance	-	-	-	-	10,000
Rentals	-	-	-	-	1,000
Contractual Services	-	-	-	-	-
Other Services	-	-	-	-	128,230
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	31,240
Capital Outlay	-	-	-	-	20,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 506,520

Purpose

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

Main Duties

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

Divisions

Venue Management, Ticket Sales

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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:	Governmental	Fund: Hotel/Motel	
EXPENDITURES	Actual 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 150,046	\$ 186,540	\$ 191,738	\$ 326,500	\$ -
Employee Benefits	41,036	42,160	43,086	72,300	-
Supplies	19,460	19,110	19,110	55,120	5,000
Maintenance	36,399	20,000	20,000	50,000	-
Rentals	-	-	-	-	-
Contractual Services	369,329	220,000	220,000	220,000	-
Other Services	268,989	208,460	208,460	260,650	163,100
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	200,800	200,800	26,720	93,900
Capital Outlay	644,077	200,000	200,000	126,050	-
Non-Departmental	2,408,260	380,430	380,430	151,090	10,000
DEPARTMENT TOTAL	\$ 3,937,596	\$ 1,477,500	\$ 1,483,624	\$ 1,288,430	\$ 272,000

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

REVENUES

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
Parkland Dedication Fees	\$ 20,487	\$ 5,000	\$ 5,000	\$ 8,000	\$ 5,000
Interest	1,013	1,000	1,000	200	200
Transfer In	-	-	-	-	-
Total	\$ 21,500	\$ 6,000	\$ 6,000	\$ 8,200	\$ 5,200

EXPENDITURES

Culture and Recreation:

Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-
Maintenance	-	-	-	-	-
Rentals	-	-	-	-	-
Other	-	-	-	-	-
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers Out	136,408	6,000	6,000	8,200	5,200
Capital Outlay	-	-	-	-	-
Total	\$ 136,408	\$ 6,000	\$ 6,000	\$ 8,200	\$ 5,200

Net Revenues Over/(Under) Expenditures \$ (114,908)

\$ -

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

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
<u>REVENUES</u>					
Paving & Drainage Fee	\$ 781,741	\$ 720,000	\$ 720,000	\$ 800,000	\$ 780,000
Lease Proceeds	724,211	329,000	329,000	329,000	-
Interest Income	1,908	2,090	2,090	2,000	2,000
Total	\$ 1,507,860	\$ 1,051,090	\$ 1,051,090	\$ 1,131,000	\$ 782,000
<u>EXPENDITURES</u>					
Highways and Streets:					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	37,424	-	30,000	30,000	-
Maintenance	-	-	-	-	-
Rentals	-	-	-	-	-
Other	174,545	454,750	83,140	83,000	334,600
Vehicle Maintenance	-	-	-	-	-
Debt Service	167,151	267,340	352,400	352,400	447,400
Capital Outlay	742,211	329,000	1,785,550	1,655,600	-
Transfer Out	-	-	-	-	-
Total	\$ 1,121,331	\$ 1,051,090	\$ 2,251,090	\$ 2,121,000	\$ 782,000
Net Revenues Over/(Under) Expenditures	\$ 386,529	\$ -	\$ (1,200,000)	\$ (990,000)	\$ -

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 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
<u>REVENUES</u>					
Intergovernmental	\$ 69,727	\$ 300,000	\$ 300,000	\$ -	\$ 5,300,000
Debt Proceeds	-	5,600,000	5,600,000	5,600,000	-
Transfers In	3,705,385	8,408,000	3,908,000	3,908,000	2,956,440
Grants	-	7,589,000	7,589,000	-	8,089,000
Other	-	-	-	-	-
Total Revenues	\$ 3,775,112	\$ 21,897,000	\$ 17,397,000	\$ 9,508,000	\$ 16,345,440
<u>EXPENDITURES</u>					
Street Projects	\$ 897,108	\$ 5,967,000	\$ 5,967,000	\$ -	\$ 5,215,440
Other	2,417,671	17,880,000	13,380,000	-	18,510,000
Total Expenditures	\$ 3,314,779	\$ 23,847,000	\$ 19,347,000	\$ -	\$ 23,725,440
Net Revenues Over/(Under) Expenditures	\$ 460,333	\$ (1,950,000)	\$ (1,950,000)	\$ 9,508,000	\$ (7,380,000)

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

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
<u>REVENUES</u>					
Transfer In	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -
Other	-	-	-	-	-
Total Revenues	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -
<u>EXPENSES</u>					
Port of Entry Modernization	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -
Other	-	-	-	-	-
Total Expenses	\$ -	\$ 500,000	\$ 500,000	\$ -	\$ -
Net Revenues Over/(Under) Expenses	\$ -	\$ -	\$ -	\$ -	\$ -

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

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
REVENUES					
Grants - NADBank	\$ -	\$ -	\$ -	\$ -	\$ -
Grants - TWDB	-	-	-	-	-
Grant - EPA	-	-	-	-	-
Loan Proceeds - NADBank	-	-	-	-	-
Loan Proceeds - TWDB -CW	-	-	-	-	-
Loan Proceeds - TWDB -DW	-	-	-	-	-
Transfer In	-	1,820,000	1,820,000	320,000	4,500,000
Total Revenues	\$ -	\$ 1,820,000	\$ 1,820,000	\$ 320,000	\$ 4,500,000
EXPENSES					
Reservoir Cleaning	\$ -	\$ -	\$ -	\$ -	\$ 2,000,000
Rehab LBJ Water Tower	-	1,500,000	1,500,000	-	1,500,000
West Hall Acres Utility Line	-	-	-	-	-
Wastewater Collection System	-	-	-	-	-
WWCS - Phase 1a	-	-	-	-	-
WWCS - Phase 1b	-	-	-	-	-
WWCS - Phase 1c	-	-	-	-	-
WWCS - Phase 1d	-	-	-	-	-
WWCS - Phase 1e	-	-	-	-	-
Wastewater Treatment Plant	-	2,670,000	2,670,000	-	-
Water Treatment Plant	-	8,100,000	8,100,000	-	-
Other	-	320,000	320,000	-	1,000,000
Total Expenses	\$ -	\$ 12,590,000	\$ 12,590,000	\$ -	\$ 4,500,000
Net Revenues Over/(Under) Expenses	\$ -	\$ (10,770,000)	\$ (10,770,000)	\$ 320,000	\$ -



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DEBT SERVICE FUND

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

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

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

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
<u>REVENUES</u>					
Property Tax (Current & Delinquent)	\$ 1,681,392	\$ 1,661,000	\$ 1,661,000	\$ 1,676,000	\$ 1,674,000
Property Tax Penalty and Interest	75,344	70,000	70,000	74,000	70,000
Interest	22,522	15,000	15,000	33,000	20,000
Transfer In	495,031	496,870	496,870	496,870	498,320
Total Revenues	\$ 2,274,289	\$ 2,242,870	\$ 2,242,870	\$ 2,279,870	\$ 2,262,320
<u>EXPENDITURES</u>					
Principal	\$ 1,365,000	\$ 905,000	\$ 905,000	\$ 905,000	\$ 1,485,000
Interest	680,648	572,410	572,410	572,410	594,970
Other	43,400	8,000	8,000	8,000	6,000
Transfer Out	202,990	160,360	160,360	160,360	176,350
Total Expenditures	\$ 2,292,038	\$ 1,645,770	\$ 1,645,770	\$ 1,645,770	\$ 2,262,320
Net Revenues Over/(Under) Expenditures	\$ (17,749)	\$ 597,100	\$ 597,100	\$ 634,100	\$ -



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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 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
<u>Revenues</u>					
Water Fees	\$ 7,798,359	\$ 6,530,000	\$ 6,772,550	\$ 7,470,000	\$ 7,005,000
Sewer Fees	5,750,638	5,116,640	5,116,640	5,605,200	5,210,000
Toll Fees	10,198,745	9,352,620	9,352,620	10,500,000	10,375,000
Direct Golf Course Fees	693,903	765,000	765,000	695,000	815,000
Intergovernmental	-	-	-	-	-
Other	972,556	357,350	357,350	406,600	372,000
Interest	794,698	454,000	454,000	529,000	507,670
Lease Proceeds	-	178,000	178,000	178,000	108,000
Transfer In	393,850	277,030	304,670	252,290	873,390
Total Revenues	\$ 26,602,749	\$ 23,030,640	\$ 23,300,830	\$ 25,636,090	\$ 25,266,060
<u>Expenses</u>					
Personnel Services	\$ 3,929,969	\$ 4,048,160	\$ 4,154,230	\$ 3,808,400	\$ 4,234,840
Supplies	1,328,721	1,271,155	1,258,255	1,193,715	1,452,510
Maintenance	911,062	692,180	780,080	642,790	752,200
Rentals	62,246	83,500	83,500	63,400	85,710
Other Services	1,855,502	2,156,090	2,195,590	1,801,290	2,362,180
Vehicle Maintenance	236,611	244,555	251,555	263,985	272,300
Long Term Debt Service	1,576,422	5,954,460	5,954,460	4,991,830	4,933,430
Debt Service-Lease	14,496	742,080	742,080	743,220	200,350
Capital Outlay	-	960,250	1,031,000	862,500	1,448,400
Transfer Out	30,000	10,619,620	6,119,620	4,269,620	10,902,950
Non-Departmental	3,457,421	2,283,300	2,395,800	2,408,410	3,121,190
Total Expenditures	\$ 13,402,450	\$ 29,055,350	\$ 24,966,170	\$ 21,049,160	\$ 29,766,060
Net Revenues Over/(Under) Expenses	\$ 13,200,299	\$ (6,024,710)	\$ (1,665,340)	\$ 4,586,930	\$ (4,500,000)

CITY OF PHARR, TEXAS
BUDGETED REPORT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
UTILITY FUND
FOR THE FISCAL YEAR OCTOBER 1, 2012 THROUGH SEPTEMBER 30, 2013

	<u>ACTUAL</u> <u>2010-2011</u>	<u>ORIGINAL</u> <u>BUDGET</u> <u>2011-2012</u>	<u>AMENDED</u> <u>BUDGET</u> <u>2011-2012</u>	<u>PROJECTED</u> <u>ACTUAL</u> <u>2011-2012</u>	<u>BUDGET</u> <u>2012-2013</u>
REVENUES					
Operating revenues:					
Charges for sales and services:					
Water sales	\$ 7,472,115	\$ 6,340,000	\$ 6,582,550	\$ 7,200,000	\$ 6,840,000
Sewer service	5,499,441	4,975,000	4,975,000	5,410,000	5,100,000
Tap fees	434,423	210,640	210,640	340,000	180,000
Other	147,458	123,300	123,300	129,700	95,000
Total operating revenues	<u>13,553,437</u>	<u>11,648,940</u>	<u>11,891,490</u>	<u>13,079,700</u>	<u>12,215,000</u>
EXPENSES					
Operating expenses:					
Personnel services	2,472,854	2,685,990	2,808,932	2,616,600	2,749,600
Supplies and Materials	2,184,129	1,958,925	2,033,925	1,913,815	2,203,890
Contractual Services	2,271,537	2,190,345	2,225,345	2,125,415	2,362,220
Depreciation	1,859,185	-	-	-	-
Total operating expenses	<u>8,787,705</u>	<u>6,835,260</u>	<u>7,068,202</u>	<u>6,655,830</u>	<u>7,315,710</u>
Operating income (loss)	<u>4,765,732</u>	<u>4,813,680</u>	<u>4,823,288</u>	<u>6,423,870</u>	<u>4,899,290</u>
Nonoperating revenues (expenses):					
Investment earnings	568,772	350,000	350,000	335,000	302,670
Interest expense	(1,463,497)	(1,694,860)	(1,694,860)	(1,676,860)	(1,619,650)
Principal expense	-	(2,465,000)	(2,465,000)	(2,465,000)	(2,540,000)
Amortization expense	(109,380)	-	-	-	-
Capital Outlay	-	(677,250)	(748,000)	(747,500)	(626,900)
Intergovernmental	-	-	-	27,200	-
Lease Proceeds	-	-	-	-	-
Other	78,991	35,050	35,050	31,500	5,000
Total nonoperating revenues (expenses)	<u>(925,114)</u>	<u>(4,452,060)</u>	<u>(4,522,810)</u>	<u>(4,495,660)</u>	<u>(4,478,880)</u>
Income before contributions and transfers	<u>3,840,618</u>	<u>361,620</u>	<u>300,478</u>	<u>1,928,210</u>	<u>420,410</u>
Transfers in	-	-	-	-	-
Transfers out					
General Fund	-	(361,620)	(361,620)	(361,620)	(420,410)
Capital Projects	-	(1,820,000)	(1,820,000)	-	(4,500,000)
Capital contributions	516,435	-	-	-	-
Changes in net assets	<u>4,357,053</u>	<u>(1,820,000)</u>	<u>(1,881,142)</u>	<u>1,566,590</u>	<u>(4,500,000)</u>
Total net assets (non-GAAP) - beginning	67,004,453	71,361,506	71,361,506	71,361,506	72,928,096
Prior period adjustment	-	-	-	-	-
Total net assets (non-GAAP) - ending	<u>\$ 71,361,506</u>	<u>\$ 69,541,506</u>	<u>\$ 69,480,364</u>	<u>\$ 72,928,096</u>	<u>\$ 68,428,096</u>

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

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
<u>REVENUES</u>					
Water	\$ 7,798,359	\$ 6,530,000	\$ 6,772,550	\$ 7,470,000	\$ 7,005,000
Sewer	5,750,638	5,116,640	5,116,640	5,605,200	5,210,000
Lease Proceeds	-	-	-	-	-
Other	599,866	37,350	37,350	63,200	5,000
Interest	568,772	350,000	350,000	335,000	302,670
Transfer In	-	-	-	-	-
Total Revenues	\$ 14,717,635	\$ 12,033,990	\$ 12,276,540	\$ 13,473,400	\$ 12,522,670
<u>EXPENSES</u>					
81 Administration	\$ 545,199	\$ 602,280	\$ 740,390	\$ 703,570	\$ 607,410
82 Water Production	1,537,687	1,376,050	1,386,882	1,306,450	1,624,720
83 Water Distribution	1,541,423	2,039,325	2,133,055	1,911,295	1,830,990
84 Water Treatment Plant	1,813,024	1,860,245	1,895,465	1,887,135	2,178,210
86 Sewer Collection	385,189	663,810	649,310	603,670	597,120
87 Non-Departmental	2,965,183	3,152,420	3,192,720	1,352,830	6,024,570
72 Debt Service	1,572,877	4,159,860	4,159,860	4,141,860	4,159,650
Total Expenses	\$ 10,360,582	\$ 13,853,990	\$ 14,157,682	\$ 11,906,810	\$ 17,022,670
Net Revenues Over/(Under) Expenses	\$ 4,357,053	\$ (1,820,000)	\$ (1,881,142)	\$ 1,566,590	\$ (4,500,000)
1100- Personnel Services	\$ 2,472,854	\$ 2,630,390	\$ 2,701,532	\$ 2,509,200	\$ 2,728,440
2200- Supplies	1,088,200	1,017,525	1,004,625	955,125	1,164,480
3300- Maintenance	693,473	499,680	587,580	521,290	559,700
4400- Rentals	8,849	16,020	16,020	5,400	15,310
5500- Other Services	1,351,061	1,348,520	1,388,020	1,307,850	1,426,960
6600- Vehicle Maintenance	197,503	213,295	220,295	226,725	231,000
72/73 Long Term Debt Service	1,572,877	4,159,860	4,159,860	4,141,860	4,159,650
7700- Debt Service-Lease	10,582	139,030	139,030	139,030	85,660
8800- Capital Outlay	-	677,250	748,000	747,500	626,900
9900- Transfer Out	-	2,181,620	2,181,620	361,620	4,920,410
9900- Non-Departmental	2,965,183	970,800	1,011,100	991,210	1,104,160
	\$ 10,360,582	\$ 13,853,990	\$ 14,157,682	\$ 11,906,810	\$ 17,022,670

City of Pharr, Texas

Department: Debt Service

Fund: Utility

EXPENSES	Actual 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Financial Services	\$ 6,956	\$ 25,000	\$ 25,000	\$ 7,000	\$ 22,000
2007 CWSRF Interest - TWDB	877,361	857,030	857,030	857,030	834,120
2007A DWSRF Interest - TWDB	48,406	341,140	341,140	341,140	332,210
2007B Interest - NADBank	354,059	317,250	317,250	317,250	302,440
2008 Refunding - Interest	176,715	154,440	154,440	154,440	128,880
Amortization Expense	-				
Other Interest	109,380	-	-	-	-
2007 CWSRF Principal - TWDB	-	790,000	790,000	790,000	815,000
2007A DWSRF Principal - TWDB	-	380,000	380,000	380,000	395,000
2007B Principal - NADBank	-	395,000	395,000	395,000	410,000
2008 Refunding - Principal	-	710,000	710,000	710,000	730,000
1988 Principal	-	190,000	190,000	190,000	190,000
Other Principal	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,572,877	\$ 4,159,860	\$ 4,159,860	\$ 4,141,860	\$ 4,159,650

City of Pharr, Texas

Department: Administration

Fund: Utility

EXPENSES	Actual 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 218,543	\$ 226,600	\$ 232,848	\$ 220,900	\$ 244,050
Employee Benefits	99,133	86,730	89,842	82,100	85,330
Supplies	89,739	146,250	144,250	137,500	160,250
Maintenance	41,963	36,680	44,680	42,070	28,100
Rentals	1,706	2,760	2,760	1,700	2,220
Contractual Services	18,655	27,160	11,460	1,850	2,160
Other Services	75,460	76,100	83,800	82,200	85,300
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	-
Capital Outlay	-	-	130,750	135,250	-
Non-Departmental					
DEPARTMENT TOTAL	\$ 545,199	\$ 602,280	\$ 740,390	\$ 703,570	\$ 607,410

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 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 355,192	\$ 349,420	\$ 358,616	\$ 350,200	\$ 405,320
Employee Benefits	148,563	140,240	141,876	113,200	146,790
Supplies	414,070	323,400	323,400	323,650	428,150
Maintenance	190,556	90,000	90,000	75,000	125,000
Rentals	3,631	2,620	2,620	750	2,240
Contractual Services	3,445	-	250	250	-
Other Services	405,704	411,000	410,750	384,030	442,000
Vehicle Maintenance	14,513	19,560	19,560	19,560	23,500
Debt Service	2,013	27,560	27,560	27,560	8,220
Capital Outlay	-	12,250	12,250	12,250	43,500
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,537,687	\$ 1,376,050	\$ 1,386,882	\$ 1,306,450	\$ 1,624,720

Purpose

Distribute safe potable drinking water that meet TCEQ requirement.

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 611,076	\$ 723,240	\$ 743,386	\$ 678,800	\$ 726,740
Employee Benefits	310,190	327,310	330,894	259,000	285,830
Supplies	333,682	331,725	320,725	277,725	333,930
Maintenance	86,146	7,000	87,000	50,000	30,000
Rentals	1,805	6,020	6,020	2,200	6,200
Contractual Services	-	-	-	1,750	-
Other Services	39,443	46,020	92,020	73,600	55,500
Vehicle Maintenance	154,474	150,790	145,790	151,000	155,000
Debt Service	4,607	57,220	57,220	57,220	42,790
Capital Outlay	-	390,000	350,000	360,000	195,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,541,423	\$ 2,039,325	\$ 2,133,055	\$ 1,911,295	\$ 1,830,990

Purpose

Distribute safe potable drinking water.

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 514,392	\$ 584,650	\$ 605,968	\$ 610,000	\$ 630,000
Employee Benefits	215,309	187,740	193,642	195,000	204,380
Supplies	146,054	139,000	139,000	139,000	165,000
Maintenance	330,677	346,000	346,000	335,000	356,600
Rentals	1,245	2,620	2,620	750	2,650
Contractual Services	-	-	-	-	-
Other Services	605,179	582,020	588,020	585,950	661,500
Vehicle Maintenance	-	15,905	17,905	19,125	21,000
Debt Service	168	2,310	2,310	2,310	5,180
Capital Outlay	-	-	-	-	131,900
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,813,024	\$ 1,860,245	\$ 1,895,465	\$ 1,887,135	\$ 2,178,210

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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: Wastewater (Sewer) Collection System

Fund: Utility

EXPENSES	Actual 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ -	\$ -	\$ -	\$ -	\$ -
Employee Benefits	456	4,460	4,460	-	-
Supplies	104,655	77,150	77,250	77,250	77,150
Maintenance	44,131	20,000	19,900	19,220	20,000
Rentals	462	2,000	2,000	-	2,000
Contractual Services	-	-	-	-	-
Other Services	203,175	206,220	201,720	178,220	180,500
Vehicle Maintenance	28,516	27,040	37,040	37,040	31,500
Debt Service	3,794	51,940	51,940	51,940	29,470
Capital Outlay	-	275,000	255,000	240,000	256,500
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 385,189	\$ 663,810	\$ 649,310	\$ 603,670	\$ 597,120

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Non-Departmental			Fund: Utility		
EXPENSES	Actual 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Legal	\$ 56,309	\$ 75,000	\$ 75,000	\$ 60,000	\$ 75,000
Engineering	209,085	250,000	246,500	246,000	300,000
Water rights	-	50,000	50,000	50,000	100,000
Raw water	393,607	425,700	425,700	432,000	464,400
Depreciation	1,859,185	-	-	-	-
Transfer out - General Fund	-	361,620	361,620	361,620	420,410
Transfer out - Capital Projects	-	1,820,000	1,820,000	-	4,500,000
Other	446,997	170,100	213,900	203,210	164,760
DEPARTMENT TOTAL	\$ 2,965,183	\$ 3,152,420	\$ 3,192,720	\$ 1,352,830	\$ 6,024,570

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

REVENUES

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
Toll Fees	\$ 10,198,745	\$ 9,352,620	\$ 9,352,620	\$ 10,500,000	\$ 10,375,000
Other	216,810	150,000	150,000	198,400	197,000
Settlements	12,670	-	-	-	-
Interest	221,400	100,000	100,000	190,000	201,000
Transfer In - Hotel/Motel	75,460	77,930	77,930	77,930	-
Transfer In - Other	202,990	160,360	160,360	160,360	176,350
Total	\$ 10,928,075	\$ 9,840,910	\$ 9,840,910	\$ 11,126,690	\$ 10,949,350

EXPENSES

Personnel	\$ 945,830	\$ 883,920	\$ 907,946	\$ 817,000	\$ 870,070
Supplies	67,059	84,000	84,000	68,500	86,500
Maintenance	178,653	170,000	170,000	105,000	170,000
Rentals	6,527	13,000	13,000	3,500	13,000
Other	422,059	740,920	740,920	414,000	861,720
Vehicle Maintenance	15,698	15,620	15,620	16,620	20,000
Long Term Debt Service	3,545	1,794,600	1,794,600	849,970	773,780
Debt Service-Lease	-	518,060	518,060	519,200	-
Capital Outlay	-	105,000	105,000	15,000	160,000
Transfer Out	-	8,408,000	3,908,000	3,908,000	5,982,540
Non-Departmental	136,259	1,312,500	1,357,060	1,389,560	2,011,740
Total	\$ 1,775,630	\$ 14,045,620	\$ 9,614,206	\$ 8,106,350	\$ 10,949,350

Net Revenues Over/(Under) Expenses

\$ 9,152,445 \$ (4,204,710) \$ 226,704 \$ 3,020,340 \$ -

City of Pharr, Texas

Department: Administration

Fund: Bridge

EXPENSES	Actual 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 620,842	\$ 630,340	\$ 650,738	\$ 609,400	\$ 644,360
Employee Benefits	324,988	253,580	257,208	207,600	233,450
Supplies	67,059	84,000	84,000	68,500	86,500
Maintenance	178,653	170,000	170,000	105,000	170,000
Rentals	6,527	13,000	13,000	3,500	13,000
Contractual Services	88,775	179,920	179,920	100,000	229,920
Other Services	333,284	561,000	561,000	314,000	631,800
Vehicle Maintenance	15,698	15,620	15,620	16,620	20,000
Debt Service - Leases	-	518,060	518,060	519,200	-
Debt Service - Bonds/Notes	3,545	1,794,600	1,794,600	849,970	773,780
Capital Outlay	-	105,000	105,000	15,000	160,000
Non-Departmental					
Depreciation	-	-	-	-	-
Transfers Out - General Fund Ops	-	1,500,000	1,500,000	1,500,000	1,500,000
Transfers Out - General Fund Other	-	-	-	-	1,526,100
Transfers Out - Gen CIP Funds	-	6,908,000	2,408,000	2,408,000	2,956,440
Contingency	-	1,000,000	1,044,560	1,044,560	1,500,000
Other	136,259	312,500	312,500	345,000	504,000
DEPARTMENT TOTAL	\$ 1,775,630	\$ 14,045,620	\$ 9,614,206	\$ 8,106,350	\$ 10,949,350

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 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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**

REVENUES

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
Green & Member Fees	\$ 429,555	\$ 485,000	\$ 485,000	\$ 440,000	\$ 495,000
Cart Rental	183,103	180,000	180,000	170,000	180,000
Food & Beverage	81,245	100,000	100,000	85,000	140,000
Other	155,880	170,000	170,000	145,000	170,000
Interest	4,526	4,000	4,000	4,000	4,000
Lease Proceeds	-	178,000	178,000	178,000	108,000
Transfer In	115,400	38,740	66,380	14,000	697,040
Total Revenues	\$ 969,709	\$ 1,155,740	\$ 1,183,380	\$ 1,036,000	\$ 1,794,040

EXPENSES

Personnel	\$ 511,285	\$ 533,850	\$ 544,752	\$ 482,200	\$ 636,330
Supplies	173,462	169,630	169,630	170,090	201,530
Maintenance	38,936	22,500	22,500	16,500	22,500
Rentals	46,870	54,480	54,480	54,500	57,400
Other	82,382	66,650	66,650	79,440	73,500
Vehicle Maintenance	23,410	15,640	15,640	20,640	21,300
Long Term Debt Service	-	-	-	-	-
Debt Service-Lease	3,914	84,990	84,990	84,990	114,690
Capital Outlay	-	178,000	178,000	100,000	661,500
Transfer Out	30,000	30,000	30,000	-	-
Non-Departmental	355,979	-	27,640	27,640	5,290
Total Expenses	\$ 1,266,238	\$ 1,155,740	\$ 1,194,282	\$ 1,036,000	\$ 1,794,040

Net Revenues Over/(Under) Expenses	\$ (296,529)	\$ -	\$ (10,902)	\$ -	\$ -
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City of Pharr, Texas

<div> <div>Department: Administration</div> <div>Fund: Golf Course</div> </div>					
EXPENSES	Actual 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 346,091	\$ 379,360	\$ 388,616	\$ 346,500	\$ 458,840
Employee Benefits	165,194	154,490	183,776	163,340	182,780
Supplies	173,462	169,630	169,630	170,090	201,530
Maintenance	38,936	22,500	22,500	16,500	22,500
Rentals	46,870	54,480	54,480	54,500	57,400
Contractual Services	360	-	-	-	-
Other Services	82,022	66,650	66,650	79,440	73,500
Vehicle Maintenance	23,410	15,640	15,640	20,640	21,300
Debt Service	3,914	84,990	84,990	84,990	114,690
Capital Outlay	-	178,000	178,000	100,000	661,500
Non-Departmental					
Depreciation	355,979	-	-	-	-
Transfer Out	30,000	30,000	30,000	-	-
DEPARTMENT TOTAL	\$ 1,266,238	\$ 1,155,740	\$ 1,194,282	\$ 1,036,000	\$ 1,794,040
Purpose To manage a quality of life facility in the city, allowing all visitors to enjoy it while obtaining exercise and a social network.					
Main Duties Manage a 130 acre golfing facility, providing customer service to all visitors, serve food, and provide a well groomed and maintained golf course.					
Divisions Pro Shop, Snack Bar, Maintenance					
Mission Statement The mission of the Tierra Del Sol Golf Club is to provide the best South Texas golfing experience that will allow people of any gender and age to exercise, compete, and enjoy; allow them to engage in a social network and, at the same time, provide the atmosphere of a true golf club that is a responsible member of our community.					
PERFORMANCE INDICATORS	Actual 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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**

REVENUES

	ACTUAL 2010-2011	ORIGINAL BUDGET 2011-2012	AMENDED BUDGET 2011-2012	PROJECTED ACTUAL 2011-2012	BUDGET 2012-2013
General Fund	\$ 432,772	\$ 409,400	\$ 409,400	\$ 463,430	\$ 506,630
Utility Fund	66,100	76,670	69,670	76,100	88,000
Bridge Fund	1,462	2,620	2,620	2,620	7,000
Golf Course Fund	112	640	640	640	1,300
CDBG Fund	131	320	320	420	320
PEDC	19	-	-	-	-
Total	\$ 500,596	\$ 489,650	\$ 482,650	\$ 543,210	\$ 603,250

EXPENSES

Personnel	\$ 147,772	\$ 169,370	\$ 173,594	\$ 157,900	\$ 183,330
Supplies	691	10,690	10,690	4,550	10,740
Maintenance	1,341	5,000	5,000	2,500	5,000
Rentals	25	800	800	-	780
Other	141,651	10,190	10,190	7,730	8,470
Vehicle Maintenance	299,884	293,600	293,600	381,000	372,930
Debt Service	-	-	-	-	-
Capital Outlay	-	-	-	-	22,000
Non-Departmental	22,548	-	-	-	-
Total	\$ 613,912	\$ 489,650	\$ 493,874	\$ 553,680	\$ 603,250

Net Revenues Over/(Under) Expenses

\$ (113,316)	\$ -	\$ (11,224)	\$ (10,470)	\$ -
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City of Pharr, Texas

Department: Administration

Fund: Garage

EXPENSES	Actual 10-11	Original Budget 11-12	Amended Budget 11-12	Projected Actual 11-12	Budget 12-13
Salaries	\$ 101,257	\$ 108,750	\$ 112,336	\$ 109,300	\$ 128,600
Employee Benefits	46,515	60,620	61,258	48,600	54,730
Supplies	691	10,690	10,690	4,550	10,740
Maintenance	1,341	5,000	5,000	2,500	5,000
Rentals	25	800	800	-	780
Contractual Services	-	-	-	-	-
Other Services	141,651	10,190	10,190	7,730	8,470
Vehicle Maintenance	299,884	293,600	293,600	381,000	372,930
Debt Service	-	-	-	-	-
Capital Outlay	-	-	-	-	22,000
Non-Departmental	22,548	-	-	-	-
DEPARTMENT TOTAL	\$ 613,912	\$ 489,650	\$ 493,874	\$ 553,680	\$ 603,250

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 10-11	Budget 11-12	Amend. Budget 11-12	Projected 11-12	Budget 12-13
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

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

	Fiscal Year								
	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Governmental activities									
Invested in capital assets, net of related debt	\$17,432	\$26,339	\$28,230	\$28,849	\$ 40,172	\$ 50,941	\$ 50,764	\$ 53,417	\$ 56,408
Restricted	5,054	1,998	6,490	6,763	14,781	8,115	7,904	5,234	7,159
Unrestricted	5,268	3,983	5,147	8,067	2,620	4,822	13,275	18,999	16,463
Total governmental activities net assets	<u>\$27,754</u>	<u>\$32,320</u>	<u>\$39,867</u>	<u>\$43,679</u>	<u>\$ 57,574</u>	<u>\$ 63,878</u>	<u>\$ 71,943</u>	<u>\$ 77,649</u>	<u>\$ 80,030</u>
Business-type activities									
Invested in capital assets, net of related debt	\$21,320	\$28,366	\$38,635	\$38,336	\$ 46,566	\$ 59,224	\$ 78,359	\$ 82,609	\$ 82,300
Restricted	4,349	9,278	2,943	1,950	3,018	5,762	7,759	7,375	10,195
Unrestricted	15,221	8,165	3,390	11,401	4,593	2,568	2,572	9,691	12,435
Total business-type activities net assets	<u>\$40,890</u>	<u>\$45,809</u>	<u>\$44,968</u>	<u>\$51,687</u>	<u>\$ 54,177</u>	<u>\$ 67,554</u>	<u>\$ 88,691</u>	<u>\$ 99,675</u>	<u>\$ 104,930</u>
Primary government									
Invested in capital assets, net of related debt	\$38,752	\$54,705	\$66,865	\$67,185	\$ 86,738	\$110,165	\$129,124	\$136,026	\$ 138,708
Restricted	9,403	11,276	9,433	8,713	17,800	13,877	15,663	12,609	17,354
Unrestricted	20,489	12,148	8,537	19,468	7,213	7,390	15,848	28,690	28,898
Total primary government net assets	<u>\$68,644</u>	<u>\$78,129</u>	<u>\$84,835</u>	<u>\$95,366</u>	<u>\$111,751</u>	<u>\$131,433</u>	<u>\$160,634</u>	<u>\$177,324</u>	<u>\$ 184,960</u>

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

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

Expenses	Fiscal Year								
	2003	2004	2005	2006	2007	2008	2009	2010	2011
Governmental activities:									
General government	\$ 6,484	\$ 4,386	\$ 5,463	\$ 7,181	\$ 8,178	\$ 8,265	\$ 7,594	\$ 8,061	\$ 10,917
Public safety	10,331	13,179	14,069	15,000	16,504	18,495	19,177	19,775	21,546
Streets	-	2,140	2,276	2,361	2,442	2,114	2,268	3,102	3,757
Sanitation	2,453	3,411	3,519	3,227	3,518	4,537	2,312	2,008	2,749
Culture and recreation	826	3,156	3,248	3,253	3,340	3,831	3,563	3,890	3,239
Economic development	105	2,503	2,198	1,754	2,653	-	-	-	-
Debt service	1,880	1,537	1,478	1,365	1,433	1,122	1,041	885	736
Total governmental activities expenses	22,079	30,312	32,251	34,141	38,068	38,365	35,955	37,721	42,944
Business-type activities:									
Utility	5,085	6,298	6,885	7,576	7,879	9,291	9,125	9,140	10,382
Toll Bridge	2,070	3,244	3,830	3,156	3,454	3,300	2,975	3,428	3,082
Tierra Del Sol Golf Course	965	1,239	988	1,054	1,241	1,171	1,047	1,035	1,236
Total business-type activities expenses	8,120	10,781	11,703	11,786	12,574	13,763	13,146	13,603	14,700
Total primary government expenses	\$ 30,199	\$ 41,093	\$ 43,954	\$ 45,927	\$ 50,642	\$ 52,127	\$ 49,102	\$ 51,323	\$ 57,644
Program Revenues									
Governmental activities:									
Charges for services:									
General government	\$ 125	\$ 705	\$ 2,051	\$ 208	\$ 1,790	\$ 2,375	\$ 1,970	\$ 1,734	\$ 1,962
Public Safety	11	1,038	63	571	1,908	1,662	3,841	999	1,184
Streets	-	-	-	85	472	67	3	1,093	782
Sanitation	3,055	3,069	3,464	3,006	3,274	4,969	3,256	3,347	3,560
Culture and recreation	71	488	489	131	911	372	131	128	257
Economic development	-	-	-	-	-	-	-	-	-
Debt service	-	-	-	-	-	-	-	-	-
Operating grants and contributions	79	1,944	1,753	1,648	1,867	2,465	2,448	4,227	3,451
Capital grants and contributions	3,349	1,067	-	1,094	-	1,481	256	508	25
Total governmental activities program revenues	6,690	8,311	7,820	6,743	10,222	13,391	11,906	12,035	11,221

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

	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
General Fund										
Reserved, Nonspendable, Restricted	\$ 54	\$ 54	\$ 3,037	\$ 3,903	\$ 7,405	\$ 11,002	\$ 1,049	\$ 102	\$ 231	\$ 3,354
Unreserved, undesignated, unassigned	3,825	3,489	1,433	602	195	(6,402)	2,081	8,338	14,901	5,809
Designated, Committed, Assigned	-	-	-	1,327	-	-	756	-	-	8,054
Total general fund	<u>\$ 3,879</u>	<u>\$ 3,543</u>	<u>\$ 4,470</u>	<u>\$ 5,832</u>	<u>\$ 7,600</u>	<u>\$ 4,600</u>	<u>\$ 3,886</u>	<u>\$ 8,440</u>	<u>\$ 15,132</u>	<u>\$ 17,217</u>
All other governmental funds										
Reserved, Nonspendable, Restricted, reported in:	\$ 1,025	\$ (15)	\$ 1,369	\$ 2,894	\$ 5,447	\$ 7,572	\$ 4,718	\$ 6,407	\$ 2,501	\$ -
Special revenue funds	-	-	-	-	-	-	-	-	-	387
Capital projects fund	-	-	-	-	-	-	-	-	-	-
Debt service fund	-	-	-	-	-	-	-	-	-	63
Economic Development fund	-	-	-	-	-	-	-	-	-	3,197
Unreserved, unassigned, reported in:										
Special revenue funds	200	2	824	3,573	142	2,425	3,238	1,333	1,086	(2,929)
Capital projects funds	10,536	4,534	-	-	(2,590)	(1,508)	-	-	1,251	-
Debt service funds	314	356	-	-	1,044	-	-	-	-	-
Assigned	-	-	-	-	-	-	-	-	-	1,943
Total all other governmental funds	<u>\$ 12,076</u>	<u>\$ 4,876</u>	<u>\$ 2,193</u>	<u>\$ 6,467</u>	<u>\$ 4,042</u>	<u>\$ 8,488</u>	<u>\$ 7,957</u>	<u>\$ 7,741</u>	<u>\$ 4,839</u>	<u>\$ 2,661</u>
Total governmental fund balances	<u>\$ 15,955</u>	<u>\$ 8,419</u>	<u>\$ 6,663</u>	<u>\$ 12,299</u>	<u>\$ 11,643</u>	<u>\$ 13,088</u>	<u>\$ 11,843</u>	<u>\$ 16,181</u>	<u>\$ 19,970</u>	<u>\$ 19,878</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									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Revenues										
Taxes	\$14,205	\$ 15,051	\$ 20,022	\$ 21,929	\$ 24,350	\$ 25,972	\$ 27,370	\$ 28,215	\$ 28,707	\$ 29,814
Licenses and permits	712	688	555	681	1,468	886	685	682	550	762
Intergovernmental	3,210	3,606	3,431	2,296	1,178	1,751	2,455	2,448	4,579	3,451
Charges for services	3,042	3,558	3,647	3,971	4,287	5,073	6,382	4,468	5,226	5,010
Fines	518	761	1,056	1,415	968	800	880	1,122	1,107	914
Investment earnings	644	440	162	306	419	445	349	296	361	440
Miscellaneous	982	1,318	1,079	1,481	2,127	1,970	644	254	533	375
Total Revenues	<u>23,313</u>	<u>25,422</u>	<u>29,952</u>	<u>32,079</u>	<u>34,797</u>	<u>36,897</u>	<u>38,765</u>	<u>37,486</u>	<u>41,064</u>	<u>40,766</u>
Expenditures										
General government	13,231	16,536	8,287	6,985	14,218	12,943	6,034	6,220	6,609	14,398
Public safety	8,708	9,767	11,558	13,452	15,391	15,642	19,392	18,846	18,522	19,963
Highways and streets	942	1,287	2,076	5,351	2,542	2,121	4,443	2,499	4,012	4,404
Sanitation	2,226	2,235	3,059	-	3,021	3,483	4,306	2,318	2,423	2,555
Culture and recreation	601	752	3,168	3,323	977	3,422	5,661	3,472	3,664	6,010
Economic development	117	933	2,149	2,109	3,120	5,757	2,067	2,165	1,360	1,538
Debt service - Principal	1,080	1,768	1,690	1,554	1,912	3,904	3,371	3,335	1,781	1,635
Debt service - Interest	1,535	1,401	1,537	1,657	891	1,225	1,009	978	819	712
Other charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>28,440</u>	<u>34,679</u>	<u>33,524</u>	<u>34,431</u>	<u>42,072</u>	<u>48,497</u>	<u>46,283</u>	<u>39,833</u>	<u>39,191</u>	<u>51,215</u>
Excess of revenues over (under) expenditures	(5,127)	(9,257)	(3,572)	(2,352)	(7,275)	(11,600)	(7,518)	(2,347)	1,872	(10,449)
Other financing sources (uses)										
Transfers in	1,524	1,986	2,302	10,721	4,044	9,298	16,941	6,066	9,951	11,615
Transfers out	(9)	-	(662)	(4,359)	(1,756)	(669)	(14,415)	(2,882)	(8,110)	(4,393)
Proceeds of Long Term Debt	-	-	312	16,567	3,120	2,480	2,877	-	-	805
Other	-	-	-	(15,149)	979	3,479	1,819	3,587	245	2,372
Total other financing sources (uses)	<u>1,515</u>	<u>1,986</u>	<u>1,952</u>	<u>7,780</u>	<u>6,387</u>	<u>14,588</u>	<u>7,222</u>	<u>6,771</u>	<u>2,086</u>	<u>10,399</u>
Net change in fund balances	<u>\$ (3,612)</u>	<u>\$ (7,271)</u>	<u>\$ (1,620)</u>	<u>\$ 5,428</u>	<u>\$ (888)</u>	<u>\$ 2,988</u>	<u>\$ (297)</u>	<u>\$ 4,424</u>	<u>\$ 3,959</u>	<u>\$ (50)</u>
Debt service as a percentage of noncapital expenditures	10.1%	10.1%	10.7%	10.3%	7.1%	11.8%	10.5%	12.1%	7.1%	4.8%

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

<u>Fiscal Year Ended</u>	<u>Tax Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Minerals</u>	<u>Other</u>	<u>Total Assessed</u>	<u>Less: Ag Loss & Tax Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value¹ as a Percentage of Actual Value</u>
2002	2001	787,288	226,387	10,117	47,909	125,419	1,196,755	227,000	969,755	0.690	969,755	123.41%
2003	2002	862,278	231,716	9,865	38,843	121,315	1,264,018	236,264	1,027,754	0.683	1,027,754	122.99%
2004	2003	1,029,748	283,257	10,850	41,693	130,142	1,495,690	292,485	1,203,205	0.683	1,203,205	124.31%
2005	2004	1,142,164	310,068	12,810	49,042	165,457	1,679,541	328,030	1,351,511	0.683	1,351,511	124.27%
2006	2005	1,217,836	327,593	13,845	52,742	162,458	1,774,474	332,328	1,442,146	0.683	1,442,146	123.04%
2007	2006	1,383,161	362,968	14,996	54,079	172,167	1,987,371	332,328	1,655,043	0.683	1,655,043	120.08%
2008	2007	1,549,417	397,886	14,537	51,312	195,896	2,209,035	412,202	1,796,833	0.683	1,796,833	122.94%
2009	2008	1,831,559	496,061	15,957	52,232	213,847	2,609,655	506,079	2,103,576	0.680	2,103,576	124.06%
2010	2009	1,852,609	528,963	16,672	49,303	242,187	2,689,735	527,968	2,161,766	0.680	2,161,766	124.42%
2011	2010	1,903,835	561,456	14,999	16,865	265,722	2,762,876	591,022	2,171,854	0.680	2,171,854	127.21%

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						P.S.J.A ISD		
				Drainage District #1			Hidalgo County					
	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total
2002	0.590	0.100	0.690	0.046	-	0.046	0.522	0.069	0.590	1.500	0.122	1.622
2003	0.596	0.087	0.683	0.044	-	0.044	0.527	0.063	0.590	1.500	0.122	1.622
2004	0.602	0.081	0.683	0.044	-	0.044	0.526	0.064	0.590	1.500	0.112	1.612
2005	0.593	0.090	0.683	0.044	-	0.044	0.527	0.063	0.590	1.500	0.114	1.614
2006	0.593	0.090	0.683	0.041	-	0.041	0.520	0.070	0.590	1.500	0.114	1.614
2007	0.596	0.087	0.683	0.040	0.009	0.049	0.516	0.075	0.591	1.040	0.171	1.211
2008	0.603	0.079	0.682	0.042	0.028	0.070	0.519	0.071	0.590	1.040	0.231	1.271
2009	0.602	0.078	0.680	0.045	0.028	0.073		0.077	0.077	1.040	0.261	1.301
2010	0.602	0.078	0.680	0.045	0.028	0.073	0.511	0.079	0.590	1.040	0.319	1.359
2011	\$ 0.602	\$ 0.078	\$ 0.680	\$ 0.045	\$ 0.028	0.073	\$ 0.511	\$ 0.079	\$ 0.590	\$ 1.040	\$ 0.319	\$ 1.359

Fiscal Year Ending	South Texas ISD			Overlapping Tax Rates						Total Direct & Overlapping Rates		
				South Texas College								
	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total
2002	0.039	-	0.039	0.110	0.068	0.178						3.164
2003	0.039	-	0.039	0.110	0.064	0.174						3.152
2004	0.039	-	0.039	0.110	0.055	0.165						3.132
2005	0.039	-	0.039	0.110	0.049	0.159						3.128
2006	0.039	-	0.039	0.110	0.045	0.155						3.122
2007	0.049	-	0.049	0.110	0.044	0.154						2.737
2008	0.049	-	0.049	0.110	0.040	0.150						2.812
2009	0.049	-	0.049	0.110	0.039	0.149						2.329
2010	0.049	-	0.049	0.110	0.040	0.150						2.901
2011	\$ 0.049	\$ -	\$ 0.049	\$ 0.110	\$ 0.040	\$ 0.150						\$ 2.901

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 2011 and 2001
(amounts expressed in thousands)

Taxpayer	2011			2001		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Capote Farms LTD	\$ 13,815	1	0.64%	-		-
OXY USA Inc	13,579	2	0.63%	-		-
Wilder Corporation of Delaware	13,226	3	0.61%	11,470	2	1.30%
AEP Texas Central Co.	11,937	4	0.55%	-		-
Frank Smith Toyota-Isuzu	10,341	5	0.48%	-		-
McAllen LEVCAL, LLC	9,986	6	0.46%	-		-
Helmerich & Payne Int Drill	8,622	7	0.40%	-		-
Wayne Windle Enterprises Et Al	8,359	8	0.38%	-		-
FJRS Investments LTD	7,101	9	0.33%	-		-
Gold Star Warehousing LTD	6,755	10	0.31%	-		-
TotalFinaElf E&P USA INC	-		-	17,297	1	1.96%
Southwestern Bell Tele	-		-	11,282	3	1.28%
Central Power & Light	-		-	10,710	4	1.21%
Spigel, Stanley	-		-	8,805	5	1.00%
Home Depot, The	-		-	5,803	6	0.66%
City of Pharr	-		-	5,393	7	0.61%
H E Butt Grocery Company	-		-	4,994	8	0.57%
Matt's Cash & Carry	-		-	4,290	9	0.49%
Westbrae Enterprises, Inc	-		-	4,135	10	0.47%
Totals	\$ 103,722		4.8%	\$ 84,178		9.5%
Assessed Taxable Value	\$ 2,171,854			\$ 882,981		

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

Fiscal Year Ended	Tax Year	Total Tax Levy for Fiscal Year	Collections within the Fiscal Year of the Levy		Delinquent Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2002	2001	6,423	5,762	89.7%	586	6,348	98.8%
2003	2002	7,092	6,323	89.2%	675	6,998	98.7%
2004	2003	8,220	7,423	90.3%	672	8,095	98.5%
2005	2004	9,233	8,335	90.3%	727	9,062	98.2%
2006	2005	9,831	8,980	91.3%	613	9,593	97.6%
2007	2006	11,014	10,094	91.6%	625	10,720	97.3%
2008	2007	12,275	11,231	91.5%	545	11,776	95.9%
2009	2008	14,567	13,391	91.9%	657	14,048	96.4%
2010	2009	14,824	13,673	92.2%	647	14,319	96.6%
2011	2010	\$ 14,674	\$ 13,559	92.4%	\$ -	\$ 13,559	92.4%

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

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

Fiscal Year	Governmental Activities				Business-Type Activities				Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Certificates of Obligation	Notes	Capital Leases	Utility &		Notes				
					Toll Bridge Bonds/Notes	Capital Leases					
2002	-	25,500	1,960	242	32,327	389	-	60,418	0.06%	1,176	
2003	-	24,170	1,785	632	36,882	289	-	63,758	0.06%	1,171	
2004	-	23,330	5,278	471	31,707	305	2	61,093	0.06%	1,076	
2005	16,110	7,085	4,683	698	21,444	86	-	50,106	0.08%	849	
2006	16,025	6,070	5,746	1,544	20,042	246	-	49,673	0.08%	810	
2007	15,935	5,000	4,962	1,550	61,711	815	5,995	95,968	0.04%	1,492	
2008	15,840	3,885	2,801	3,550	66,975	337	4,590	97,978	0.04%	1,483	
2009	15,130	3,330	731	2,503	64,510	1,016	3,125	90,345	0.04%	1,351	
2010	14,395	2,745	270	1,621	61,345	713	1,595	82,684	0.03%	1,230	
2011	\$ 15,750	\$ -	\$ -	\$ 2,738	\$ 58,415	\$ 952	\$ -	\$ 77,855	0.04%	\$ 1,106	

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

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

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

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Percentage of Estimated Actual Taxable Value¹ of Property</u>	<u>Per Capita²</u>
2002	-	0.00%	-
2003	-	0.00%	-
2004	-	0.00%	-
2005	16,110	1.15%	273
2006	16,025	1.08%	261
2007	15,935	0.96%	248
2008	15,840	0.86%	240
2009	15,130	0.70%	226
2010	14,395	0.54%	214
2011	\$ 15,750	0.57%	\$ 224

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, 2011
(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	\$ 205,943	8.2%	\$ 16,874
Hidalgo Irrigation District #1	96,675	8.2%	7,925
South Texas College	57,821	37.0%	21,394
South Texas ISD	-	0.0%	-
Pharr, San Juan, Alamo Independent School District	286,121	53.2%	152,318
Overlapping debt			198,511
City of Pharr direct debt	15,750	100.0%	15,750
Total direct and overlapping debt			<u>\$ 214,261</u>

Sources: Assessed value data used to estimate applicable percentages provided by the County Board of Equalization and Assessment.
Debt outstanding data provided by the county. Data as of 12/31/2010.

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

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

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

	Fiscal Year									
	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Debt Limit	\$ 100,367	\$ 105,919	\$ 123,907	\$ 139,673	\$ 148,988	\$ 166,146	\$ 184,767	\$ 260,966	\$ 268,973	\$ 276,288
Total net debt applicable to limit	25,500	24,170	23,330	23,195	22,095	20,935	19,725	15,130	14,395	15,750
Legal debt margin	\$ 74,867	\$ 81,749	\$ 100,577	\$ 116,478	\$ 126,893	\$ 145,211	\$ 165,042	\$ 245,836	\$ 254,578	\$ 260,538
Total net debt applicable to the limit as a percentage of debt limit	25.4%	22.8%	18.8%	16.6%	14.8%	12.6%	10.7%	5.8%	5.4%	5.7%

Legal Debt Margin Calculation for Fiscal Year 2011

Assessed Value	\$ 2,171,854
Add Back: exempt property	<u>591,022</u>
Total Assessed Value	\$ 2,762,876
Debt limit (10% of total assessed value)	276,288
Debt applicable to limit:	
General obligation bonds	<u>15,750</u>
Legal debt margin	<u><u>\$ 260,538</u></u>

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

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

Water & Sewer Revenue Bonds						
Fiscal Year	Utility Sewer Charges and Other	Less: Operating Expenses	Net Available Revenue	Debt Service		Coverage
				Principal	Interest	
2002	6,038	3,612	2,426	2,168	780	0.82
2003	6,193	3,762	2,431	1,106	725	1.33
2004	6,605	4,311	2,294	1,231	646	1.22
2005	7,829	4,881	2,948	1,291	604	1.56
2006	11,594	5,695	5,899	937	542	3.99
2007	11,954	5,427	6,527	851	595	4.51
2008	13,820	5,910	7,910	2,265	1,872	1.91
2009	13,259	5,714	7,545	2,330	1,807	1.82
2010	12,473	5,750	6,723	2,385	1,749	1.63
2011	\$ 14,122	\$ 6,946	\$ 7,176	\$ 2,465	\$ 1,670	1.74

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

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

Fiscal Year	Population¹	Median Household Income	Per Capita Personal Income	Median Age	Education Level in Years of Formal Schooling²	School Enrollment³	Unemployment Rate⁴
2002	51,362	38,967	9,462	27.4	47.3%	23,826	8.6%
2003	54,452	38,967	9,462	27.4	47.3%	25,210	8.6%
2004	56,752	38,967	9,462	27.4	47.3%	26,493	7.2%
2005	59,029	38,967	9,462	27.4	47.3%	27,338	5.8%
2006	61,360	38,967	9,462	27.8	47.3%	28,088	5.7%
2007	64,318	38,967	9,462	27.8	47.3%	28,868	5.5%
2008	66,078	38,967	9,462	27.8	47.3%	29,999	7.2%
2009	66,874	38,967	9,462	27.8	47.3%	30,618	11.2%
2010	67,217	28,000	11,421	27.1	58.1%	14,724	10.5%
2011	70,400	28,000	11,420	27.1	58.1%	17,588	10.7%

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

¹Population data from 2001 to 2007 taken from Planning/Zoning department. 2010 population estimate based on percentage increase of US Census Bureau totals for 2008 and 2009. 2011 population estimate based on percentage increase of US Census Bureau totals for 2009 and 2010.

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

³School Enrollment data for 2001 to 2007 includes enrollment for Pharr San Juan and Alamo School District. Enrollment data for 2010 and 2011 includes student enrollment in Pharr schools only, excluding San Juan and Alamo enrollment.

⁴Unemployment rate as of November 2011. (Source: Texas Workforce Commission)

City of Pharr, Texas
Principal Employers
Fiscal Year Ending 2011 and 2001

2011

<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment¹</u>
Pharr-San Juan - Alamo ISD	3,000	1	13.38%
Convergys	1,000	2	4.46%
Valley View ISD	700	3	3.12%
Ticketmaster	600	4	2.68%
VDP Healthcare	500	5	2.23%
City of Pharr	400	6	1.78%
Lack's Valley Stores Ltd	360	7	1.61%
Royal Freight	350	8	1.56%
HEB	300	9	1.34%
Atento Contact US Teleservices	<u>245</u>	10	<u>1.09%</u>
Total	<u>7,455</u>		<u>33.24%</u>

2001

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

Source: Pharr Economic Development Corporation

* Information was not tracked to provide stated information.

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

	Budgeted Full-time Equivalent Employees as of September 30,									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
GENERAL FUND										
City Manager	16.0	16.7	9.0	9.0	9.0	9.0	9.0	9.0	8.0	7.5
Finance	7.0	8.0	10.0	12.0	12.5	13.5	14.0	5.5	9.0	9.0
Police Department	121.5	124.5	130.0	134.0	146.0	155.0	167.0	161.0	160.0	172.0
Traffic Safety	13.0	13.0	13.0	16.0	13.0	16.0	17.0	16.0	16.0	16.0
Municipal Court	4.0	4.0	6.0	6.0	6.0	6.0	6.0	5.0	6.5	7.5
Fire Protection	52.0	53.0	54.0	57.0	57.0	65.0	68.0	66.0	65.0	74.0
Administrative Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.0	7.5	7.0
Street Maintenance	24.0	24.0	24.0	25.0	28.0	30.0	29.0	29.0	31.0	33.0
Information Technology	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2.5
Municipal Library	16.0	18.0	23.0	23.0	25.0	26.0	26.0	26.0	22.5	22.5
Parks & Recreation	47.0	51.0	53.0	70.0	71.0	73.0	73.0	102.0	102.0	64.3
Planning & Community Dev	17.0	17.3	19.0	22.0	20.0	23.0	23.0	22.0	18.5	18.5
Total General Fund	317.5	329.5	341.0	374.0	387.5	416.5	432.0	448.5	446.0	433.8
UTILITY FUND										
Administrative	8.0	8.0	8.0	9.0	9.5	10.5	11.0	12.5	9.5	9.0
Water Production	11.0	9.0	9.0	9.0	9.0	10.0	10.0	10.0	10.0	10.0
Water Distribution	19.5	21.5	21.0	23.0	25.0	26.0	26.0	23.0	23.5	24.0
Water Treatment Plant	12.0	11.0	11.0	11.0	11.0	13.0	13.0	13.0	13.0	13.0
Lift Station	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0	1.0	1.0
Total Utility Fund	54.5	53.5	53.0	56.0	58.5	63.5	64.0	61.5	57.0	57.0
INTERNAL SERVICE FUND										
Chief Mechanic	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Laborers	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0	3.0	3.0
Total Internal Svc Fund	4.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0	4.0	4.0
INTERNATIONAL BRIDGE FUND										
Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Others	22.0	19.0	25.0	25.0	26.0	26.0	28.0	24.0	24.5	24.0
Total Int'l Bridge	23.0	20.0	26.0	26.0	27.0	27.0	29.0	25.0	25.5	25.0
OTHER										
CDBG	5.3	5.7	6.0	6.0	6.0	6.0	5.0	4.0	5.5	5.5
Golf Course	21.0	8.0	18.0	18.0	15.0	15.0	17.0	15.5	15.0	15.5
Total Other	26.3	13.7	24.0	24.0	21.0	21.0	22.0	19.5	20.5	21.0
GRAND TOTAL	425.3	420.7	448.0	484.0	499.0	533.0	552.0	559.5	553.0	540.8

Source: City of Pharr Budget Reports

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

Function	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Police										
Physical arrests	3,841	4,848	2,897	3,857	2,858	2,808	2,944	4,839	15,660	3,395
Parking & Traffic Violations	6,587	10,101	10,897	15,983	13,742	12,742	15,194	25,689	12,556	10,742
Fire										
Number of calls answered	2,216	2,189	1,737	1,624	1,701	1,794	2,238	2,148	2,144	2,018
Inspections	573	725	1,235	877	809	1,108	1,344	1,325	1,160	1,842
Highways and streets										
Street resurfacing (miles)	unknown	unknown	unknown	unknown	2	7	2	7	9	9
Potholes repaired	unknown	unknown	unknown	unknown	unknown	unknown	137	825	775	4000
International Bridge										
Car Crossings	1,879,256	1,749,112	1,785,564	1,780,599	1,716,751	1,683,048	1,649,983	1,444,912	1,264,573	1,038,430
Truck Crossings	276,840	312,300		384,572	404,103	433,880	461,559	409,336	447,122	440,705
Culture and recreation										
Pharr Events Center	unknown	75	72	95	86	95	216	84	50	20
Other Community Center Events	unknown	306	269	231	206	268	597	414	378	329
Water										
New connections	717	614	867	832	1,204	638	324	220	278	428
Water mains breaks	unknown	unknown	unknown	unknown	3,948	4,156	578	445	711	768
Average daily consumption (millions of gallons)	5.1 MGD	5.0 MGD	4.7 MGD	6.1 MGD	6.6 MGD	5.6 MGD	6.5MGD	7.3 MGD	6.3 MGD	6.6 MGD
Wastewater										
Average daily sewage treatment (thousands of gallons)	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	4.94 MGD	4.8 MGD	4.76MGD	4.9 MGD

Sources: Various City Departments.

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

Function	Fiscal Year									
	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
Public Safety										
Police:										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol units	unknown	64	69	76	82	84	90	93	128	125
Fire stations	3	3	3	3	3	3	3	3	3	3
Highways and streets										
Streets (miles)	unknown	unknown	unknown	180	213	213	213	214	214	214
Streetlights	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown
Traffic signals	unknown	unknown	unknown	47	51	51	51	55	56	58
Culture and recreation										
Parks Acreage (Developed)	41	41	41	41	57	57	57	57	57	57
Swimming pools	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	~170	~182	~190	191.6	~313.4	315	313	325
Fire hydrants	1,712	1,730	1,750	1,820	1,918	2,010	2,030	1,896	1,946	1,946
Maximum daily capacity (thousands of gallons)	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	8.28 MGD	12.01 MGD	9.9 MGD	10 MGD
Sewer										
Sanitary sewers (miles)	~169	~186	~204	~224	~246	~262	~265	265	266	269
Storm sewers (miles)	unknown	unknown	unknown	unknown	unknown	unknown	57	82	94.43	97.2
Maximum daily treatment capacity (thousands of gallons)	3.63 MGD	3.82 MGD	4.15 MGD	4.19 MGD	4.25 MGD	4.45 MGD	5.7 MGD	5.9 MGD	5.3 MGD	8 MGD

Sources: Various city departments.



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OTHER SUPPLEMENTARY INFORMATION

City of Pharr, Texas

Financial Management Policy Statements

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

OPERATING BUDGETARY POLICIES

Fiscal Year

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

Budget Preparation Guidance

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

GFOA Distinguished Budget Program

The City will submit its official budget each year to the GFOA with an application for the Distinguished Budget Program. This will be the third year that the City submits an official budget and participate in the program. We have received the budget award the previous two fiscal years and we believe that this budget continues to meet the GFOA requirements.

Designated Budget Officer

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

Funds Included in the Annual Budget

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

Basis of Accounting

Budgets are adopted on a basis consistent with generally accepted accounting principals. The legal basis of accounting for budgetary purposes within the governmental funds,

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

Budgetary Control

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

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

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

Balanced Budget

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

Budgeted Tax Rates

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

Public Hearings, Accessibility of Budget to the Public

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

THE BUDGET PROCESS

Original Budget

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

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

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

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

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

During April and May of each year, department managers prepare departmental budget requests for which each is responsible. During the month of June, budget hearings are held with the department managers. Following the budget hearings with the department managers, the Budget Officer makes any changes to their requests, which he/she deems appropriate. The result is the Officer's recommended budget. During the mid-to-latter

part of July, the Officer presents his recommended budget to the City Commission in budget workshops. As a result of the City Commission's comments during these workshops, changes are made to the Officer's recommended budget. The budget reflecting these changes is the proposed budget.

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

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

Revisions to the Adopted Budget

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

Monitoring Compliance with the Budget

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

Duration of Budgeted Revenues and Appropriations

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

REVENUES POLICIES

Balance and Diversification in Revenue Sources

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

User Fees

For services that benefit specific users, the City shall establish and collect fees to recover the costs of those services. The City Commission shall determine the appropriate cost recovery level and establish the fees. Where feasible and desirable, the City shall seek to recover full direct and indirect costs. User fees shall be reviewed on a regular basis to

calculate their full cost recovery levels, to compare them to the current fee structure, and to recommend adjustments where necessary.

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

Cost Accounting

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

Property Tax Revenues/Tax Burden

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

Utility/Enterprise Funds User Fees

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

Revenue Estimates for Budgeting

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

Revenue Collection and Administration

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

Revenues Over Expenses – Stated Funds

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

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

Write-Off of Uncollectible Accounts

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

EXPENDITURES/EXPENSES POLICIES

Current Funding Basis

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

Avoidance of Operating Deficits

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

Priority in Applying Restricted vs. Unrestricted Resources

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

Maintenance of Capital Assets

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

Periodic Program Reviews

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

Encumbrances and Uncompleted Projects

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

Purchasing

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

PURCHASING POLICIES

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

FUND BALANCE/RETAINED EARNINGS POLICIES

General Fund Committed Fund Balance

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

Retained Earnings of Other Operating Funds

In enterprise operating funds, the City shall strive to maintain positive retained earnings positions to provide sufficient reserves for emergencies and revenue shortfalls. Specifically, in the Utility Fund, an operating reserve will be established and maintained at 120 days of the current year's original budget appropriation for operation and maintenance, which is defined as the total budget less debt service and capital project expenditures. The Bridge Fund's contingency account will be equal to the annual operating cost (expenses minus long-term debt and minus non-operating General Fund transfers) plus one year of the highest long-term debt service payment (principal and interest).

Use of Fund Balance/Retained Earnings

Fund Balance/Retained Earnings shall be used only for emergencies, non-recurring expenditures, or major capital purchases that cannot be accommodated through current year savings. The use of these funds will be approved by the City Commission.

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

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

Retained Earnings of Internal Service Funds

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

Debt Service Funds

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

CAPITAL IMPROVEMENTS POLICIES

Capital Improvements Planning

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

Long-Term Capital Planning

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

Capital Project Funding

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

Replacement of Capital Assets on a Regular Schedule

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

Capital Expenditure Financing

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

DEBT MANAGEMENT POLICIES

Capital Improvement Plan

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

Debt Policies

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

Debt Term Limitation

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

Use of Long-Term Debt for Maintenance & Operating Cost

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

Debt Structure

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

second fiscal year after the bond issue. Normally, there shall be no capitalized interest included in the debt structure unless there are no historical reserves upon which to draw.

Call Provisions

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

Sale Process

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

Rating Agencies Presentations

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

Continuing Disclosure

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

Debt Refunding

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

Additional transaction costs such as bond counsel, trustee, and financial advisor shall be included in the savings calculation required above. The City's financial advisor shall produce an analysis of the implications of paying a forward premium vs. waiting to the

current call date of the bonds. Approval of the transaction must be obtained from the State Attorney General, to the extent required by Texas law.

Interest Earnings

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

Lease/Purchase Agreements

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

Proposals from Investment Bankers

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

INTERGOVERNMENTAL RELATIONS POLICIES

Inter-local Cooperation in Delivering Services

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

Legislative Program

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

GRANT POLICIES

Grant Guidelines

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

Indirect Costs

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

Grant Review

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

Grant Program Termination

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

FISCAL COMMISSION MONITORING POLICIES

Financial Status and Performance Reports

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

Five-year Forecast of Revenues and Expenditures

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

Commission Agenda Decision Recommendations

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

Status Reports on Capital Projects

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

Compliance with Commission Policy Statements

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

FINANCIAL CONSULTANTS POLICY

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

ACCOUNTING, AUDITING, AND FINANCIAL REPORTING POLICIES

Conformance to Accounting Principles

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

Selection of Auditors

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

Audit Completion

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

Commission at its first meeting in February. By State law, the City has 180 days to complete the audit.

INTERNAL CONTROLS POLICIES

Proper Authorization

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

Separation of Duties

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

Proper Recording

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

Access to Assets and Records

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

Independent Checks

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

Costs and Benefits

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

E-COMMERCE POLICIES

Fully Integrated Financial Systems

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

Emerging Technologies

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

Direct Deposits

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

Internet Payment Options

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

INVESTMENT POLICIES

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

HUMAN RESOURCE POLICIES

Personnel Policies & Procedures manual adopted by the City Commission.

BUDGET CALENDAR FOR FISCAL YEAR 2012-2013

DATE	RESPONSIBLE	EVENT
APR 23	Finance	Budget Kickoff – Communicate department budget policies, calendar, and request procedures
APR 23	Finance	Budget Training - Provide two training sessions for department management and employees to prepare for upcoming budget requirements
MAY 4	Finance	Projected Current Payroll Budget Ending Status - Salary expenditures need to be calculated to properly get to the year end projected expenditures
JUNE 6	Finance	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 6	Departments	Departmental CIP budgets are due to Finance Department
JUNE 6	Departments	Departmental grant budgets are due to Finance Department
JUNE 6	Departments	Projected Current Budget Ending Status - The projected year end balance of the current budget needs to be estimated based on expected results
JUNE 6	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) - Steps 1-9 due.
JUNE 11	Departments/Finance	Preliminary Revenue Estimates - must be calculated based on historical information and expected future changes
JUNE 14	City Commission	BUDGET WORKSHOP: Initial Budget Workshop (Lunch Meeting) - Long Term Prioritization, Budget Projections and Overview.
JULY 2	Finance	Revise Budget Estimates - Update preliminary budget revenues and expenditures for City Manager review
JULY 25	Appraisal District	Certified Appraisal Roll Totals
AUGUST 8 through 10	City Manager/Finance	Budget Request Review - will review budget requests with departments to prioritize before presenting to City Commissioners
AUGUST 13 through 16	City Commission	Budget Workshop - Commission is presented with departmental budget request and Finance overview. Present draft budget.
AUGUST 21	Finance	Present proposed budget
AUGUST 21	Finance/City Commission	Certify Anticipated Debt Collection Rate
AUGUST 21	Finance/City Commission	Certify Effective & Rollback Tax Rate; discussion of tax rates (vote on intention to raise taxes)
AUGUST 29	Finance/County Tax Collector	Publish Certified Effective & Rollback Tax Rate
AUGUST 29	Finance	Publish Budget Public Hearing
SEPTEMBER 4	City Commission	Public hearing on budget
SEPTEMBER 4	City Commission	City Commission adoption of tax rate
SEPTEMBER 4	Finance/City Commission	Present updated proposed budget to the City Commission
SEPTEMBER 28	City Commission	City Commission adoption of the budget
SEPTEMBER 28	Finance	File adopted budget with the City Secretary's Office and City Library

Note:

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

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

FULL TIME EQUIVALENTS

	<u>FY 08/09</u>	<u>FY 09/10</u>	<u>FY 10/11*</u>	<u>FY 11/12*</u>	<u>FY 12/13*</u>
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GENERAL FUND

10 - City Manager's Office	9.0	8.0	7.5	9.5	8.5
11 - Finance Department	5.5	9.0	9.0	14.0	14.0
12 - Police Department	161.0	160.0	172.0	174.5	180.5
13 - Traffic Safety	16.0	16.0	16.0	17.0	17.0
14 - Municipal Court	5.0	6.5	7.5	7.5	8.0
15 - Fire Protection	66.0	65.0	74.0	73.0	78.0
16 - Pharr Athletics	7.0	7.5	7.0	0.0	4.0
17 - Street Maintenance	29.0	31.0	33.0	32.0	32.0
18 - Information Technology	0.0	0.0	2.5	2.0	5.0
20 - Municipal Library	26.0	22.5	22.5	22.5	23.5
22 - Parks & Recreation	73.0	73.0	64.33	68.1	47.04
27 - Planning & Community Development	22.0	18.5	18.5	18.5	20.0
28 - Engineer	0.0	0.0	0.0	4.0	5.5
Total General Fund Employees	419.5	417.0	433.8	442.6	443.0

UTILITY FUND

81- Administration	12.5	9.0	9.0	9.0	9.0
82- Water Production	10.0	10.0	10.0	10.0	13.0
83- Water Distribution	23.0	23.5	24.0	26.5	27.0
84- Water Treatment Plant	13.0	13.0	13.0	17.0	18.0
86- Lift Station	3.0	1.0	1.0	0.0	0.0
Total Utility Fund Employees	61.5	56.5	57.0	62.5	67.0

OTHER FUNDS

Bridge Fund	25.0	25.5	25.0	23.0	23.0
Golf Course Fund	15.5	15.0	15.5	15.5	18.9
Garage	5.0	4.0	4.0	4.0	5.0
Events Center	0.0	0.0	0.0	6.4	8.0
Community Development	4.0	5.5	5.5	4.5	3.5
Total Other Funds	49.5	50.0	50.0	53.4	58.4

Grand Total City Employees	530.5	523.5	540.8	558.5	568.4
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**FTE calculation, prior years were based on budgeted positions*

City of Pharr, TX
Description of Outstanding Bond Issues
As of 9/30/12

Owning Fund	Issuance		Series	Revenue Source	Type	Interest Rates		Date Issued	Final Payment Through	Balance September 30, 2012
	Authorized	Issued				Lowest	Highest			
Governmental Activities	GO	16,110,000		Prop Tax	Refunding Bonds	3.722%	5.00%	8/15/2005	8/15/2021	\$ 12,625,000
	GO	2,220,000	-	Prop Tax	Refunding Bonds	3.00%	4.13%	5/19/2011	8/15/2015	1,690,000
								Subtotal - Refunding Bonds		14,315,000
	CDBG	\$ 5,600,000	\$ -	HUD	Note	1.18%	1.73%	11/7/2011	8/1/2031	5,600,000
								Subtotal - Notes		5,600,000
								Governmental Total		\$ 19,915,000
Business-Type Activities	Utility	\$ 3,260,000	\$ -	User Fees	Revenue Bonds Jr. Lien	0.00%	0.00%	6/1/1988	9/1/2013	\$ 190,000
	Utility	29,000,000	29,000,000	User Fees	Revenue Bonds - CWSRF	2.95%	3.50%	7/11/2007	9/1/2027	25,260,000
	Utility	13,310,000	11,780,000	User Fees	Revenue Bonds - DWSRF	2.40%	2.35%	8/3/2007	9/1/2027	10,585,000
	Utility	10,000,000	10,000,000	User Fees	Revenue Bonds - NADBank	3.75%	3.75%	12/4/2007	9/1/2027	8,065,000
								Subtotal - Revenue Bonds		44,100,000
	Bridge	9,755,000	9,755,000	Toll Fees	Refunding Bonds	4.000%	4.50%	8/15/2005	8/15/2022	6,175,000
	Utility	6,430,000	6,430,000	User Fees	Refunding Bonds	3.60%	3.60%	7/24/2008	9/1/2018	3,580,000
								Subtotal - Refunding Bonds		9,755,000
								Business-Type Total		\$ 53,855,000
								TOTAL CITY-WIDE DEBT		\$ 73,770,000

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

Debt Service Schedule

City of Pharr, Texas GENERAL FUND

\$2,220,000 General Obligation Refunding Bonds

Series 2011

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
2/15/2013	0	-	28,250	28,250	0	1,690,000
8/15/2013	545,000	3.000%	28,250	573,250	601,500	1,145,000
2/15/2014	0	-	20,075	20,075	0	1,145,000
8/15/2014	565,000	3.000%	20,075	585,075	605,150	580,000
2/15/2015	0	-	11,600	11,600	0	580,000
8/15/2015	580,000	4.000%	11,600	591,600	603,200	0
Total	1,690,000		119,850	1,809,850	1,809,850	

City of Pharr, Texas GENERAL FUND

\$16,110,000 General Obligation Refunding Bonds

Series 2005B

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
2/15/2013	0	-	269,236	269,236	0	12,625,000
8/15/2013	940,000	3.750%	269,236	1,209,236	1,478,473	11,685,000
2/15/2014	0	-	251,611	251,611	0	11,685,000
8/15/2014	970,000	3.722%	251,611	1,221,611	1,473,223	10,715,000
2/15/2015	0	-	233,559	233,559	0	10,715,000
8/15/2015	1,005,000	3.900%	233,559	1,238,559	1,472,118	9,710,000
2/15/2016	0	-	213,964	213,964	0	9,710,000
8/15/2016	1,675,000	5.000%	213,964	1,888,964	2,102,928	8,035,000
2/15/2017	0	-	172,089	172,089	0	8,035,000
8/15/2017	1,760,000	5.000%	172,089	1,932,089	2,104,178	6,275,000
2/15/2018	0	-	128,089	128,089	0	6,275,000
8/15/2018	1,850,000	4.000%	128,089	1,978,089	2,106,178	4,425,000
2/15/2019	0	-	91,089	91,089	0	4,425,000
8/15/2019	1,415,000	4.100%	91,089	1,506,089	1,597,178	3,010,000
2/15/2020	0	-	62,081	62,081	0	3,010,000
8/15/2020	1,475,000	4.125%	62,081	1,537,081	1,599,163	1,535,000
2/15/2021	0	-	31,659	31,659	0	1,535,000
8/15/2021	1,535,000	4.125%	31,659	1,566,659	1,598,319	0
Total	12,625,000		2,906,754	15,531,754	15,531,754	

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
2/15/2013	0	-	65,879	65,879	0	5,600,000
8/15/2013	294,000	1.18%	65,879	359,879	425,758	5,306,000
2/15/2014	0	-	65,247	65,247	0	5,306,000
8/15/2014	294,000	1.23%	65,247	359,247	424,494	5,012,000
2/15/2015	0	-	64,262	64,262	0	5,012,000
8/15/2015	294,000	1.28%	64,262	358,262	422,524	4,718,000
2/15/2016	0	-	62,895	62,895	0	4,718,000
8/15/2016	294,000	1.33%	62,895	356,895	419,790	4,424,000
2/15/2017	0	-	61,102	61,102	0	4,424,000
8/15/2017	294,000	1.38%	61,102	355,102	416,203	4,130,000
2/15/2018	0	-	58,838	58,838	0	4,130,000
8/15/2018	295,000	1.42%	58,838	353,838	412,676	3,835,000
2/15/2019	0	-	56,227	56,227	0	3,835,000
8/15/2019	295,000	1.47%	56,227	351,227	407,454	3,540,000
2/15/2020	0	-	53,203	53,203	0	3,540,000
8/15/2020	295,000	1.50%	53,203	348,203	401,407	3,245,000
2/15/2021	0	-	49,590	49,590	0	3,245,000
8/15/2021	295,000	1.53%	49,590	344,590	394,179	2,950,000
2/15/2022	0	-	45,814	45,814	0	2,950,000
8/15/2022	295,000	1.55%	45,814	340,814	386,627	2,655,000
2/15/2023	0	-	41,831	41,831	0	2,655,000
8/15/2023	295,000	1.58%	41,831	336,831	378,662	2,360,000
2/15/2024	0	-	37,539	37,539	0	2,360,000
8/15/2024	295,000	1.59%	37,539	332,539	370,078	2,065,000
2/15/2025	0	-	33,173	33,173	0	2,065,000
8/15/2025	295,000	1.61%	33,173	328,173	361,346	1,770,000
2/15/2026	0	-	28,733	28,733	0	1,770,000
8/15/2026	295,000	1.62%	28,733	323,733	352,466	1,475,000
2/15/2027	0	-	24,175	24,175	0	1,475,000
8/15/2027	295,000	1.64%	24,175	319,175	343,351	1,180,000
2/15/2028	0	-	19,603	19,603	1	1,180,000
8/15/2028	295,000	1.66%	19,603	314,603	334,206	885,000
2/15/2029	0	-	14,868	14,868	1	885,000
8/15/2029	295,000	1.68%	14,868	309,868	324,736	590,000
2/15/2030	0	-	10,060	10,060	1	590,000
8/15/2030	295,000	1.71%	10,060	305,060	315,119	295,000
2/15/2031	0	-	5,104	5,104	2	295,000
8/15/2031	295,000	1.73%	5,104	300,104	305,207	0
Total	5,600,000		1,596,280	7,196,280	7,196,285	

City of Pharr, Texas INTERNATIONAL BRIDGE

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

Series 2005A

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
2/15/2013	0	-	129,389	129,389	0	6,175,000
8/15/2013	510,000	4.500%	129,389	639,389	768,779	5,665,000
2/15/2014	0	-	117,914	117,914	0	5,665,000
8/15/2014	530,000	4.500%	117,914	647,914	765,829	5,135,000
2/15/2015	0	-	105,989	105,989	0	5,135,000
8/15/2015	555,000	4.500%	105,989	660,989	766,979	4,580,000
2/15/2016	0	-	93,502	93,502	0	4,580,000
8/15/2016	580,000	4.000%	93,502	673,502	767,004	4,000,000
2/15/2017	0	-	81,902	81,902	0	4,000,000
8/15/2017	600,000	4.000%	81,902	681,902	763,804	3,400,000
2/15/2018	0	-	69,902	69,902	0	3,400,000
8/15/2018	625,000	4.050%	69,902	694,902	764,804	2,775,000
2/15/2019	0	-	57,246	57,246	0	2,775,000
8/15/2019	650,000	4.100%	57,246	707,246	764,491	2,125,000
2/15/2020	0	-	43,921	43,921	0	2,125,000
8/15/2020	680,000	4.125%	43,921	723,921	767,841	1,445,000
2/15/2021	0	-	29,896	29,896	0	1,445,000
8/15/2021	705,000	4.125%	29,896	734,896	764,791	740,000
2/15/2022	0	-	15,355	15,355	0	740,000
8/15/2022	740,000	4.150%	15,355	755,355	770,710	0
Total	6,175,000		1,490,031	7,665,031	7,665,031	

City of Pharr, Texas UTILITIES

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

CWSRF

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
3/1/2013	0	-	417,058	417,058	0	25,260,000
9/1/2013	815,000	2.950%	417,058	1,232,058	1,649,115	24,445,000
3/1/2014	0	-	405,036	405,036	0	24,445,000
9/1/2014	975,000	3.000%	405,036	1,380,036	1,785,073	23,470,000
3/1/2015	0	-	390,411	390,411	0	23,470,000
9/1/2015	1,005,000	3.000%	390,411	1,395,411	1,785,823	22,465,000
3/1/2016	0	-	375,336	375,336	0	22,465,000
9/1/2016	1,030,000	3.050%	375,336	1,405,336	1,780,673	21,435,000
3/1/2017	0	-	359,629	359,629	0	21,435,000
9/1/2017	1,155,000	3.100%	359,629	1,514,629	1,874,258	20,280,000
3/1/2018	0	-	341,726	341,726	0	20,280,000
9/1/2018	1,550,000	3.200%	341,726	1,891,726	2,233,453	18,730,000
3/1/2019	0	-	316,926	316,926	0	18,730,000
9/1/2019	1,740,000	3.200%	316,926	2,056,926	2,373,853	16,990,000
3/1/2020	0	-	289,086	289,086	0	16,990,000
9/1/2020	1,800,000	3.250%	289,086	2,089,086	2,378,173	15,190,000
3/1/2021	0	-	259,836	259,836	0	15,190,000
9/1/2021	1,860,000	3.300%	259,836	2,119,836	2,379,673	13,330,000
3/1/2022	0	-	229,146	229,146	0	13,330,000
9/1/2022	1,920,000	3.350%	229,146	2,149,146	2,378,293	11,410,000
3/1/2023	0	-	196,986	196,986	0	11,410,000
9/1/2023	1,980,000	3.400%	196,986	2,176,986	2,373,973	9,430,000
3/1/2024	0	-	163,326	163,326	0	9,430,000
9/1/2024	2,240,000	3.400%	163,326	2,403,326	2,566,653	7,190,000
3/1/2025	0	-	125,246	125,246	0	7,190,000
9/1/2025	2,315,000	3.450%	125,246	2,440,246	2,565,493	4,875,000
3/1/2026	0	-	85,313	85,313	0	4,875,000
9/1/2026	2,395,000	3.500%	85,313	2,480,313	2,565,625	2,480,000
3/1/2027	0	-	43,400	43,400	0	2,480,000
9/1/2027	2,480,000	3.500%	43,400	2,523,400	2,566,800	0
Total	25,260,000		7,996,925	33,256,925	33,256,925	

City of Pharr, Texas UTILITIES

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

DWSRF

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

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
3/1/2013	0	-	143,536	143,536	0	10,585,000
9/1/2013	395,000	2.400%	143,536	538,536	682,072	10,190,000
3/1/2014	0	-	138,796	138,796	0	10,190,000
9/1/2014	455,000	2.450%	138,796	593,796	732,592	9,735,000
3/1/2015	0	-	133,222	133,222	0	9,735,000
9/1/2015	470,000	2.450%	133,222	603,222	736,444	9,265,000
3/1/2016	0	-	127,465	127,465	0	9,265,000
9/1/2016	475,000	2.500%	127,465	602,465	729,930	8,790,000
3/1/2017	0	-	121,527	121,527	0	8,790,000
9/1/2017	820,000	2.550%	121,527	941,527	1,063,054	7,970,000
3/1/2018	0	-	111,072	111,072	0	7,970,000
9/1/2018	840,000	2.650%	111,072	951,072	1,062,144	7,130,000
3/1/2019	0	-	99,942	99,942	0	7,130,000
9/1/2019	860,000	2.650%	99,942	959,942	1,059,884	6,270,000
3/1/2020	0	-	88,547	88,547	0	6,270,000
9/1/2020	885,000	2.700%	88,547	973,547	1,062,094	5,385,000
3/1/2021	0	-	76,600	76,600	0	5,385,000
9/1/2021	905,000	2.750%	76,600	981,600	1,058,200	4,480,000
3/1/2022	0	-	64,156	64,156	0	4,480,000
9/1/2022	930,000	2.800%	64,156	994,156	1,058,312	3,550,000
3/1/2023	0	-	51,136	51,136	0	3,550,000
9/1/2023	960,000	2.850%	51,136	1,011,136	1,062,272	2,590,000
3/1/2024	0	-	37,456	37,456	0	2,590,000
9/1/2024	985,000	2.850%	37,456	1,022,456	1,059,912	1,605,000
3/1/2025	0	-	23,420	23,420	0	1,605,000
9/1/2025	1,015,000	2.900%	23,420	1,038,420	1,061,840	590,000
3/1/2026	0	-	8,703	8,703	0	590,000
9/1/2026 *	590,000	2.950%	8,703	598,703	607,405	0
3/1/2027	0	-	0	0	0	0
9/1/2027 *	0	2.950%	0	0	0	0
Total	10,585,000		2,451,155	13,036,155	13,036,155	

City of Pharr, Texas UTILITIES

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

NADBank

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
3/1/2013	0	-	151,219	151,219	0	8,065,000
9/1/2013	410,000	3.750%	151,219	561,219	712,438	7,655,000
3/1/2014	0	-	143,532	143,532	0	7,655,000
9/1/2014	425,000	3.750%	143,532	568,532	712,063	7,230,000
3/1/2015	0	-	135,563	135,563	0	7,230,000
9/1/2015	440,000	3.750%	135,563	575,563	711,125	6,790,000
3/1/2016	0	-	127,313	127,313	0	6,790,000
9/1/2016	460,000	3.750%	127,313	587,313	714,625	6,330,000
3/1/2017	0	-	118,688	118,688	0	6,330,000
9/1/2017	475,000	3.750%	118,688	593,688	712,375	5,855,000
3/1/2018	0	-	109,782	109,782	0	5,855,000
9/1/2018	495,000	3.750%	109,782	604,782	714,563	5,360,000
3/1/2019	0	-	100,500	100,500	0	5,360,000
9/1/2019	510,000	3.750%	100,500	610,500	711,000	4,850,000
3/1/2020	0	-	90,938	90,938	0	4,850,000
9/1/2020	530,000	3.750%	90,938	620,938	711,875	4,320,000
3/1/2021	0	-	81,000	81,000	0	4,320,000
9/1/2021	550,000	3.750%	81,000	631,000	712,000	3,770,000
3/1/2022	0	-	70,688	70,688	0	3,770,000
9/1/2022	570,000	3.750%	70,688	640,688	711,375	3,200,000
3/1/2023	0	-	60,000	60,000	0	3,200,000
9/1/2023	595,000	3.750%	60,000	655,000	715,000	2,605,000
3/1/2024	0	-	48,844	48,844	0	2,605,000
9/1/2024	615,000	3.750%	48,844	663,844	712,688	1,990,000
3/1/2025	0	-	37,313	37,313	0	1,990,000
9/1/2025	640,000	3.750%	37,313	677,313	714,625	1,350,000
3/1/2026	0	-	25,313	25,313	0	1,350,000
9/1/2026	665,000	3.750%	25,313	690,313	715,625	685,000
3/1/2027	0	-	12,844	12,844	0	685,000
9/1/2027	685,000	3.750%	12,844	697,844	710,688	0
Total	8,065,000		2,627,065	10,692,065	10,692,065	

City of Pharr, Texas - UTILITIES

\$6,430,000 Waterworks & Sewer System Revenue Refunding Bonds, Series 2008

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
3/1/2013	-	-	64,440.00	64,440	0	3,580,000
9/1/2013	730,000.00	3.600%	64,440.00	794,440	858,880	2,850,000
3/1/2014	-	-	51,300.00	51,300	0	2,850,000
9/1/2014	760,000.00	3.600%	51,300.00	811,300	862,600	2,090,000
3/1/2015	-	-	37,620.00	37,620	0	2,090,000
9/1/2015	780,000.00	3.600%	37,620.00	817,620	855,240	1,310,000
3/1/2016	-	-	23,580.00	23,580	0	1,310,000
9/1/2016	815,000.00	3.600%	23,580.00	838,580	862,160	495,000
3/1/2017	-	-	8,910.00	8,910	0	495,000
9/1/2017	420,000.00	3.600%	8,910.00	428,910	437,820	75,000
3/1/2018	-	-	1,350.00	1,350	0	75,000
9/1/2018	75,000.00	3.600%	1,350.00	76,350	77,700	0
Total	3,580,000		374,400	3,954,400	3,954,400	

City of Pharr, Texas UTILITIES

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

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

CITY OF PHARR

AD VALOREM TAX REVENUE AND DISTRIBUTION SUMMARY

Calendar Year Fiscal Year	2003 <u>2003-2004</u>	2004 <u>2004-2005</u>	2005 <u>2005-2006</u>	2006 <u>2006-2007</u>	2007 <u>2007-2008</u>	2008 <u>2008-2009</u>	2009 <u>2009-2010</u>	2010 <u>2010-2011</u>	2011 <u>2011-2012</u>	2012 <u>2012-2013</u>
LAND MARKET VALUE	\$ 540,256,685	\$ 567,337,401	\$ 585,592,721	\$ 691,917,328	\$ 730,482,127	\$ 1,012,889,618	\$ 1,036,749,268	\$ 1,044,112,922	\$ 1,046,447,323	\$ 1,052,988,660
IMPROVEMENTS-HOMESITE	273,103,088	326,961,752	354,792,703	381,314,593	450,843,430	465,618,398	478,884,365	488,915,754	491,035,265	502,245,835
IMPROVEMENTS-NON HOMESITES	510,495,053	570,742,113	618,888,462	687,892,767	780,514,223	865,068,624	882,610,712	947,260,745	963,714,077	1,027,288,392
PERSONAL PROPERTY	130,142,035	165,457,043	162,457,708	172,167,072	195,895,995	213,847,032	242,187,004	265,721,778	256,980,163	265,359,007
MINERALS	41,692,810	49,042,371	52,742,207	54,079,270	51,312,443	52,231,740	49,303,210	16,864,741	11,027,409	11,041,527
TOTAL MARKET VALUE	<u>1,495,689,671</u>	<u>1,679,540,680</u>	<u>1,774,473,801</u>	<u>1,987,371,030</u>	<u>2,209,048,218</u>	<u>2,609,655,412</u>	<u>2,689,734,559</u>	<u>2,762,875,940</u>	<u>2,769,204,237</u>	<u>2,858,923,421</u>
EXEMPTIONS:										
AG EXEMPTIONS	77,799,896	82,384,158	77,501,869	112,443,498	103,203,113	134,506,943	144,277,351	144,219,613	146,946,839	144,813,749
HOMESTEAD CAP	8,161,398	6,984,000	4,008,182	4,629,664	23,713,065	23,332,829	12,705,529	8,095,094	5,774,279	4,555,630
TAX ABATEMENTS	5,881,568	12,738,239	13,305,616	10,342,764	6,878,043	2,774,514	2,122,019	6,206,218	4,102,564	1,967,133
DISABLED VETERANS	1,433,189	1,602,920	1,696,421	1,854,587	2,139,440	2,301,422	5,337,116	7,119,488	8,052,326	8,833,460
FULL EXEMPTIONS	170,658,172	193,446,101	203,085,944	208,841,689	234,460,911	290,477,824	306,380,769	372,690,550	379,559,896	431,070,163
FREEPORT EXEMPTIONS	765,295	2,424,841	3,497,957	2,383,952	11,469,002	21,665,583	25,542,051	20,615,082	26,413,611	36,885,195
OVER 65	27,616,588	28,441,455	29,168,364	29,517,279	30,282,975	30,961,287	31,513,127	31,759,363	33,823,036	34,326,984
DISABLE PERSON	-	-	-	-	-	-	-	-	-	-
MOBILE HOME	113,944	7,069	6,844	6,632	-	-	-	-	-	-
HOUSE BILL	3,434	1,336	1,881	2,047	803	926	2,573	47,879	-	-
POLLUTION	-	-	-	-	-	-	-	181,240	-	-
HISTORICAL	51,395	-	54,829	54,829	54,829	87,745	87,745	87,741	87,336	87,331
TOTAL EXEMPTIONS	<u>292,484,879</u>	<u>328,030,119</u>	<u>332,327,907</u>	<u>370,076,941</u>	<u>412,202,181</u>	<u>506,109,073</u>	<u>527,968,280</u>	<u>591,022,268</u>	<u>604,759,887</u>	<u>662,539,645</u>
PENDING PROTEST	10,234,103	10,001,589	15,529,806	14,551,335	32,487,104	77,796,098	40,255,162	2,828,180	-	-
NET TAXABLE VALUE	<u>\$ 1,213,438,895</u>	<u>\$ 1,361,512,150</u>	<u>\$ 1,457,675,700</u>	<u>\$ 1,631,845,424</u>	<u>\$ 1,829,333,141</u>	<u>\$ 2,181,342,437</u>	<u>\$ 2,202,021,441</u>	<u>\$ 2,174,681,852</u>	<u>\$ 2,164,444,350</u>	<u>\$ 2,196,383,776</u>
ASSESSMENT RATIO	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
PROPOSED TAX RATE/\$100	\$ 0.68312	\$ 0.68312	\$ 0.68312	\$ 0.68312	\$ 0.68312	\$ 0.68185	\$ 0.68000	\$ 0.68000	\$ 0.68000	\$ 0.68000
ESTIMATED TAX LEVY	8,289,244	9,300,762	9,957,674	11,147,462	12,496,541	14,873,483	14,973,746	14,787,837	14,718,222	14,935,410
FROZEN LEVY LOSS	-	-	-	(33,763)	(79,445)	(120,000)	-	-	-	-
TOTAL LEVY	8,289,244	9,300,762	9,957,674	11,113,699	12,417,096	14,753,483	14,973,746	14,787,837	14,718,222	14,935,410
ESTIMATED % OF COLLECTION	90%	90.5%	90.5%	91%	91%	91%	90%	90%	92%	92%
ESTIMATED TAX COLLECTION	7,460,319	8,417,189	9,011,695	10,113,466	11,299,557	13,425,670	13,476,371	13,309,053	13,540,764	13,740,577
ESTIMATED DEL. TAX COLLECTION	510,000	675,000	770,000	825,000	789,140	750,000	795,000	920,000	960,000	960,000
ESTIMATED TAX FUNDS AVAILABLE	<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>	<u>\$14,229,053</u>	<u>\$14,500,764</u>	<u>\$14,700,577</u>

Calendar Year Fiscal Year	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012
	<u>2003-2004</u>	<u>2004-2005</u>	<u>2005-2006</u>	<u>2006-2007</u>	<u>2007-2008</u>	<u>2008-2009</u>	<u>2009-2010</u>	<u>2010-2011</u>	<u>2011-2012</u>	<u>2012-2013</u>
GENERAL FUND (M&O)										
CURRENT YEAR TAX :										
Current Tax Rate	\$0.59622	\$0.60165	\$0.59313	\$0.59313	\$0.59613	\$0.60294	\$0.60180	\$0.60180	\$0.60210	\$0.60260
Current Distribution Percentage	87%	88%	87%	87%	87%	88%	89%	89%	89%	89%
Amount	\$6,511,289	\$7,413,342	\$7,824,550	\$8,781,181	\$9,860,647	\$11,871,927	\$11,926,589	\$11,778,512	\$11,989,550	\$12,176,576
DELINQUENT TAX										
Amount	430,000	585,000	670,000	715,000	700,000	663,200	703,000	820,000	850,000	850,000
SUB TOTAL										
Current Tax Rate	\$0.59622	\$0.60165	\$0.59313	\$0.59313	\$0.59613	\$0.60294	\$0.60180	\$0.60180	\$0.60210	\$0.60260
Current Distribution Percentage	87%	88%	87%	87%	87%	88%	89%	89%	89%	89%
Amount	\$6,941,289	\$7,998,342	\$8,494,550	\$9,496,181	\$10,560,647	\$12,535,127	\$12,629,589	\$12,598,512	\$12,839,550	\$13,026,576
DEBT SERVICE FUND (I & S)										
CURRENT YEAR TAX										
Current Tax Rate	\$0.08690	\$0.08147	\$0.08999	\$0.08999	\$0.08699	\$0.07891	\$0.07820	\$0.07820	\$0.07790	\$0.07740
Current Distribution Percentage	13%	12%	13%	13%	13%	12%	12%	12%	11%	11%
Amount	\$949,030.56	\$1,003,847.67	\$1,187,144.94	\$1,332,285.43	\$1,438,910.43	\$1,553,742.92	\$1,549,782.69	\$1,530,541.09	\$1,551,213.98	\$1,564,000.96
DELINQUENT TAX										
Amount	80,000	90,000	100,000	110,000	89,140	86,800	92,000	100,000	110,000	110,000
SUB TOTAL										
Current Tax Rate	\$0.0869	\$0.0815	\$0.0900	\$0.0900	\$0.0870	\$0.0789	\$0.0782	\$0.0782	\$0.0779	\$0.0774
Current Distribution Percentage	13%	12%	13%	13%	13%	12%	12%	12%	11%	11%
Amount	\$1,029,031	\$1,093,848	\$1,287,145	\$1,442,285	\$1,528,050	\$1,640,543	\$1,641,783	\$1,630,541	\$1,661,214	\$1,674,001
TOTAL										
Current Tax Rate	\$0.68312	\$0.68312	\$0.68312	\$0.68312	\$0.68312	\$0.68185	\$0.68000	\$0.68000	\$0.68000	\$0.68000
Current Distribution Percentage	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
Amount	<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>	<u>\$14,229,053</u>	<u>\$14,500,764</u>	<u>\$14,700,577</u>

City of Pharr

Current Property Tax Analysis - Cash Collections

MONTH	Tax Yr 2006 FY 06/07	Tax Yr 2007 FY 07/08	Tax Yr 2008 FY 08/09	Tax Yr 2009 FY 09/10	Tax Yr 2010 FY 10/11	Tax Yr 2011 FY 11/12	Difference FY 11/12 - FY 10/11
OCT.	285,613	555,092	139,500	88,747	61,748	73,240	11,492
NOV.	917,251	912,642	494,627	690,655	863,479	714,226	(149,253)
DEC.	2,265,717	2,768,330	3,623,450	3,980,702	4,182,581	2,097,974	(2,084,608)
JAN.	4,758,270	4,913,545	5,876,621	3,375,811	5,626,517	4,264,422	(1,362,095)
FEB.	817,625	1,019,633	1,677,831	3,703,857	1,384,613	4,855,926	3,471,313
MAR.	340,723	320,128	476,003	763,310	677,840	810,207	132,368
APR.	149,181	231,844	245,275	286,589	233,526	302,616	69,090
MAY	192,238	270,594	201,463	237,195	205,436	267,551	62,115
JUN.	136,406	267,154	329,610	229,939	151,604	102,700	(48,904)
JUL.	137,111	158,829	119,607	114,766	72,012	164,298	92,287
AUG.	93,275	142,661	82,997	128,463	65,927	91,949	26,023
SEP.	62,801	73,774	123,823	93,954	41,755		
TOTAL	10,156,209	11,634,227	13,390,806	13,693,988	13,567,038	13,745,110	219,827

1st Six Month Collection & % of Total Collection

\$	9,385,198	\$	10,489,370	\$	12,603,082	\$	12,796,778	\$	13,745,110
	92%		90%		92%		94%		93%

INCREASE/(DECREASE) IN CURRENT PROPERTY TAX COLLECTION

\$	2,675,689	\$	1,478,018	\$	1,756,580	\$	(126,950)	\$	219,827
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INCREASE FROM PREVIOUS YEAR

35.77%	14.55%	15.10%	2.26%	-0.93%	1.63%
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BUDGET VS. ACTUAL VARIANCE ANALYSIS

\$	10,116,891	\$	11,337,400	\$	13,022,670	\$	13,449,760	\$	13,541,000
\$	39,318	\$	296,827	\$	368,136	\$	244,228	\$	204,110
0.39%	2.62%	2.83%	1.82%	1.93%	1.51%				

City of Pharr Delinquent Property Tax Analysis - Cash Collections

MONTH	Tax Yr 2006 FY 06/07	Tax Yr 2007 FY 07/08	Tax Yr 2008 FY 08/09	Tax Yr 2009 FY 09/10	Tax Yr 2010 FY 10/11	Tax Yr 2011 FY 11/12	Difference FY 11/12 - FY 10/11
OCT.	59,829	123,777	61,599	81,893	89,961	104,709	14,748
NOV.	74,999	49,678	71,419	63,694	134,574	119,311	(15,263)
DEC.	63,172	85,739	107,050	88,328	124,939	104,541	(20,398)
JAN.	105,120	120,731	129,202	118,350	104,543	66,064	(38,479)
FEB.	66,639	111,196	146,099	136,846	92,967	88,374	(4,593)
MAR.	84,988	80,076	108,295	120,986	103,391	123,621	20,231
APR.	61,534	84,813	89,344	100,405	89,776	98,450	8,674
MAY	56,162	87,984	78,883	66,705	70,464	103,455	32,991
JUN.	49,059	57,192	70,156	63,569	44,559	45,630	1,070
JUL.	57,395	38,112	52,911	47,945	36,785	88,708	51,923
AUG.	64,849	42,113	56,713	58,401	47,775	52,143	4,368
SEP.	60,129	56,332	35,683	71,425	50,795		
TOTAL	803,876	937,742	1,007,354	1,018,546	990,531	995,006	55,271

AVERAGE PER MONTH
\$ 66,990 \$ 78,145 \$ 83,946 \$ 84,879 \$ 82,544 \$ 995,006
61%

INCREASE/(DECREASE) IN DELINQUENT PROPERTY TAX COLLECTION
\$ 190,602 \$ 133,866 \$ 69,612 \$ 11,192 \$ (28,015) \$ 55,271

INCREASE FROM PREVIOUS YEAR
31.08% 16.65% 7.42% 1.11% -2.75% 5.88%

BUDGET VS. ACTUAL VARIANCE ANALYSIS
\$ 730,000 \$ 825,000 \$ 789,140 \$ 750,000 \$ 920,000 \$ 960,000
\$ 73,876 \$ 112,742 \$ 218,214 \$ 268,546 \$ 70,531 \$ 35,006
10.12% 13.67% 27.65% 35.81% 7.67% 3.65%

ORDINANCE NO: O-2012-34

**AN ORDINANCE SETTING THE TAX RATE AND LEVYING
AD VALOREM TAXES FOR THE CITY OF PHARR, TEXAS
BEGINNING FISCAL YEAR OCTOBER 1, 2012 AND ENDING
SEPTEMBER 30, 2013, 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 2012-2013, as hereinafter levied for current operating expenses, and capital outlays, to pay interest and to provide the sinking fund on outstanding bonds of the City issued for municipal purposes must be levied to provide the revenue requirements of the approved and adopted budget for said fiscal year.

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

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

SECTION 1: That there is hereby fixed, levied and assessed for the fiscal year beginning October 1, 2012, and ending September 30, 2013, 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:

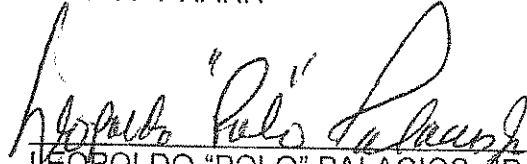
M & O	\$.6026
I & S	\$ <u>.0774</u>
TOTAL RATE	\$.6800

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 4th day of September, 2012.

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

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

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

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

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

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

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

BSIF: Border Safety Inspection Facility. BSIF is an inspection point for entry into the U.S. from our international bridge.

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.

CAD: Computer Aided Design. CAD is the use of computer systems to assist in the creation, modification, analysis, or optimization of a design

CAFR: Comprehensive Annual Financial Report. CAFR is a set of U.S. government financial statements comprising the financial report of a state, municipal or other governmental entity that complies with the accounting requirements—generally accepted accounting principles (GAAP)—promulgated by the Governmental Accounting Standards Board (GASB).

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. The CDBG program is a grant program from the U.S. Housing and Urban Development (HUD) federal department which is a flexible program that provides communities with resources to address a wide range of unique community development needs.

CIP: Construction In Progress.

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.

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

CWSRF: Clean Water State Revolving Fund. CWSRF is a self-perpetuating loan assistance authority for water quality improvement projects in the United States. The fund is administered by the Environmental Protection Agency and state agencies.

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

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

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

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

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

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

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

DWSRF: Drinking Water State Revolving Fund. DWSRF is a self-perpetuating loan assistance authority for water quality improvement projects in the United States. The fund is administered by the Environmental Protection Agency and state agencies.

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.

EPA: U.S. Environmental Protection Agency. EPA is an agency of the United States federal government which was created for the purpose of protecting human health and the environment by writing and enforcing regulations based on laws passed by Congress.

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.

FTE: Full Time Equivalent. A method of accounting for employees based on the amount of time they work at the City. For example, a full time employee is 1 FTE, which a part timer that works half the amount of a 40 hour work week is considered to be .5 FTE.

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.

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. An organization whose purpose is to enhance and promote the professional management of governments for the public benefit.

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.

GTOT: Government Treasurers' Organization of Texas. An organization whose purpose is to support the professional development of government treasurers in Texas through information, training, and networking opportunities

HUD: Housing and Urban Development. HUD is a department of the federal U.S. government.

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.

IT: Information Technology. IT a branch of knowledge concerned with the development, management, and use of computer-based information systems.

LBJ: Lyndon Baines Johnson. LBJ is the name of a school located in the city of Pharr.

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.

MGD: Million Gallons per Day.

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.

NADBank: North American Development Bank. NADBank is a binational financial institution capitalized and governed equally by the Federal Governments of the United States of America and Mexico for the purpose of financing environmental projects.

NAFTA: North American Free Trade Agreement. NAFTA is an agreement signed by the governments of Canada, Mexico, and the United States, creating a trilateral trade bloc in North America.

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.

PAFR: Popular Annual Financial Reporting. PAFR is a report that intends to encourage and assist state and local governments to extract information from their comprehensive annual financial report (CAFR) to produce high quality popular annual financial reports specifically designed to be readily accessible and easily understandable to the general public and other interested parties without a background in public finance.

PAL: Police Athletics League. PAL is a non- profit organization

PEDC: Pharr Economic Development Corporation.

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.

PJSA ISD: Pharr San Juan Alamo Independent School District. PSJA ISD is the City of Pharr main local school district.

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.

S.O.G.: Standard Operating Guidelines.

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

SWAT: Special Weapons and Tactics. SWAT team is an elite tactical unit in our Police Department that are trained to perform high-risk operations that fall outside of the abilities of regular officers.

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.

TCEQ: Texas Commission on Environmental Quality. TCEQ is the environmental agency for the state of Texas.

TEEX: Texas A&M Engineering Extension Service. TEEX is a state agency that offers training programs and technical assistance to public safety workers, both in Texas and around the world

TIFMAS: Texas Intrastate Fire Mutual Aid System. TIFMAS is maintained by Texas A&M Forest Service. The program includes training, qualification and mobilization systems to make statewide use of local resources.

TMRS: Texas Municipal Retirement System. TMRS is a retirement program that the City offers to its employees which administered in accordance with the Texas Municipal Retirement System Act (Texas Government Code, Title 8, Subtitle G).

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

WMD: Weapons of Mass Destruction.

WTP: Water Treatment Plant

WWTP: Wastewater Treatment Plant

Working Capital: Current Assets less Current Liabilities.

