



City of Pharr, Texas



Annual Financial Budget

**For the Fiscal Year
October 1, 2010 through September 30, 2011**



City of Pharr, TX

Annual Financial Budget

For the Fiscal Year
October 1, 2010 through September 30, 2011

ELECTED OFFICIALS

Leo “Polo” Palacios, Jr. - Mayor

Adan Farias
Aguiles 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, 2010 THROUGH SEPTEMBER 30, 2011
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INTRODUCTORY SECTION



MAYOR

Leo "Polo" Palacios, Jr.

COMMISSIONERS

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

CITY MANAGER

Fred Sandoval



September 21, 2010

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, 2010 through September 30, 2011. 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, 2010, 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 21, 2010, the budget will become effective October 1, 2010.

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

HISTORY OF PHARR

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

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

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

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

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

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

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

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

CITY ACTIVITIES & SERVICES/FUNCTIONS

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

Fire Suppression/Prevention and Emergency Management

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



Law Enforcement

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



Health and Safety Enforcement

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

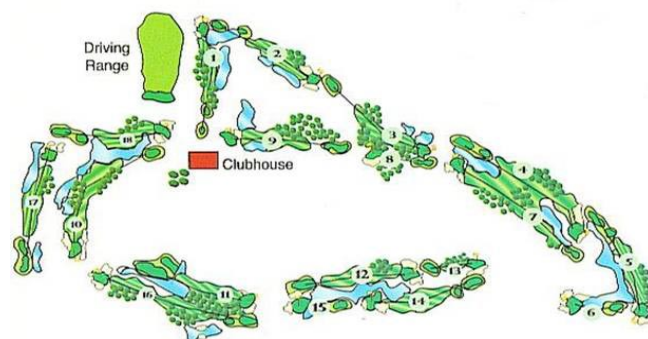
International Bridge

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



Parks & Recreation

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



Water Treatment and Production

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



ACCOMPLISHMENTS OF FISCAL YEAR 2009-2010

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 2009-2010 are as follows:

General Fund

City Manager's Office

- Continued oversight of finances, capital improvement programs and fund balance to achieve an “A” bond rating
- Fostered cooperative efforts between staff and elected officials to reduce expenditures during the economic downturn while maintaining all vital city services and avoiding layoffs
- Supervised all major city economic development projects as liaison for city commission, PEDC and staff
- Expanded 4B sales Tax authority to fund quality of life capital projects and economic development projects
- Completed economic development area master plans for Bridge and retail areas of the city

Finance Department

- Completed the annual audit on time for the 3rd straight year, not done prior 19 years
- Fully funded the General Fund unreserved fund balance from \$4 million to roughly \$8 million
- Fully funded the Bridge Fund unreserved fund balance from \$0 to roughly \$5 million
- Made all long-term debt payments and ensured compliance with debt covenants
- Was awarded the GTOT’s certificate of distinction for our investment policy
- Was awarded the highest State of Texas fiscal transparency circle: Gold
- Submitted and received the GFOA Budget Award
- Prepared and submitted the CAFR for the Certificate of Achievement award from GFOA
- Updated the 1985 purchasing manual
- Developed fiscal policies and procedures manual
- Improved the City’s bond rate
- Submitted comprehensive quarterly fiscal reports to the City Commission and posted them online
- Provided budget preparation training along with budget manual

Police Department

- Increased number of department K-9 to 5 to be used for drug enforcement to include P.S.J.A schools
- Implemented video surveillance project at International Bridge
- Implemented Intelligence-Led Policing emphasizing on officers assigned to geographical areas to take ownership of their patrol areas by establishing

proactive citizen contact, acquire crime information and trends to their specific area, and police management teaming with officers to establish strategies

- Implemented Special Enforcement Team to focus criminal enforcement of narcotic violations in residential areas to include drug sales from homes and the purchasing of drugs on streets
- Purchase and issuance of new police handguns for police officers

Municipal Court

- Increased revenues due to better collections
- Increase issued warrants
- Improved warrant collections

Fire Protection

- Received ladder truck which operates at Station 2
- Purchased property for the New Administrative Fire and Emergency facility
- Managed to extend the civil service agreement to another year
- Remodeled old fire stations
- Revamped departmental policy and procedures
- Inspected all businesses, schools, and daycares in the City
- Received two grants for radio communications
- Worked on final stage of video conferencing to substations

Administrative Services

- Began an online employment application system to enhance access to City Employment.
- Reduced voluntary supplemental coverages to one.
- Provided training to all employees through TML in the areas of Loss Prevention
- Provided free health and wellness clinics for all employees that included free vaccinations through Cross Point Medical Clinic.

Street Maintenance/Traffic Safety

- Improved drainage in various communities including Darlene Drive and Citrus Bay Community.
- Up-sized downtown main drain line to improve drainage
- Installed new antique lighting for the heart of the City in downtown Pharr
- Completed 2.8 miles of streets overlayed
- Re-lamping all traffic signals with LED lighting through an energy efficient grant

Municipal Library

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

Parks & Recreation

- Completed the development of the swimming pool feasibility study which was adopted by the city commission on the fall of 2009.
- Increased participation levels in the Youth Athletic programs including flag football, tackle football, basketball, soccer, as well as high school basketball

-
- Began the process of installing 32, 18' tall decorative light poles with luminaries on both sides of South Cage from Park Street to Kelly Street.

Planning & Community Development

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

Utility Fund

- Received "Superior" rating from Texas Commission on Environmental Quality
- Installed 12" waterline on W Nolana that will connect with new 18" WL on Sugar Road. Relocated 8" Forcemain on Sugar Road
- Upgraded 2" WL with 8" WL fire protection on Fir Street between Bell and Villegas
- Removed and replaced 3000 old (20yr or over 1MG) water meters
- Obtained no major violations from TCEQ inspections

Bridge Fund

- Completed the new South bound border inspection facility
- Completed the new SENTRI Northbound lane
- Replaced the building's air conditioning system with an energy efficient system.
- Completed bridge lanes rehabilitation project which leveled concrete lanes to provide a smooth surface

Golf Course Fund

- Replaced clubhouse roof with a duralast roof that has a 15 year warranty on materials and labor
- Received an \$8,000 donation for the renovation of the bridge on hole number 11. The bridge was constructed with concrete and covered with the decorative stone

Debt Service Fund

- Made all long-term general obligation debt payments

MAJOR GOALS FOR FISCAL YEAR 2010-2011

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

- Get all departments online with electronic imaging to store long-term documents
- Implement a city-wide marketing program to leverage available resources for cost-efficient promotion of the City
- Implement a professionally produced state and federal legislative agenda to augment city functions
- Improvement of sales tax revenues through continued management of city economic development program and implementation of a targeted area economic development master plan

Finance Department

- Submit the CAFR for GFOA Award
- Submit budget for GFOA Award
- Develop a fraud prevention program
- Automate the City's purchase order system
- Improve the unreserved fund balance in the Utility Fund
- Conduct semi-annual courses to the City-wide financial training program
- Update the City's purchasing operations for the City to receive a governmental purchasing award

Police Department

- Establish a City of Pharr Comprehensive Gang Program through grant award received from the Governor's Office in June.
- Establish a volunteer program that will recruit, train and mobilize volunteers in police/community activities and projects
- Establish a domestic violence program in efforts of reducing incidents of domestic violence. This program will be funded through a grant award received from the Governor's Office in June.
- Enhance the Police Department's technology program to provide more efficient and effective service to the citizens and enhance officer productivity
- Establish a Tourism Policing Unit to enhance the safety of visitors to the City of Pharr and positively impact the City's economy

Municipal Court

- Implement the Scofflaw program
- Issue and execute more arrest warrants
- Implement an effective cross-training program
- Increase phone and mail contact with debtors

Fire Protection

- Seek funding to construct the Administrative & E.O.C. Fire Station
- Train a staff member to be a certified physical fitness coordinator in order to improve the physical fitness program
- Propose to adopt the 2009 International Fire Code
- Apply for SAFER grant for an additional fire inspector
- Replace 18 yr old pumper

Administrative Services

- Implement a salary wage classification and compensation plan for all positions
- Implement a health awareness week to all City of Pharr personnel
- Continue to provide free wellness clinics for all employees
- Implement a return to work program
- Implement a safety program to reduce on-the-job injuries
- Continue to provide excellent customer service to our employees and citizens of Pharr.

Street Maintenance

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

Information Technology

- Implement a VoIP Telephone System that will improve customer service, employee accountability and reduce the City's phone expense by over \$6K per month
- Secure all facilities through one network that is managed through the City Hall Data Center; providing proper domain controls, firewall, content filtering, data backup and redundancy (DR)
- Improve the overall efficiency of all computers, network and city staff
- Implement Data Security Policies
- Roll out two Thin Client System Solutions; saving in PC replacement, reducing energy costs and extending the longevity of all Hardware
- Implement new systems and initiatives to improve the efficiency and effectiveness of all City Staff for the Citizens of Pharr
- Provide the technical expertise needed to implement the tools needed for all City Departments
- Identify cost and time saving technologies and applications

Municipal Library

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

Parks & Recreation

- Begin construction of the aquatic facility which will include a leisure swimming pool, a competition swimming pool, a baby pool, and a water slide
- Obtain funding to partner with the school district to construct a sports complex for youth baseball fields, soccer fields, and other park amenities
- Make necessary improvements to the municipal swimming pool and Memorial Middle School Gymnasium

-
- Begin the development of plans, specifications, and construction of the sports complex

Planning & Community Development

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

Utility Fund

- Continue to receive "Superior" rating for Water Treatment Plant
- Remove and replace 1" and larger water meters that are over 15 years old
- Reduce water loss by 2%
- Receive no major violations from Texas Commission on Environmental Quality inspections
- Completion of \$44 million Wastewater Collection System project
- Completion of \$13.5 million 3MG Waste Water Treatment expansion

Bridge Fund

- Purchase a used bridge vacuum truck to sweep bridge lanes
- Purchase a lift truck to clean the underside of the bridge
- Replace seal on all concrete expansion joints on the bridge lanes
- Rebuild cold storage inspection areas in the Import Area
- Finalize camera security system to improve surveillance

Debt Service Fund

- Make all long-term general obligation debt payments

Capital Project Fund

- Begin construction of the Port of Entry modernization for the Pharr International Bridge
- Begin construction of the Waste Water Collection System
- Rehab LBJ Water Tower
- Waterline relocation on Sugar Road and West Hall Acres
- Begin construction of the Water Treatment Plant

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

Fund Balance

During the annual audit ending September 30, 2007, the General Fund was identified as having a negative \$6.4 million unreserved fund balance. This major deficiency was in need of immediate attention and an action plan to correct it was approved by the City Commission September 16, 2008. One of the main corrective actions was to separate the contingency funding from the General Fund into an identifiable emergency-type account, in order to force the funding of the unreserved fund balance. Another corrective action was to strive to provide funding in addition to the contingency funds to speed up the reversal of the negative balance. With these corrective actions in place, we were able to fully fund the unreserved fund balance. The unreserved fund balance in the General Fund has been fully funded at \$8 million.

Cash Management

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

Audit Findings

The City has been able to complete the annual fiscal audit for two straight years without delay for the first time in 19 years. There are no worrisome internal control issues identified. All findings have been corrected. The only remaining finding last year was the lack of written procedure manuals for several activities. This fiscal year, a policies and procedures manual was developed and was approved by the board on May of 2010.

Bond Issuances

There are no plans to issue any new bonds this fiscal year for any fund in the City. Review is taking place to ensure long term debt is kept to a minimum.

Evaluation of Fees and Charges

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

Economic Factors

Economic indicators in the City of Pharr estimating the health of the economy in the City include several revenue trends. Sales tax revenues received by the City continue to decrease for the past two fiscal years, averaging 5.8% per year. The decrease is attributable to the national economy as well as the lack of major new retail activity in the city. Major retail is expected in the very near future that is projected to reverse the trend and increase sales tax revenue. The Hotel/Motel tax received by the City is reduced in comparison to the past year, by an estimated 10%. Building permit revenues have been reduced for four straight years and a slight increase is projected for this 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 City's contribution rate by each employee for the next calendar year will remain the same as the recently change rate of 7%. The contribution rate for the City is budgeted at 10.14%.

Employee Positions Changes - Citywide

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

The General Fund had several changes to the personnel budget. Each full time employee is counted as 1 position, and each part time employee is counted as .5 employee (based on the amount of hours worked). City Manager's Office eliminated a part-timer and moved him to the Municipal Court department. The Police Department added 12 positions, seven of them from grants. Municipal Court Department added a collection clerk position. The Fire Department added 9 positions, all from grants. Administrative Services Department eliminated their part time clerk position. Street Maintenance Department added 2 positions, a temporary laborer and a recycling clerk. Information Technology Department was created adding two full-time employees and one part-time employee. The two full-time employee positions are Information Technology Director and Network Administrator, the part-time position is for a computer support specialist. The Parks & Recreation Department removed four temporary part time lifeguard positions and added a full time athletic manager position, along with the modification of several seasonal employees, resulting in a reduction of 8.67 positions.

The Utility Fund-Administration department eliminated a part-time backflow inspector.

The Bridge Fund eliminated one part time security officer. The Golf Course Fund added a part-time cook.

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

GENERAL FUND	FY 09/10	FY 10/11	DIFFERENCE
City Manager's Office	8	7.5	-0.5
Police Department	160	172	12
Municipal Court	6.5	7.5	1
Fire Protection	65	74	9
Administrative Services	7.5	7	-0.5
Street Maintenance	31	33	2
Information Technology	0	2.5	2.5
Parks & Recreation	73	64.33	-8.67

UTILITY FUND			
Water Distribution	23.5	24	0.5

OTHER FUNDS			
Bridge Fund	25.5	25	-0.5
Golf Course Fund	15	15.5	0.5

Net Change City-Wide 17.33

THE FY 2010-2011 BUDGET AS A WHOLE

Overall Budget Basis of Accounting

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

Revenues and Transfers In

Total revenues for all funds are budgeted at \$79,834,500. This is an increase of \$13,837,870 from last fiscal year's original budget of \$65,996,630. This increase is mainly due to an increase in General CIP revenues specifically Section 108 debt proceeds.

Expenditures/Expenses and Transfers Out

Total expenditures/expenses for all funds are budgeted at \$112,511,340. This is a decrease of \$10,261,120 from last fiscal's year original budget of \$122,772,460. This decrease is mainly due to a decrease in Utility Capital Project fund expenses.

Fund Balances/Available Resources

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

There were five funds that have a change greater than 10% to their fund balance. The three funds and their change are: General Contingency Reserve (100%), Asset Sharing (98%), Paving & Drainage (100%), General Capital Project 136%, and Utility Capital Project (100%). The details of the change are detailed in their section of the Executive Summary.

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

LONG-TERM GOALS, CONCERNS, AND ISSUES

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

Long-Term Plans

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

Fiscal Management

The history of the City's financial management was analyzed and today's problems are actually a mirror of those of the past. Long-term fiscal management is a major concern to today's City leaders and management. The long-term fiscal viability of the City is a priority and a plan to correct the negative fund balance identified in the September 30, 2007 audit was approved last year to enable proper fiscal management regardless of who is managing or leading the City's operations. This plan was executed during the last fiscal year 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. To remain a viable bridge, several improvements and long-term concerns must be addressed. The City is in the planning stages of building additional commercial and passenger inspection areas to reduce wait time and provide efficient travel.

Infrastructure Development

The growth of the city the past 15 years has been causing a strain on the finances of the City. Once a small town community, now a retail and family location, the City of Pharr's needs not only include services, but infrastructure. Infrastructure is mainly identified as roads, bridges, and utility lines. Utility lines are being upgraded along with a water and wastewater plant. The international bridge has spent heavily on increasing its capacity and reducing the time it takes to cross the bridge and should see the outcome in several years.

Quality of Life

With the City vying for major retail along with other area cities, quality of life has seemed to be the difference with the corporate decision makers. Pharr has always had many entertainment venues, but mainly in the form of texano music genre. The City is focused on diversifying the entertainment. The City began improvements to convert the City's Convention Center to a first class entertainment venue. This would open up the vast array of music genre for the citizens. A new museum is also planned. This would enable a history of Pharr artifacts to be shown as well as other historical items.

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

Public Safety

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

Population Growth

The population of the City has grown over the several years. Smart growth is an issue that must be addressed to ensure that the City has the capability of serving the new citizens. The current major slowdown in development within the City has caused a negative fiscal impact but allowed the City's service providers to catch up with the need created by the growth in prior years. With the possible annexation of 5,000 acres of land that is forecasted to bring many new families to

the City and surrounded by commercial growth, smart and guided growth is a long-term concern that the current City leaders are addressing via ordinances, developer communication, and commercial development.

Water Supply

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

Economic Position

The economic position of the city of Pharr seems to be very favorable. The city has forecasts a steady level of business growth or improvement during 2010-11. The economic indicators stated earlier will be monitored and a trend analysis performed to ensure that the City is aware of any possible changes.

Technical/Regulatory/State Changes

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

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

DISTINGUISHED BUDGET AWARD

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

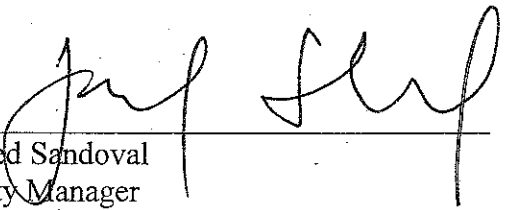
This award is valid for a period of one year only. This is the City’s second GFOA budget award. We believe that our current budget conforms to program requirements.

SUMMARY

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

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

Respectfully Submitted,



Fred Sandoval
City Manager



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



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

**City of Pharr
Texas**

For the Fiscal Year Beginning

October 1, 2009

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

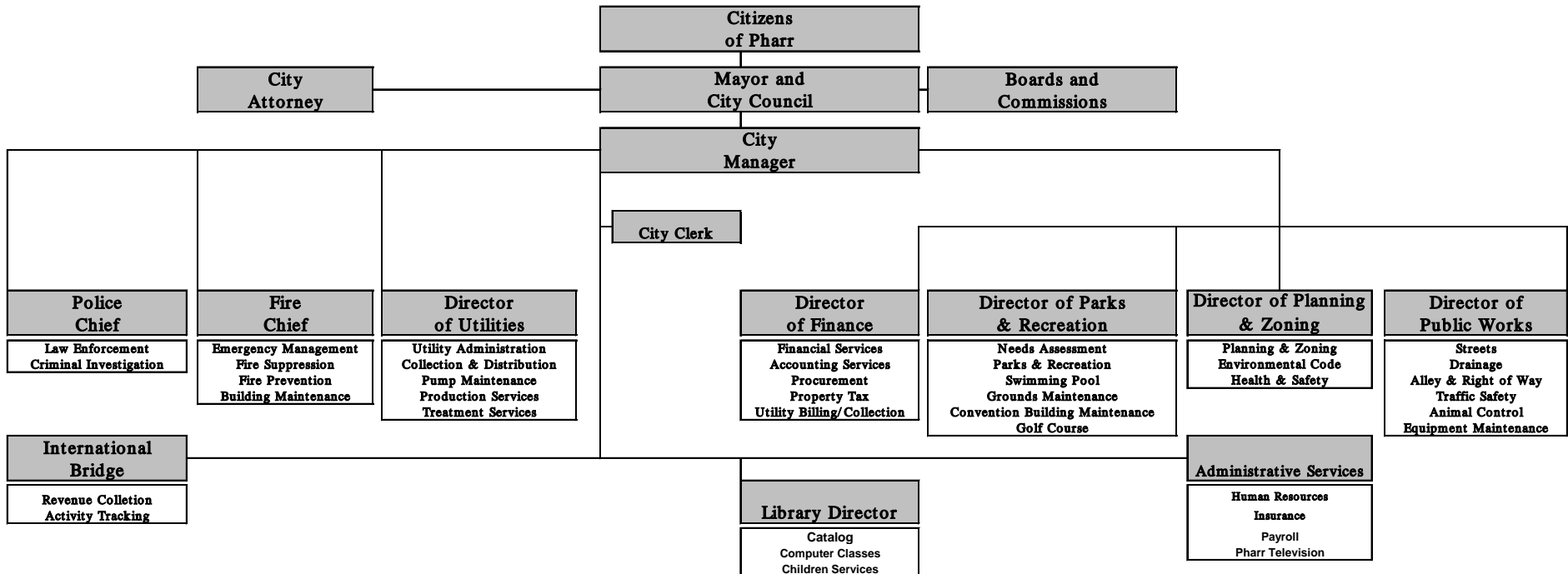
Appointed Officials

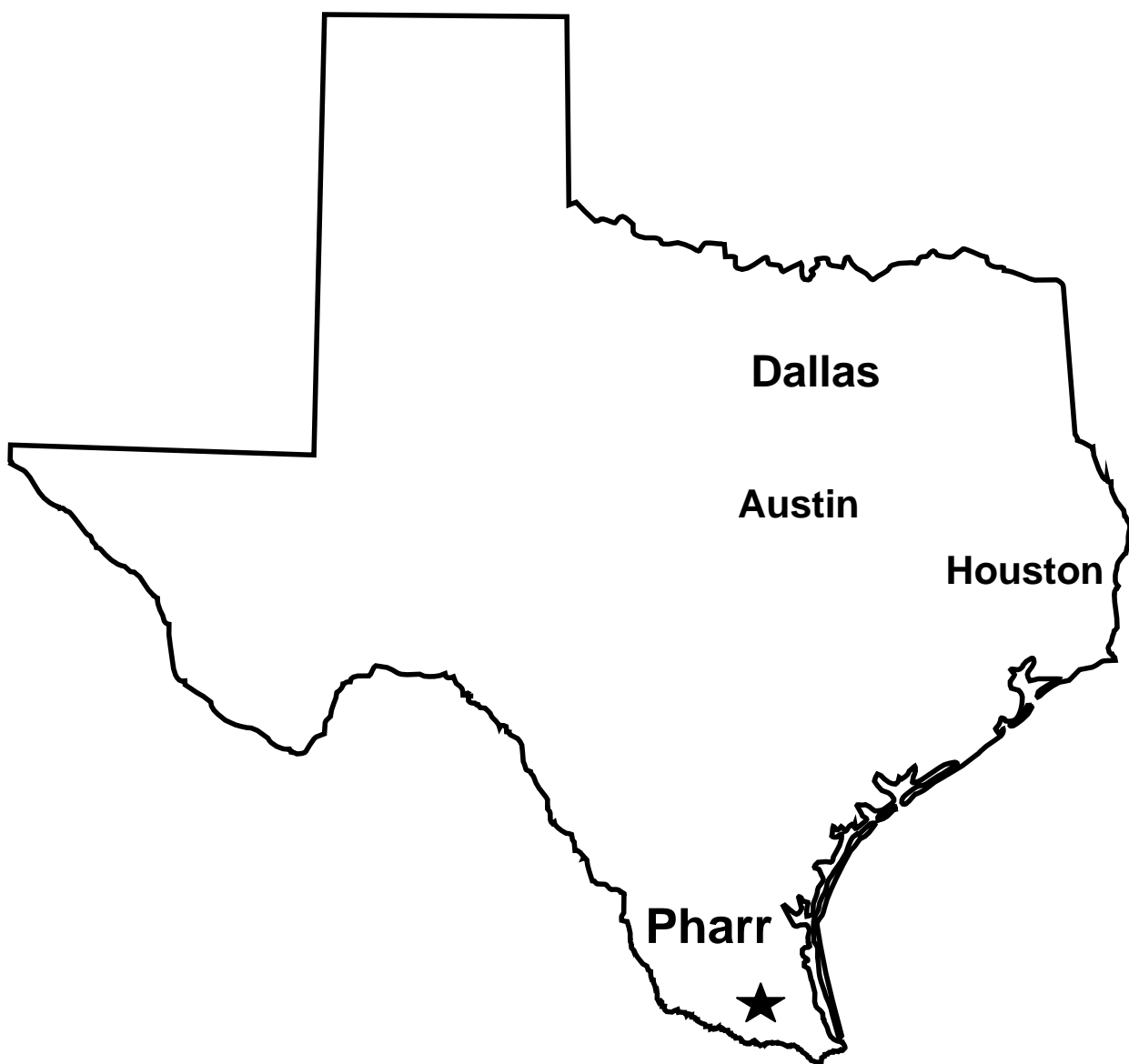
City Manager	Fred Sandoval
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Department Directors

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

ORGANIZATION CHART - CITY OF PHARR







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EXECUTIVE SUMMARY

EXECUTIVE SUMMARY

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

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

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

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

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

The Utility and Bridge capital project funds are listed as capital project funds but will become consolidated during the annual audit with the Utility and Bridge funds respectively. Based on the audit report ending September 30, 2009, the following fund is considered major fund: General Fund.

The table on the following page shows the relationship between funds and departments.

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

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

GENERAL FUND

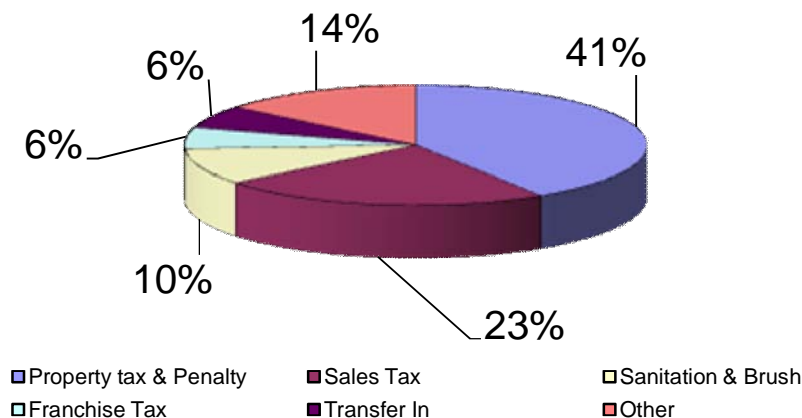
The General Fund is the general operating fund of the City. It is used to account for all financial resources traditionally associated with government, except those required to be accounted for in another fund.

Revenues

The General Fund is expected to generate \$32,129,600, which is an increase of approximately \$782,860 or 2.4%, over last year's budget. This marginal increase is primarily attributable to a net difference of increases and decreases caused by three reasons. The first reason is an increase of \$1.4 million in Capital Lease proceeds. The second reason is the reduced estimate of sales tax revenues. For the past four years, sales tax revenues have shown a negative trend. For this reason, it is prudent to continue with a conservative estimate. This negative trend in sales tax is a

reduction in budgeted revenues of nearly \$369,200, compared to last year's original budget. The third reason is transfers in from Bridge fund which were reduced by \$500,000.

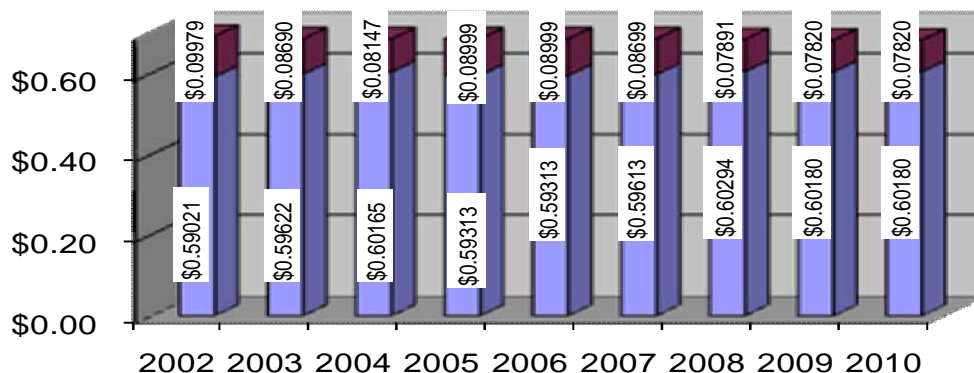
GENERAL FUND REVENUE BY SOURCE



As illustrated in this graph, three major revenue line items account for over \$28.3 million, which is 88.1% of total revenues. The major revenues are the Current Property Tax, \$11,779,000; Sales Tax, \$7,466,000; Other Revenues which includes \$1.4 million in debt proceeds and \$1.1 million in Fines and Fees; and Sanitation & Brush, \$3,160,000;

Current Property Tax

The State of Texas limits the ad valorem tax rate to \$2.50 per \$100 valuation. Other than the amount resulting from such rate limitation, there is no legal debt limit. The property tax rate will remain the same as last year. The tax rate this year is 68.000¢ per \$100 taxable assessed value, as determined by the Hidalgo County Appraisal District. The assessed value decreased from \$2.202 billion to \$2.174 billion (net of protested property). This represents a decrease of \$28 million, or about 1.25% under the prior year. Budgeted current advalorem tax revenues are \$11.77 million or 36.7% of budgeted revenues. This represents a decrease of \$121,000, or about -1.02% over the prior year budget. The 68.000¢ per \$100 valuation is distributed for two purposes: Interest and Sinking (I&S), and Maintenance and Operation (M&O). The I&S is used to pay for bond payments and is put into its own fund, the Debt Service Fund. The M&O is used for general operational expenditures of the City. The following distribution of the tax rate for the past nine years is as follows:



Sales Tax

One of the most significant revenue line item generators for the General Fund is sales tax. It is the second biggest revenue source and therefore one that must be continuously monitored. It is a gauge of the City's economic health and is also a source of public safety since property tax alone cannot sustain the police and fire departments budgets, sales tax revenues must contribute as well. Due to its historical sensitivity to fluctuations in the strength of the state's economy and to a point, the Mexican peso, the City continues to take a conservative approach in estimating its performance. The sales tax for the City is 1.5% for every eligible purchase. 1% is strictly sales tax, .5% is credit in lieu of property tax (assists in keeping the property tax from increasing). Over the last eight years, the general trend for sales tax receipts is hard to identify. From fiscal year 2003/04 to 2005/06, sales tax increased from one year to the next, and was budgeted accordingly. From fiscal year 2006/07 to our projected 2010/11, sales tax is mainly flat with no growth in actual revenues, even a slight decrease. The fiscal year 2010/11 sales tax revenues are conservatively budgeted at \$7.46 million or 23.2% of budgeted revenues. This represents a 4.71% decrease in revenues from the past fiscal year's original budget and a 1.5% decrease from projected year end actual sales tax revenue.

<u>Change</u>	<u>FY 05/06</u>	<u>FY 06/07</u>	<u>FY 07/08</u>	<u>FY 08/09</u>	<u>FY 09/10*</u>
Change in Actual	15.66%	-0.61%	-0.42%	-3.23%	-6.75%
Change in Budget	15.1%	6.9%	-10.3%	0.2%	-17.7%

**Based on actual amount from FY 09/10 as of July 2010*

Sanitation & Brush Collection

Sanitation and Brush Collection is the activity of collecting and disposing of refuse. The budgeted amount for the fiscal year is \$3.16 million or 9.87% of budgeted revenues. This represents an increase of \$184,000 or 6.18%. The amount being budgeted this fiscal year is higher than the amount budgeted the previous fiscal year due to the inclusion of collections from accounts managed by North Alamo Water Supply.

Franchise Taxes

Franchise taxes are collected from the electric, telephone, gas, and sewer, and cable television companies. Over the past couple of years, it has experienced a steady upward trend. Total budgeted franchise tax revenues for next fiscal year are \$1.8 million or 5.7% of budgeted revenues. This is a slight decrease of \$47,300 or 2.5% from the prior budget due to a conservative reflection of projected revenues for the past fiscal year.

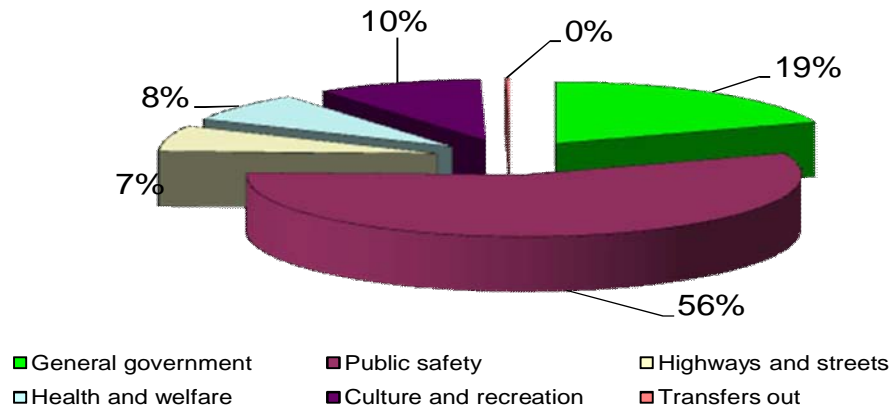
Other Revenues and Transfers

Other revenues are budgeted at \$4.53 million or 14.1% and transfers \$1.99 million or 6.2% of budgeted revenues. Other revenues mainly consists of license and permits (\$565,530), fines and fees (\$1,088,000), charges for services (\$252,710), miscellaneous revenue producing rentals (\$391,680), bingo & mixed beverage tax (\$144,000), Intergovernmental and interest (\$625,320), and Capital Lease Proceeds (\$1,464,220). Transfers are due from three sources: Bridge revenues over operations (\$1,500,000), golf course improvement fee (\$30,000), PEDC reimbursement for administrative services (\$132,940) and Utility Fund's reimbursement for administrative services (\$327,800).

Expenditures

The General Fund's overall expenditures, including transfers-out is \$32.1 million, an increase of \$782,860 or 2.5% of last year's original budget. One of the reasons for this increase is the addition of an Information Technology department. Another reason is an increase in the Capital Outlay budget of several departments in the Public Safety and General Government function. The following chart depicts how the expenditures are allocated among functions:

GENERAL FUND EXPENDITURE BY FUNCTION



To allow more analysis of the expenditures, two other formats are presented on this page: by department and by activity. The major changes are an increase in Police Department, Fire Protection, and Information Technology, and a decrease in Non-Departmental expenditures. The Police Department budget increased over \$500,000 mainly due to personnel and capital outlay expenditures. The Fire Protection budget increase over \$400,000 mainly due to capital outlay expenditures. As mentioned earlier, the Information Technology department was created, increasing the budgeted expenditures by \$734,000 (\$559,670 being for capital related purchases). Non-Departmental expenditures decreased almost \$1.5 million. This decrease is mainly due to a decrease in Transfers Out to the Contingency Fund.

Chart 1 ó Departmental Comparison

GENERAL FUND EXPENDITURE BY DEPARTMENT

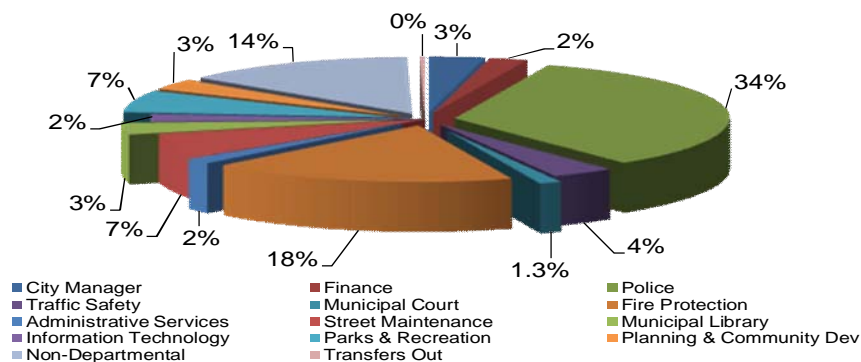


Chart 2 ó Activity Comparison

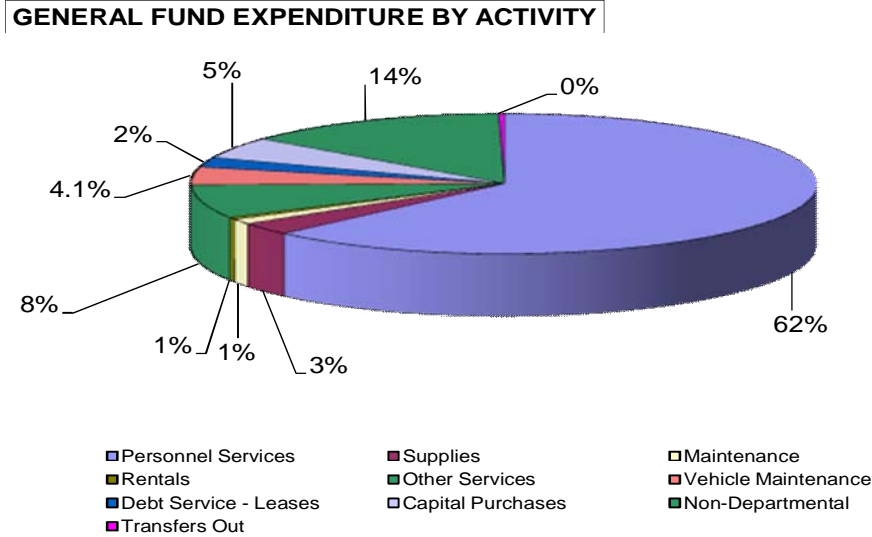


Table 1 ó Change in Departmental Budget-Original Prior Year Budget Compared To This Year's Budget

DEPARTMENT	FISCAL YEAR		Increase/ (Decrease)	Percent Change
	2010-11	2009-10		
City Manager	\$ 1,064,120	\$ 947,390	\$ 116,730	12.3%
Finance	713,670	679,370	34,300	5.0%
Police	10,903,530	10,366,060	537,470	5.2%
Traffic Safety	1,192,430	1,205,350	(12,920)	-1.1%
Municipal Court	421,650	391,270	30,380	7.8%
Fire Protection	5,798,910	5,331,710	467,200	8.8%
Administrative Services	520,830	455,470	65,360	14.4%
Street Maintenance	2,169,300	2,009,040	160,260	8.0%
Information Technology	722,670	-	722,670	0.0%
Municipal Library	1,073,210	1,048,200	25,010	2.4%
Parks & Recreation	2,045,920	2,028,340	17,580	0.9%
Planning & Community Dev	995,510	910,510	85,000	9.3%
Non-Departmental	4,410,300	4,083,000	327,300	8.0%
Transfers Out	97,550	1,891,030	(1,793,480)	-94.8%
TOTAL	\$ 32,129,600	\$ 31,346,740	\$ 782,860	

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

DEPARTMENT	2010-11	Amended Budget 2009-10	Increase/ (Decrease)	Budget Year % Change	% of FY 1011 Budget
City Manager	\$ 1,064,120	\$ 949,890	\$ 114,230	12.0%	3.3%
Finance	713,670	683,270	30,400	4.4%	2.2%
Police	10,903,530	10,637,140	266,390	2.5%	33.9%
Traffic Safety	1,192,430	1,232,050	(39,620)	-3.2%	3.7%
Municipal Court	421,650	393,940	27,710	7.0%	1.3%
Fire Protection	5,798,910	5,370,430	428,480	8.0%	18.0%
Administrative Services	520,830	458,090	62,740	13.7%	1.6%
Street Maintenance	2,169,300	2,022,890	146,410	7.2%	6.8%
Municipal Library	1,073,210	-	1,073,210	#DIV/0!	3.3%
Information Technology	722,670	1,056,990	(334,320)	0.0%	2.2%
Parks & Recreation	2,045,920	2,041,750	4,170	0.2%	6.4%
Planning & Community Dev	995,510	918,130	77,380	8.4%	3.1%
Non-Departmental	4,410,300	4,083,000	327,300	8.0%	13.7%
Transfers Out	97,550	2,906,580	(2,809,030)	-96.6%	0.3%
TOTAL	\$ 32,129,600	\$ 32,754,150	\$ (624,550)		

Table 3 ó Departmental Change in Budget Without Capital Purchases

	FY 09/10 Amended Budget w/o Capital Purchases	FY 10/11 Budget w/o Capital Purchases	Increase/ (Decrease)	Budgeted Difference In FY's
City Manager's Office	\$ 949,890	\$ 1,064,120	\$ 114,230	12.0%
Finance Department	683,270	703,670	20,400	3.0%
Police Department	10,637,140	10,513,530	(123,610)	-1.2%
Traffic Safety	1,189,550	1,192,430	2,880	0.2%
Municipal Court	393,940	406,650	12,710	3.2%
Fire Protection	5,311,940	5,341,910	29,970	0.0%
Administrative Svcs	458,090	479,830	21,740	4.7%
Street Maintenance	2,007,890	2,012,080	4,190	0.2%
IT	-	326,670	326,670	0.0%
Municipal Library	956,490	972,710	16,220	1.7%
Parks & Recreation	2,041,750	2,045,920	4,170	0.2%
Planning & Zoning	918,130	982,510	64,380	7.0%
TOTAL	\$ 25,548,080	\$ 26,042,030	\$ 493,950	

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.

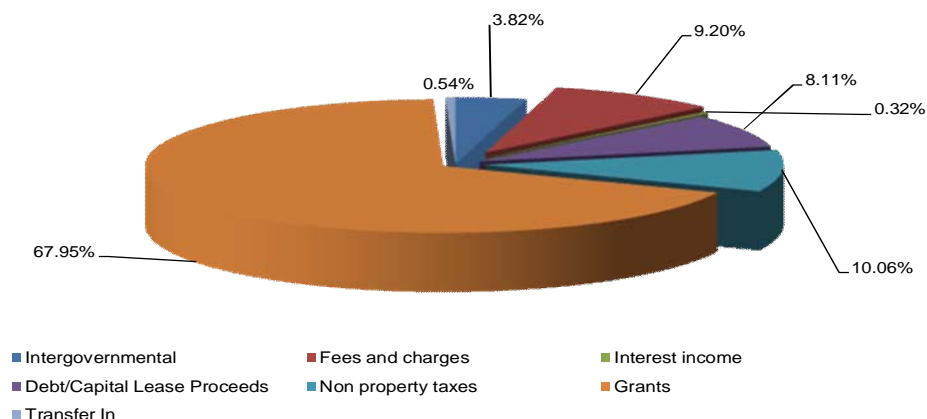
During the September 30, 2007 annual audit, the unreserved fund balance was identified as being negative \$6.4 million. We are estimating that by September 30, 2010, the unreserved fund balance will be roughly \$8 million. By City charter, 3% to no more than 5% must be budgeted as contingency reserve. Last fiscal year, just under 7% of budgeted general expenditures (not including transfers) were budgeted at \$1.87 million for contingency reserve. Last year's funding put the City's unreserved fund balance in an ideal position of having three months of operating expenditures set aside. These funds are not combined with the pooled cash bank account but are in a separate bank account to be used only for emergency situations. Consequently, with the contingency reserve being fully funded, this year contingency reserve is budgeted at \$0.

SPECIAL REVENUE

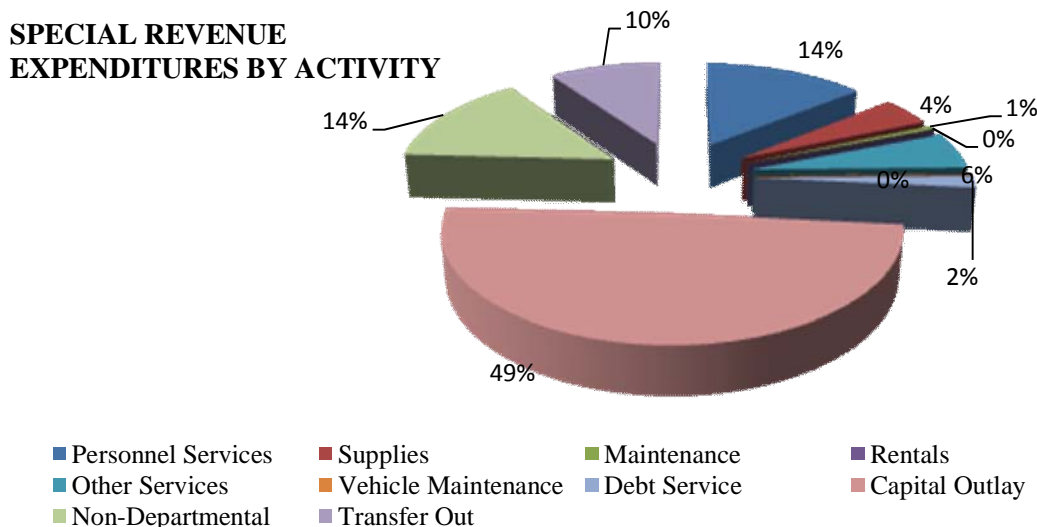
The Special Revenue Funds are used to account for the proceeds of specific revenue sources that are restricted to expenditures for specified purposes.

The funds received that are specified for a specific purpose are separated from the general fund and put into a group of funds called special revenue funds. A total of \$7,851,270 special revenue revenue funds are budgeted. Grants account for \$5,334,570 of revenues, non-property tax account for \$790,000, fees and charges for \$722,000, capital lease proceeds account for \$637,000, interest income account for \$25,000, intergovernmental revenues account for \$300,000 and Transfers/Other Sources account for the remaining \$42,700. The following graph describes the importance of each revenue source for the special revenue funds as a percentage of the overall budgeted special revenue revenues.

SPECIAL REVENUE REVENUES BY SOURCE



A total of \$9,171,270 special revenue expenditure funds are budgeted. Personnel account for \$1,298,740 of expenditures, supplies account for \$402,810, maintenance, rentals and vehicle maintenance account for \$52,220, other services account for \$515,050, debt service accounts for \$165,340; capital outlay accounts for \$4,520,280, non-departmental expenditures account for \$1,324,520, and the remaining \$892,310 is due to transfers out. The graph on the following page describes the importance of each expenditure activity for the special revenue funds as a percentage of the overall budgeted special revenue expenditures.



Community Development Block Grant (CDBG)

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

The CDBG Fund will receive \$1,216,240 HUD funds this fiscal year. This fund has \$933,220 in unspent funds from prior years dating back to 2006/07. Total budgeted revenues and expenditures for this fund are \$2,192,160.

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 \$1,308,000 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 \$4,000.

Grants

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

Total budgeted revenues for this fund are \$3,185,110. Police Department grant revenues are budgeted at \$586,450; Fire Department grant revenues are budgeted at \$277,070; Library Department grant revenues are budgeted at \$150,000, and Public Work grant revenues are budgeted at \$2,171,590.

Paving & Drainage

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

Total budgeted revenues for this fund are \$1,362,000. The expenditures are budgeted at \$1,682,000. Prior year's net revenues/fund balance will be used up in its entirety, 100%.

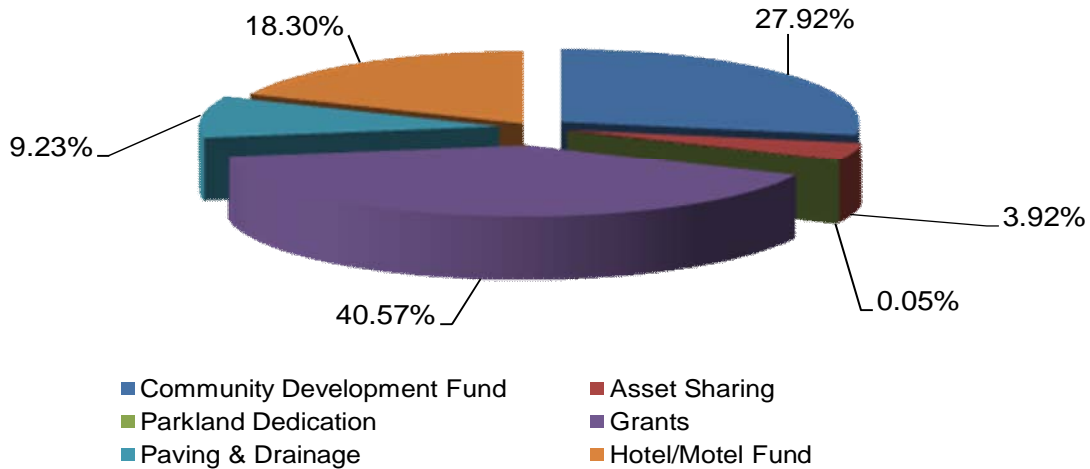
Hotel/Motel

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

Total budgeted revenues and expenditures for this fund are \$800,000.

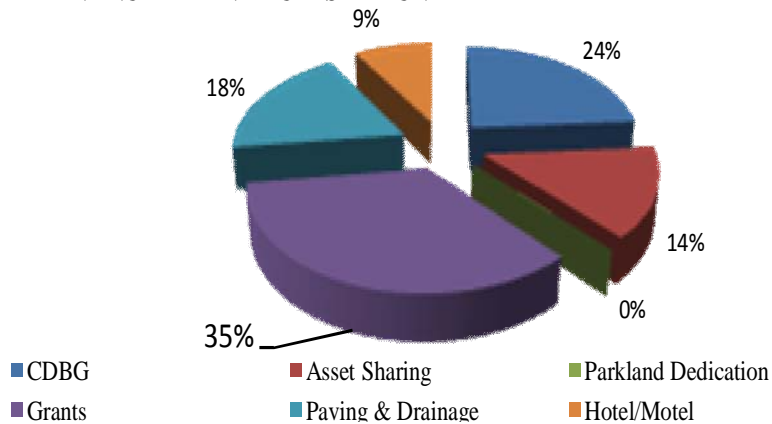
The following graph distributes the total special revenue per fund.

SPECIAL REVENUE REVENUES BY FUND



Expenditures for the special revenue funds are distributed in various ways. Total expenditures for special revenue funds total \$9,171,270. The following graph should help in analyzing which special revenue funds are budgeted in comparison to one another.

SPECIAL REVENUE EXPENDITURES BY FUND



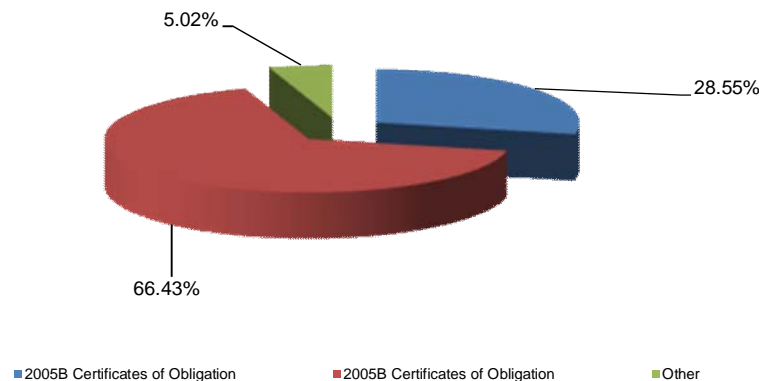
DEBT SERVICE

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

Debt service requirements remained fairly steady this fiscal year since no new bond issuances were scheduled. This fiscal year, bond payments and expenditures are estimated to be \$2,211,030. In the calculation of the tax rate, only the bond liabilities were used to calculate the amount needed for liabilities. The collection of taxes should be sufficient to cover the expenditures of the note liability. At a collection rate estimated at 87%, current property tax revenues are estimated to generate \$1,531,000, other tax collections are budgeted at \$170,000, and other revenue is budgeted at \$510,030. No new debt payments are budgeted from previous fiscal years.

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

DEBT SERVICE FUND LIABILITIES PER LIABILITY



CAPITAL PROJECT FUNDS

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

GENERAL CAPITAL PROJECTS

For the past two years, all general capital projects were purposefully put on hold. Due to the major negative fund balance identified during the annual audit report for September 30, 2007, the unreserved fund balance needed drastic improvement. The fund balance has been corrected, and several capital projects will commence this year. Two of the major projects are the Aquatic Park

budgeted at \$3,600,000 and Hall Acres Road budgeted at \$2,439,000. Total budgeted expenditures are \$7,146,850.

UTILITY CAPITAL PROJECTS

The utility project revenues are budgeted at \$2,300,000. The expenditures are budgeted at \$29,210,000. For this fiscal year, there are six projects: Water line relocation; Rehab LBJ water tower; West Hall Acres utility line; wastewater collection system improvements; wastewater and a water treatment plant construction. Funding for these projects will come from different sources including TWDB, EDAP, NAD Bank Grant and Loan, and the Utility fund.

BRIDGE CAPITAL PROJECTS

The bridge project expense is budgeted at \$350,000. For this fiscal year, there is only one project: Port of Entry modernization.

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

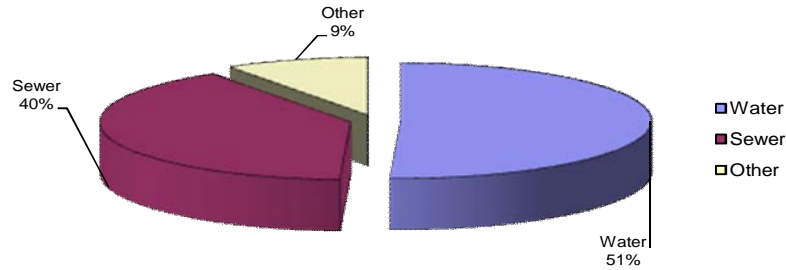
The Utility Fund was established to account for the City's water and sewer/wastewater system operations.

Revenues

The Utility Fund is expected to generate \$12,752,800, which is an increase of nearly 4.79% over last year's budget. The increase is attributable to lease proceeds, budgeted at \$663,500.

As illustrated in the graph on the next page, there are three main revenue sources. The major revenue source comes from water and sewer revenues due to consumption. Water is budgeted at \$6.46 million; this is an increase of .39% from the previous budget. The increase is mainly attributable to the scheduled utility consumption trend. Sewer is budgeted at \$5.10 million, this is a decrease of 2.01% from the previous budget. The decrease is mainly due to a projected decrease in sewer collection from NAWS. Other revenue is budgeted at \$1,180,800, this is a increase of 128.0% from the previous budget. Other revenue mainly consists of tapping fees, reconnects, and interest. As mentioned earlier, the increase is due to an increase in lease proceeds. The pie-chart on the following page identifies the revenue sources that make up the funds revenues.

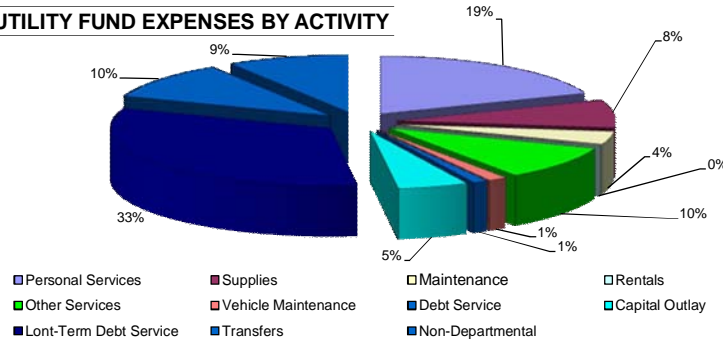
UTILITY FUND REVENUE SOURCE



Expenses

The Waterworks and Sewer Systems' overall appropriation, including expenses and transfers-out is \$12.75 million, an increase of \$582,600 or 4.8% of last year's budget. The major reason for this increase is due to the increase \$303,000 in capital outlays. The pie-chart on the following page depicts how the expenses are allocated among activities.

UTILITY FUND EXPENSES BY ACTIVITY



The table below identifies the budget comparison per department:

Department	Fiscal Year		Increase/ (Decrease)	Percent Change
	2010/11	2009/10		
Administration	\$ 563,700	\$ 554,200	\$ 9,500	1.7%
Water Production	1,448,560	1,270,940	177,620	14.0%
Water Distribution	1,768,200	1,608,710	159,490	9.9%
Water Treatment Plant	1,693,160	1,610,530	82,630	5.1%
Sewer Collection	649,490	612,560	36,930	6.0%
Debt Service	4,158,570	4,162,460	(3,890)	-0.1%
Transfers Out	1,327,800	1,230,600	97,200	7.9%
Non-Departmental	1,143,320	1,120,200	23,120	2.1%
	\$ 12,752,800	\$ 12,170,200	\$ 582,600	

BRIDGE FUND

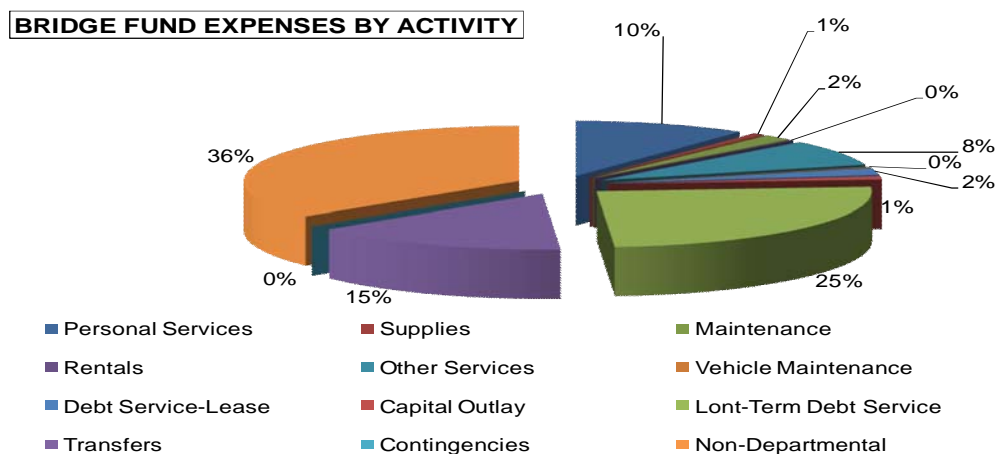
The Bridge Fund was established to account for the City's international bridge operations. The bridge enables traffic to flow to and from Mexico.

Revenues

The Bridge Fund is budgeted at \$9,928,450 which is an increase of \$1.5 million, or 18.7%, over last year's budget. The increase is attributable to a projected increase in commercial truck crossings.

Expenses

The bridge's overall appropriation, including expenses and transfers-out is \$9,928,450 million, an increase of \$1.5 million or nearly 18.68% of last year's budget. The major reason for this increase is due to an increase in general capital improvement project funding. The chart on the following page depicts how the expenses are allocated among activities.



GOLF COURSE FUND

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

The Golf Course Fund is balanced and is budgeted at \$1,140,850, which is an increase of nearly \$260,000, or 29.4%, over last year's expense budget. The increase is attributable to the increase in transfers from the General Fund and an increase in lease proceeds.

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 \$458,190.

FIDUCIARY FUND

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

VOLUNTEER FIREMEN PENSION

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

Additions come from two sources, a transfer from the General Fund and interest from the fund's bank account. Additions are budgeted at \$35,000. Deductions are budgeted for the payment of pension due to the retired volunteers or their spouses. Deductions are budgeted at \$12,300.

CITYWIDE

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

Revenues for the fiscal year 2010-11 are \$79,834,500. 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
	2010-11	2009-10		
General Fund	\$ 32,129,600	\$ 31,346,740	\$ 782,860	2.5%
General Contingency Reserve Fund	-	1,876,440	(1,876,440)	-100.0%
Community Development Fund	2,192,160	2,394,560	(202,400)	-8.5%
Asset Sharing	308,000	305,000	3,000	1.0%
Parkland Dedication	4,000	31,000	(27,000)	-87.1%
Grants	3,185,110	3,149,800	35,310	1.1%
Paving & Drainage	1,362,000	673,000	689,000	102.4%
Hotel/Motel Fund	800,000	884,600	(84,600)	-9.6%
General Capital Project Fund	10,677,310	-	10,677,310	0.0%
Utility Capital Project Fund	2,300,000	1,216,000	1,084,000	89.1%
Bridge Capital Project Fund	350,000	-	350,000	0.0%
Debt Service Fund	2,211,030	2,224,540	(13,510)	-0.6%
Garage Fund	458,190	445,760	12,430	2.8%
Utility Fund	12,752,800	12,170,200	582,600	4.8%
Bridge Fund	9,928,450	8,365,990	1,562,460	18.7%
Golf Course Fund	1,140,850	882,000	258,850	29.3%
Volunteer Firemen Pension	35,000	31,000	4,000	12.9%
	\$ 79,834,500	\$ 65,996,630	\$ 13,837,870	21.0%

Expenditures for the fiscal year 2010-11 are \$112,511,340. The difference between funds was stated earlier in this Executive Summary. The comparisons between fiscal years are identified as follows:

Fund	FISCAL YEAR		Increase/ (Decrease)	Percent Change
	2010-11	2009-10		
General Fund	\$ 32,129,600	\$ 31,346,740	\$ 782,860	2.5%
General Contingency Reserve Fund	8,000,000	1,876,440	6,123,560	326.3%
Community Development Fund	2,192,160	2,394,560	(202,400)	-8.5%
Asset Sharing	1,308,000	305,000	1,003,000	328.9%
Parkland Dedication	4,000	270,000	(266,000)	-98.5%
Grants	3,185,110	3,149,800	35,310	1.1%
Paving & Drainage	1,682,000	673,000	1,009,000	149.9%
Hotel/Motel Fund	800,000	1,081,190	(281,190)	-26.0%
General Capital Project Fund	7,146,850	-	7,146,850	0.0%
Utility Capital Project Fund	29,210,000	57,575,940	(28,365,940)	-49.3%
Bridge Capital Project Fund	350,000	-	350,000	0.0%
Debt Service Fund	2,211,030	2,224,540	(13,510)	-0.6%
Garage Fund	458,190	444,760	13,430	3.0%
Utility Fund	12,752,800	12,170,200	582,600	4.8%
Bridge Fund	9,928,450	8,365,990	1,562,460	18.7%
Golf Course Fund	1,140,850	882,000	258,850	29.3%
Volunteer Firemen Pension	12,300	12,300	-	0.0%
	\$ 112,511,340	\$ 122,772,460	\$ (10,261,120)	-8.4%

TRANSFERS IN/OUT

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

<u>Transfers</u>	<u>FY 2010/11</u>	
	<u>IN</u>	<u>Out</u>
General Fund - Bridge	\$ 1,500,000	
General Fund - PEDC	132,940	
General Fund - Utility	327,800	
General Fund - Golf	30,000	
General Fund - CDBG		42,700
General Fund - Volunteer		30,000
General Fund - Golf		24,850
CDBG Fund - General	42,700	
Paving & Drainage - General CIP		816,850
Debt Service Fund - Bridge		102,990
Debt Service Fund - PEDC	495,030	
Utility Fund - General		327,800
Utility Fund - Utility CIP		1,000,000
Bridge Fund - General		1,500,000
Bridge Fund - General CIP		2,903,460
Bridge Fund - Bridge CIP		350,000
Bridge Fund - Hotel/Motel	75,460	
Bridge Fund - Debt Service	102,990	
PEDC - General		132,940
PEDC - Utility CIP		700,000
PEDC - Debt Service		495,030
Hotel/Motel Fund -Bridge		75,460
General CIP - Paving & Drainage	816,850	
General CIP - Bridge	2,903,460	
General CIP - PEDC	700,000	
Utility CIP - Utility	1,000,000	
Utility CIP - PEDC	-	
Bridge CIP - Bridge	350,000	
Golf Fund - General		30,000
Golf Fund - General	24,850	
Volunteer Firemen - General	30,000	
	\$ 8,532,080	\$ 8,532,080

CAPITAL EXPENDITURES/EXPENSES

Capital purchases make up a major expenditure for the City. Capital purchases must meet certain criteria to be classified as capital: must be at least \$5,000, and have a useful life of at least three years. The following table describes the entire budgeted capital asset/project activity for this fiscal year.

<u>Fund</u>	<u>Department</u>	<u>Capital Asset Purchases</u> <u>Account</u>	<u>Amount</u>	<u>Purpose/Description</u>
General	Finance	01-511-8806	10,000	Incode Module: Report Writer
General	Police	01-512-8802	60,000	(2) Communication Workstations
General	Police	01-512-8803	330,000	(10) Police Vehicle Units
General	Court	01-514-8805	15,000	Payment Window Addition
General	Fire	01-515-8803	450,000	Fire Truck
General	Fire	01-515-8804	7,000	Weather Station System
General	Administrative Services	01-516-8806	41,000	Incode Module: Human Resource Module
General	Streets	01-517-8804	15,000	Grant Match: Camera's Code Enforcement
General	Streets	01-517-8804	15,000	Grant Match: Recycling Bins
General	Streets	01-517-8805	127,220	Grant Match: Parking Lot Paving
General	Information Technology	01-518-8804	90,000	(6) 1 U Rack Servers
General	Information Technology	01-518-8806	200,000	VOIP Phone System
General	Information Technology	01-518-8806	36,000	(12) Thin Client System SERVER - City Commi
General	Information Technology	01-518-8806	30,000	(2) SANS Central Data Storage (Active)
General	Information Technology	01-518-8806	40,000	(20) Thin Client System SERVER - Police Depa
General	Library	01-520-8804	15,000	Grant Match: IT Upgrade
General	Library	01-520-8812	85,500	Library Books
General	Planning & Zoning	01-527-8803	13,000	Truck: Code Enforcement
General	Non-Departmental	01-530-9902	10,000	Land/Right of Way
General	Non-Departmental	01-530-9929	30,000	Renovate 1st & 2nd floors of City Hall
			\$ 1,619,720	
Special Rev	Asset Sharing	21-512-8805	1,000,000	Purchase of Land
Special Rev	Paving & Drainage	24-517-8803	150,000	Front Loader Truck
Special Rev	Paving & Drainage	24-517-8803	205,000	Long Reach Excavator
Special Rev	Paving & Drainage	24-517-8803	85,000	Backhoe
Special Rev	Paving & Drainage	24-517-8803	70,000	(2) Pick Up Truck
Special Rev	Paving & Drainage	24-517-8803	60,000	Dri Prime Pump
Special Rev	Paving & Drainage	24-517-8803	12,000	75 KVA Diesel Generator
Special Rev	Paving & Drainage	24-517-8803	22,000	Fork Lift
Special Rev	Paving & Drainage	24-517-8803	8,000	Commercial Shredder
Special Rev	Paving & Drainage	24-517-8803	25,000	Emergency Light Tower
Special Rev	Grant - Streets	32-517-8804	25,000	Grant : Camera's Code Enforcement
Special Rev	Grant - Streets	32-517-8804	28,500	Grant : Recycling Bins
Special Rev	Grant - Streets	32-517-8804	155,000	Grant : Parking Lot Paving
Special Rev	Grant - Library	32-520-8804	150,000	Library IT upgrade system
			\$ 1,995,500	
Golf Course	Administration	75-510-8804	18,000	60' Mower
Golf Course	Administration	75-510-8804	14,000	(2) Gator Utility Vehicle
Golf Course	Administration	75-510-8805	200,000	Clubhouse Renovation
			\$ 232,000	

Utility	Water Plant	60-582-8804	25,000	(5) Filter Valves
Utility	Water Plant	60-582-8804	35,000	Ion Chromatorgraphy Instrument
Utility	Water Plant	60-582-8806	35,000	Ground Storage Tanks
Utility	Water Plant	60-582-8806	40,000	LBJ Tower Inlet
Utility	Water Plant	60-582-8806	20,000	Clarifier Maintenance
Utility	Water Distribution	60-583-8806	120,000	(3,000) Water Meter Replacement
Utility	Water Distribution	60-583-8806	100,000	(10) Manhole Replacement
Utility	Wastewater Treatment Plant	60-584-8804	10,000	Gator Utility Vehicle
Utility	Wastewater Treatment Plant	60-584-8806	40,000	Pump Head Work 30hp
Utility	Lift Station	60-586-8803	18,500	Truck
Utility	Lift Station	60-586-8806	60,000	Rehab Lift Station
Utility	Lift Station	60-586-8806	160,000	Nolana junction box project
Utility	Non-Departmental	60-587-9900	50,000	Water Rights
Utility	Non-Departmental	60-587-9902	4,000	Land/Right of Way
			\$ 717,500	

Bridge	Bridge Admin	70-510-8801	10,000	Coin machine
Bridge	Bridge Admin	70-510-8803	41,000	Lift Truck and Power Boom
Bridge	Bridge Admin	70-510-8804	50,000	Bridge Maintenance Equipment
Bridge	Bridge Admin	70-510-8805	50,000	Building Expansion
			\$ 151,000	

\$ 4,493,720

Funded Capital Improvement Projects				
Fund	Department	Account	Amount	Purpose/Description
Special Rev	CDBG	30-5xx-9937	581,690	Street Improvements
Special Rev	Grant - Streets	32-517-8806	2,061,000	Grant : Downtown Drainage
			\$ 2,642,690	
General	Parks	40-510-88xx-02	3,600,000	Aquatic Park - Construction
General	Streets	40-510-88xx-02	166,850	RAMP - Various Roads - Construction
General	Streets	40-510-8896-02	2,439,000	West Hall Acres - Construction
General	Streets	40-510-88xx-02	157,000	Sioux Road - Construction
General	Streets	40-510-88xx-01	134,000	West Sam Houston - Engineering
General	Streets	40-510-88xx-02	650,000	RAMP - Veteran's Blvd - Engineering
			\$ 7,146,850	
Bridge	Bridge Admin	71-510-88xx-xx	\$ 350,000	Port of Entry Modernization Project
Utility	Utility Admin	61-587-8862-01	150,000	WW Collection System - Engineering
Utility	Utility Admin	61-587-9913-82	600,000	Wastewater collection system phase 1a - Constructi
Utility	Utility Admin	61-587-9913-83	700,000	Wastewater collection system phase 1b - Constructi
Utility	Utility Admin	61-587-8870-02	2,200,000	Wastewater collection system phase 1c - Constructi
Utility	Utility Admin	61-587-8871-02	150,000	Wastewater collection system phase 1e
Utility	Utility Admin	61-587-8872-02	4,800,000	Wastewater Treatment Plant
Utility	Utility Admin	61-587-8865-01	600,000	Water Treatment Plant - Engineering
Utility	Utility Admin	61-587-8865-02	5,500,000	Water Treatment Plant - Construction
Utility	Utility Admin	61-587-8867-01	150,000	Water Treatment Plant - Engineering
Utility	Utility Admin	61-587-8867-02	13,000,000	Water Treatment Plant - Construction
Utility	Utility Admin	61-587-8867-03	260,000	Water Treatment Plant - Other
Utility	Utility Admin	61-587-8873-02	100,000	Sugar Road Waterline Relocation
Utility	Utility Admin	61-587-88xx-02	650,000	Rehab LBJ Water Tower - Construction
Utility	Utility Admin	61-587-88xx-02	350,000	W Hall Acres Utility Line Relocation
			\$ 29,210,000	
			\$ 39,349,540	



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FINANCIAL BUDGET SECTION

CITY-WIDE BUDGET SUMMARY



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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
REVENUES					
<i>General:</i>					
General Fund	34,741,741	31,346,740	33,472,480	33,883,370	32,129,600
General Contingency Reserve Fund	5,010,968	1,876,440	1,876,440	1,936,440	-
<i>Total General Funds</i>	39,752,709	33,223,180	35,348,920	35,819,810	32,129,600
<i>Special Revenue Funds:</i>					
Community Development Fund	1,165,165	2,394,560	2,395,590	980,100	2,192,160
Asset Sharing	385,752	305,000	305,000	1,247,500	308,000
Parkland Dedication	24,038	31,000	31,000	152,500	4,000
Grants	708,378	3,149,800	3,149,800	620,000	3,185,110
Paving & Drainage	-	673,000	673,000	1,076,306	1,362,000
Hotel/Motel Fund	689,385	884,600	884,600	1,200,000	800,000
<i>Total Special Revenue Funds</i>	2,972,717	7,437,960	7,438,990	5,276,406	7,851,270
<i>Capital Project Fund:</i>					
General Capital Project Fund	293,374	-	1,015,550	3,015,550	10,677,310
Utility Capital Project Fund	14,588,421	1,216,000	1,216,000	2,158,000	2,300,000
Bridge Capital Project Fund	-	-	-	-	350,000
	14,881,795	1,216,000	2,231,550	5,173,550	13,327,310
<i>Debt Service Fund:</i>					
Debt Service Fund	2,261,911	2,224,540	2,224,540	2,252,780	2,211,030
<i>Internal Service Fund:</i>					
Garage Fund	500,753	445,760	427,810	374,622	458,190
<i>Enterprise Funds:</i>					
Utility Fund	13,692,521	12,170,200	12,170,200	12,599,980	12,752,800
Bridge Fund	9,942,322	8,365,990	9,263,250	10,484,430	9,928,450
Golf Course Fund	889,810	882,000	882,000	868,401	1,140,850
<i>Total Enterprise Funds</i>	24,524,653	21,418,190	22,315,450	23,952,811	23,822,100
<i>Agency Fund:</i>					
Volunteer Firemen Pension	40,693	31,000	31,000	35,000	35,000
Total Revenues	84,935,232	65,996,630	70,018,260	72,884,979	79,834,500

EXPENDITURES/EXPENSES

<i>General:</i>					
General Fund	\$ 34,922,417	\$ 31,346,740	\$ 32,754,150	\$ 32,078,005	\$ 32,129,600
General Contingency Reserve Fund	5,260	1,876,440	1,876,440	-	8,000,000
<i>Total General Funds</i>	<u>34,927,677</u>	<u>33,223,180</u>	<u>34,630,590</u>	<u>32,078,005</u>	<u>40,129,600</u>
<i>Special Revenue Funds:</i>					
Community Development Fund	1,155,107	2,394,560	2,395,590	980,100	2,192,160
Asset Sharing	603,520	305,000	305,000	399,000	1,308,000
Parkland Dedication	27,131	270,000	270,000	270,500	4,000
Grants	708,378	3,149,800	3,149,800	620,000	3,185,110
Paving & Drainage	-	673,000	673,000	756,306	1,682,000
Hotel/Motel Fund	2,548,267	1,081,190	1,622,390	1,621,730	800,000
<i>Total Special Revenue Funds</i>	<u>5,042,403</u>	<u>7,873,550</u>	<u>8,415,780</u>	<u>4,647,636</u>	<u>9,171,270</u>
<i>Capital Project Fund:</i>					
General Capital Project Fund	289,859	-	1,015,550	421,350	7,146,850
Utility Capital Project Fund	-	57,575,940	57,575,940	19,588,000	29,210,000
Bridge Capital Project Fund	-	-	165,000	-	350,000
	<u>289,859</u>	<u>57,575,940</u>	<u>58,756,490</u>	<u>20,009,350</u>	<u>36,706,850</u>
<i>Debt Service Fund:</i>					
Debt Service Fund	2,517,668	2,224,540	2,224,540	2,252,780	2,211,030
<i>Internal Service Fund:</i>					
Garage Fund	497,377	444,760	461,840	374,622	458,190
<i>Enterprise Funds:</i>					
Utility Fund	11,293,144	12,170,200	12,168,380	10,783,422	12,752,800
Bridge Fund	6,220,015	8,365,990	9,093,280	10,481,621	9,928,450
Golf Course Fund	1,068,041	882,000	888,680	865,560	1,140,850
<i>Total Enterprise Funds</i>	<u>18,581,201</u>	<u>21,418,190</u>	<u>22,150,340</u>	<u>22,130,603</u>	<u>23,822,100</u>
<i>Agency Fund:</i>					
Volunteer Firemen Pension	<u>12,360</u>	<u>12,300</u>	<u>12,300</u>	<u>13,000</u>	<u>12,300</u>
Total Expenditures/Expenses	<u>61,868,545</u>	<u>122,772,460</u>	<u>126,651,880</u>	<u>81,505,996</u>	<u>112,511,340</u>
Net Revenues Over/(Under) Expenditures/Expenses, Change in Available Resources	23,066,686	(56,775,830)	(56,633,620)	(8,621,017)	(32,676,840)

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

	ESTIMATED BEGINNING FUND BALANCE/ NET ASSETS 9/30/10	BUDGETED OPERATING REVENUES 2010-2011	DEBT PROCEEDS 2010-2011	TRANSFER IN 2010-2011	TRANSFER OUT 2010-2011
<i>General:</i>					
General Fund	2,401,435	28,674,640	1,464,220	1,990,740	(97,550)
General Contingency Reserve Fund	8,000,000	-	-	-	-
<i>Total General Funds</i>	<u>10,401,435</u>	<u>28,674,640</u>	<u>1,464,220</u>	<u>1,990,740</u>	<u>(97,550)</u>
<i>Special Revenue Funds:</i>					
Community Development Fund	439,667	2,149,460	-	42,700	-
Grants	-	3,185,110	-	-	-
Hotel/Motel Fund	78,085	800,000	-	-	(75,460)
Parkland Dedication	104,420	4,000	-	-	-
Asset Sharing	1,019,838	308,000	-	-	-
Paving & Drainage	320,000	725,000	637,000	-	(816,850)
<i>Total Special Revenue Funds</i>	<u>1,962,010</u>	<u>7,171,570</u>	<u>637,000</u>	<u>42,700</u>	<u>(892,310)</u>
<i>Capital Project Fund:</i>					
General Capital Project Fund	2,594,200	657,000	5,600,000	4,420,310	-
Bridge Capital Project Fund	-	-	-	350,000	-
Utility Capital Project Fund	26,910,000	1,300,000	-	1,000,000	-
	<u>29,504,200</u>	<u>1,957,000</u>	<u>5,600,000</u>	<u>5,770,310</u>	<u>-</u>
<i>Debt Service Fund:</i>					
Debt Service Fund	27,804	1,716,000	-	495,030	(102,990)
<i>Enterprise Funds:</i>					
Utility Fund	73,178,064	12,752,800	-	-	(1,327,800)
Bridge Fund	13,295,002	9,750,000	-	178,450	(4,753,460)
Golf Course Fund	4,039,896	884,000	232,000	24,850	(30,000)
<i>Total Enterprise Funds</i>	<u>90,512,962</u>	<u>23,386,800</u>	<u>232,000</u>	<u>203,300</u>	<u>(6,111,260)</u>
<i>Internal Service Fund:</i>					
Garage Fund	659,642	458,190	-	-	-
<i>Agency Fund:</i>					
Volunteer Firemen Pension	406,138	5,000	-	30,000	-
TOTALS	<u>133,474,191</u>	<u>63,369,200</u>	<u>7,933,220</u>	<u>8,532,080</u>	<u>(7,204,110)</u>

OPERATING EXPENDITURES/ EXPENSES 2010-2011	CAPITAL OUTLAY 2010-2011	LONG-TERM DEBT SERVICE 2010-2011	TOTAL APPROPRIATIONS (NOT INCLUDING TRANSFERS) 2010-2011	REVENUES OVER/ (UNDER) EXPENDITURES/ EXPENSES 2010-2011	PROJECTED ENDING FUND BALANCE/ NET ASSETS 9/30/11
(30,452,330)	(1,579,720)	-	(32,032,050)	-	2,401,435
(8,000,000)	-	-	(8,000,000)	(8,000,000)	-
<u>(38,452,330)</u>	<u>(1,579,720)</u>	<u>-</u>	<u>(40,032,050)</u>	<u>(8,000,000)</u>	<u>2,401,435</u>
(1,610,470)	(581,690)	-	(2,192,160)	-	439,667
(883,520)	(2,301,590)	-	(3,185,110)	-	-
(724,540)	-	-	(724,540)	-	78,085
(4,000)	-	-	(4,000)	-	104,420
(308,000)	(1,000,000)	-	(1,308,000)	(1,000,000)	19,838
(228,150)	(637,000)	-	(865,150)	(320,000)	-
<u>(3,758,680)</u>	<u>(4,520,280)</u>	<u>-</u>	<u>(8,278,960)</u>	<u>(1,320,000)</u>	<u>642,010</u>
-	(7,146,850)	-	(7,146,850)	3,530,460	6,124,660
-	(350,000)	-	(350,000)	-	-
-	(29,210,000)	-	(29,210,000)	(26,910,000)	-
<u>-</u>	<u>(36,706,850)</u>	<u>-</u>	<u>(36,706,850)</u>	<u>(23,379,540)</u>	<u>6,124,660</u>
(8,000)	-	(2,100,040)	(2,108,040)	-	27,804
(6,598,930)	(667,500)	(4,158,570)	(11,425,000)	-	73,178,064
(2,566,820)	(101,000)	(2,507,170)	(5,174,990)	-	13,295,002
(1,110,850)	-	-	(1,110,850)	-	4,039,896
<u>(10,276,600)</u>	<u>(768,500)</u>	<u>(6,665,740)</u>	<u>(17,710,840)</u>	<u>-</u>	<u>90,512,962</u>
(458,190)	-	-	(458,190)	-	659,642
(12,300)	-	-	(12,300)	22,700	428,838
<u>(52,966,100)</u>	<u>(43,575,350)</u>	<u>(8,765,780)</u>	<u>(105,307,230)</u>	<u>(32,676,840)</u>	<u>100,797,351</u>

CITY OF PHARR, TX
CITY-WIDE BUDGET SUMMARY OF MAJOR REVENUES & EXPENDITURES/EXPENSES
FISCAL YEAR 2010-2011

	GENERAL FUND		SPECIAL REVENUE FUNDS					
	GENERAL FUND	GENERAL CONTINGENCY	CDBG	GRANTS	HOTEL	PARKLAND DEDICATION	ASSET SHARING	PAVING & DRAINAGE
REVENUES								
Taxes								
Property Tax	\$ 12,599,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Property Tax Penalty and Interest	550,000	-	-	-	-	-	-	-
Sales Tax	7,466,300	-	-	-	-	-	-	-
Franchise Tax	1,832,100	-	-	-	-	-	-	-
Hotel Tax	-	-	-	-	790,000	-	-	-
Other Taxes	144,000	-	-	-	-	-	-	-
Total Taxes	22,591,400	-	-	-	790,000	-	-	-
Sanitation and Brush								
Sanitation	2,200,000	-	-	-	-	-	-	-
Brush	960,000	-	-	-	-	-	-	-
Total Sanitation and Brush	3,160,000	-	-	-	-	-	-	-
Revenue Producing Facilities	391,680	-	-	-	-	-	-	-
Fines and Fees	1,088,000	-	-	-	-	-	-	-
License and Permits	565,530	-	-	-	-	-	-	-
Charges For Current Services	252,710	-	-	-	-	2,000	-	720,000
Intergovernmental	405,320	-	2,149,460	3,185,110	-	-	300,000	-
Other	-	-	-	-	-	-	-	-
Interest	220,000	-	-	-	10,000	2,000	8,000	5,000
Total Operating Revenues	28,674,640	-	2,149,460	3,185,110	800,000	4,000	308,000	725,000
Debt/ Capital Lease Proceeds	1,464,220	-	-	-	-	-	-	637,000
Transfers In	1,990,740	-	42,700	-	-	-	-	-
Total Revenues	\$ 32,129,600	\$ -	\$ 2,192,160	\$ 3,185,110	\$ 800,000	\$ 4,000	\$ 308,000	\$ 1,362,000

EXPENDITURES/EXPENSES								
Personnel Services	\$ 20,041,750	\$ -	\$ 248,580	\$ 863,520	\$ 186,640	\$ -	\$ -	\$ -
Supplies	932,545	-	7,000	20,000	5,000	-	308,000	62,810
Maint., Rentals, & Vehicle Maint.	1,857,080	8,000,000	8,220	-	40,000	4,000	-	-
Other Services	2,480,935	-	22,150	-	492,900	-	-	-
Debt Service	729,720	-	-	-	-	-	-	165,340
Capital Outlay	1,579,720	-	581,690	2,301,590	-	-	1,000,000	637,000
Transfers Out	97,550	-	-	-	75,460	-	-	816,850
Non-Departmental	4,410,300	-	1,324,520	-	-	-	-	-
Total Expenditures/Expenses	\$ 32,129,600	\$ 8,000,000	\$ 2,192,160	\$ 3,185,110	\$ 800,000	\$ 4,000	\$ 1,308,000	\$ 1,682,000

CAPITAL PROJECT FUNDS			DEBT SERVICE	ENTERPRISE FUNDS			INTERNAL SERVICE FUND	AGENCY FUND	TOTAL ALL FUNDS
GENERAL CAPITAL	BRIDGE CAPITAL	UTILITY CAPITAL	DEBT SERVICE	UTILITY	BRIDGE	GOLF COURSE	GARAGE	VOLUNTEER FIREMEN	
\$ -	\$ -	\$ -	\$ 1,631,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 14,230,000
-	-	-	70,000	-	-	-	-	-	620,000
-	-	-	-	-	-	-	-	-	7,466,300
-	-	-	-	-	-	-	-	-	1,832,100
-	-	-	-	-	-	-	-	-	790,000
-	-	-	-	-	-	-	-	-	144,000
-	-	-	1,701,000	-	-	-	-	-	25,082,400
-	-	-	-	-	-	-	-	-	2,200,000
-	-	-	-	-	-	-	-	-	960,000
-	-	-	-	-	-	-	-	-	3,160,000
-	-	-	-	-	-	-	-	-	391,680
-	-	-	-	-	-	-	-	-	1,088,000
-	-	-	-	-	-	-	-	-	565,530
-	-	-	-	11,589,300	9,500,000	880,000	458,190	-	23,402,200
657,000	-	1,300,000	-	-	-	-	-	-	7,996,890
-	-	-	-	-	150,000	-	-	-	150,000
-	-	-	15,000	500,000	100,000	4,000	-	5,000	869,000
657,000	-	1,300,000	1,716,000	12,089,300	9,750,000	884,000	458,190	5,000	62,705,700
5,600,000	-	-	-	663,500	-	232,000	-	-	8,596,720
4,420,310	350,000	1,000,000	495,030	-	178,450	24,850	-	30,000	8,532,080
<u>\$ 10,677,310</u>	<u>\$ 350,000</u>	<u>\$ 2,300,000</u>	<u>\$ 2,211,030</u>	<u>\$ 12,752,800</u>	<u>\$ 9,928,450</u>	<u>\$ 1,140,850</u>	<u>\$ 458,190</u>	<u>\$ 35,000</u>	<u>\$ 79,834,500</u>
\$ -	\$ -	\$ -	\$ -	\$ 2,446,340	\$ 1,014,370	\$ 511,070	\$ 166,150	\$ -	\$ 25,478,420
-	-	-	-	996,180	75,000	73,630	9,200	-	2,489,365
-	-	-	-	665,370	206,000	90,480	273,200	-	11,144,350
-	-	-	8,000	1,213,310	756,200	155,240	9,640	-	5,138,375
-	-	-	2,100,040	4,296,980	2,712,420	48,430	-	-	10,052,930
7,146,850	350,000	29,210,000	-	663,500	101,000	232,000	-	-	43,803,350
-	-	-	102,990	1,327,800	4,753,460	30,000	-	-	7,204,110
-	-	-	-	1,143,320	310,000	-	-	12,300	7,200,440
<u>\$ 7,146,850</u>	<u>\$ 350,000</u>	<u>\$ 29,210,000</u>	<u>\$ 2,211,030</u>	<u>\$ 12,752,800</u>	<u>\$ 9,928,450</u>	<u>\$ 1,140,850</u>	<u>\$ 458,190</u>	<u>\$ 12,300</u>	<u>\$ 112,511,340</u>



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GOVERNMENTAL FUNDS

GENERAL FUND

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

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

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



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CITY OF PHARR, TEXAS
BUDGETED REPORT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GENERAL FUND
FOR THE FISCAL YEAR OCTOBER 1, 2010 THROUGH SEPTEMBER 30, 2011

Note: payroll fund not included

	ACTUAL	ORIGINAL	AMENDED	PROJECTED	BUDGET
	<u>2008-2009</u>	<u>BUDGET</u>	<u>BUDGET</u>	<u>ACTUAL</u>	<u>BUDGET</u>
		<u>2009-2010</u>	<u>2009-2010</u>	<u>2009-2010</u>	<u>2010-2011</u>
REVENUES					
General Tax Revenue					
Property	\$ 13,186,408	\$ 13,147,200	\$ 13,147,200	\$ 13,313,200	\$ 13,149,000
Sales	7,918,572	7,835,500	7,325,500	7,580,000	7,466,300
Franchise	1,952,684	1,879,400	1,879,400	1,832,100	1,832,100
Other	189,787	168,800	168,800	144,000	144,000
Total	<u>23,247,451</u>	<u>23,030,900</u>	<u>22,520,900</u>	<u>22,869,300</u>	<u>22,591,400</u>
Licenses and permits					
Building	428,242	220,000	220,000	280,000	280,000
Professional services	137,150	150,000	150,000	108,000	120,000
Other	149,645	103,000	103,000	125,280	165,530
Total	<u>715,037</u>	<u>473,000</u>	<u>473,000</u>	<u>513,280</u>	<u>565,530</u>
Intergovernmental					
Grants	-	-	-	-	-
School security	194,245	310,580	310,580	294,300	399,320
County fire runs	10,051	6,000	6,000	11,800	6,000
Total	<u>204,296</u>	<u>316,580</u>	<u>316,580</u>	<u>306,100</u>	<u>405,320</u>
Fees and charges:					
Sanitation	2,224,724	2,040,000	2,040,000	2,160,000	2,200,000
Brush	997,379	936,000	936,000	980,000	960,000
Wells Fargo rental	222,096	204,960	204,960	210,000	120,000
Other rentals	308,552	253,680	253,680	274,000	261,680
Other fees	183,152	240,190	240,190	156,850	166,000
Total	<u>3,935,903</u>	<u>3,674,830</u>	<u>3,674,830</u>	<u>3,780,850</u>	<u>3,707,680</u>
Fines					
Court fines	964,970	1,070,000	1,070,000	850,000	900,000
Police records/fees	112,738	102,000	102,000	162,000	148,000
Library fines	43,928	38,400	38,400	45,000	40,000
Total	<u>1,121,636</u>	<u>1,210,400</u>	<u>1,210,400</u>	<u>1,057,000</u>	<u>1,088,000</u>
Interest income	Total 106,267	80,000	80,000	80,000	220,000
Other					
Miscellaneous	69,363	81,930	81,930	160,000	84,710
Oil and gas royalties	12,542	10,000	10,000	12,000	12,000
Total	<u>81,905</u>	<u>91,930</u>	<u>91,930</u>	<u>172,000</u>	<u>96,710</u>
Total revenues	<u><u>29,412,495</u></u>	<u><u>28,877,640</u></u>	<u><u>28,367,640</u></u>	<u><u>28,778,530</u></u>	<u><u>28,674,640</u></u>

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
EXPENDITURES					
Current:					
General government	4,662,456	4,795,740	4,812,380	4,469,795	6,207,100
Public safety	17,371,241	17,058,140	17,397,310	15,698,675	18,075,545
Highways and streets	2,081,876	2,009,040	2,022,890	1,886,767	2,169,300
Health and welfare	2,298,401	2,516,250	2,516,250	2,320,000	2,460,975
Culture and recreation	3,242,521	3,076,540	3,098,740	2,839,188	3,119,130
Debt service	-	-	-	-	-
Total expenditures	<u>29,656,495</u>	<u>29,455,710</u>	<u>29,847,570</u>	<u>27,214,425</u>	<u>32,032,050</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(244,000)</u>	<u>(578,070)</u>	<u>(1,479,930)</u>	<u>1,564,105</u>	<u>(3,357,410)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in					
Bridge	3,248,569	2,000,000	2,000,000	2,000,000	1,500,000
PEDC	-	124,500	2,760,240	2,760,240	132,940
Other	1,569,439	-	-	-	-
Utility	481,237	314,600	314,600	314,600	327,800
Golf Course	30,000	30,000	30,000	30,000	30,000
Total	<u>5,329,246</u>	<u>2,469,100</u>	<u>5,104,840</u>	<u>5,104,840</u>	<u>1,990,740</u>
Transfers (out)					
Contingency	(2,616,399)	(1,767,340)	(1,767,340)	(1,767,340)	-
Fund Balance Improvement	(2,306,360)	(29,100)	(29,100)	(29,100)	-
CIP	-	-	(1,015,550)	(3,015,550)	-
Golf Course	-	-	-	(14,290)	(24,850)
Volunteer Firemen Pension	-	(30,000)	(30,000)	(30,000)	(30,000)
Other	(343,163)	(64,590)	(64,590)	(7,300)	(42,700)
Total	<u>(5,265,922)</u>	<u>(1,891,030)</u>	<u>(2,906,580)</u>	<u>(4,863,580)</u>	<u>(97,550)</u>
Lease proceeds	-	-	-	-	1,464,220
Total other financing sources and uses	<u>63,324</u>	<u>578,070</u>	<u>2,198,260</u>	<u>241,260</u>	<u>3,357,410</u>
Net change in fund balance	(180,676)	-	718,330	1,805,365	-
Fund balance (deficit) - beginning	8,439,147	2,252,404	2,252,404	8,258,471	10,063,836
Reserved for Contingency - Cash	(6,006,067)	(1,993,933)	(1,993,933)	(8,000,000)	-
Prior period adjustment	-	-	-	-	-
Fund balance - ending	<u>\$ 2,252,404</u>	<u>\$ 258,471</u>	<u>\$ 976,801</u>	<u>\$ 2,063,836</u>	<u>\$ 10,063,836</u>

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>Revenues</u>					
500 - General Tax Revenue	\$ 21,193,551	\$ 21,054,700	\$ 20,544,700	\$ 20,965,200	\$ 20,687,300
520 - Gross Receipts	2,053,900	1,976,200	1,976,200	1,904,100	1,904,100
530 - Revenue Producing Facilities	3,770,831	3,436,640	3,436,640	3,636,680	3,551,680
540 - Fines and Fees	1,121,636	1,210,400	1,210,400	1,057,000	1,088,000
550 - Licenses and Permits	715,037	473,000	473,000	513,280	565,530
560 - Charges for Current Services	557,540	726,700	726,700	702,270	878,030
570 - Grants	-	-	-	-	-
580 - Lease Proceeds	-	-	-	-	1,464,220
580 - Transfers/Others	5,329,246	2,469,100	5,104,840	5,104,840	1,990,740
Total Revenues	\$ 34,741,741	\$ 31,346,740	\$ 33,472,480	\$ 33,883,370	\$ 32,129,600
<u>Expenditures</u>					
10 - City Manager's Office	\$ 872,834	\$ 947,390	\$ 949,890	\$ 878,135	\$ 1,064,120
11 - Finance Department	521,870	679,370	683,270	577,768	713,670
12 - Police Department	10,023,936	10,366,060	10,637,140	9,770,514	10,903,530
13 - Traffic Safety	1,222,419	1,205,350	1,232,050	1,048,236	1,192,430
14 - Municipal Court	442,127	391,270	393,940	316,075	421,650
15 - Fire Protection	5,882,943	5,331,710	5,370,430	4,763,850	5,798,910
16 - Administrative Services	469,435	455,470	458,090	453,942	520,830
17 - Street Maintenance	2,081,876	2,009,040	2,022,890	1,886,767	2,169,300
18 - Information Technology	-	-	-	-	722,670
20 - Municipal Library	958,353	1,048,200	1,056,990	990,523	1,073,210
22 - Parks & Recreation	2,284,168	2,028,340	2,041,750	1,848,665	2,045,920
27 - Planning & Community Development	932,195	910,510	918,130	836,500	995,510
30 - Non-Departmental	9,230,261	5,974,030	6,989,580	8,707,030	4,507,850
Total Expenditures	\$ 34,922,417	\$ 31,346,740	\$ 32,754,150	\$ 32,078,005	\$ 32,129,600
Net Revenues Over/(Under) Expenditures	\$ (180,676)	\$ -	\$ 718,330	\$ 1,805,365	\$ -

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>Department</u>					
10 - City Manager's Office	\$ 872,834	\$ 947,390	\$ 949,890	\$ 878,135	\$ 1,064,120
11 - Finance Department	521,870	679,370	683,270	577,768	713,670
12 - Police Department	10,023,936	10,366,060	10,637,140	9,770,514	10,903,530
13 - Traffic Safety	1,222,419	1,205,350	1,232,050	1,048,236	1,192,430
14 - Municipal Court	442,127	391,270	393,940	316,075	421,650
15 - Fire Protection	5,882,943	5,331,710	5,370,430	4,763,850	5,798,910
16 - Administrative Services	469,435	455,470	458,090	453,942	520,830
17 - Street Maintenance	2,081,876	2,009,040	2,022,890	1,886,767	2,169,300
18 - Information Technology	-	-	-	-	722,670
20 - Municipal Library	958,353	1,048,200	1,056,990	990,523	1,073,210
22 - Parks & Recreation	2,284,168	2,028,340	2,041,750	1,848,665	2,045,920
27 - Planning & Community Development	932,195	910,510	918,130	836,500	995,510
30 - Non-Departmental	9,230,261	5,974,030	6,989,580	8,707,030	4,507,850
Total Expenditures	\$ 34,922,417	\$ 31,346,740	\$ 32,754,150	\$ 32,078,005	\$ 32,129,600
<u>Activity</u>					
1100- Personnel Services	\$ 18,846,710	\$ 19,348,950	\$ 19,709,970	\$ 17,994,565	\$ 20,041,750
2200- Supplies	657,746	807,230	854,990	718,430	932,545
3300- Maintenance	334,025	355,390	332,370	277,550	380,490
4400- Rentals	148,840	153,900	179,900	158,520	163,420
5500- Other Services	2,261,969	2,226,800	2,224,900	2,031,240	2,480,935
6600- Vehicle Maintenance	922,696	1,306,360	1,283,360	1,057,390	1,313,170
7700- Debt Service	1,086,005	962,590	962,590	962,590	729,720
8800- Capital Outlay	1,434,165	211,490	216,490	170,690	1,579,720
9900- Transfers Out	5,265,922	1,891,030	2,906,580	4,863,580	97,550
9900- Non-Departmental	3,964,339	4,083,000	4,083,000	3,843,450	4,410,300
Total Expenditures	\$ 34,922,417	\$ 31,346,740	\$ 32,754,150	\$ 32,078,005	\$ 32,129,600
<u>Function</u>					
General government	\$ 4,662,456	\$ 4,795,740	\$ 4,812,380	\$ 4,469,795	\$ 6,207,100
Public safety	17,371,241	17,058,140	17,397,310	15,698,675	18,075,545
Highways and streets	2,081,876	2,009,040	2,022,890	1,886,767	2,169,300
Health and welfare	2,298,401	2,516,250	2,516,250	2,320,000	2,460,975
Culture and recreation	3,242,521	3,076,540	3,098,740	2,839,188	3,119,130
Transfers Out	5,265,922	1,891,030	2,906,580	4,863,580	97,550
Total Expenditures	\$ 34,922,417	\$ 31,346,740	\$ 32,754,150	\$ 32,078,005	\$ 32,129,600

City of Pharr, Texas

Department: City Manager's Office

Function: General

Fund: General

EXPENDITURES	Actual 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 428,168	\$ 437,600	\$ 439,730	\$ 407,900	\$ 447,990
Employee Benefits	109,976	112,300	116,670	112,995	137,530
Supplies	16,256	37,240	42,240	30,240	39,660
Maintenance	5,006	5,640	5,640	4,000	3,480
Rentals	5,138	7,820	7,820	6,000	7,880
Contractual Services	151,530	165,000	160,000	160,000	225,000
Other Services	155,463	176,790	176,790	156,920	202,580
Vehicle Maintenance	1,297	5,000	1,000	80	-
Debt Service	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 872,834	\$ 947,390	\$ 949,890	\$ 878,135	\$ 1,064,120

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 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 281,725	\$ 362,170	\$ 365,460	\$ 333,932	\$ 394,560
Employee Benefits	87,222	116,390	117,000	101,136	148,080
Supplies	26,992	37,500	37,500	26,800	35,300
Maintenance	11,303	17,310	17,310	14,000	16,410
Rentals	5,654	5,520	5,520	5,520	5,520
Contractual Services	69,000	97,000	97,000	60,000	63,000
Other Services	32,516	38,500	38,500	31,400	38,860
Vehicle Maintenance	-	-	-	-	-
Debt Service	7,458	4,980	4,980	4,980	1,940
Capital Outlay	-	-	-	-	10,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 521,870	\$ 679,370	\$ 683,270	\$ 577,768	\$ 713,670

Purpose

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

Main Duties

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

Divisions

Accounting, Accounts Payable, Purchasing

Mission Statement

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

PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
Output:					
1 Prepare CAFR	Y	Y	Y	Y	Y
2 Prepare Official Budget Document	Y	Y	Y	Y	Y
3 Number of Qtrly Investment Report	4	4	4	4	4
Effectiveness:					
1 GFOA's CAFR award	Y	Y	Y	Y	Y
2 GFOA's Budget award	Y	Y	Y	Y	Y
3 GTOT Investment Policy award	Y	Y	Y	Y	Y

City of Pharr, Texas

Department: Administrative Services

Function: General

Fund: General

EXPENDITURES	Actual 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 236,435	\$ 265,750	\$ 265,950	\$ 259,430	\$ 259,650
Employee Benefits	67,667	97,080	82,500	80,822	100,610
Supplies	17,088	18,530	35,530	33,200	20,550
Maintenance	22,347	14,140	14,140	10,000	14,050
Rentals	2,407	3,560	3,560	3,500	3,560
Contractual Services	-	-	5,000	4,000	-
Other Services	39,008	39,920	34,920	49,300	57,000
Vehicle Maintenance	771	4,800	4,800	2,000	4,800
Debt Service	11,751	11,690	11,690	11,690	19,610
Capital Outlay	71,961	-	-	-	41,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 469,435	\$ 455,470	\$ 458,090	\$ 453,942	\$ 520,830

Purpose

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

Main Duties

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

Divisions

Administrative Services, Payroll, Human Resources

Mission Statement

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

PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Information Technologies

Function: General

Fund: General

EXPENDITURES	Actual 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ -	\$ -	\$ -	\$ -	\$ 124,900
Employee Benefits	-	-	-	-	28,900
Supplies	-	-	-	-	87,110
Maintenance	-	-	-	-	-
Rentals	-	-	-	-	-
Contractual Services	-	-	-	-	1,200
Other Services	-	-	-	-	8,000
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	76,560
Capital Outlay	-	-	-	-	396,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ -	\$ -	\$ -	\$ -	\$ 722,670

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 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 583,994	\$ 577,370	\$ 583,790	\$ 527,659	\$ 581,670
Employee Benefits	219,031	191,050	192,410	189,151	197,640
Supplies	21,548	24,100	23,940	23,640	23,940
Maintenance	5,499	6,000	6,000	5,000	6,000
Rentals	4,715	4,000	4,000	4,000	4,000
Contractual Services	6,784	6,000	6,000	6,000	6,000
Other Services	43,528	52,940	52,940	41,500	122,940
Vehicle Maintenance	28,297	36,500	36,500	27,000	36,500
Debt Service	18,799	12,550	12,550	12,550	3,820
Capital Outlay	-	-	-	-	13,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 932,195	\$ 910,510	\$ 918,130	\$ 836,500	\$ 995,510

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Sanitation	\$ 1,564,265	\$ 1,680,000	\$ 1,680,000	\$ 1,600,000	\$ 1,644,000
Debris/Brush	533,952	600,000	600,000	520,000	576,000
Street Lights	515,270	600,000	599,400	550,000	600,000
Legal	335,863	300,000	300,000	300,000	320,000
Engineering	129,750	120,000	115,000	115,000	115,000
City Hall	240,688	288,000	288,000	250,000	328,000
City Commission	65,687	100,000	100,000	75,000	100,000
Contingency	4,922,759	1,796,440	1,796,440	1,796,440	-
Transfers	343,163	94,590	1,110,140	3,067,140	97,550
Other	578,864	395,000	400,600	433,450	727,300
DEPARTMENT TOTAL	\$ 9,230,261	\$ 5,974,030	\$ 6,989,580	\$ 8,707,030	\$ 4,507,850

City of Pharr, Texas

Department: Police

Function: Public Safety

Fund: General

EXPENDITURES	Actual 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 6,275,755	\$ 6,363,900	\$ 6,623,780	\$ 6,078,633	\$ 6,606,900
Employee Benefits	2,250,299	2,300,940	2,302,140	2,084,701	2,267,190
Supplies	104,835	107,000	100,000	97,500	123,000
Maintenance	36,088	39,000	39,000	37,000	45,000
Rentals	62,403	54,000	80,000	81,000	63,560
Contractual Services	90,624	120,000	120,000	120,000	139,120
Other Services	391,941	439,040	449,040	429,500	455,880
Vehicle Maintenance	442,477	654,810	635,810	554,810	655,000
Debt Service	308,480	287,370	287,370	287,370	157,880
Capital Outlay	61,034	-	-	-	390,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 10,023,936	\$ 10,366,060	\$ 10,637,140	\$ 9,770,514	\$ 10,903,530

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 2,906,019	\$ 3,137,120	\$ 3,122,370	\$ 2,754,440	\$ 3,188,460
Employee Benefits	1,135,909	1,196,440	1,249,910	1,109,580	1,197,120
Supplies	95,145	115,750	114,670	99,000	123,150
Maintenance	87,275	86,000	80,580	69,000	103,300
Rentals	14,776	15,000	15,000	15,000	14,400
Contractual Services	-	15,000	15,000	15,000	40,000
Other Services	165,616	138,170	139,670	118,600	146,240
Vehicle Maintenance	142,767	196,000	196,000	151,000	199,600
Debt Service	451,936	378,740	378,740	378,740	329,640
Capital Outlay	883,500	53,490	58,490	53,490	457,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 5,882,943	\$ 5,331,710	\$ 5,370,430	\$ 4,763,850	\$ 5,798,910

Purpose

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

Main Duties

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

Divisions

Administration; Prevention; Suppression; Communications; Emergency Management

Mission Statement

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

PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 450,257	\$ 420,600	\$ 426,250	\$ 428,087	\$ 453,200
Employee Benefits	172,579	170,820	181,870	163,559	179,900
Supplies	109,629	157,430	157,430	105,000	165,925
Maintenance	7,049	9,500	9,500	8,000	9,500
Rentals	747	1,000	1,000	1,000	1,000
Contractual Services	-	1,500	1,500	-	2,500
Other Services	339,293	267,910	277,910	236,100	281,085
Vehicle Maintenance	68,267	89,600	89,600	62,000	90,600
Debt Service	62,858	44,490	44,490	44,490	8,720
Capital Outlay	11,740	42,500	42,500	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,222,419	\$ 1,205,350	\$ 1,232,050	\$ 1,048,236	\$ 1,192,430

Purpose

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

Main Duties

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

Divisions

Traffic & Safety, Animal Control

Mission Statement

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

PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 167,388	\$ 196,270	\$ 198,520	\$ 167,118	\$ 217,900
Employee Benefits	51,490	68,870	69,290	53,747	68,700
Supplies	16,464	15,050	19,050	15,000	15,050
Maintenance	1,543	2,000	2,000	3,000	2,000
Rentals	2,641	3,200	3,200	3,200	3,200
Contractual Services	190,608	82,000	78,000	58,000	76,000
Other Services	11,219	19,780	19,780	14,510	19,700
Vehicle Maintenance	774	4,100	4,100	1,500	4,100
Debt Service	-	-	-	-	-
Capital Outlay	-	-	-	-	15,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 442,127	\$ 391,270	\$ 393,940	\$ 316,075	\$ 421,650
Purpose Main Duties Divisions Administration, Court Mission Statement					
PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 711,992	\$ 774,050	\$ 785,720	\$ 772,367	\$ 855,900
Employee Benefits	345,035	357,480	359,660	331,790	359,970
Supplies	35,419	65,900	65,900	59,150	68,900
Maintenance	20,744	24,000	28,400	20,000	28,000
Rentals	18,614	31,000	31,000	11,000	31,500
Contractual Services	4,646	3,500	6,600	6,600	5,000
Other Services	242,790	294,980	287,480	274,080	298,480
Vehicle Maintenance	204,712	273,550	273,550	225,000	280,570
Debt Service	168,348	169,580	169,580	169,580	83,760
Capital Outlay	329,576	15,000	15,000	17,200	157,220
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 2,081,876	\$ 2,009,040	\$ 2,022,890	\$ 1,886,767	\$ 2,169,300

Purpose

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

Main Duties

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

Divisions

Administration, Streets & Alleys, Drainage & Right Of Ways

Mission Statement

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

PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 1,196,300	\$ 1,071,270	\$ 1,083,570	\$ 992,715	\$ 1,116,080
Employee Benefits	460,298	379,910	383,020	342,460	343,440
Supplies	189,912	197,110	227,110	197,500	197,110
Maintenance	119,675	129,000	107,000	85,000	129,000
Rentals	8,759	9,500	9,500	9,000	9,500
Contractual Services	-	18,000	8,000	6,500	18,000
Other Services	219,515	128,360	128,360	128,300	143,000
Vehicle Maintenance	33,334	42,000	42,000	34,000	42,000
Debt Service	56,375	53,190	53,190	53,190	47,790
Capital Outlay	-	-	-	-	-
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 2,284,168	\$ 2,028,340	\$ 2,041,750	\$ 1,848,665	\$ 2,045,920

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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
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Department: Library	Function: Culture & Rec.	Fund: General
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Department: Library	Function: Culture & Rec.	Fund: General
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Department: Library	Function: Culture & Rec.	Fund: General
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EXPENDITURES	Actual 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 518,572	\$ 563,100	\$ 570,500	\$ 526,225	\$ 567,350
Employee Benefits	190,599	188,470	189,860	176,118	198,110
Supplies	24,458	31,620	31,620	31,400	32,850
Maintenance	17,496	22,800	22,800	22,550	23,750
Rentals	22,986	19,300	19,300	19,300	19,300
Contractual Services	-	-	-	-	-
Other Services	107,888	122,410	122,410	114,930	131,350
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	-
Capital Outlay	76,354	100,500	100,500	100,000	100,500
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 958,353	\$ 1,048,200	\$ 1,056,990	\$ 990,523	\$ 1,073,210

<div> <div>Purpose</div> </div>

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

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

<p>Main Duties</p>	
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Main Duties
To provide library materials and customer service to adults, young adults, and children of the community.

Divisions

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

PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	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 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>REVENUES</u>					
Transfers In	\$ 2,306,360	\$ 29,100	\$ 1,796,440	\$ 29,100	\$ -
Interest	<u>2,704,608</u>	<u>1,847,340</u>	<u>80,000</u>	<u>1,907,340</u>	<u>-</u>
Total Revenues	\$ 5,010,968	\$ 1,876,440	\$ 1,876,440	\$ 1,936,440	\$ -
<u>EXPENDITURES</u>					
Emergency Contingencies	<u>\$ 5,260</u>	<u>\$ 1,876,440</u>	<u>\$ 1,876,440</u>	<u>\$ -</u>	<u>\$ 8,000,000</u>
Total Expenditures	<u>\$ 5,260</u>	<u>\$ 1,876,440</u>	<u>\$ 1,876,440</u>	<u>\$ -</u>	<u>\$ 8,000,000</u>
Net Revenues Over/(Under) Expenditures	\$ 5,005,708	\$ -	\$ -	\$ 1,936,440	\$ (8,000,000)



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SPECIAL REVENUES FUNDS

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

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

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

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

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

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

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

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>Revenues</u>					
500 - General Tax Revenue	\$ 664,083	\$ 854,600	\$ 854,600	\$ 780,000	\$ 790,000
560 - Charges for Current Services	19,930	688,000	688,000	1,078,306	722,000
560 - Intergovernmental	375,986	300,000	300,000	1,241,000	300,000
570 - Grants	1,868,113	5,479,770	5,480,800	1,592,800	5,334,570
580 - Others	44,605	51,000	51,000	577,000	25,000
580 - Transfers/Others	-	64,590	64,590	7,300	679,700
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	\$ 2,972,717	\$ 7,437,960	\$ 7,438,990	\$ 5,276,406	\$ 7,851,270
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
<u>Expenditures</u>					
General government	\$ 769,427	\$ 1,520,560	\$ 1,521,590	\$ 1,515,100	\$ 1,687,190
Public safety	1,464,507	2,675,160	2,675,160	404,000	2,194,800
Highways and streets	163,963	2,162,000	2,162,000	836,306	4,335,280
Culture and recreation	995,057	1,438,000	1,979,200	1,814,400	878,540
Transfer Out	1,649,449	77,830	77,830	77,830	75,460
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenditures	\$ 5,042,403	\$ 7,873,550	\$ 8,415,780	\$ 4,647,636	\$ 9,171,270
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Revenues Over/(Under) Expenditures	<u>\$ (2,069,686)</u>	<u>\$ (435,590)</u>	<u>\$ (976,790)</u>	<u>\$ 628,770</u>	<u>\$ (1,320,000)</u>

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>REVENUES</u>					
Grants-CDBG - Current Year	\$ 1,074,319	\$ 1,121,970	\$ 1,123,000	\$ 858,500	\$ 1,216,240
Grants-Other CDBG Program Funds	85,416	1,208,000	1,208,000	114,300	933,220
Misc	5,430	-	-	-	-
Transfer In	-	64,590	64,590	7,300	42,700
Total Revenues	\$ 1,165,165	\$ 2,394,560	\$ 2,395,590	\$ 980,100	\$ 2,192,160
<u>EXPENDITURES</u>					
Personnel	\$ 203,782	\$ 247,830	\$ 248,860	\$ 202,860	\$ 248,580
Supplies	5,236	7,000	6,140	4,000	7,000
Maintenance	1,191	1,000	2,860	2,860	1,000
Rentals	2,480	4,220	4,220	4,000	4,220
Other	11,287	22,500	22,500	14,000	22,150
Vehicle Maintenance	1,234	3,000	2,000	540	3,000
Debt Service (operating funds)	-	-	-	-	-
Capital Outlay (operating funds)	-	-	-	-	-
Non-Departmental	929,898	2,109,010	2,109,010	751,840	1,906,210
Total Expenditures	\$ 1,155,107	\$ 2,394,560	\$ 2,395,590	\$ 980,100	\$ 2,192,160
Net Revenues Over/(Under) Expenditures	\$ 10,058	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES</u>					
General government	769,427	920,560	921,590	915,100	1,687,190
Public safety	241,717	5,000	5,000	5,000	23,280
Highways and streets	143,963	1,469,000	1,469,000	60,000	481,690
Total Expenditures	\$ 1,155,107	\$ 2,394,560	\$ 2,395,590	\$ 980,100	\$ 2,192,160

City of Pharr, Texas

Department: Administration

Fund: CDBG

EXPENSES	Actual 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 149,904	\$ 187,370	\$ 186,180	\$ 148,190	\$ 183,030
Employee Benefits	53,877	60,460	62,680	54,670	65,550
Supplies	5,236	7,000	6,140	4,000	7,000
Maintenance	1,191	1,000	2,860	2,860	1,000
Rentals	2,480	4,220	4,220	4,000	4,220
Contractual Services	-	-	-	-	-
Other Services	11,287	22,500	22,500	14,000	22,150
Vehicle Maintenance	1,234	3,000	2,000	540	3,000
Debt Service	-	-	-	-	-
Capital Outlay	-	-	-	-	-
Non-Departmental	929,898	2,109,010	2,109,010	751,840	1,906,210
DEPARTMENT TOTAL	\$ 1,155,107	\$ 2,394,560	\$ 2,395,590	\$ 980,100	\$ 2,192,160

Purpose

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

Main Duties

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

Divisions

Administration

Mission Statement

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

PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>REVENUES</u>					
Police	\$ 517,927	\$ 922,510	\$ 922,510	\$ -	\$ 586,450
Fire	101,342	1,442,650	1,442,650	-	277,070
Library	69,108	164,640	164,640	-	150,000
Public Works	20,000	20,000	20,000	20,000	2,171,590
Other	-	600,000	600,000	600,000	-
Total Revenues	\$ 708,378	\$ 3,149,800	\$ 3,149,800	\$ 620,000	\$ 3,185,110
<u>EXPENDITURES BY FUNCTION</u>					
Public Safety:					
Police	\$ 532,815	\$ 922,510	\$ 922,510	\$ -	\$ 586,450
Fire	86,454	1,442,650	1,442,650	-	277,070
	619,269	2,365,160	2,365,160	-	863,520
Culture and Recreation:					
Library	69,108	164,640	164,640	-	150,000
Environmental:					
Public Works	20,000	20,000	20,000	20,000	2,171,590
General:					
General	-	600,000	600,000	600,000	-
Total Expenditures	\$ 708,378	\$ 3,149,800	\$ 3,149,800	\$ 620,000	\$ 3,185,110
Net Revenues Over/(Under) Expenditures	\$ -	\$ -	\$ -	\$ -	\$ -
<u>EXPENDITURES BY ACTIVITY</u>					
Personnel	\$ 399,086	\$ 1,717,250	\$ 1,717,250	\$ -	\$ 863,520
Supplies	192,032	599,290	599,290	20,000	20,000
Maintenance	-	600,000	600,000	600,000	-
Rentals	-	-	-	-	-
Other	3,737	3,260	3,260	-	-
Vehicle Maintenance	2,136	-	-	-	-
Debt Service	-	-	-	-	-
Capital Outlay	111,386	230,000	230,000	-	2,301,590
Total Expenditures	\$ 708,378	\$ 3,149,800	\$ 3,149,800	\$ 620,000	\$ 3,185,110

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>REVENUES</u>					
Hotel/Motel Tax	\$ 664,083	\$ 854,600	\$ 854,600	\$ 780,000	\$ 790,000
Other	-	-	-	400,000	-
Interest	<u>25,302</u>	<u>30,000</u>	<u>30,000</u>	<u>20,000</u>	<u>10,000</u>
Total	\$ 689,385	\$ 884,600	\$ 884,600	\$ 1,200,000	\$ 800,000
<u>EXPENDITURES</u>					
Culture and Recreation:					
Personnel	\$ 3,979	\$ 186,590	\$ 194,560	\$ 186,880	\$ 186,640
Supplies	11,701	15,000	25,000	20,000	5,000
Maintenance	35,624	50,000	10,000	10,000	40,000
Rentals	-	-	-	-	-
Other: Chamber	223,945	320,000	320,000	320,000	320,000
Other: Misc	83,800	160,000	145,000	145,020	172,900
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	-
Capital Outlay	539,768	-	850,000	862,000	-
Non-Departmental	-	271,770	-	-	-
Transfer Out	<u>1,649,449</u>	<u>77,830</u>	<u>77,830</u>	<u>77,830</u>	<u>75,460</u>
Total	\$ <u>2,548,267</u>	\$ <u>1,081,190</u>	\$ <u>1,622,390</u>	\$ <u>1,621,730</u>	\$ <u>800,000</u>
Net Revenues Over/(Under) Expenditures	\$ (1,858,882)	\$ (196,590)	\$ (737,790)	\$ (421,730)	\$ -

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>REVENUES</u>					
Parkland Dedication Fees	\$ 19,930	\$ 28,000	\$ 28,000	\$ 4,000	\$ 2,000
Interest	4,108	3,000	3,000	3,500	2,000
Transfer In	-	-	-	145,000	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	\$ 24,038	\$ 31,000	\$ 31,000	\$ 152,500	\$ 4,000
<u>EXPENDITURES</u>					
Culture and Recreation:					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	-	-	-	-
Maintenance	9,285	-	-	500	4,000
Rentals	-	-	-	-	-
Other	1,299	-	-	-	-
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	-
Capital Outlay	16,547	270,000	270,000	270,000	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	\$ 27,131	\$ 270,000	\$ 270,000	\$ 270,500	\$ 4,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Net Revenues Over/(Under) Expenditures	\$ (3,093)	\$ (239,000)	\$ (239,000)	\$ (118,000)	\$ -

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>REVENUES</u>					
Intergovernmental	\$ 375,986	\$ 300,000	\$ 300,000	\$ 1,241,000	\$ 300,000
Other	2,600	-	-	-	-
Interest	7,166	5,000	5,000	6,500	8,000
Transfer In	-	-	-	-	-
Total	<u>\$ 385,752</u>	<u>\$ 305,000</u>	<u>\$ 305,000</u>	<u>\$ 1,247,500</u>	<u>\$ 308,000</u>
<u>EXPENDITURES</u>					
Public Safety:					
Personnel	\$ 31,785	\$ -	\$ -	\$ 32,000	\$ -
Supplies	328,642	305,000	305,000	127,000	308,000
Maintenance	27,463	-	-	40,000	-
Rentals	16,872	-	-	-	-
Other	104,364	-	-	123,000	-
Vehicle Maintenance	1,754	-	-	15,000	-
Debt Service	-	-	-	-	-
Capital Outlay	92,640	-	-	62,000	1,000,000
Total	<u>\$ 603,520</u>	<u>\$ 305,000</u>	<u>\$ 305,000</u>	<u>\$ 399,000</u>	<u>\$ 1,308,000</u>
Net Revenues Over/(Under) Expenditures	\$ (217,769)	\$ -	\$ -	\$ 848,500	\$ (1,000,000)

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>REVENUES</u>					
Paving & Drainage Fee	\$ -	\$ 660,000	\$ 660,000	\$ 1,074,306	\$ 720,000
Lease Proceeds	-	-	-	-	637,000
Interest Income	-	13,000	13,000	2,000	5,000
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	\$ -	\$ 673,000	\$ 673,000	\$ 1,076,306	\$ 1,362,000
<u>EXPENDITURES</u>					
Highways and Streets:					
Personnel	\$ -	\$ -	\$ -	\$ -	\$ -
Supplies	-	373,000	373,000	90,000	62,810
Maintenance	-	-	-	23,000	-
Rentals	-	-	-	-	-
Other	-	300,000	300,000	344,731	-
Vehicle Maintenance	-	-	-	-	-
Debt Service	-	-	-	-	165,340
Capital Outlay	-	-	-	298,575	637,000
Transfer Out	-	-	-	-	816,850
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total	\$ -	\$ 673,000	\$ 673,000	\$ 756,306	\$ 1,682,000
Net Revenues Over/(Under) Expenditures	\$ -	\$ -	\$ -	\$ 320,000	\$ (320,000)

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 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>REVENUES</u>					
Intergovernmental	\$ 50,000	\$ -	\$ -	\$ -	\$ 657,000
Debt Proceeds	-	-	-	-	5,600,000
Transfers In	226,264	-	1,015,550	3,015,550	4,420,310
Other	<u>243,374</u>	<u>-</u>	<u>1,015,550</u>	<u>3,015,550</u>	<u>-</u>
Total Revenues	\$ 519,638	\$ -	\$ 2,031,100	\$ 6,031,100	\$ 10,677,310
<u>EXPENDITURES</u>					
Street Projects	\$ 181,010	\$ -	\$ 1,015,550	\$ 421,350	\$ 3,546,850
Other	<u>108,849</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>3,600,000</u>
Total Expenditures	<u>\$ 289,859</u>	<u>\$ -</u>	<u>\$ 1,015,550</u>	<u>\$ 421,350</u>	<u>\$ 7,146,850</u>
Net Revenues Over/(Under) Expenditures	\$ 229,779	\$ -	\$ 1,015,550	\$ 5,609,750	\$ 3,530,460

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>REVENUES</u>					
Transfer In	\$ -	\$ -	\$ -	\$ -	\$ 350,000
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Revenues	\$ -	\$ -	\$ -	\$ -	\$ 350,000
<u>EXPENSES</u>					
Port of Entry Modernization	\$ -	\$ -	\$ 165,000	\$ -	\$ 350,000
Other	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenses	\$ -	\$ -	\$ 165,000	\$ -	\$ 350,000
Net Revenues Over/(Under) Expenses	\$ -	\$ -	\$ (165,000)	\$ -	\$ -

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>REVENUES</u>					
Grants - NADBank	\$ 12,524,545	\$ -	\$ -	\$ -	\$ -
Grants - TWDB	344,165	-	-	1,508,000	1,300,000
Loan Proceeds - NADBank	-	-	-	650,000	-
Loan Proceeds - TWDB -CW	-	-	-	-	-
Loan Proceeds - TWDB -DW	-	-	-	-	-
Transfer In	1,719,711	1,216,000	1,216,000	-	1,000,000
Total Revenues	\$ 14,588,421	\$ 1,216,000	\$ 1,216,000	\$ 2,158,000	\$ 2,300,000
<u>EXPENSES</u>					
Waterline Relocation - Sugar Roac	\$ -	\$ 700,000	\$ 700,000	\$ 600,000	\$ 100,000
Rehab LBJ Water Tower	-	-	-	-	650,000
West Hall Acres Utility Line	-	-	-	-	350,000
Wastewater Collection System	-	968,200	968,200	430,000	150,000
WWCS - Phase 1a	-	2,425,620	2,425,620	108,000	600,000
WWCS - Phase 1b	-	6,517,980	6,517,980	1,400,000	700,000
WWCS - Phase 1c	-	8,224,120	8,224,120	6,200,000	2,200,000
WWCS - Phase 1d	-	1,494,460	1,494,460	1,300,000	150,000
WWCS - Phase 1e	-	9,400,000	9,400,000	1,000,000	4,800,000
Wastewater Treatment Plant	-	13,500,000	13,500,000	8,400,000	6,100,000
Water Treatment Plant	-	14,009,560	14,009,560	150,000	13,410,000
Other	-	336,000	336,000	-	-
Total Expenses	\$ -	\$ 57,575,940	\$ 57,575,940	\$ 19,588,000	\$ 29,210,000
Net Revenues Over/(Under) Expenses	\$ 14,588,421	\$ (56,359,940)	\$ (56,359,940)	\$ (17,430,000)	\$ (26,910,000)



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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 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>REVENUES</u>					
Property Tax (Current & Delinquent)	\$ 1,663,973	\$ 1,641,760	\$ 1,641,760	\$ 1,667,000	\$ 1,631,000
Property Tax Penalty and Interest	85,990	70,000	70,000	70,000	70,000
Interest	14,445	15,000	15,000	18,000	15,000
Transfer In	<u>497,503</u>	<u>497,780</u>	<u>497,780</u>	<u>497,780</u>	<u>495,030</u>
Total Revenues	\$ 2,261,911	\$ 2,224,540	\$ 2,224,540	\$ 2,252,780	\$ 2,211,030
<u>EXPENDITURES</u>					
Principal	\$ 1,265,000	\$ 1,320,000	\$ 1,320,000	\$ 1,320,000	\$ 1,365,000
Interest	839,069	788,180	788,180	788,180	735,040
Other	4,819	8,000	8,000	8,000	8,000
Transfer Out	<u>408,780</u>	<u>108,360</u>	<u>108,360</u>	<u>136,600</u>	<u>102,990</u>
Total Expenditures	<u>\$ 2,517,668</u>	<u>\$ 2,224,540</u>	<u>\$ 2,224,540</u>	<u>\$ 2,252,780</u>	<u>\$ 2,211,030</u>
Net Revenues Over/(Under) Expenditures	\$ (255,757)	\$ -	\$ -	\$ -	\$ -



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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 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>Revenues</u>					
Water Fees	\$ 6,988,880	\$ 6,440,000	\$ 6,440,000	\$ 6,500,000	\$ 6,465,000
Sewer Fees	5,468,112	5,212,000	5,212,000	4,861,000	5,107,000
Toll Fees	9,221,485	7,984,800	8,882,060	10,000,000	9,500,000
Direct Golf Course Fees	750,982	735,000	735,000	714,411	735,000
Intergovernmental	-	-	-	-	-
Other	629,130	298,200	298,200	360,870	312,300
Interest	877,274	562,000	562,000	1,065,500	604,000
Lease Proceeds	-	-	-	-	895,500
Transfer In	588,790	186,190	186,190	451,030	203,300
Total Revenues	\$ 24,524,653	\$ 21,418,190	\$ 22,315,450	\$ 23,952,811	\$ 23,822,100
<u>Expenses</u>					
Personnel Services	\$ 3,832,568	\$ 3,927,320	\$ 4,030,110	\$ 3,654,162	\$ 3,971,780
Supplies	1,126,187	1,165,010	1,152,590	997,741	1,144,810
Maintenance	568,748	551,360	561,560	529,440	660,500
Rentals	70,499	82,850	84,250	74,320	87,130
Other Services	1,604,860	1,958,360	2,143,440	2,000,678	2,124,750
Vehicle Maintenance	170,415	208,000	193,500	174,692	214,220
Long Term Debt Service	2,380,576	6,672,580	6,672,580	5,928,460	6,665,740
Debt Service-Lease	26,935	349,190	349,190	349,190	392,090
Capital Outlay	-	530,500	581,920	380,220	996,500
Transfer Out	5,490,519	3,260,600	3,260,600	3,260,600	6,111,260
Non-Departmental	3,309,894	2,712,420	3,120,600	4,781,100	1,453,320
Total Expenditures	\$ 18,581,201	\$ 21,418,190	\$ 22,150,340	\$ 22,130,603	\$ 23,822,100
Net Revenues Over/(Under) Expenses	\$ 5,943,453	\$ -	\$ 165,110	\$ 1,822,208	\$ -

CITY OF PHARR, TEXAS
BUDGETED REPORT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
UTILITY FUND
FOR THE FISCAL YEAR OCTOBER 1, 2010 THROUGH SEPTEMBER 30, 2011

	<u>ACTUAL</u> <u>2008-2009</u>	<u>ORIGINAL</u> <u>BUDGET</u> <u>2009-2010</u>	<u>AMENDED</u> <u>BUDGET</u> <u>2009-2010</u>	<u>PROJECTED</u> <u>ACTUAL</u> <u>2009-2010</u>	<u>BUDGET</u> <u>2010-2011</u>
REVENUES					
Operating revenues:					
Charges for sales and services:					
Water sales	\$ 6,724,712	\$ 6,250,000	\$ 6,250,000	\$ 6,300,000	\$ 6,275,000
Sewer service	5,297,573	5,080,000	5,080,000	4,700,000	4,975,000
Tap fees	271,104	200,000	200,000	230,000	200,000
Other	164,453	122,000	122,000	131,380	122,000
Total operating revenues	<u>12,457,842</u>	<u>11,652,000</u>	<u>11,652,000</u>	<u>11,361,380</u>	<u>11,572,000</u>
EXPENSES					
Operating expenses:					
Personnel services	2,386,127	2,391,680	2,455,280	2,204,511	2,519,860
Supplies and Materials	1,807,325	1,829,640	1,825,820	1,642,921	996,180
Contractual Services	1,498,389	1,910,120	1,891,200	1,843,030	2,894,480
Depreciation	1,762,901	-	-	-	-
Total operating expenses	<u>7,454,742</u>	<u>6,131,440</u>	<u>6,172,300</u>	<u>5,690,462</u>	<u>6,410,520</u>
Operating income (loss)	<u>5,003,100</u>	<u>5,520,560</u>	<u>5,479,700</u>	<u>5,670,918</u>	<u>5,161,480</u>
Nonoperating revenues (expenses):					
Investment earnings	787,006	500,000	500,000	950,000	500,000
Interest expense	(1,528,074)	(1,832,460)	(1,832,460)	(1,468,340)	(1,805,500)
Principal expense	-	(2,330,000)	(2,330,000)	(1,950,000)	(2,491,480)
Amortization expense	(109,380)	-	-	-	-
Capital Outlay	-	(360,500)	(366,420)	(207,420)	(717,500)
Intergovernmental	-	-	-	-	-
Lease Proceeds	-	-	-	-	663,500
Other	14,180	(267,000)	(218,400)	(184,600)	17,300
Total nonoperating revenues (expenses)	<u>(836,268)</u>	<u>(4,289,960)</u>	<u>(4,247,280)</u>	<u>(2,860,360)</u>	<u>(3,833,680)</u>
Income before contributions and transfers	4,166,832	1,230,600	1,232,420	2,810,558	1,327,800
Transfers in	100,000	-	-	236,600	-
Transfers out					
General Fund	(481,237)	(314,600)	(314,600)	(314,600)	(327,800)
Capital Projects	(1,719,711)	(916,000)	(916,000)	(916,000)	(1,000,000)
Capital contributions	333,493	-	-	-	-
Changes in net assets	<u>2,399,377</u>	<u>-</u>	<u>1,820</u>	<u>1,816,558</u>	<u>-</u>
Total net assets (non-GAAP) - beginning	68,962,129	71,361,506	71,361,506	71,361,506	73,178,064
Prior period adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net assets (non-GAAP) - ending	<u>\$ 71,361,506</u>	<u>\$ 71,361,506</u>	<u>\$ 71,363,326</u>	<u>\$ 73,178,064</u>	<u>\$ 73,178,064</u>

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>REVENUES</u>					
Water	\$ 6,988,880	\$ 6,440,000	\$ 6,440,000	\$ 6,500,000	\$ 6,465,000
Sewer	5,468,112	5,212,000	5,212,000	4,861,000	5,107,000
Lease Proceeds	-	-	-	-	663,500
Other	348,523	18,200	18,200	52,380	17,300
Interest	787,006	500,000	500,000	950,000	500,000
Transfer In	100,000	-	-	236,600	-
Total Revenues	<u>\$ 13,692,521</u>	<u>\$ 12,170,200</u>	<u>\$ 12,170,200</u>	<u>\$ 12,599,980</u>	<u>\$ 12,752,800</u>
<u>EXPENSES</u>					
81 Administration	\$ 580,413	\$ 554,200	\$ 558,110	\$ 493,160	\$ 563,700
82 Water Production	1,216,287	1,270,940	1,304,470	1,221,976	1,448,560
83 Water Distribution	1,413,348	1,608,710	1,613,700	1,465,040	1,768,200
84 Water Treatment Plant	1,507,134	1,610,530	1,643,260	1,647,937	1,693,160
86 Sewer Collection	371,968	612,560	610,180	360,268	649,490
87 Non-Departmental	4,566,539	2,350,800	2,276,200	2,176,700	2,471,120
72 Debt Service	1,637,454	4,162,460	4,162,460	3,418,340	4,158,570
Total Expenses	<u>\$ 11,293,144</u>	<u>\$ 12,170,200</u>	<u>\$ 12,168,380</u>	<u>\$ 10,783,422</u>	<u>\$ 12,752,800</u>
Net Revenues Over/(Under) Expenses	\$ 2,399,377	\$ -	\$ 1,820	\$ 1,816,558	\$ -
1100- Personnel Services	\$ 2,386,127	\$ 2,391,680	\$ 2,455,280	\$ 2,204,511	\$ 2,446,340
2200- Supplies	985,605	1,014,190	1,002,770	866,421	996,180
3300- Maintenance	446,878	431,860	442,060	423,440	466,000
4400- Rentals	9,116	19,590	16,990	13,060	19,650
5500- Other Services	1,105,620	1,132,970	1,151,550	1,194,688	1,213,310
6600- Vehicle Maintenance	145,907	176,500	165,000	149,192	179,720
72/73 Long Term Debt Service	1,637,454	4,162,460	4,162,460	3,418,340	4,158,570
7700- Debt Service-Lease	9,897	129,650	129,650	129,650	138,410
8800- Capital Outlay	-	360,500	366,420	207,420	663,500
9900- Transfer Out	2,200,948	1,230,600	1,230,600	1,230,600	1,327,800
9900- Non-Departmental	2,365,591	1,120,200	1,045,600	946,100	1,143,320
	<u>11,293,144</u>	<u>12,170,200</u>	<u>12,168,380</u>	<u>10,783,422</u>	<u>12,752,800</u>

City of Pharr, Texas

<div> <div>Department: Debt Service</div> <div>Fund: Utility</div> </div>					
EXPENSES	Actual 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Financial Services	\$ 27,175	\$ 25,000	\$ 25,000	\$ 20,000	\$ 25,000
2007 CWSRF Interest - TWDB	919,886	900,820	900,820	900,820	879,210
2007A DWSRF Interest - TWDB	670	359,120	359,120	-	359,120
2007B Interest - NADBank	357,578	345,380	345,380	345,380	331,500
2008 Refunding - Interest	222,765	202,140	202,140	202,140	178,740
Amortization Expense	-				
Other Interest	109,380	-	-	-	-
2007 CWSRF Principal - TWDB	-	745,000	745,000	745,000	765,000
2007A DWSRF Principal - TWDB	-	380,000	380,000	-	380,000
2007B Principal - NADBank	-	370,000	370,000	370,000	380,000
2008 Refunding - Principal	-	650,000	650,000	650,000	675,000
1988 Principal	-	185,000	185,000	185,000	185,000
Other Principal	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,637,454	\$ 4,162,460	\$ 4,162,460	\$ 3,418,340	\$ 4,158,570

City of Pharr, Texas

Department: Administration

Fund: Utility

EXPENSES	Actual 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 290,595	\$ 248,530	\$ 251,830	\$ 217,912	\$ 225,350
Employee Benefits	114,679	80,430	81,440	84,708	95,150
Supplies	100,488	104,000	93,580	81,000	104,000
Maintenance	20,867	16,680	21,180	21,180	20,000
Rentals	4,923	5,760	5,760	5,760	5,760
Contractual Services	7,582	30,000	20,000	11,500	46,920
Other Services	40,933	63,820	73,420	60,200	66,520
Vehicle Maintenance	-	-	-	-	-
Debt Service	346	4,980	4,980	4,980	-
Capital Outlay	-	-	5,920	5,920	-
Non-Departmental					
DEPARTMENT TOTAL	\$ 580,413	\$ 554,200	\$ 558,110	\$ 493,160	\$ 563,700

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 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 640,083	\$ 621,090	\$ 629,520	\$ 588,853	\$ 668,550
Employee Benefits	281,682	282,790	304,370	266,767	308,940
Supplies	355,292	310,690	290,690	235,790	343,500
Maintenance	5,380	7,000	10,700	14,200	7,000
Rentals	1,373	5,960	2,260	1,460	6,020
Contractual Services	-	-	-	-	-
Other Services	24,819	36,910	40,390	46,508	45,520
Vehicle Maintenance	96,415	115,000	106,500	95,692	116,000
Debt Service	8,304	106,770	106,770	106,770	52,670
Capital Outlay	-	122,500	122,500	109,000	220,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,413,348	\$ 1,608,710	\$ 1,613,700	\$ 1,465,040	\$ 1,768,200

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 305,571	\$ 324,570	\$ 343,680	\$ 324,408	\$ 347,220
Employee Benefits	112,276	147,380	143,050	99,367	140,320
Supplies	306,066	300,250	309,000	285,831	298,230
Maintenance	95,928	86,620	86,620	65,000	86,080
Rentals	1,960	2,620	2,620	1,120	2,620
Contractual Services	3,990	-	-	-	-
Other Services	379,838	341,100	351,100	368,350	367,630
Vehicle Maintenance	9,410	20,500	20,500	15,500	21,500
Debt Service	1,248	17,900	17,900	17,900	29,960
Capital Outlay	-	30,000	30,000	44,500	155,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,216,287	\$ 1,270,940	\$ 1,304,470	\$ 1,221,976	\$ 1,448,560

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 431,949	\$ 460,450	\$ 479,390	\$ 467,565	\$ 463,600
Employee Benefits	151,020	178,460	175,900	144,263	161,330
Supplies	133,755	170,350	182,600	171,900	163,300
Maintenance	321,441	310,560	310,560	309,560	339,920
Rentals	860	2,620	3,720	3,720	2,620
Contractual Services	-	-	-	-	-
Other Services	446,910	438,590	444,590	504,430	482,000
Vehicle Maintenance	21,200	19,500	16,500	16,500	20,720
Debt Service	-	-	-	-	9,670
Capital Outlay	-	30,000	30,000	30,000	50,000
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 1,507,134	\$ 1,610,530	\$ 1,643,260	\$ 1,647,937	\$ 1,693,160

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

City of Pharr, Texas

Department: Sewer Collection

Fund: Utility

EXPENSES	Actual 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 42,999	\$ 31,550	\$ 31,550	\$ 3,333	\$ 25,100
Employee Benefits	15,274	16,430	14,550	7,336	10,780
Supplies	90,005	128,900	126,900	91,900	87,150
Maintenance	3,262	11,000	13,000	13,500	13,000
Rentals	-	2,630	2,630	1,000	2,630
Contractual Services	-	-	-	-	-
Other Services	201,548	222,550	222,050	203,700	204,720
Vehicle Maintenance	18,881	21,500	21,500	21,500	21,500
Debt Service	-	-	-	-	46,110
Capital Outlay	-	178,000	178,000	18,000	238,500
Non-Departmental	-	-	-	-	-
DEPARTMENT TOTAL	\$ 371,968	\$ 612,560	\$ 610,180	\$ 360,268	\$ 649,490

Purpose

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

Main Duties

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

Divisions

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

Mission Statement

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

PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	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 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Legal	\$ 56,349	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000
Engineering	30,993	350,000	334,000	200,000	300,000
Water rights	-	-	-	-	50,000
Raw water	365,726	364,000	364,000	340,000	408,800
Depreciation	1,762,901	-	-	-	-
Transfer out - General Fund	481,237	314,600	314,600	314,600	327,800
Transfer out - Capital Projects	1,719,711	916,000	916,000	916,000	1,000,000
Other	149,622	331,200	272,600	331,100	309,520
DEPARTMENT TOTAL	\$ 4,566,539	\$ 2,350,800	\$ 2,276,200	\$ 2,176,700	\$ 2,471,120

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>REVENUES</u>					
Toll Fees	\$ 9,221,485	\$ 7,984,800	\$ 8,882,060	\$ 10,000,000	\$ 9,500,000
Grant	-	-	-	-	-
Lease Funds	-	-	-	-	-
Other	147,379	135,000	135,000	160,000	150,000
Interest	84,669	60,000	60,000	110,000	100,000
Transfer In - Hotel/Motel	80,010	77,830	77,830	77,830	75,460
Transfer In - Other	408,780	108,360	108,360	136,600	102,990
Total	<u>\$ 9,942,322</u>	<u>\$ 8,365,990</u>	<u>\$ 9,263,250</u>	<u>\$ 10,484,430</u>	<u>\$ 9,928,450</u>
<u>EXPENSES</u>					
Personnel	\$ 923,186	\$ 1,016,200	\$ 1,047,710	\$ 927,251	\$ 1,014,370
Supplies	61,571	73,000	78,500	70,000	75,000
Maintenance	113,101	100,000	100,000	90,000	175,000
Rentals	5,604	13,000	13,000	7,000	13,000
Other	337,455	670,200	832,200	651,200	756,200
Vehicle Maintenance	12,901	16,000	16,000	13,000	18,000
Long Term Debt Service	743,122	2,510,120	2,510,120	2,510,120	2,507,170
Debt Service-Lease	16,032	205,250	205,250	205,250	205,250
Capital Outlay	-	170,000	215,500	172,800	101,000
Transfer Out	3,259,571	2,000,000	2,000,000	2,000,000	4,753,460
Non-Departmental	747,473	1,592,220	2,075,000	3,835,000	310,000
Total	<u>\$ 6,220,015</u>	<u>\$ 8,365,990</u>	<u>\$ 9,093,280</u>	<u>\$ 10,481,621</u>	<u>\$ 9,928,450</u>
Net Revenues Over/(Under) Expenses	\$ 3,722,307	\$ -	\$ 169,970	\$ 2,809	\$ -

City of Pharr, Texas

Department: Administration

Fund: Bridge

EXPENSES	Actual 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 642,838	\$ 696,270	\$ 705,940	\$ 641,134	\$ 708,090
Employee Benefits	280,347	319,930	341,770	286,117	306,280
Supplies	61,571	73,000	78,500	70,000	75,000
Maintenance	113,101	100,000	100,000	90,000	175,000
Rentals	5,604	13,000	13,000	7,000	13,000
Contractual Services	113,026	214,000	374,000	400,000	235,000
Other Services	224,428	456,200	458,200	251,200	521,200
Vehicle Maintenance	12,901	16,000	16,000	13,000	18,000
Debt Service - Leases	16,032	205,250	205,250	205,250	205,250
Debt Service - Bonds/Notes	743,122	2,510,120	2,510,120	2,510,120	2,507,170
Capital Outlay	-	170,000	215,500	172,800	101,000
Non-Departmental					
Depreciation	692,891	-	-	-	-
Transfers Out - General Fund	3,248,569	2,000,000	2,000,000	2,000,000	1,500,000
Transfers Out - CIP Funds	11,001	-	-	-	2,903,460
Transfers Out - Other Funds	-	-	-	-	350,000
Contingency	-	1,517,220	2,000,000	3,750,000	-
Other	54,582	75,000	75,000	85,000	310,000
DEPARTMENT TOTAL	\$ 6,220,015	\$ 8,365,990	\$ 9,093,280	\$ 10,481,621	\$ 9,928,450

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 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>REVENUES</u>					
Green & Member Fees	\$ 447,832	\$ 455,000	\$ 455,000	\$ 425,000	\$ 455,000
Cart Rental	188,110	180,000	180,000	174,411	180,000
Food & Beverage	115,040	100,000	100,000	115,000	100,000
Other	133,229	145,000	145,000	148,490	145,000
Interest	5,600	2,000	2,000	5,500	4,000
Lease Proceeds	-	-	-	-	232,000
Transfer In	-	-	-	-	24,850
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Revenues	\$ 889,810	\$ 882,000	\$ 882,000	\$ 868,401	\$ 1,140,850
<u>EXPENSES</u>					
Personnel	\$ 523,255	\$ 519,440	\$ 527,120	\$ 522,400	\$ 511,070
Supplies	79,011	77,820	71,320	61,320	73,630
Maintenance	8,769	19,500	19,500	16,000	19,500
Rentals	55,778	50,260	54,260	54,260	54,480
Other	161,786	155,190	159,690	154,790	155,240
Vehicle Maintenance	11,606	15,500	12,500	12,500	16,500
Long Term Debt Service	-	-	-	-	-
Debt Service-Lease	1,006	14,290	14,290	14,290	48,430
Capital Outlay	-	-	-	-	232,000
Transfer Out	30,000	30,000	30,000	30,000	30,000
Non-Departmental	196,830	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>	<hr/>
Total Expenses	\$ 1,068,041	\$ 882,000	\$ 888,680	\$ 865,560	\$ 1,140,850
Net Revenues Over/(Under) Expenses	\$ (178,231)	\$ -	\$ (6,680)	\$ 2,841	\$ -

City of Pharr, Texas

Department: Administration

Fund: Golf Course

EXPENSES	Actual 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 361,633	\$ 358,100	\$ 363,730	\$ 371,678	\$ 354,350
Employee Benefits	161,622	161,340	163,390	150,722	156,720
Supplies	79,011	77,820	71,320	61,320	73,630
Maintenance	8,769	19,500	19,500	16,000	19,500
Rentals	55,778	50,260	54,260	54,260	54,480
Contractual Services	86,828	84,500	86,500	86,500	84,500
Other Services	74,958	70,690	73,190	68,290	70,740
Vehicle Maintenance	11,606	15,500	12,500	12,500	16,500
Debt Service	1,006	14,290	14,290	14,290	48,430
Capital Outlay	-	-	-	-	232,000
Non-Departmental					
Depreciation	196,830	-	-	-	-
Transfer Out	30,000	30,000	30,000	30,000	30,000
DEPARTMENT TOTAL	\$ 1,068,041	\$ 882,000	\$ 888,680	\$ 865,560	\$ 1,140,850

Purpose

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

Main Duties

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

Divisions

Administration, Golf Shop, Snack Bar, Maintenance

Mission Statement

PERFORMANCE INDICATORS	Actual 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

INTERNAL SERVICE FUND

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

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

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>REVENUES</u>					
General Fund	\$ 423,771	\$ 356,260	\$ 358,760	\$ 321,390	\$ 365,470
Utility Fund	70,066	81,500	61,050	48,192	84,720
Bridge Fund	5,386	6,000	6,000	3,000	6,000
Golf Course Fund	297	1,500	1,500	1,500	1,500
CDBG Fund	<u>1,234</u>	<u>500</u>	<u>500</u>	<u>540</u>	<u>500</u>
Total	\$ 500,753	\$ 445,760	\$ 427,810	\$ 374,622	\$ 458,190
<u>EXPENSES</u>					
Personnel	\$ 163,569	\$ 151,510	\$ 168,590	\$ 145,409	\$ 166,150
Supplies	4,128	8,950	7,750	4,500	9,200
Maintenance	849	5,000	5,000	1,000	5,000
Rentals	748	800	800	800	800
Other	9,116	9,640	10,840	8,800	9,640
Vehicle Maintenance	262,308	268,860	268,860	214,113	267,400
Debt Service	-	-	-	-	-
Capital Outlay	54,486	-	-	-	-
Non-Departmental	<u>2,174</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total	\$ 497,377	\$ 444,760	\$ 461,840	\$ 374,622	\$ 458,190
Net Revenues Over/(Under) Expenses	\$ 3,376	\$ 1,000	\$ (34,030)	\$ -	\$ -

City of Pharr, Texas

Department: Administration

Fund: Garage

EXPENSES	Actual 08-09	Original Budget 09-10	Amended Budget 09-10	Projected Actual 09-10	Budget 10-11
Salaries	\$ 117,327	\$ 104,000	\$ 105,760	\$ 90,624	\$ 108,200
Employee Benefits	46,242	47,510	62,830	54,785	57,950
Supplies	4,128	8,950	7,750	4,500	9,200
Maintenance	849	5,000	5,000	1,000	5,000
Rentals	748	800	800	800	800
Contractual Services	-	-	-	-	-
Other Services	9,116	9,640	10,840	8,800	9,640
Vehicle Maintenance	262,308	268,860	268,860	214,113	267,400
Debt Service	-	-	-	-	-
Capital Outlay	54,486	-	-	-	-
Non-Departmental	2,174	-	-	-	-
DEPARTMENT TOTAL	\$ 497,377	\$ 444,760	\$ 461,840	\$ 374,622	\$ 458,190

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 08-09	Budget 09-10	Amend. Budget 09-10	Projected 09-10	Budget 10-11
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	-	-	-	-	-
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%
	0%	0%	0%	0%	0%

FIDUCIARY FUND

AGENCY FUND

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

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

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

	ACTUAL 2008-2009	ORIGINAL BUDGET 2009-2010	AMENDED BUDGET 2009-2010	PROJECTED ACTUAL 2009-2010	BUDGET 2010-2011
<u>Additions</u>					
Transfer In	-	30,000	30,000	30,000	30,000
Contributions	30,000	-	-	-	-
Miscellaneous	100	-	-	-	-
Interest	<u>10,593</u>	<u>1,000</u>	<u>1,000</u>	<u>5,000</u>	<u>5,000</u>
Total Additions	\$ 40,693	\$ 31,000	\$ 31,000	\$ 35,000	\$ 35,000
<u>Deductions</u>					
Pension	<u>\$ 12,360</u>	<u>\$ 12,300</u>	<u>\$ 12,300</u>	<u>\$ 13,000</u>	<u>\$ 12,300</u>
Total Deductions	<u>\$ 12,360</u>	<u>\$ 12,300</u>	<u>\$ 12,300</u>	<u>\$ 13,000</u>	<u>\$ 12,300</u>
Net Additions Over/(Under) Deductions	\$ 28,333	\$ 18,700	\$ 18,700	\$ 22,000	\$ 22,700



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STATISTICAL SECTION

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

City of Pharr, Texas
Net Assets by Component
Last Seven 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>
Governmental activities							
Invested in capital assets, net of related debt	\$ 17,432	\$ 26,339	\$ 28,230	\$ 28,849	\$ 40,172	\$ 50,941	\$ 50,764
Restricted	5,054	1,998	6,490	6,763	14,781	8,115	7,904
Unrestricted	5,268	3,983	5,147	8,067	2,620	4,822	13,275
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>
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
Restricted	4,349	9,278	2,943	1,950	3,018	5,762	7,759
Unrestricted	15,221	8,165	3,390	11,401	4,593	2,568	2,572
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>
Primary government							
Invested in capital assets, net of related debt	\$ 38,752	\$ 54,705	\$ 66,865	\$ 67,185	\$ 86,738	\$ 110,165	\$ 129,124
Restricted	9,403	11,276	9,433	8,713	17,800	13,877	15,663
Unrestricted	20,489	12,148	8,537	19,468	7,213	7,390	15,848
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>

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

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

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

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

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

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

	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
General Fund										
Reserved	\$ 51	\$ 60	\$ 54	\$ 54	\$ 3,037	\$ 3,903	\$ 7,405	\$11,002	\$ 1,049	\$ 102
Unreserved, undesignated	3,156	4,091	3,825	3,489	1,433	602	195	(6,402)	2,081	8,338
Designated	-	-	-	-	-	1,327	-	-	756	-
Total general fund	<u>\$ 3,207</u>	<u>\$ 4,151</u>	<u>\$ 3,879</u>	<u>\$ 3,543</u>	<u>\$ 4,470</u>	<u>\$ 5,832</u>	<u>\$ 7,600</u>	<u>\$ 4,600</u>	<u>\$ 3,886</u>	<u>\$ 8,440</u>
 All other governmental funds										
Reserved	\$ 82	\$ 74	\$ 1,025	\$ (15)	\$ 1,369	\$ 2,894	\$ 5,447	\$ 7,572	\$ 4,718	\$ 6,407
Unreserved, reported in:										
Special revenue funds	66	168	200	2	824	3,573	142	2,425	3,238	1,333
Capital projects funds	3,344	12,422	10,536	4,534	-	-	(2,590)	(1,508)	-	-
Debt service funds	356	271	314	356	-	-	1,044	-	-	-
Total all other governmental funds	<u>\$ 3,848</u>	<u>\$12,935</u>	<u>\$12,075</u>	<u>\$ 4,877</u>	<u>\$ 2,193</u>	<u>\$ 6,467</u>	<u>\$ 4,043</u>	<u>\$ 8,489</u>	<u>\$ 7,956</u>	<u>\$ 7,740</u>
 Total governmental fund balances	<u>\$ 7,055</u>	<u>\$17,086</u>	<u>\$15,954</u>	<u>\$ 8,420</u>	<u>\$ 6,663</u>	<u>\$12,299</u>	<u>\$11,644</u>	<u>\$13,089</u>	<u>\$ 11,842</u>	<u>\$ 16,180</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>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Revenues										
Taxes	\$ 11,758	\$ 12,734	\$ 14,205	\$ 15,051	\$ 20,022	\$ 21,929	\$ 24,350	\$ 25,972	\$ 27,370	\$ 28,215
Licenses and permits	360	533	712	688	555	681	1,468	886	685	682
Intergovernmental	2,705	1,674	3,210	3,606	3,431	2,296	1,178	1,751	2,455	2,448
Charges for services	2,619	2,785	3,042	3,558	3,647	3,971	4,287	5,073	6,382	4,468
Fines	326	411	518	761	1,056	1,415	968	800	880	1,122
Investment earnings	354	474	644	440	162	306	419	445	349	296
Miscellaneous	1,059	686	982	1,318	1,079	1,481	2,127	1,970	644	254
Total Revenues	<u>19,181</u>	<u>19,297</u>	<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>
Expenditures										
General government	10,018	9,141	13,231	16,536	8,287	6,985	14,218	12,943	6,034	6,220
Public safety	7,044	7,900	8,708	9,767	11,558	13,452	15,391	15,642	19,392	18,846
Highways and streets	696	740	942	1,287	2,076	5,351	2,542	2,121	4,443	2,499
Sanitation	1,945	2,108	2,226	2,235	3,059	-	3,021	3,483	4,306	2,318
Culture and recreation	400	477	601	752	3,168	3,323	977	3,422	5,661	3,472
Economic development	260	470	117	933	2,149	2,109	3,120	5,757	2,067	2,165
Debt service - Principal	274	781	1,080	1,768	1,690	1,554	1,912	3,904	3,371	3,335
Debt service - Interest	1,138	777	1,535	1,401	1,537	1,657	891	1,225	1,009	978
Other charges	-	-	-	-	-	-	-	-	-	-
Total expenditures	<u>21,775</u>	<u>22,394</u>	<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>
Excess of revenues over (under) expenditures	(2,594)	(3,097)	(5,127)	(9,257)	(3,572)	(2,352)	(7,275)	(11,600)	(7,518)	(2,347)
Other financing sources (uses)										
Transfers in	886	705	1,524	1,986	2,302	10,721	4,044	9,298	16,941	6,066
Transfers out	(169)	(20)	(9)	-	(662)	(4,359)	(1,756)	(669)	(14,415)	(2,882)
Proceeds of Long Term Debt	329	12,204	-	-	312	16,567	3,120	2,480	2,877	-
Other	-	-	-	-	-	(15,149)	979	3,479	1,819	3,587
Total other financing sources (uses)	<u>1,046</u>	<u>12,889</u>	<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>
Net change in fund balances	<u>\$ (1,548)</u>	<u>\$ 9,792</u>	<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>
Debt service as a percentage of noncapital expenditures	6.9%	7.5%	10.1%	10.1%	10.7%	10.3%	7.1%	11.8%	10.5%	12.1%

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

<u>Fiscal Year Ended</u>	<u>Tax Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Minerals</u>	<u>Other</u>	<u>Total Assessed</u>	<u>Less: Tax Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value¹ as a Percentage of Actual Value</u>
2000	1999	N/A	N/A	N/A	30,205	83,254	792,599	26,192	766,407	0.642	766,407	103.42%
2001	2000	N/A	N/A	N/A	N/A	N/A	917,247	34,266	882,981	0.662	882,981	103.88%
2002	2001	787,288	226,387	10,117	47,909	125,419	1,003,668	33,547	970,122	0.690	970,122	103.46%
2003	2002	862,278	231,716	9,865	38,843	121,315	1,059,189	31,435	1,027,754	0.683	1,027,754	103.06%
2004	2003	1,029,748	283,257	10,850	41,693	130,142	1,239,070	35,865	1,203,205	0.683	1,203,205	102.98%
2005	2004	1,142,164	310,068	12,810	49,042	165,457	1,396,726	45,216	1,351,511	0.683	1,351,511	103.35%
2006	2005	1,217,836	327,593	13,845	52,742	162,458	1,489,878	47,732	1,442,146	0.683	1,442,146	103.31%
2007	2006	1,383,161	362,968	14,996	54,079	172,167	1,661,456	44,162	1,617,294	0.683	1,617,294	102.73%
2008	2007	1,549,417	397,886	14,537	51,312	195,896	1,847,671	50,825	1,796,846	0.683	1,796,846	102.83%
2009	2008	1,831,559	496,061	15,957	52,232	213,847	2,161,338	57,791	2,103,546	0.680	2,103,546	102.75%

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								
				Drainage District #1			Hidalgo County			P.S.J.A ISD		
	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total
2000	\$ 0.534	0.108	0.642	0.038	-	0.038	0.445	0.055	0.501	1.500	0.090	1.590
2001	0.565	0.098	0.662	0.046	-	0.046	0.459	0.060	0.520	1.500	0.135	1.635
2002	0.590	0.100	0.690	0.046	-	0.046	0.522	0.069	0.590	1.500	0.122	1.622
2003	0.596	0.087	0.683	0.044	-	0.044	0.527	0.063	0.590	1.500	0.122	1.622
2004	0.602	0.081	0.683	0.044	-	0.044	0.526	0.064	0.590	1.500	0.112	1.612
2005	0.593	0.090	0.683	0.044	-	0.044	0.527	0.063	0.590	1.500	0.114	1.614
2006	0.593	0.090	0.683	0.041	-	0.041	0.520	0.070	0.590	1.500	0.114	1.614
2007	0.596	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	\$ 0.513	\$ 0.077	\$ 0.590	\$ 1.040	\$ 0.261	\$ 1.301

Fiscal Year Ending	Overlapping Tax Rates						Total Direct & Overlapping Rates
	South Texas ISD			South Texas College			
	Operating	Debt Service	Total	Operating	Debt Service	Total	
2000	\$ 0.037	\$ -	\$ 0.037	\$ 0.080	\$ 0.012	\$ 0.092	\$ 2.900
2001	0.039	-	0.039	0.079	0.011	0.090	2.991
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	\$ 2.842

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 2009 and 2000
(amounts expressed in thousands)

Taxpayer	2009			2000		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
Wilder Corp	\$ 14,021	1	0.67%	9,393	2	1.23%
Central Power & Light	13,052	2	0.62%	-	-	-
Capote Farms LTD	12,849	3	0.61%	-	-	-
McAllen Levcal LLC	12,393	4	0.59%	-	-	-
AEP Texas Central Co.	12,369	5	0.59%	-	-	-
Shell Western E&P (Total E&P)	10,254	6	0.49%	-	-	-
FJRS Investments LTD	9,723	7	0.46%	-	-	-
Gold Star Warehousing LTD	8,470	8	0.40%	-	-	-
Southwestern Bell Tele	8,130	9	0.39%	11,413	1	1.49%
Wayne Windle Enterprises et al	6,825	10	0.32%	-	-	-
Spigel, Stanley	-	-	-	8,564	3	1.12%
Fina Oil & Ch-Vannie Cook Trsts	-	-	-	8,501	4	1.11%
Central Power & Light	-	-	-	7,727	5	1.01%
Westbrea Enterprises, Inc.	-	-	-	5,857	6	0.76%
H E Butt Grocery Company	-	-	-	5,130	7	0.67%
Home Depot U.S.A., Inc.	-	-	-	4,463	8	0.58%
Matt's Cash & Carry	-	-	-	4,070	9	0.53%
Financial Mngmnt Intl Corp	-	-	-	4,001	10	0.52%
Totals	\$ 108,086		5.1%	\$ 69,119		9.0%
Assessed Taxable Value	\$ 2,103,546			\$ 766,407		

Source: Hidalgo County Appraisal District

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

Fiscal Year <u>Ended</u>	Tax <u>Year</u>	Total Tax Levy for <u>Fiscal Year</u>	<u>Collections within the</u> <u>Fiscal Year of the Levy</u>		Delinquent Collections in <u>Subsequent Years</u>	<u>Total Collections to Date</u>	
			<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>		<u>Amount</u>	<u>Percentage</u> <u>of Levy</u>
2000	1999	4,923	4,331	88.0%	540	4,871	98.9%
2001	2000	5,671	4,979	87.8%	631	5,610	98.9%
2002	2001	6,423	5,762	89.7%	586	6,348	98.8%
2003	2002	7,092	6,323	89.2%	675	6,998	98.7%
2004	2003	8,220	7,423	90.3%	672	8,095	98.5%
2005	2004	9,233	8,335	90.3%	727	9,062	98.2%
2006	2005	9,831	8,980	91.3%	613	9,593	97.6%
2007	2006	11,014	10,094	91.6%	625	10,720	97.3%
2008	2007	12,275	11,231	91.5%	545	11,776	95.9%
2009	2008	14,567	13,391	91.9%	-	13,391	91.9%

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

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

Fiscal Year	Governmental Activities				Business-Type Activities			Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Certificates of Obligation	Notes	Capital Leases	Utility & Toll Bridge Bonds/Notes	Capital Leases	Notes			
2000	-	14,560	-	305	38,821	113	-	53,799	0.07%	1,153
2001	-	26,060	-	594	36,766	320	-	63,740	0.06%	1,295
2002	-	25,500	1,960	242	32,327	389	-	60,418	0.06%	1,176
2003	-	24,170	1,785	632	36,882	289	-	63,758	0.06%	1,171
2004	-	23,330	5,278	471	31,707	305	2	61,093	0.06%	1,076
2005	16,110	7,085	4,683	698	21,444	86	-	50,106	0.08%	849
2006	16,025	6,070	5,746	1,544	20,042	246	-	49,673	0.08%	810
2007	15,935	5,000	4,962	1,550	61,711	815	5,995	95,968	0.04%	1,492
2008	15,840	3,885	2,801	3,550	66,975	337	4,590	97,978	0.04%	1,483
2009	\$ 15,130	\$ 3,330	\$ 731	\$ 2,503	\$ 64,510	\$ 1,016	\$ 3,125	\$ 90,345	0.04%	\$ 1,351

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)

Fiscal Year	General Obligations Bonds	Percentage of Estimated Actual Taxable Value¹ of Property	Per Capita²
2000	14,560	1.84%	312
2001	26,060	2.84%	529
2002	25,500	2.54%	496
2003	24,170	2.28%	444
2004	23,330	1.88%	411
2005	23,195	1.66%	393
2006	22,095	1.48%	360
2007	20,935	1.26%	325
2008	19,725	1.07%	299
2009	\$ 18,460	0.85%	\$ 276

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, 2009
(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	\$ 177,829	8.2%	\$ 14,571
Hidalgo Irrigation District #1	99,408	8.2%	8,149
South Texas College	76,905	37.0%	28,455
South Texas ISD	-	0.0%	-
Pharr, San Juan, Alamo Independent School District	295,802	53.2%	157,471
Overlapping debt			208,646
City of Pharr direct debt	18,460	100.0%	18,460
Total direct and overlapping debt			<u>\$ 227,106</u>

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

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

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

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

	Fiscal Year									
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	
Debt Limit	\$ 91,725	\$ 100,367	\$ 105,919	\$ 123,907	\$ 139,673	\$ 148,988	\$ 166,146	\$ 184,767	\$ 216,134	
Total net debt applicable to limit	<u>26,060</u>	<u>25,500</u>	<u>24,170</u>	<u>23,330</u>	<u>23,195</u>	<u>22,095</u>	<u>20,935</u>	<u>19,725</u>	<u>18,460</u>	
Legal debt margin	<u>\$ 65,665</u>	<u>\$ 74,867</u>	<u>\$ 81,749</u>	<u>\$ 100,577</u>	<u>\$ 116,478</u>	<u>\$ 126,893</u>	<u>\$ 145,211</u>	<u>\$ 165,042</u>	<u>\$ 197,674</u>	
Total net debt applicable to the limit as a percentage of debt limit	28.4%	25.4%	22.8%	18.8%	16.6%	14.8%	12.6%	10.7%	8.5%	

Legal Debt Margin Calculation for Fiscal Year 2007

Assessed Value	\$ 2,161,338
Add Back: exempt property	<u>57,791</u>
Total Assessed Value	\$ 2,219,129
Debt limit (10% of total assessed value)	221,913
Debt applicable to limit:	
General obligation bonds	<u>18,460</u>
Legal debt margin	<u><u>\$ 203,453</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			
				Principal	Interest		Coverage
2000	\$ 6,020	\$ 3,378	\$ 2,642	\$ 4,158	\$ 962		0.52
2001	6,083	3,235	2,848	2,055	841		0.98
2002	6,038	3,612	2,426	2,168	780		0.82
2003	6,193	3,762	2,431	1,106	725		1.33
2004	6,605	4,311	2,294	1,231	646		1.22
2005	7,829	4,881	2,948	1,291	604		1.56
2006	11,594	5,695	5,899	937	542		3.99
2007	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

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

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

Fiscal Year	<u>Population</u>¹	<u>Median Household Income</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Education Level in Years of Formal Schooling</u>²	<u>School Enrollment</u>	<u>Unemployment Rate</u>³
2000	46,660	38,967	9,462	27.4	47.3%	21,724	7.4%
2001	49,224	38,967	9,462	27.4	47.3%	22,537	8.1%
2002	51,362	38,967	9,462	27.4	47.3%	23,826	8.6%
2003	54,452	38,967	9,462	27.4	47.3%	25,210	8.6%
2004	56,752	38,967	9,462	27.4	47.3%	26,493	7.2%
2005	59,029	38,967	9,462	27.4	47.3%	27,338	5.8%
2006	61,360	38,967	9,462	27.8	47.3%	28,088	5.7%
2007	64,318	38,967	9,462	27.8	47.3%	28,868	5.5%
2008	66,078	38,967	9,462	27.8	47.3%	29,999	7.2%
2009	66,874	38,967	9,462	27.8	47.3%	30,618	11.2%

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

¹Population data from 2001 to 2007 taken from Planning/Zoning department. 2009 population estimate based on average growth over prior 8 years.

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

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

**City of Pharr, Texas
Principal Employers
Fiscal Year Ending 2009 and 2000**

2009			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment¹</u>
Pharr-San Juan-Alamo ISD	2,023	1	9.02%
Convergys	1,000	2	4.46%
Vdp Healthcare Inc	435	3	1.94%
Highway & Transportation	324	4	1.44%
HEB Food Stores	320	5	1.43%
Lack's Valley Stores LTD	300	6	1.34%
City of Pharr	280	7	1.25%
Limon Masonry	250	8	1.11%
US Customs SVC Port of Entry	179	9	0.80%
Pharr Police Department	156	10	0.70%
Total	<u>5,267</u>		<u>23.49%</u>

2000*			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment</u>
Pharr-San Juan-Alamo ISD	Unknown	-	0.00%
Convergys	Unknown	-	0.00%
Lack's	Unknown	-	0.00%
City of Pharr	Unknown	-	0.00%
Ticketmaster	Unknown	-	0.00%
Texas Department of Transportation	Unknown	-	0.00%
HEB Food Stores	Unknown	-	0.00%
Lowe's	Unknown	-	0.00%
Frank Smith Toyota	Unknown	-	0.00%
Home Depot	Unknown	-	0.00%
Total	<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,										
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
GENERAL FUND										
City Manager	12.0	12.0	16.0	16.7	9.0	9.0	9.0	9.0	9.0	9.0
Finance	7.0	7.0	7.0	8.0	10.0	12.0	12.5	13.5	14.0	5.5
Police Department	101.5	105.5	121.5	124.5	130.0	134.0	146.0	155.0	167.0	161.0
Traffic Safety	9.0	13.0	13.0	13.0	13.0	16.0	13.0	16.0	17.0	16.0
Municipal Court	3.0	3.0	4.0	4.0	6.0	6.0	6.0	6.0	6.0	5.0
Fire Protection	49.0	51.0	52.0	53.0	54.0	57.0	57.0	65.0	68.0	66.0
Administrative Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	7.0
Street Maintenance	23.0	23.0	24.0	24.0	24.0	25.0	28.0	30.0	29.0	29.0
Municipal Library	13.0	14.0	16.0	18.0	23.0	23.0	25.0	26.0	26.0	26.0
Parks & Recreation	45.0	46.0	47.0	51.0	53.0	70.0	71.0	73.0	73.0	102.0
Planning & Community Dev	15.7	16.0	17.0	17.3	19.0	22.0	20.0	23.0	23.0	22.0
Total General Fund	278.2	290.5	317.5	329.5	341.0	374.0	387.5	416.5	432.0	448.5
UTILITY FUND										
Administrative	6.0	7.0	8.0	8.0	8.0	9.0	9.5	10.5	11.0	12.5
Water Production	10.0	9.0	11.0	9.0	9.0	9.0	9.0	10.0	10.0	10.0
Water Distribution	18.0	19.0	19.5	21.5	21.0	23.0	25.0	26.0	26.0	23.0
Water Treatment Plant	10.0	11.0	12.0	11.0	11.0	11.0	11.0	13.0	13.0	13.0
Lift Station	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	3.0
Total Utility Fund	48.0	50.0	54.5	53.5	53.0	56.0	58.5	63.5	64.0	61.5
INTERNAL SERVICE FUND										
Chief Mechanic	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Laborers	2.0	2.0	3.0	3.0	3.0	3.0	4.0	4.0	4.0	4.0
Total Internal Svc Fund	3.0	3.0	4.0	4.0	4.0	4.0	5.0	5.0	5.0	5.0
INTERNATIONAL BRIDGE FUND										
Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Others	17.0	21.0	22.0	19.0	25.0	25.0	26.0	26.0	28.0	24.0
Total Int'l Bridge	18.0	22.0	23.0	20.0	26.0	26.0	27.0	27.0	29.0	25.0
OTHER										
CDBG	4.0	4.3	5.3	5.7	6.0	6.0	6.0	6.0	5.0	4.0
Golf Course	31.0	25.0	21.0	8.0	18.0	18.0	15.0	15.0	17.0	15.5
Total Other	35.0	29.3	26.3	13.7	24.0	24.0	21.0	21.0	22.0	19.5
GRAND TOTAL	382.2	394.8	425.3	420.7	448.0	484.0	499.0	533.0	552.0	559.5

Source: City of Pharr Budget Reports

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

Function	Fiscal Year									
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Police										
Physical arrests	4,066	4,117	3,841	4,848	2,897	3,857	2,858	2,808	2,944	4,839
Parking & Traffic Violations	7,897	6,008	6,587	10,101	10,897	15,983	13,742	12,742	15,194	25,689
Fire										
Number of calls answered	2,089	1,935	2,216	2,189	1,737	1,624	1,701	1,794	2,238	2,148
Inspections	511	401	573	725	1,235	877	809	1,108	1,344	1,325
Highways and streets										
Street resurfacing (miles)	unknown	unknown	unknown	unknown	unknown	unknown	2	7	2	7
Potholes repaired	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	137	825
International Bridge										
Car Crossings	1,841,749	1,768,363	1,879,256	1,749,112	1,785,564	1,780,599	1,716,751	1,683,048	1,649,983	1,444,912
Truck Crossings	256,792	260,344	276,840	312,300	359,320	384,572	404,103	433,880	461,559	409,336
Culture and recreation										
Int'l Convention Center Events	82	92	unknown	75	72	95	86	95	216	84
Other Community Center Events	189	259	unknown	306	269	231	206	268	597	414
Water										
New connections	627	290	717	614	867	832	1,204	638	324	220
Water mains breaks	unknown	unknown	unknown	unknown	unknown	unknown	3,948	4,156	578	445
Average daily consumption (millions of gallons)	4.4 MGD	5.1 MGD	5.1 MGD	5.0 MGD	4.7 MGD	6.1 MGD	6.6 MGD	5.6 MGD	6.5MGD	7.3 MGD
Wastewater										
Average daily sewage treatment (thousands of gallons)	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	5.0 MGD	4.94 MGD	4.8 MGD

Sources: Various City Departments.

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

Function	Fiscal Year									
	<u>2000</u>	<u>2001</u>	<u>2002</u>	<u>2003</u>	<u>2004</u>	<u>2005</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>
Public Safety										
Police:										
Stations	2	2	2	2	2	2	2	2	2	2
Patrol units	unknown	unknown	unknown	64	69	76	82	84	90	93
Fire stations	3	3	3	3	3	3	3	3	3	3
Highways and streets										
Streets (miles)	unknown	unknown	unknown	unknown	unknown	180	213	213	213	214
Streetlights	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown
Traffic signals	unknown	unknown	unknown	unknown	unknown	47	51	51	51	55
Culture and recreation										
Parks Acreage (Developed)	41	41	41	41	41	41	57	57	57	57
Swimming pools	2	2	2	2	2	2	2	2	2	2
Tennis courts	2	2	2	2	2	2	2	2	2	2
Community and Convention Centers	4	4	4	4	4	4	4	4	4	4
Water										
Water mains (miles)	unknown	unknown	unknown	unknown	~170	~182	~190	191.6	~313.4	315
Fire hydrants	1,440	1,596	1,712	1,730	1,750	1,820	1,918	2,010	2,030	1,896
Maximum daily capacity (thousands of gallons)	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	10.0 MGD	8.28 MGD	12.01 MGD
Sewer										
Sanitary sewers (miles)	unknown	unknown	~169	~186	~204	~224	~246	~262	~265	265
Storm sewers (miles)	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	57	82
Maximum daily treatment capacity (thousands of gallons)	3.31 MGD	3.45 MGD	3.63 MGD	3.82 MGD	4.15 MGD	4.19 MGD	4.25 MGD	4.45 MGD	5.7 MGD	5.9 MGD

Sources: Various city departments.



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OTHER SUPPLEMENTARY INFORMATION

City of Pharr, Texas

Financial Management Policy Statements

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

OPERATING BUDGETARY POLICIES

Fiscal Year

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

Budget Preparation Guidance

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

GFOA Distinguished Budget Program

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

Designated Budget Officer

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

Funds Included in the Annual Budget

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

Basis of Accounting

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

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

Budgetary Control

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

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

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

Balanced Budget

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

Budgeted Tax Rates

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

Public Hearings, Accessibility of Budget to the Public

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

THE BUDGET PROCESS

Original Budget

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

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

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

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

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

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

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

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

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

Revisions to the Adopted Budget

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

Monitoring Compliance with the Budget

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

Duration of Budgeted Revenues and Appropriations

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

REVENUES POLICIES

Balance and Diversification in Revenue Sources

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

User Fees

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

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

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

Cost Accounting

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

Property Tax Revenues/Tax Burden

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

Utility/Enterprise Funds User Fees

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

Revenue Estimates for Budgeting

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

Revenue Collection and Administration

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

Revenues Over Expenses – Stated Funds

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

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

Write-Off of Uncollectible Accounts

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

EXPENDITURES/EXPENSES POLICIES

Current Funding Basis

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

Avoidance of Operating Deficits

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

Priority in Applying Restricted vs. Unrestricted Resources

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

Maintenance of Capital Assets

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

Periodic Program Reviews

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

Encumbrances and Uncompleted Projects

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

Purchasing

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

PURCHASING POLICIES

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

FUND BALANCE/RETAINED EARNINGS POLICIES

General Fund Undesignated/Unreserved Fund Balance

The City shall strive to maintain the General Fund undesignated/unreserved fund balance at 90 days of the current year's budget appropriation for operations and maintenance, which is defined as the total budget less the annual transfer from the General Fund to the other funds (Charter mandated contingency funding will not take place so long as the contingency fund is fully funded).

Retained Earnings of Other Operating Funds

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

Use of Fund Balance/Retained Earnings

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

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

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

Retained Earnings of Internal Service Funds

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

Debt Service Funds

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

CAPITAL IMPROVEMENTS POLICIES

Capital Improvements Planning

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

Long-Term Capital Planning

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

Capital Project Funding

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

Replacement of Capital Assets on a Regular Schedule

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

Capital Expenditure Financing

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

DEBT MANAGEMENT POLICIES

Capital Improvement Plan

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

Debt Policies

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

Debt Term Limitation

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

Use of Long-Term Debt for Maintenance & Operating Cost

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

Debt Structure

Generally, the City shall issue bonds with an average life of no greater than 10.5 years for general obligation bonds and no greater than 12.0 years for revenue bonds. The structure should approximate level principal on general obligation bonds and level debt service for revenue bonds. There shall be no debt structures, which include increasing debt service levels in subsequent years, with the first and second year of a bond payout schedule the exception. There shall be no "balloon" bond repayment schedules which consist of low annual payments and one large payment of the balance due at the end of the term. 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

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

Internet Payment Options

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

INVESTMENT POLICIES

Investment policies are guided by a separate report adopted by the City Commission on January 19, 2010.

HUMAN RESOURCE POLICIES

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

BUDGET CALENDAR FOR FISCAL YEAR 2010-2011

DATE	RESPONSIBLE	EVENT
APR 29	Finance	Budget Kickoff - Communicate department budget policies, calendar, and request procedures
MAY 12	Finance	Budget Training - Provide two training sessions for department management and employees to prepare for upcoming budget requirements
JUNE 3	City Commission	Initial Budget Workshop-Long Term Prioritization, Budget Projections and Overview.
JUNE 11	Payroll/HR	Projected Current Payroll Budget Ending Status - Salary expenditures need to be calculated to properly get to the year end projected expenditures
JUNE 18	Payroll/HR	Departmental Payroll Budget Requests - Budget requests are due to the Finance Department for payroll expenses; must be calculated using current/mandated approved payroll information
JUNE 24	City Commission	Budget Workshop - Long Term Prioritization, Budget Projections and Overview (if necessary).
JUNE 25	Departments	Projected Current Budget Ending Status - The projected year end balance of the current budget needs to be estimated based on expected results
JUNE 25	Departments	Departmental Budget Requests - Two budget requests are due to the Finance Department: 1) Current service operating needs, 2) New service needs (Payroll must be used for personnel budget requests)
JULY 2	Departments/Finance	Preliminary Revenue Estimates - must be calculated based on historical information and expected future changes
JULY 5 through 16	City Manager	Budget Request Review - will review budget requests with departments to prioritize before presenting to City Commissioners
JULY 20	Finance	Revise Budget Estimates - Update preliminary budget revenues and expenditures for City Manager review
JULY 28 through 30	City Commission	Budget Workshop - Commission is presented with departmental budget request and Finance overview. Present draft budget.
AUGUST 3	Appraisal District	Certified Appraisal Roll Totals
AUGUST 17	Finance/City Commission	Certify Anticipated Debt Collection Rate
AUGUST 17	Finance/City Commission	Certify Effective & Rollback Tax Rate; discussion of tax rates (vote on intention to raise taxes)
SEPTEMBER 7	Finance/City Commission	Present updated draft budget to the City Commission
SEPTEMBER 7	City Commission	Public hearing on budget
SEPTEMBER 7	City Commission	City Commission adoption of tax rate
SEPTEMBER 21	City Commission	City Commission adoption of the budget
OCTOBER 1	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 06/07</u>	<u>FY 07/08</u>	<u>FY 08/09</u>	<u>FY 09/10</u>	<u>FY 10/11*</u>
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GENERAL FUND

10 - City Manager's Office	9	9	9.0	8.0	7.5
11 - Finance Department	14	14	5.5	9.0	9.0
12 - Police Department	155	167	161.0	160.0	172.0
13 - Traffic Safety	16	17	16.0	16.0	16.0
14 - Municipal Court	6	6	5.0	6.5	7.5
15 - Fire Protection	65	68	66.0	65.0	74.0
16 - Administrative Services	0	0	7.0	7.5	7.0
17 - Street Maintenance	30	29	29.0	31.0	33.0
18 - Information Technology	0	0	0.0	0.0	2.5
20 - Municipal Library	26	26	26.0	22.5	22.5
22 - Parks & Recreation	73	73	73.0	73.0	64.33
27 - Planning & Community Development	23	23	22.0	18.5	18.5
Total General Fund Employees	417	432	419.5	417.0	433.8

UTILITY FUND

81- Administration	11	11	12.5	9.0	9.0
82- Water Production	10	10	10.0	10.0	10.0
83- Water Distribution	26	26	23.0	23.5	24.0
84- Water Treatment Plant	13	13	13.0	13.0	13.0
86- Lift Station	4	4	3.0	1.0	1.0
Total Utility Fund Employees	64	64	61.5	56.5	57.0

OTHER FUNDS

Bridge Fund	27	29	25.0	25.5	25.0
Golf Course Fund	15	17	15.5	15.0	15.5
Garage	5	5	5.0	4.0	4.0
Community Development	6	5	4.0	5.5	5.5
Total Other Funds	53	56	49.5	50.0	50.0

Grand Total City Employees	533	552	530.5	523.5	540.8
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**FTE calculation, prior years were based on budgeted positions*

City of Pharr, TX
Description of Outstanding Bond Issues
As of 9/30/10

	Owning Fund	Issuance			Series	Revenue Source	Type	Interest Rates		Date Issued	Final Payment Through	Balance September 30, 2010
		Authorized	Issued	Outstanding				Lowest	Highest			
Governmental Activities	GO	12,035,000	12,035,000	-	2001	Prop Tax	Certificate of Obligation	4.50%	5.00%	05/15/2001	08/15/2015	\$ 2,745,000
										Subtotal - Certificates of Obligation		2,745,000
	GO	16,110,000	16,110,000	-	2005B	Prop Tax	Refunding Bonds	3.625%	5.00%	08/15/2005	08/15/2021	14,395,000
										Subtotal - Refunding Bonds		14,395,000
	CDBG	\$ 2,125,000	\$ 2,125,000	\$ -	2001A	HUD	Note	2.90%	2.90%	08/09/2001	08/01/2011	270,000
										Subtotal - Notes		270,000
	Governmental Total											\$ 17,410,000
Business-Type Activities	Utility	\$ 3,260,000	\$ 3,260,000	\$ -	1988	User Fees	Revenue Bonds Jr. Lien	0.00%	0.00%	06/01/1988	09/01/2013	\$ 565,000
	Utility	29,000,000	29,000,000	-	2007	User Fees	Revenue Bonds - CWSRF	2.90%	3.50%	07/11/2007	09/01/2027	26,815,000
	Utility	14,000,000	14,000,000	-	2007A	User Fees	Revenue Bonds - DWSRF	2.35%	2.35%	08/03/2007	09/01/2027	12,880,000
	Utility	10,000,000	10,000,000	-	2007B	User Fees	Revenue Bonds - NADBank	3.75%	3.75%	12/04/2007	09/01/2027	8,840,000
										Subtotal - Revenue Bonds		49,100,000
	Bridge	9,755,000	9,755,000	-	2005A	Toll Fees	Refunding Bonds	3.625%	4.50%	08/15/2005	08/15/2022	7,280,000
	Utility	6,430,000	6,430,000	-	2008	User Fees	Refunding Bonds	3.60%	3.60%	07/24/2008	09/01/2018	4,965,000
										Subtotal - Refunding Bonds		12,245,000
	Bridge	\$ 7,100,000	\$ 7,100,000	\$ -	2006	Toll Fees	Note	4.00%	4.00%	12/27/2006	08/15/2011	1,595,000
										Subtotal - Notes		1,595,000
	Business-Type Total											\$ 62,940,000
	TOTAL CITY-WIDE DEBT											\$ 80,350,000

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

Debt Service Schedule

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

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/01/2011	0	2.90%	7,830	7,830		270,000
08/01/2011	270,000	2.90%	7,830	277,830	285,660	0
Total	270,000		15,660	285,660	285,660	

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

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/15/2011	0	-	65,633	65,633	0	2,745,000
08/15/2011	500,000	4.500%	65,633	565,633	631,265	2,245,000
02/15/2012	0	-	54,383	54,383	0	2,245,000
08/15/2012	520,000	4.650%	54,383	574,383	628,765	1,725,000
02/15/2013	0	-	42,293	42,293	0	1,725,000
08/15/2013	545,000	4.800%	42,293	587,293	629,585	1,180,000
02/15/2014	0	-	29,213	29,213	0	1,180,000
08/15/2014	575,000	4.900%	29,213	604,213	633,425	605,000
02/15/2015	0	-	15,125	15,125	0	605,000
08/15/2015	605,000	5.000%	15,125	620,125	635,250	0
Total	2,745,000		413,290	3,158,290	3,158,290	

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

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/15/2011	0	-	301,883	301,883	0	14,395,000
08/15/2011	865,000	3.625%	301,883	1,166,883	1,468,766	13,530,000
02/15/2012	0	-	286,205	286,205	0	13,530,000
08/15/2012	905,000	3.750%	286,205	1,191,205	1,477,410	12,625,000
02/15/2013	0	-	269,236	269,236	0	12,625,000
08/15/2013	940,000	3.750%	269,236	1,209,236	1,478,473	11,685,000
02/15/2014	0	-	251,611	251,611	0	11,685,000
08/15/2014	970,000	3.722%	251,611	1,221,611	1,473,223	10,715,000
02/15/2015	0	-	233,559	233,559	0	10,715,000
08/15/2015	1,005,000	3.900%	233,559	1,238,559	1,472,118	9,710,000
02/15/2016	0	-	213,964	213,964	0	9,710,000
08/15/2016	1,675,000	5.000%	213,964	1,888,964	2,102,928	8,035,000
02/15/2017	0	-	172,089	172,089	0	8,035,000
08/15/2017	1,760,000	5.000%	172,089	1,932,089	2,104,178	6,275,000
02/15/2018	0	-	128,089	128,089	0	6,275,000
08/15/2018	1,850,000	4.000%	128,089	1,978,089	2,106,178	4,425,000
02/15/2019	0	-	91,089	91,089	0	4,425,000
08/15/2019	1,415,000	4.100%	91,089	1,506,089	1,597,178	3,010,000
02/15/2020	0	-	62,081	62,081	0	3,010,000
08/15/2020	1,475,000	4.125%	62,081	1,537,081	1,599,163	1,535,000
02/15/2021	0	-	31,659	31,659	0	1,535,000
08/15/2021	1,535,000	4.125%	31,659	1,566,659	1,598,319	0
Total	14,395,000		4,082,930	18,477,930	18,477,930	

City of Pharr, Texas INTERNATIONAL BRIDGE

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

Series 2005A

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/15/2011	0	-	149,771	149,771	0	7,280,000
08/15/2011	540,000	3.625%	149,771	689,771	839,541	6,740,000
02/15/2012	0	-	139,983	139,983	0	6,740,000
08/15/2012	565,000	3.750%	139,983	704,983	844,966	6,175,000
02/15/2013	0	-	129,389	129,389	0	6,175,000
08/15/2013	510,000	4.500%	129,389	639,389	768,779	5,665,000
02/15/2014	0	-	117,914	117,914	0	5,665,000
08/15/2014	530,000	4.500%	117,914	647,914	765,829	5,135,000
02/15/2015	0	-	105,989	105,989	0	5,135,000
08/15/2015	555,000	4.500%	105,989	660,989	766,979	4,580,000
02/15/2016	0	-	93,502	93,502	0	4,580,000
08/15/2016	580,000	4.000%	93,502	673,502	767,004	4,000,000
02/15/2017	0	-	81,902	81,902	0	4,000,000
08/15/2017	600,000	4.000%	81,902	681,902	763,804	3,400,000
02/15/2018	0	-	69,902	69,902	0	3,400,000
08/15/2018	625,000	4.050%	69,902	694,902	764,804	2,775,000
02/15/2019	0	-	57,246	57,246	0	2,775,000
08/15/2019	650,000	4.100%	57,246	707,246	764,491	2,125,000
02/15/2020	0	-	43,921	43,921	0	2,125,000
08/15/2020	680,000	4.125%	43,921	723,921	767,841	1,445,000
02/15/2021	0	-	29,896	29,896	0	1,445,000
08/15/2021	705,000	4.125%	29,896	734,896	764,791	740,000
02/15/2022	0	-	15,355	15,355	0	740,000
08/15/2022	740,000	4.150%	15,355	755,355	770,710	0
Total	7,280,000		2,069,539	9,349,539	9,349,539	

City of Pharr, Texas INTERNATIONAL BRIDGE

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

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
02/15/2011	0	-	31,900	31,900	0	1,595,000
08/15/2011	1,595,000	4.000%	31,900	1,626,900	1,658,800	0
Total	1,595,000		63,800	1,658,800	1,658,800	

City of Pharr, Texas UTILITIES

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

CWSRF

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
03/01/2011	0	-	439,605	439,605	0	26,815,000
09/01/2011	765,000	2.900%	439,605	1,204,605	1,644,210	26,050,000
03/01/2012	0	-	428,513	428,513	0	26,050,000
09/01/2012	790,000	2.900%	428,513	1,218,513	1,647,025	25,260,000
03/01/2013	0	-	417,058	417,058	0	25,260,000
09/01/2013	815,000	2.950%	417,058	1,232,058	1,649,115	24,445,000
03/01/2014	0	-	405,036	405,036	0	24,445,000
09/01/2014	975,000	3.000%	405,036	1,380,036	1,785,073	23,470,000
03/01/2015	0	-	390,411	390,411	0	23,470,000
09/01/2015	1,005,000	3.000%	390,411	1,395,411	1,785,823	22,465,000
03/01/2016	0	-	375,336	375,336	0	22,465,000
09/01/2016	1,030,000	3.050%	375,336	1,405,336	1,780,673	21,435,000
03/01/2017	0	-	359,629	359,629	0	21,435,000
09/01/2017	1,155,000	3.100%	359,629	1,514,629	1,874,258	20,280,000
03/01/2018	0	-	341,726	341,726	0	20,280,000
09/01/2018	1,550,000	3.200%	341,726	1,891,726	2,233,453	18,730,000
03/01/2019	0	-	316,926	316,926	0	18,730,000
09/01/2019	1,740,000	3.200%	316,926	2,056,926	2,373,853	16,990,000
03/01/2020	0	-	289,086	289,086	0	16,990,000
09/01/2020	1,800,000	3.250%	289,086	2,089,086	2,378,173	15,190,000
03/01/2021	0	-	259,836	259,836	0	15,190,000
09/01/2021	1,860,000	3.300%	259,836	2,119,836	2,379,673	13,330,000
03/01/2022	0	-	229,146	229,146	0	13,330,000
09/01/2022	1,920,000	3.350%	229,146	2,149,146	2,378,293	11,410,000
03/01/2023	0	-	196,986	196,986	0	11,410,000
09/01/2023	1,980,000	3.400%	196,986	2,176,986	2,373,973	9,430,000
03/01/2024	0	-	163,326	163,326	0	9,430,000
09/01/2024	2,240,000	3.400%	163,326	2,403,326	2,566,653	7,190,000
03/01/2025	0	-	125,246	125,246	0	7,190,000
09/01/2025	2,315,000	3.450%	125,246	2,440,246	2,565,493	4,875,000
03/01/2026	0	-	85,313	85,313	0	4,875,000
09/01/2026	2,395,000	3.500%	85,313	2,480,313	2,565,625	2,480,000
03/01/2027	0	-	43,400	43,400	0	2,480,000
09/01/2027	2,480,000	3.500%	43,400	2,523,400	2,566,800	0
Total	26,815,000		9,733,160	36,548,160	36,548,160	

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
03/01/2011	0	-	15,863	15,863	0	12,880,000
09/01/2011	385,000	2.300%	15,863	400,863	416,725	12,495,000
03/01/2012	0	-	3,408	3,408	0	12,495,000
09/01/2012	290,000	2.300%	3,408	293,408	296,815	12,205,000
03/01/2013 *	0	-	166,104	166,104	0	12,205,000
09/01/2013 *	395,000	2.400%	166,104	561,104	727,208	11,810,000
03/01/2014 *	0	-	161,364	161,364	0	11,810,000
09/01/2014 *	455,000	2.450%	161,364	616,364	777,728	11,355,000
03/01/2015 *	0	-	155,790	155,790	0	11,355,000
09/01/2015 *	470,000	2.450%	155,790	625,790	781,580	10,885,000
03/01/2016 *	0	-	150,033	150,033	0	10,885,000
09/01/2016 *	475,000	2.500%	150,033	625,033	775,065	10,410,000
03/01/2017 *	0	-	144,095	144,095	0	10,410,000
09/01/2017 *	820,000	2.550%	144,095	964,095	1,108,190	9,590,000
03/01/2018 *	0	-	133,640	133,640	0	9,590,000
09/01/2018 *	840,000	2.650%	133,640	973,640	1,107,280	8,750,000
03/01/2019 *	0	-	122,510	122,510	0	8,750,000
09/01/2019 *	860,000	2.650%	122,510	982,510	1,105,020	7,890,000
03/01/2020 *	0	-	111,115	111,115	0	7,890,000
09/01/2020 *	885,000	2.700%	111,115	996,115	1,107,230	7,005,000
03/01/2021 *	0	-	99,168	99,168	0	7,005,000
09/01/2021 *	905,000	2.750%	99,168	1,004,168	1,103,335	6,100,000
03/01/2022 *	0	-	86,724	86,724	0	6,100,000
09/01/2022 *	930,000	2.800%	86,724	1,016,724	1,103,448	5,170,000
03/01/2023 *	0	-	73,704	73,704	0	5,170,000
09/01/2023 *	960,000	2.850%	73,704	1,033,704	1,107,408	4,210,000
03/01/2024 *	0	-	60,024	60,024	0	4,210,000
09/01/2024 *	985,000	2.850%	60,024	1,045,024	1,105,048	3,225,000
03/01/2025 *	0	-	45,988	45,988	0	3,225,000
09/01/2025 *	1,015,000	2.900%	45,988	1,060,988	1,106,975	2,210,000
03/01/2026 *	0	-	31,270	31,270	0	2,210,000
09/01/2026 *	1,045,000	2.950%	31,270	1,076,270	1,107,540	1,165,000
03/01/2027 *	0	-	15,856	15,856	0	1,165,000
09/01/2027 *	1,165,000	2.950%	15,856	1,180,856	1,196,713	0
Total	12,880,000		3,153,305	16,033,305	16,033,305	

City of Pharr, Texas UTILITIES

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

NADBank

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
03/01/2011	0	-	165,750	165,750	0	8,840,000
09/01/2011	380,000	3.750%	165,750	545,750	711,500	8,460,000
03/01/2012	0	-	158,625	158,625	0	8,460,000
09/01/2012	395,000	3.750%	158,625	553,625	712,250	8,065,000
03/01/2013	0	-	151,219	151,219	0	8,065,000
09/01/2013	410,000	3.750%	151,219	561,219	712,438	7,655,000
03/01/2014	0	-	143,532	143,532	0	7,655,000
09/01/2014	425,000	3.750%	143,532	568,532	712,063	7,230,000
03/01/2015	0	-	135,563	135,563	0	7,230,000
09/01/2015	440,000	3.750%	135,563	575,563	711,125	6,790,000
03/01/2016	0	-	127,313	127,313	0	6,790,000
09/01/2016	460,000	3.750%	127,313	587,313	714,625	6,330,000
03/01/2017	0	-	118,688	118,688	0	6,330,000
09/01/2017	475,000	3.750%	118,688	593,688	712,375	5,855,000
03/01/2018	0	-	109,782	109,782	0	5,855,000
09/01/2018	495,000	3.750%	109,782	604,782	714,563	5,360,000
03/01/2019	0	-	100,500	100,500	0	5,360,000
09/01/2019	510,000	3.750%	100,500	610,500	711,000	4,850,000
03/01/2020	0	-	90,938	90,938	0	4,850,000
09/01/2020	530,000	3.750%	90,938	620,938	711,875	4,320,000
03/01/2021	0	-	81,000	81,000	0	4,320,000
09/01/2021	550,000	3.750%	81,000	631,000	712,000	3,770,000
03/01/2022	0	-	70,688	70,688	0	3,770,000
09/01/2022	570,000	3.750%	70,688	640,688	711,375	3,200,000
03/01/2023	0	-	60,000	60,000	0	3,200,000
09/01/2023	595,000	3.750%	60,000	655,000	715,000	2,605,000
03/01/2024	0	-	48,844	48,844	0	2,605,000
09/01/2024	615,000	3.750%	48,844	663,844	712,688	1,990,000
03/01/2025	0	-	37,313	37,313	0	1,990,000
09/01/2025	640,000	3.750%	37,313	677,313	714,625	1,350,000
03/01/2026	0	-	25,313	25,313	0	1,350,000
09/01/2026	665,000	3.750%	25,313	690,313	715,625	685,000
03/01/2027	0	-	12,844	12,844	0	685,000
09/01/2027	685,000	3.750%	12,844	697,844	710,688	0
Total	8,840,000		3,275,815	12,115,815	12,115,815	

City of Pharr, Texas - UTILITIES

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

	Principal	Coupon	Interest	Total P+I	Fiscal Total	Balance
03/01/2011	-	-	89,370.00	89,370	0	4,965,000
09/01/2011	675,000.00	3.600%	89,370.00	764,370	853,740	4,290,000
03/01/2012	-	-	77,220.00	77,220	0	4,290,000
09/01/2012	710,000.00	3.600%	77,220.00	787,220	864,440	3,580,000
03/01/2013	-	-	64,440.00	64,440	0	3,580,000
09/01/2013	730,000.00	3.600%	64,440.00	794,440	858,880	2,850,000
03/01/2014	-	-	51,300.00	51,300	0	2,850,000
09/01/2014	760,000.00	3.600%	51,300.00	811,300	862,600	2,090,000
03/01/2015	-	-	37,620.00	37,620	0	2,090,000
09/01/2015	780,000.00	3.600%	37,620.00	817,620	855,240	1,310,000
03/01/2016	-	-	23,580.00	23,580	0	1,310,000
09/01/2016	815,000.00	3.600%	23,580.00	838,580	862,160	495,000
03/01/2017	-	-	8,910.00	8,910	0	495,000
09/01/2017	420,000.00	3.600%	8,910.00	428,910	437,820	75,000
03/01/2018	-	-	1,350.00	1,350	0	75,000
09/01/2018	75,000.00	3.600%	1,350.00	76,350	77,700	0
Total	4,965,000		707,580	5,672,580	5,672,580	

City of Pharr, Texas UTILITIES

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

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

CITY OF PHARR
AD VALOREM TAX REVENUE AND DISTRIBUTION
SUMMARY

Calendar Year Fiscal Year	2002 <u>2002-2003</u>	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>
LAND MARKET VALUE	\$ 415,732,780	\$ 540,256,685	\$ 567,337,401	\$ 585,592,721	\$ 691,917,328	\$ 730,482,127	\$ 1,012,889,618	\$ 1,036,749,268	\$ 1,044,112,922
IMPROVEMENTS-HOMESITE	247,179,894	273,103,088	326,961,752	354,792,703	381,314,593	450,843,430	465,618,398	478,884,365	488,915,754
IMPROVEMENTS-NON HOMESITES	440,946,751	510,495,053	570,742,113	618,888,462	687,892,767	780,514,223	865,068,624	882,610,712	947,260,745
PERSONAL PROPERTY	121,315,490	130,142,035	165,457,043	162,457,708	172,167,072	195,895,995	213,847,032	242,187,004	265,721,778
MINERALS	<u>38,842,740</u>	<u>41,692,810</u>	<u>49,042,371</u>	<u>52,742,207</u>	<u>54,079,270</u>	<u>51,312,443</u>	<u>52,231,740</u>	<u>49,303,210</u>	<u>16,864,741</u>
TOTAL MARKET VALUE	<u>1,264,017,655</u>	<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>
EXEMPTIONS:									
AG EXEMPTIONS	62,285,128	77,799,896	82,384,158	77,501,869	112,443,498	103,203,113	134,506,943	144,277,351	144,219,613
HOMESTEAD CAP	3,400,996	8,161,398	6,984,000	4,008,182	4,629,664	23,713,065	23,332,829	12,705,529	8,095,094
TAX ABATEMENTS	1,736,787	5,881,568	12,738,239	13,305,616	10,342,764	6,878,043	2,774,514	2,122,019	6,206,218
DISABLED VETERANS	1,389,901	1,433,189	1,602,920	1,696,421	1,854,587	2,139,440	2,301,422	5,337,116	7,119,488
FULL EXEMPTIONS	139,142,519	170,658,172	193,446,101	203,085,944	208,841,689	234,460,911	290,477,824	306,380,769	372,690,550
FREEPORT EXEMPTIONS	1,119,456	765,295	2,424,841	3,497,957	2,383,952	11,469,002	21,665,583	25,542,051	20,615,082
OVER 65	26,911,612	27,616,588	28,441,455	29,168,364	29,517,279	30,282,975	30,961,287	31,513,127	31,759,363
DISABLE PERSON	-	-	-	-	-	-	-	-	-
MOBILE HOME	233,857	113,944	7,069	6,844	6,632	-	-	-	-
HOUSE BILL	1,171	3,434	1,336	1,881	2,047	803	926	2,573	47,879
POLLUTION	-	-	-	-	-	-	-	-	181,240
HISTORICAL	<u>42,383</u>	<u>51,395</u>	<u>-</u>	<u>54,829</u>	<u>54,829</u>	<u>54,829</u>	<u>87,745</u>	<u>87,745</u>	<u>87,741</u>
TOTAL EXEMPTIONS	<u>236,263,810</u>	<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>
PENDING PROTEST	7,990,983	10,234,103	10,001,589	15,529,806	14,551,335	32,487,104	77,796,098	40,255,162	2,828,180
NET TAXABLE VALUE	<u>\$ 1,035,744,828</u>	<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>
ASSESSMENT RATIO	100%	100%	100%	100%	100%	100%	100%	100%	100%
PROPOSED TAX RATE/\$100	\$ 0.69000	\$ 0.68312	\$ 0.68312	\$ 0.68312	\$ 0.68312	\$ 0.68312	\$ 0.68185	\$ 0.68000	\$ 0.68000
ESTIMATED TAX LEVY	7,146,639	8,289,244	9,300,762	9,957,674	11,147,462	12,496,541	14,873,483	14,973,746	14,787,837
FROZEN LEVY LOSS	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(33,763)</u>	<u>(79,445)</u>	<u>(120,000)</u>	<u>-</u>	<u>-</u>
TOTAL LEVY	7,146,639	8,289,244	9,300,762	9,957,674	11,113,699	12,417,096	14,753,483	14,973,746	14,787,837
ESTIMATED % OF COLLECTION	<u>90%</u>	<u>90%</u>	<u>90.5%</u>	<u>90.5%</u>	<u>91%</u>	<u>91%</u>	<u>91%</u>	<u>90%</u>	<u>90%</u>
ESTIMATED TAX COLLECTION	6,431,975	7,460,319	8,417,189	9,011,695	10,113,466	11,299,557	13,425,670	13,476,371	13,309,053
ESTIMATED DEL. TAX COLLECTION	<u>465,000</u>	<u>510,000</u>	<u>675,000</u>	<u>770,000</u>	<u>825,000</u>	<u>789,140</u>	<u>750,000</u>	<u>795,000</u>	<u>900,000</u>
ESTIMATED TAX FUNDS AVAILABLE	<u>\$6,896,975</u>	<u>\$7,970,319</u>	<u>\$9,092,189</u>	<u>\$9,781,695</u>	<u>\$10,938,466</u>	<u>\$12,088,697</u>	<u>\$14,175,670</u>	<u>\$14,271,371</u>	<u>\$14,209,053</u>

Calendar Year Fiscal Year	2002 <u>2002-2003</u>	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>
GENERAL FUND (M&O)									
CURRENT YEAR TAX :									
Current Tax Rate	\$0.59021	\$0.59622	\$0.60165	\$0.59313	\$0.59313	\$0.59613	\$0.60294	\$0.60180	\$0.60180
Current Distribution Percentage	86%	87%	88%	87%	87%	87%	88%	89%	89%
Amount	\$5,501,763	\$6,511,289	\$7,413,342	\$7,824,550	\$8,781,181	\$9,860,647	\$11,871,927	\$11,926,589	\$11,778,512
DELINQUENT TAX									
Amount	405,000	430,000	585,000	670,000	715,000	700,000	663,200	703,000	800,000
SUB TOTAL									
Current Tax Rate	\$0.59021	\$0.59622	\$0.60165	\$0.59313	\$0.59313	\$0.59613	\$0.60294	\$0.60180	\$0.60180
Current Distribution Percentage	86%	87%	88%	87%	87%	87%	88%	89%	89%
Amount	\$5,906,763	\$6,941,289	\$7,998,342	\$8,494,550	\$9,496,181	\$10,560,647	\$12,535,127	\$12,629,589	\$12,578,512
DEBT SERVICE FUND (I & S)									
CURRENT YEAR TAX									
Current Tax Rate	\$0.09979	\$0.08690	\$0.08147	\$0.08999	\$0.08999	\$0.08699	\$0.07891	\$0.07820	\$0.07820
Current Distribution Percentage	14%	13%	12%	13%	13%	13%	12%	12%	12%
Amount	\$930,212.79	\$949,030.56	\$1,003,847.67	\$1,187,144.94	\$1,332,285.43	\$1,438,910.43	\$1,553,742.92	\$1,549,782.69	\$1,530,541.09
DELINQUENT TAX									
Amount	60,000	80,000	90,000	100,000	110,000	89,140	86,800	92,000	100,000
SUB TOTAL									
Current Tax Rate	\$0.0998	\$0.0869	\$0.0815	\$0.0900	\$0.0900	\$0.0870	\$0.0789	\$0.0782	\$0.0782
Current Distribution Percentage	14%	13%	12%	13%	13%	13%	12%	12%	12%
Amount	\$990,213	\$1,029,031	\$1,093,848	\$1,287,145	\$1,442,285	\$1,528,050	\$1,640,543	\$1,641,783	\$1,630,541
TOTAL									
Current Tax Rate	\$0.69000	\$0.68312	\$0.68312	\$0.68312	\$0.68312	\$0.68312	\$0.68185	\$0.68000	\$0.68000
Current Distribution Percentage	100%	100%	100%	100%	100%	100%	100%	100%	100%
Amount	<u>\$6,896,975</u>	<u>\$7,970,319</u>	<u>\$9,092,189</u>	<u>\$9,781,695</u>	<u>\$10,938,466</u>	<u>\$12,088,697</u>	<u>\$14,175,670</u>	<u>\$14,271,371</u>	<u>\$14,209,053</u>

City of Pharr
Current Property Tax Analysis - Cash Collections

	Tax Yr 2004 FY 04/05	Tax Yr 2005 FY 05/06	Tax Yr 2006 FY 06/07	Tax Yr 2007 FY 07/08	Tax Yr 2008 FY 08/09	Tax Yr 2009 FY 09/10	Difference FY 09/10 - FY 08/09
MONTH							
OCT.	\$ 247,286.44	\$ 215,225.71	\$ 285,612.65	\$ 555,092.25	\$ 139,500.42	\$ 88,747.05	(50,753.37)
NOV.	624,423.47	764,147.95	917,250.90	912,641.77	494,626.61	690,655.03	196,028.42
DEC.	2,402,418.80	2,418,565.07	2,265,716.55	2,768,330.36	3,623,450.46	3,980,702.03	357,251.57
JAN.	3,401,724.51	3,769,150.83	4,758,269.75	4,913,544.88	5,876,620.51	3,375,810.72	(2,500,809.79)
FEB.	633,482.93	842,177.69	817,624.88	1,019,633.00	1,677,830.84	3,703,857.32	2,026,026.48
MAR.	247,544.27	356,837.19	340,723.36	320,127.86	476,003.11	763,309.53	287,306.42
APR.	164,901.38	153,707.85	149,180.76	231,843.60	245,274.70	286,588.67	41,313.97
MAY	209,324.25	185,903.08	192,237.90	270,594.17	201,462.90	237,194.93	35,732.03
JUN.	154,625.25	125,002.27	136,406.00	267,154.41	329,610.04	229,939.12	(99,670.92)
JUL.	90,301.38	82,213.07	137,111.00	158,829.12	119,606.99	114,766.22	(4,840.77)
AUG.	94,954.06	77,085.39	93,274.59	142,660.91	82,996.50	97,750.31	14,753.81
SEP.	85,422.63	82,113.82	62,800.72	73,774.42	123,823.40		
TOTAL	<u>\$ 8,356,409.37</u>	<u>\$ 9,072,129.92</u>	<u>\$ 10,156,209.06</u>	<u>\$ 11,634,226.75</u>	<u>\$ 13,390,806.48</u>	<u>\$ 13,569,320.93</u>	<u>\$ 302,337.85</u>

1st Six Month Collection & % of Total Collection

\$ 7,556,880.42	\$ 8,366,104.44	\$ 9,385,198.09	\$ 10,489,370.12	\$ 12,288,031.95	\$ 12,603,081.68
90%	92%	92%	90%	92%	93%

INCREASE/(DECREASE) IN CURRENT PROPERTY TAX COLLECTION

\$ 875,889.72	\$ 715,720.55	\$ 1,084,079.14	\$ 1,478,017.69	\$ 1,756,579.73	\$ 302,337.85
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INCREASE FROM PREVIOUS YEAR

11.71%	8.56%	11.95%	14.55%	15.10%	2.28%
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BUDGET VS. ACTUAL VARIANCE ANALYSIS

\$ 8,463,693.00	\$ 8,942,352.00	\$ 10,116,891.00	\$ 11,337,400.00	\$ 13,022,670.00	\$ 13,449,760.00
\$ (107,283.63)	\$ 129,777.92	\$ 39,318.06	\$ 296,826.75	\$ 368,136.48	\$ 119,560.93
-1.27%	1.45%	0.39%	2.62%	2.83%	0.89%

City of Pharr
Delinquent Property Tax Analysis - Cash Collections

	Tax Yr 2004 FY 04/05	Tax Yr 2005 FY 05/06	Tax Yr 2006 FY 06/07	Tax Yr 2007 FY 07/08	Tax Yr 2008 FY 08/09	Tax Yr 2009 FY 09/10	Difference FY 09/10 - FY 08/09
MONTH							
OCT.	\$ 81,800.83	\$ 137,991.47	\$ 59,828.76	\$ 123,776.68	\$ 61,598.99	\$ 81,893.35	20,294.36
NOV.	57,276.57	49,770.95	74,999.07	49,677.58	71,419.15	63,693.80	(7,725.35)
DEC.	49,060.26	73,001.29	63,171.67	85,738.65	107,050.29	88,327.51	(18,722.78)
JAN.	77,120.82	78,993.00	105,120.26	120,731.01	129,202.27	118,349.72	(10,852.55)
FEB.	57,650.80	72,978.31	66,639.10	111,196.02	146,098.55	136,845.97	(9,252.58)
MAR.	84,625.19	62,183.88	84,988.36	80,075.80	108,294.90	120,985.54	12,690.64
APR.	66,827.31	48,014.12	61,534.33	84,812.81	89,343.93	100,404.54	11,060.61
MAY	45,133.59	45,686.40	56,161.75	87,984.02	78,883.29	66,705.29	(12,178.00)
JUN.	44,776.94	77,652.11	49,058.84	57,192.37	70,156.49	63,568.87	(6,587.62)
JUL.	27,350.05	59,178.46	57,395.14	38,112.06	52,910.51	47,945.03	(4,965.48)
AUG.	43,182.01	40,591.66	64,849.45	42,113.11	56,712.51	47,508.07	(9,204.44)
SEP.	35,624.85	43,081.67	60,129.05	56,331.96	35,682.70		
TOTAL	<u>\$ 670,429.22</u>	<u>\$ 789,123.32</u>	<u>\$ 803,875.78</u>	<u>\$ 937,742.07</u>	<u>\$ 1,007,353.58</u>	<u>\$ 936,227.69</u>	<u>\$ (35,443.19)</u>

AVERAGE PER MONTH

\$55,869.10 \$65,760.28 \$66,989.65 \$78,145.17 \$83,946.13 \$85,111.61

INCREASE/(DECREASE) IN DELINQUENT PROPERTY TAX COLLECTION

\$ 57,155.56 \$ 118,694.10 \$ 14,752.46 \$ 133,866.29 \$ 69,611.51 \$ (35,443.19)

INCREASE FROM PREVIOUS YEAR

9.32% 17.70% 1.87% 16.65% 7.42% -3.65%

BUDGET VS. ACTUAL VARIANCE ANALYSIS

\$ 600,000.00	\$ 730,000.00	\$ 825,000.00	\$ 789,140.00	\$ 750,000.00	\$ 795,000.00
\$ 70,429.22	\$ 59,123.32	\$ (21,124.22)	\$ 148,602.07	\$ 257,353.58	\$ 141,227.69
11.74%	8.10%	-2.56%	18.83%	34.31%	17.76%

ORDINANCE NO: O-2010-43

**AN ORDINANCE SETTING THE TAX RATE AND LEVYING
AD VALOREM TAXES FOR THE CITY OF PHARR, TEXAS
BEGINNING FISCAL YEAR OCTOBER 1, 2010 AND ENDING
SEPTEMBER 30, 2011, 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 2010-2011, 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, 2010, and ending September 30, 2011, an ad valorem tax of on each \$100 valuation of property within the limits of the City of Pharr and not exempt from taxation by valid law; that such ad valorem tax shall be apportioned between the interest and sinking fund and the general fund as follows:

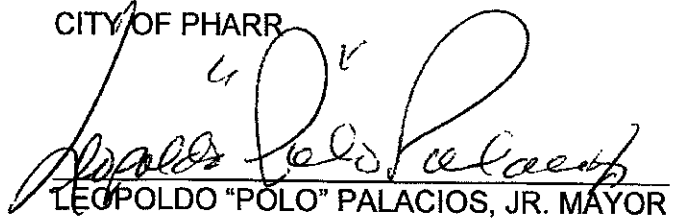
M & O	\$.6018
I & S	\$ <u>.0782</u>
TOTAL RATE	\$.6800

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

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

APPROVED AND ADOPTED BY THE BOARD OF CITY COMMISSIONERS OF
THE CITY OF PHARR, TEXAS, on this the 8th day of September, 2010.

CITY OF PHARR


LEOPOLDO "POLO" PALACIOS, JR. MAYOR

ATTEST:


HILDA PEDRAZA, CITY CLERK

GLOSSARY

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Fixed Assets: An asset of a long-term nature, which is intended to continue to be held or used, such as land, building, improvements other than buildings, machinery, and equipment. Useful life of at least 3 years and a cost of at least \$5,000.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Working Capital: Current Assets less Current Liabilities.