WE ARE TEAM PHARR

ANNUAL COMPREHENSIVE FINANCIAL REPORT

PHARR, TEXAS

For the Fiscal Year Ended September 30, 2022

City of Pharr, TX
Annual Comprehensive Financial Report
Reprt Year Ended September 30, 2022

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FINANCIAL SECTION

MANAGEMENT'S DISCUSSION & ANALYSIS (MD & A)

Management's Discussion and Analysis

As management of the City of Pharr, Texas (the city), we offer readers of the city's financial statements this narrative overview and analysis of the financial activities of the City of Pharr for the fiscal year ended September 30, 2022.

Financial Highlights

- The assets and deferred outflow of the city's governmental activities exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by $**139.61 million (net position).**

- Governmental activities showed a decrease of **$1.79 million** in unrestricted net position. The decrease is mainly due to the addition of a bond financed by PEDC for our new TeamPharr.net project, and an increase in our pension liability.

- The assets and deferred outflows of the city's business-type activities exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by over **$143.89.61 million** (net position). Most of the money is invested in our capital projects.

- The General Fund assets exceeded its liabilities by over **$25.55 million** (fund balance). The general fund showed an increase in revenues of almost **$4.19 million dollars**, primarily due to an increase in sales and property taxes collections. Sales taxes showed an increase of 1%, and property taxes went up by 8%, but we also see an increase of almost **$13.7 million** in operating expenses compared to the previous fiscal year. The significant increase in expenditures is mainly due to capital equipment purchase and as the city grows personnel needs also increase.

- The General Capital Improvements liabilities exceed its assets by over **$531 thousand** (fund balance). CIP fund showed a decrease in expenditures of $16 million mainly due to the completion of our two projects, the natatorium, and the northside community center.

- During fiscal year 21-22 PEDC came back as a city blended component unit due to its relationship with the city and to comply with GASB 61. During the year PEDC's assets exceed its liabilities by over 23 million (fund balance) this increase was due the new bond issued to PEDC for the construction of the TEAMPHARR.NET project.

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Overview of the Financial Statements

This discussion and analysis are intended to serve as an introduction to the city's basic financial statements. The city's basic financial statements comprise three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information and the basic financial statements themselves.

Government-Wide Financial Statements

The government-wide financial statements are designed to provide readers with a broad overview of the city's finances in a manner like a private-sector business.

Management's Discussion and Analysis

The Statement of Net Position presents information on all the city's assets and liabilities and deferred outflow and inflow of resources, with the difference being reported as net position. Over time, increases or decreases in net position may serve as a helpful indicator of whether the city's financial position is improving or deteriorating.

The Statement of Activities presents information showing how the city's net position changed during the most recent fiscal year. All changes in net position are reported as soon as the underlying event gives rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Government-wide financial statements distinguish functions of the city that are supported by taxes and intergovernmental revenues (governmental activities) from other operations that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The city's governmental activities include services provided to the citizens for the city's essential health, safety, welfare, and administration. Examples include police and fire protection, animal control, streets, parks, and recreation. Business-type activities of the city include the services provided to the citizens, the cost of which is recouped by user fees charged for the services. The revenues include water and wastewater services, bridge toll, emergency services, event concession, rents, and golf course fees to all residents and businesses.

The government-wide financial statements include separate component units for which the city is financially accountable: the Pharr Economic Development Corporation II, the greater Pharr chamber of commerce, TIRZ 1&2, PHFC, and Jackson place apartments.

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Fund Financial Statements

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Like other state and local governments, the city uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the city's funds are divided into four categories: governmental funds, proprietary funds, fiduciary funds, and discretely presented component units.

Governmental Funds

Governmental funds are used to account for the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of resources that can be spent and on balances of resources that can be spent available at the end of the fiscal year. Such information may be helpful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is helpful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental fund Balance Sheet and the governmental fund Statement of Revenues,

Expenditures and Changes in Fund Balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

The city maintains three major (General, PEDC, CIP) and ten nonmajor governmental funds. Information for the major funds is presented separately in the governmental fund's Balance Sheet and the governmental fund's Statement of Revenues, Expenditures, and Changes in Fund Balances. The nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided by combining statements elsewhere in this report.

The city adopts an annual appropriated budget for the General, Asset Sharing, Community Development, Hotel/Motel, Parkland Dedication, Paving & Drainage, Grants, General Capital Improvement Projects, and Debt Service governmental funds. A budgetary comparison statement has been provided for those funds to demonstrate compliance with this budget.

Proprietary Funds

The City maintains two different types of proprietary funds, enterprise funds, and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements.
The City uses enterprise funds to account for its water and wastewater operations, its bridge toll, ambulances services, and golf course operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its vehicle repair activities and health insurance.

Proprietary funds provide more detailed information than government-wide financial statements. The proprietary funds financial statements offer separate data for water and wastewater operations, bridge toll, ambulances services, and golf course operations. Conversely, internal service funds are combined into a single, aggregated presentation in the proprietary funds' financial statements. Individual fund data for the internal service funds are provided by combining statements elsewhere in this report.

The City adopts an annual appropriated budget for the Utility, TeamPharr.net, EMS, Bridge, Golf, Health insurance, and Garage funds. A budgetary comparison statement has been provided for those funds to demonstrate compliance with this budget.

Notes to the Financial Statements

The notes provide additional information essential to a complete understanding of the data provided in the government-wide and fund financial statements.

Other Information

The City's progress in funding its obligations to provide pension benefits to its employees can be found at the end of the notes to the financial statements.

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Management's Discussion and Analysis

In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information concerning the result of activities comparing the budget versus actual.

The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the required supplementary information.

As noted earlier, net position may serve as a valuable indicator of a government's financial position over time. In the case of the City, assets exceeded liabilities by over **$283.51 million** at the close of the fiscal year.

The City's condensed Statement of Net Position along with last fiscal year's numbers is presented for comparison in the table is located below:

City of Pharr's Net Position

Table 1 – Dollars in Millions	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Assets						
Current and other assets	$ 101.06	$ 97.56	$123.98	$ 98.51	$ 225.04	$196.07
Capital assets	232.04	173.32	167.64	154.53	399.68	327.85
Total assets	333.10	270.88	291.62	253.04	624.72	523.92
Deferred Outflow of Resources						
Deferred outflows	2.16	3.63	0.13	0.16	2.29	3.79
Total deferred outflow of resources	2.16	3.63	0.13	0.16	2.29	3.79
Total Assets and Deferred Outflow of Resources	335.26	274.51	291.75	253.20	627.01	527.71
Liabilities						
Current and other liabilities	24.74	20.62	8.32	9.33	33.06	29.95
Long-term Liabilities	147.85	89.68	121.44	98.34	269.29	188.02
Total liabilities	172.59	110.30	129.76	107.67	302.35	217.97
Deferred Inflow of Resources						
Deferred inflows	28.92	30.96	18.09	13.90	47.01	44.86
Total deferred inflows of resources	28.92	30.96	18.09	13.90	47.01	44.86
Total Liabilities and Deferred Inflow of Resources	201.51	141.26	147.85	121.57	349.36	262.83
Net Position						
Net Invested in capital assets	119.03	100.10	135.45	123.67	254.48	223.77
Restricted	22.77	20.32	8.04	6.08	30.81	26.40
Unrestricted	(2.19)	12.84	0.40	1.88	(1.79)	14.72
Total net position	$ 139.61	$ 133.26	$143.89	$131.63	$ 283.51	$264.89

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Management's Discussion and Analysis

The excess of liabilities/deferred inflows of resources over assets/deferred outflows of resources reported on the government-wide Statement of Net Position of $283.51 million on September 30, 2022. The increase of $18.62 million is due to the increase in new capital projects to improve the citizens' quality of life.

By far, the most significant portion of the city's net position ($262.35) reflects its Net Invested in Capital Assets (e.g., land buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The city uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the city's investments in its capital assets are reported in Net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the city's net position ($46.63) million represents resources subject to external restrictions on how they may be used. During fiscal year 21-22 shows a negative unrestricted net position mainly due to new investments, the increase of the pension liability and bringing back PEDC as a blended component unit following the GASB 39 guideline.

Governmental Activities

The City's governmental activities' revenues source distribution is presented below.

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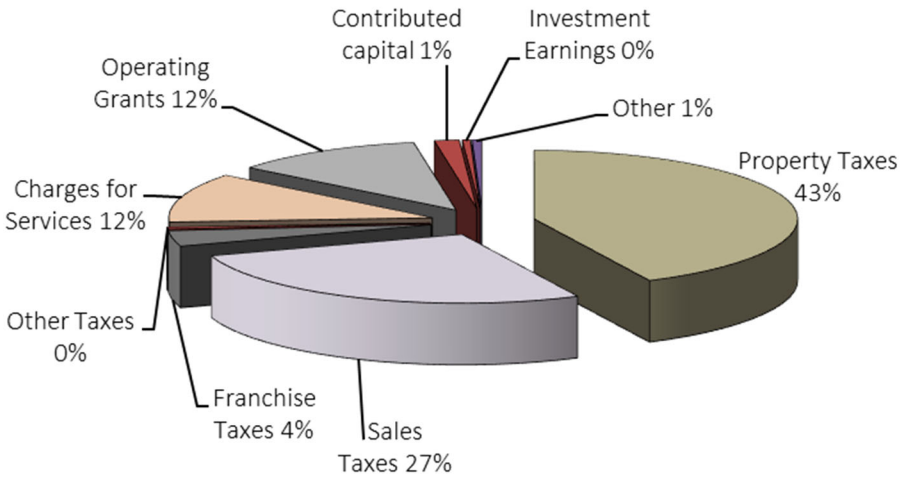

Management's Discussion and Analysis

The City's condensed Changes in Net Position along with last fiscal year's numbers are presented for comparison in the following table below:

City of Pharr's Changes in Net Position

Table 2 – Dollars in Millions	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Revenues						
Program Revenues:						
Charges for services	$ 9.50	$ 8.95	$ 57.74	$ 35.79	$ 67.24	$ 44.74
Operating grants and contributions	9.59	7.18	2.06	3.60	11.65	10.78
Capital grants and contributions	1.23	9.86	-	-	1.23	9.86
General Revenues:						
Property tax	34.90	25.92	-	-	34.90	25.92
Sales tax	22.11	20.19	-	-	22.11	20.19
Other taxes	2.95	2.52	-	-	2.95	2.52
Other	0.39	0.30	0.94	-	1.33	0.30
Total Revenues	80.67	74.92	60.74	39.39	141.41	114.31
Expenses:						
General governmental	21.33	18.68	-	-	21.33	18.68
Public safety	39.90	30.02	-	-	39.90	30.02
Streets	8.44	4.11	-	-	8.44	4.11
Health and welfare	3.47	3.44	-	-	3.47	3.44
Culture and recreation	6.71	9.00	-	-	6.71	9.00
Economic Development	6.07	1.08	-	-	6.07	1.08
Interest of debt service	3.53	2.90	-	-	3.53	2.90
Issuance Cost	-	-	-	-	-	-
Utility	-	-	16.29	16.66	16.29	16.66
Pharr EMS	-	-	23.49	4.65	-	-
Teampharr.net	-	-	0.26	0.38	0.26	0.38
Toll bridge	-	-	7.84	5.15	7.84	5.15
Tierra Del Sol Golf Course	-	-	1.61	1.50	1.61	1.50
Total Expenses	89.45	69.23	49.49	28.34	115.45	92.92
Excess of revenues over expenses	(8.78)	5.69	11.25	11.05	25.96	21.39
Contributions	0.48	2.24	1.42	1.41	1.90	3.65
Transfers	(2.62)	10.57	2.62	(10.57)	-	-
Net change in net position	(10.92)	18.50	15.29	1.89	4.37	20.39
Net position - beginning	133.26	129.70	131.38	133.72	264.64	263.42
Prior period adjustment (a)	17.27	(14.94)	(2.78)	(3.98)	14.49	(18.92)
Net position - ending	$139.61	$133.26	$143.89	$131.63	$283.50	$264.89

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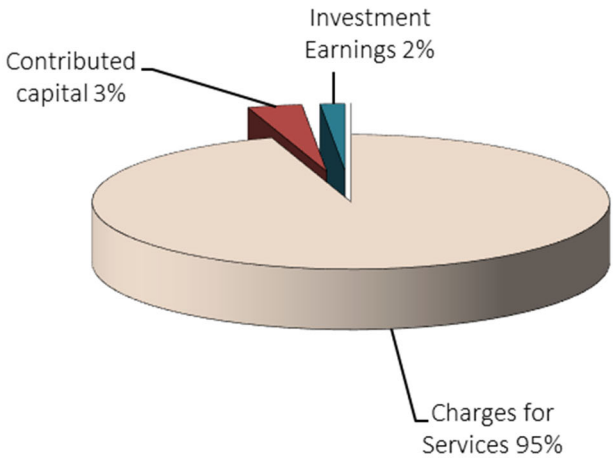
Business-Type Activities

There was an increase in revenues in all business-type funds, but an increase in operating expenses was also reflected. An increase of 21.35 million is reflected during this fiscal year most of it are EMS receivables expected to be received in a later period.

The City's Business-Type activities' revenue source distribution is presented in the graph below.



CAPITAL ASSETS AND DEBT ADMINISTRATION

The City of Pharr's Capital assets for its governmental and business-type activities amounts to $399.66 million. This investment in capital assets includes land, buildings and system improvements, and machinery and equipment net of depreciation. The total increase in the City's net investment in capital assets for the current fiscal year was $71.81 million or 17%.

City of Pharr's Capital Assets
(Net of Depreciation)

	Governmental Activities		Business-Type Activities		Total	
	2022	2021	2022	2021	2022	2021
Water rights	$ -	$ -	$ 7.75	$ 3.45	7.75	3.45
Land	22.31	14.82	6.90	6.89	29.21	21.71
Building and system improvements	65.87	27.30	14.23	15.00	80.10	42.30
Other improvements	55.22	54.43	10.72	10.61	65.94	65.04
Machinery and equipment	8.34	7.86	6.35	5.46	14.69	13.32
Infrastructure	27.60	28.66	97.25	100.61	124.85	129.27
Construction in progress	52.70	40.25	24.44	12.51	77.14	52.76
	$ 232.04	$ 173.32	$ 167.64	$ 154.53	$ 399.68	$ 327.85

Additional information on the City's capital assets can be found in the Notes to the Financial Statements in this report under section *III-Detailed Notes on Funds and Component Units* subsection *F-Capital Assets.*

Long-Term Debt

At the end of the current fiscal year, the city had total contractually obligated long-term debt of $251.34 million. The details of the change in debt from last fiscal year are as indicated:

Table 4 - Dollars in millions (not including unamortized activity)

	2022	2021	Change
Governmental			
Bonds	$ -	$ -	$ -
Certificates of obligation	118.76	67.08	51.68
Capital leases	5.92	6.15	(0.23)
Notes	5.24	6.60	(1.36)
	129.92	79.83	50.09
Business-Type			
Bonds	118.18	101.80	16.38
Capital leases	3.24	2.72	0.52
	121.42	104.52	16.90
Total	$ 251.34	$ 184.35	$ 66.99

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Long-term debt for Governmental activities increased by **$50.09 million** due to the teampharr.net project funded by PEDC.

Long-term debt for the Business-Type activities increases by **$16 million**. This increase was for new bond to cover the new bridge expansion. The total amount issued was **$20.9 million**. The differences are due to debt repayments during the fiscal year.

Additional information on the city's long-term debt can be found in this report's Notes to the Financial Statements under section *III-Detailed Notes on Funds and Component Units* subsection *G-Long-Term Obligations.*

Pension

The adoption of Statement No. 68 resulted in the city's reporting of net pension liabilities and deferred inflows of resources and deferred outflows of resources for each of its qualified pension plans and the recognition of pension expense by the Statement's provisions.

Table 5 provides the city's key pension statistics related to the TMRS plan as of and for the fiscal year ended September 30, 2022:

City of Pharr's Key Pensions Statistics

Table 5-(Dollars in millions)

Net Pension Laibility	$	13.90
Pension Expense	$	14.65

Additional information on the City's net pension liability can be found in the notes to the financial statements as indicated in the table of contents of this report.

Economic Factors and Next Year's Budgets and Rates

- The launching of TeamPharr.net, the new broadband services the city is providing to their citizens that will connect people to a better quality of life.
- The continuation of the new infrastructure Bridge Expansion and improvements inside the Port of Entry will streamline the truck/cargo inspection process, allowing for better flow and maximum efficiency, and more crossing revenue as consequence.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances for all those with an interest in the City's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to City of Pharr, Office of the Finance Director, P.O. Box 1729, Pharr, TX 78577.

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BASIC FINANCIAL STATEMENTS

CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

	Primary Government				
	Governmental Activities	Business-Type Activities	Total	Discrete Component Units	Total
ASSETS					
Current assets:					
Cash	$ 27,379,484	$ 693,476	$ 28,072,960	$ 929,584	$ 29,002,544
Receivables (net of allowance for uncollectible)	17,790,453	7,768,238	25,558,691	4,718	25,563,409
Prepaid items	1,453	-	1,453		1,453
Internal balances	4,259,047	(4,259,047)	-	-	-
Inventories	1,902,801	201,640	2,104,441	-	2,104,441
Land available for sale	4,010,800	-	4,010,800	-	4,010,800
Restricted assets:					
Cash	40,275,396	112,891,030	153,166,426	2,497,862	155,664,288
Cash with Fiscal Agent	2,358,487	2,556,321	4,914,808	-	4,914,808
Intergovernmental receivable	408,590	103,802	512,392	-	512,392
Total current assets	98,386,511	119,955,460	218,341,971	3,432,164	221,774,135
Capital assets					
Lease Assets (net of accumulated amortization)	2,681,571	4,030,699	6,712,270	-	6,712,270
Water Rights (nondepreciable)	-	7,750,000	7,750,000	-	7,750,000
Land (nondepreciable)	22,304,181	6,897,338	29,201,519	1,500,000	30,701,519
Buildings (net of acc. depreciation)	65,861,939	14,233,427	80,095,366	28,858,341	108,953,707
Improvements other than buildings (net of acc. depreciation)	55,223,246	10,721,810	65,945,056	-	65,945,056
Machinery and equipment (net of acc. depreciation)	8,342,888	6,349,279	14,692,167	38,753	14,730,920
Infrastructure (net of acc. depreciation)	27,607,442	97,253,415	124,860,857	-	124,860,857
Construction in progress (nondepreciable)	52,701,670	24,437,858	77,139,528	-	77,139,528
Total capital assets	232,041,366	167,643,127	399,684,493	30,397,094	430,081,587
Total noncurrent assets	234,722,937	171,673,826	406,396,763	30,397,094	436,793,857
Total assets	333,109,448	291,629,286	624,738,734	33,829,258	658,567,992
DEFERRED OUTFLOW OF RESOURCES					
Other Post Employment Benefits	394,757	-	394,757	-	394,757
Unamortized loss on refunding of debt	-	130,324	130,324	-	130,324
Pension-TMRS	1,768,123	-	1,768,123	-	1,768,123
Total deferred outflow of resources	2,162,880	130,324	2,293,204	-	2,293,204
LIABILITIES					
Current liabilities payable:					
Accounts payable and other current liabilities	12,091,892	3,022,509	15,114,401	5,034,755	20,149,156
Escrows	4,482,394	252,109	4,734,503	-	4,734,503
Current portion debt payable	8,171,365	5,050,016	13,221,381	692,170	13,913,551
Total current liabilities	24,745,651	8,324,634	33,070,285	5,726,925	38,797,210
Noncurrent liabilities:					
Other post employment benefit	1,853,008	-	1,853,008	-	1,853,008
Net Pension Liability	13,933,671	-	13,933,671	-	13,933,671
Due in more than one year, net	132,066,508	121,447,301	253,513,809	31,545,921	285,059,730
Total noncurrent liabilities	147,853,187	121,447,301	269,300,488	31,545,921	300,846,409
Total liabilities	172,598,838	129,771,935	302,370,773	37,272,846	339,643,619
DEFERRED INFLOW OF RESOURCES					
Pension-Actual Contributions vs Assumptions	2,117,856	-	2,117,856	-	2,117,856
Other Post Employee Benefits	86,207	-	86,207	-	86,207
Deferred Changes on Leases	2,681,571	1,836,292	4,517,863	-	4,517,863
Unearned revenue	18,174,808	3,822,073	21,996,881	-	21,996,881
Unamortized premium	-	12,433,983	12,433,983	-	12,433,983
	23,060,442	18,092,348	41,152,790	-	41,152,790
NET POSITION					
Net Invested in capital assets	119,034,448	135,452,225	254,486,673	(1,840,997)	252,645,676
Restricted for:					
Debt service	9,635,080	7,981,000	17,616,080	-	17,616,080
Capital projects	-	60,208	60,208	-	60,208
Economic development	3,334,756	-	3,334,756	-	3,334,756
Tourism	1,345,004	-	1,345,004	-	1,345,004
Noncurrent advances	5,006,613	-	5,006,613	-	5,006,613
Public safety	800,793	-	800,793	-	800,793
Paving and Drainage	1,876,272	-	1,876,272	-	1,876,272
General Government	774,454	-	774,454	-	774,454
Unrestricted	(2,194,374)	401,895	(1,792,479)	(1,602,592)	(3,395,071)
Total net position	$ 139,613,048	$ 143,895,326	$ 283,508,375	$ (3,443,588)	$ 280,064,787

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The notes to the financial statements are an integral part of this statemen

CITY OF PHARR, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 20202

		Program Revenues			Net (Expense) Revenue and Changes in Net Position				
					Primary Government				
Functions/Programs	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total	Discrete Component Unit	Total
Primary government:									
Governmental activities:									
General government	$ 21,338,110	$ 2,667,693	$ 8,110,564	$ -	$ (10,559,853)		$ (10,559,853)	-	(10,559,853)
Public safety	39,936,343	179,185	1,471,358	-	(38,285,800)		(38,285,800)	-	(38,285,800)
Highways and streets	8,446,368	1,856,826	-	1,232,268	(5,357,274)		(5,357,274)	-	(5,357,274)
Health and welfare	3,470,378	3,963,617	-	-	493,239		493,239	-	493,239
Culture and recreation	6,716,808	651,880	-	-	(6,064,928)		(6,064,928)	-	(6,064,928)
Economic development	6,007,234	181,897	-	-	(5,825,337)		(5,825,337)	-	(5,825,337)
Interest on long-term debt	3,535,485	-	-		(3,535,485)		(3,535,485)	-	(3,535,485)
Total governmental activities	89,450,724	9,501,098	9,581,921	1,232,268	(69,135,436)		(69,135,438)	-	(69,135,438)
Business-type activities:									
Utility	16,287,764	16,955,324	2,051,080			2,718,640	2,718,640		2,718,640
Pharr EMS	23,496,581	25,505	-	-		(23,471,076)	(23,471,076)		(23,471,076)
TeamPharr.net	269,425	17,562,709	-	-		17,293,284	17,293,284		17,293,284
Toll Bridge	7,832,115	22,148,992	-	-		14,316,877	14,316,877		14,316,877
Tierra Del Sol Golf Course	1,606,565	1,055,973	-			(550,592)	(550,592)		(550,592)
Total business-type activities	49,492,450	57,748,503	2,051,080	-		10,307,133	10,307,133		10,307,133
Total primary government	$ 138,943,174	$ 67,249,601	$ 11,633,001	$ 1,232,268	$ (69,135,436)	$ 10,307,132	$ (58,828,305)	-	(58,828,305)
Component unit:									
PHFC Jackson Apartments	-	-	-					375,411	375,411
Depreciation Expense	-	-	-					1,216,091	1,216,091
PFH	-	-	-					67,566	67,566
Greater Oharr Chmaber of Commerce	-	-	-					798,400	798,400
Debt Interest and Issuance Cost	$ -	$ -	-					1,590,808	1,590,808
	-	-	-					4,048,276	4,048,276
		General revenues:							
		Property taxes			34,899,975	-	34,899,975	-	34,899,975
		Sales taxes			22,105,801	-	22,105,801	-	22,105,801
		Franchise taxes			2,665,090	-	2,665,090	-	2,665,090
		Memberships			-	-	-	41,215	
		Rent Revenue			-	-	-	2,917,699	2,917,699
		Contributions			-	1,419,293	1,419,293	184,700	1,603,993
		Other taxes			478,155	-	478,155	-	478,155
		Investment earnings			394,169	510,682	904,851	1,908	906,759
		Other			282,120	430,482	712,602	386,591	1,099,194
		Cost of Issuance			-	-	-	-	-
		Transfers			(2,622,764)	2,622,764	-	-	-
		Total general revenues and transfers			58,202,546	4,983,221	63,185,767	3,532,113	66,676,665
		Change in net position			(10,932,885)	15,290,353	4,357,468	(516,163)	3,841,305
		Net position - beginning			133,267,595	131,387,359	264,654,954	7,156,370	271,811,324
		Prior period adjustment			17,278,338	(2,782,385)	14,495,953	(10,083,795)	4,412,158
		Net position - ending			$ 139,613,048	$ 143,895,326	$ 283,508,375	$ (3,443,588)	$ 280,064,787

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The notes to the financial statements are an integral part of this statement

CITY OF PHARR, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

		General	Pharr Economic Development Corporation, Inc.	General Capital Improvements	Non-Major Governmental	Total Governmental
ASSETS AND DEFERRED OUTFLOWS OF RESOURCES						
Cash		$ 12,782,188	$ 2,272,487	$ -	11,961,900	$ 27,016,575
Receivables (net of allowance for uncollectible):						
	Property taxes	1,690,169	-	-	370,272	2,060,441
	Warrants	1,742,002	-	-	-	1,742,002
	Sales tax	3,641,952	1,213,984	-	-	4,855,936
	Notes	-	465,968	-	55,889	521,857
	Accounts	903,040	-		115,795	1,018,835
	Intergovernmental	-	-	172,800.00	-	172,800.00
	Other	6,010,897	241,000	58,450	1,108,235	7,418,582
Prepaid Items		1,453	-	-	-	1,453
Inventories		1,861,399	-	-	-	1,861,399
Land Available for Sale		-	4,010,800	-	-	4,010,800
Due from other funds		4,960,434	-	107,554	-	5,067,988
Restricted assets:						
	Cash	-	21,872,508	192,563	18,210,325	40,275,396
	Cash with Fiscal Agent	2,358,487	-	-	-	2,358,487
	Intergovernmental receivable	-	-	-	408,590	408,590
	Total assets	$ 35,952,022	$ 30,076,747	$ 531,367	32,231,006	$ 98,791,141
LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE						
Liabilities:						
	Accounts payable	$ 3,312,753	$ 6,262,956	$ 337,529	1,134,636	$ 11,047,874
	Accrued liabilities	833,185	-	-	-	833,185
	Due to other funds	-	270,392	-	532,472	802,864
	Escrow accounts	3,227,664	76,701	1,053,421	329	4,358,115
	Unearned revenue	-	-	-	18,174,808	18,174,808
	Total liabilities	7,373,602	6,610,049	1,390,950	19,842,245	35,216,846
		7,373,602	6,610,049	1,390,950	19,842,245	35,216,846
Deferred Inflows of Resources:						
	Deferred property tax	373,749	-	-	20,914	394,663
	Deferred accounts	903,040	-	-	115,795	1,018,835
	Deferred warrants	1,742,002	-	-	-	1,742,002
	Deferred notes	-	465,968	-	54,619	520,587
	Total deferred inflow of resources	3,018,791	465,968	-	191,328	3,676,087
Fund balances:						
	Nonspendable:					
	Inventory	1,861,399	4,010,800	-	-	5,872,199
	Noncurrent advances	5,006,613	-	-		5,006,613
	Restricted:					
	General government	-	-	-	35,188	35,188
	Debt service	-	6,963,763	-	2,800,315	9,764,078
	Street paving and drainage	-	-	-	857,437	857,437
	Tourism	-	-	-	1,345,004	1,345,004
	Public safety	-	-	-	800,793	800,793
	Parkland	-	-	-	264,103	264,103
	Community development	-	-	-	475,164	475,164
	Economic development	-	(2,284,673)	-	5,619,429	3,334,756
	Committed:					
	Contingency	11,275,723	-	-	-	11,275,723
	Assigned:					-
	General government	3,481,452	-	-	-	3,481,452
	Capital outlay	2,358,487	14,310,840	(859,583)	-	15,809,744
	Encumbrances	-	-	-	-	-
	Unassigned:	1,575,955	-	-	-	1,575,955
	Total fund balances	25,559,629	23,000,730	(859,583)	12,197,433	59,898,209
Total liabilities, deferred inflows of resources and fund balances		$ 35,952,022	$ 30,076,747	$ 531,367	32,231,006	$ 98,791,141

The notes to the financial statements are an integral part of this statement

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CITY OF PHARR, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Amounts reported for governmental activities in the statement of net position are different because:

Total fund balances - governmental funds balance sheet			$	59,898,209
(1)	When capital assets that are to be used in governmental activities are purchased, the cost of those assets are reported as expenditures in governmental funds. However, the statement of net asset includes those capital assets among the assets of the city as a whole	Cost of capital assets	351,461,791	
		Accumulated depreciation	(119,727,575)	231,734,216
(2)	Internal service funds are used by management to charge the costs of fleet management and workman's compensation to individual funds. 100% of the assets is allocated to governmental activities. The assets and liabilities of these internal service funds are included in governmental activities in the statement of net position			
		Garage	481,834	481,834
(3)	Long-term liabilities applicable to the city's governmental activities are not due in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position			
		Bonds/Certificates/Notes		
		Current	(4,633,660)	
		Long-term	(119,367,885)	
		Capital leases		
		Current	(1,898,670)	
		Long-term	(4,023,545)	
		Unamortized loss -Deferred outflow	-	
		Unamortized debt activity	(3,758,153)	(133,681,913)
(4)	Because some property tax will not be collected for several months after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are considered deferred in governmental funds			
		Tax receivable	2,639,505.00	
		Allowance	(579,063.00)	
		60 day accrual	(1,665,779.12)	394,663
(5)	Because some sanitation, brush, and paving fees will not be collected for several months after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are considered deferred in governmental funds	Sanitation	824,708	
		Paving	115,795	
		Library	7,972	
		Alarm permits	70,359	1,018,835
(6)	Interest expense in the statement of activities differs from the amount reported in governmental funds due to accrued interest calculated for bonds and notes payable	Bonds	-	
		Certificates	(149,910)	
		Notes	-	(149,910)

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(7)	Certain accrued obligations not normally expected to be liquidated with expendable available financial resources unless they are due for payment in the current period. The difference in compensated absences from last year to this year is recorded in the statement of activities			
		Current	(1,629,403)	
		Long-term	(4,888,209)	(6,517,612)
(8)	Because some warrants will not be collected for some time after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are considered deferred in governmental funds	Warrants receivable	14,204,599	
		Allowance	(12,462,596)	1,742,004
(9)	Employers that participate in defined contribution OPEB plans are required to recognize OPEB liability for unpaid required contributions			
		OPEB Liability - Prior Years	(86,207)	
		This fiscal year contribution	(1,853,008)	
		This fiscal year trust fund contribution	394,757	(1,544,458)
(10)	Because some EDC loan receivables will not be collected for some time after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are considered deferred in governmental funds.		520,587	520,587
(11)	Deferred Outflow Pension Contributions		1,768,123	
	Deferred Inlfow		(2,117,856)	
	Net Pension Liability		(13,933,671)	
				(14,283,404)
	Rounding Difference			-
	Net position of governmental activities - statement of net position			$ 139,613,048

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The notes to the financial statements are an integral part of this statement

CITY OF PHARR, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	General	Pharr Economic Development Corporation, Inc.	General Capital Improvements	Non-Major Governmental	Total Governmental
REVENUES					
Taxes:					
Property	$ 20,866,315	$ 7,106,394	$ -	$ 6,979,025	$ 34,951,734
Sales	21,319,181	-	-	786,620	22,105,801
Franchise	2,665,090	-	-	-	2,665,090
Other	282,120	-	-	-	282,120
Licenses and permits	1,326,575	-	-	-	1,326,575
Intergovernmental	97,729	-	1,232,268	9,484,193	10,814,190
Fees and charges:					
Sanitation	3,050,224	-	-	-	3,050,224
Brush	1,213,877	-	-	-	1,213,877
Other	1,046,261	-	-	1,357,991	2,404,252
Fines	498,560	-	-	-	498,560
Interest income	101,232	193,387	-	99,550	394,169
Other	1,127,995	181,897	-	28,762	1,338,654
Total revenues	53,595,159	7,481,678	1,232,268	18,736,141	81,045,246
EXPENDITURES					
Current:					
General government	15,471,767	-	1,706,516	1,855,944	19,034,227
Public safety	32,034,810	-	875,652	1,659,739	34,570,201
Highways and streets	5,644,742	-	6,063,131	2,978	11,710,851
Health and welfare	3,096,669	-	-	-	3,096,669
Culture and recreation	9,157,980	-	6,513,412	-	15,671,392
Economic development	2,018,870	43,042,835	-	-	45,061,705
Debt service:					
Principal	1,444,120	2,540,285	1,071,360	3,506,934	8,562,699
Interest	93,615	754,296	136,756	2,803,917	3,788,584
Total expenditures	68,962,573	46,337,416	16,366,827	9,829,512	141,496,328
Excess (deficiency) of revenues over (under) expenditures	(15,367,414)	(38,855,738)	(15,134,559)	8,906,629	(60,451,082)
OTHER FINANCING SOURCES (USES)					
Transfers in	17,547,943	-	7,206,800	836,900	25,591,643
Transfers (out)	(12,278,300)	(1,010,800)	(4,563,224)	(9,612,840)	(27,465,164)
Other contributuons	(5,959)	(112,500)	(877,794.00)	811,554	(184,699)
Issuance of debt	4,289,571	54,615,000	-	-	58,904,571
Total other financing sources and uses	9,553,255	53,491,700	1,765,782	(7,964,386)	56,846,351
Net change in fund balance	(5,814,159)	14,635,962	(13,368,777)	942,243	(3,604,731)
Fund balance - beginning	29,398,896	-	11,938,761	10,782,844	52,120,501
Prior period adjustment	1,974,891	8,364,769	570,432	472,345	11,382,437
Fund balance - ending	$ 25,559,629	$ 23,000,730	$ (859,583)	12,197,433	$ 59,898,209

The notes to the financial statements are an integral part of this statement

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CITY OF PHARR, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Amounts reported for governmental activities in the statement of activities are different because:

	Net change in fund balances - total governmental funds		$	(3,604,731)
(1)	Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period			
		Capital assets purchases	56,579,745	
		Depreciation expense	(8,138,496)	48,441,249
(2)	Governmental funds do not recognize developer contribution of land, roads, paving and draining as donation/contribution revenue nor as an increase in governmental expenditures. This is the net amount by which contributed capital increased the capital assets net or related debt of the city			
		Contributed capital - drainage	179,620	
		Contributed capital - streets	483,235	662,854
(3)	Repayment of bond principal is reported as an expenditure in governmental funds. For the city as a whole, however, the principal payments reduce the liabilities in the statement of net assets and do not result in an expense in the statement of activities. The city's bonded debt was reduced in due to principal payments made to bondholder's and the amortization of the debt issuance cost, premium/discount, and gain or loss on refunding, which results in an increase to interest expenses. Also, any new debt issuances are recorded as other financial sources but not counted as revenue in governmental activities. This is the result of debt activity			
		New lease/notes proceeds	(1,608,000)	
		Certificate of Obligation proceeds	(54,615,000)	
		Lease/Notes	2,010,438	
		Tax Notes Principal Paid	1,071,974	
		Bond Principal Paid	2,940,000	
		Loan Principal Paid	2,540,285	
		Unamortized debt activity	247,785	(47,412,518)
(4)	Because some property tax will not be collected for several months after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds			
		Current tax	-	
		Collections	(51,759)	(51,759)
(5)	Because some sanitation and brush fees will not be collected for several months after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds			
		Sanitation	(240,846)	
		Paving	(95,376)	
		Library	-	
		Alarm Fees	5,183	(331,039)

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CITY OF PHARR, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES - Continued
FOR THE YEAR ENDED SEPTEMBER 30, 2022

(6)	Interest expense in the statement of activities differs from the amount reported in governmental funds due to accrued interest calculated for bonds and notes payable	Current year accrual	(149,910)	
		Prior year accrual	155,225	
				5,315
(7)	Certain accrued obligations not normally expected to be liquidated with expendable available financial resources unless they are due for payment in the current period. Compensated absences is recorded in the statement of assets	Current year	(6,517,612)	
		Prior year	5,855,821	(661,791)
(8)	Because some warrant fines will not be collected for some time after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds			
		Prior Year Warrant A/R	(3,407,471)	
		Current Year Warrant A/R	1,742,002	(1,665,469)
(9)	Employers that participate in defined contribution OPEB plans are required to recognize OPEB expense/expenditures for their net required contributions to the plan			
		OPEB Liability - This fiscal year	(285,381)	
		Trust fund contributions	-	(285,381)
(10)	Loans issued to outside entities for Economic development are considered expenses governmental funds but not in the statement of activities.		(139,937)	(139,937)
(11)	GASB 68 recognition on Pension Expense requires an adjustment to reflect in Statement of Activities		$ (5,889,679)	$ (5,889,679)
	Rounding difference			1
Change in net position of governmental activities				$ (10,932,885)

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CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2022

	Business-type Enterprise Funds						
	Utility	EMS	TeamPharr.net	Toll Bridge	Tierra Del Sol Golf Course	Total	Internal Service Fund
ASSETS							
Current assets:							
Cash	$ -	$ -	$ 6,841	$ 403,190	$ 283,445	$ 693,476	$ 362,909
Receivables (net of allowance for uncollectible):							
Accounts	3,232,036	2,580,518	932	39,605	18,647	5,871,738	-
Other	-		-	1,896,500	-	1,896,500	-
Prepayment	-		-	-	-	-	
Inventories	181,220	-	-	-	20,420	201,640	41,401
Restricted assets:							
Cash	46,722,872	-	-	66,168,158	-	112,891,030	-
Cash with Fiscal Agent	2,548,071	-	-	8,250	-	2,556,321	-
Intergovermental Receivable	-	-	-	103,802	-	103,802	
Total current assets	52,684,199	2,580,518	7,773	68,619,505	322,512	124,214,507	404,310
Non-current Assets							
Lease Asset	204,259	4,042,389	-	-	198,335	4,444,983	-
Lease Asset - Accumulated Amortization	(10,045)	(404,239)	-	-	-	(414,284)	-
Capital assets							
Water Rights (nondepreciable)	7,750,000	-	-	-	-	7,750,000	-
Land (nondepreciabble)	4,293,127	785,224	-	819,645	999,342	6,897,338	-
Buildings (net of acc. depreciation)	8,620,508	2,074,698	-	3,275,557	262,664	14,233,427	307,150
Improvements other than buildings (net of acc. de	9,203,452	57,670	-	137,248	1,323,440	10,721,810	-
Machinery and equipment (net of acc. depreciatio	2,243,442	1,977,489	46,217	1,941,484	140,647	6,349,279	-
Infrastructure (net of acc. depreciation)	87,244,316	-	-	10,009,099	-	97,253,415	-
Construction in progress (nondepreciable)	5,398,462	-	-	19,039,396	-	24,437,858	-
Total capital assets	124,753,307	4,895,081	46,217	35,222,429	2,726,093	167,643,127	307,150
Total noncurrent assets	124,947,521	8,533,231	46,217	35,222,429	2,924,428	171,673,826	307,150
Total assets	177,631,720	11,113,749	53,990	103,841,934	3,246,940	295,888,333	711,460
DEFERRED OUTFLOW OF RESOURCES							
Unamortized loss on refunding of debt	130,324	-	-	-	-	130,324	-
Total deferred outflow of resources	130,324	-	-	-	-	130,324	-

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	Business-type Enterprise Funds						
	Utility	EMS	TeamPharr.net	Toll Bridge	Tierra Del Sol Golf Course	Total	Internal Service Fund
LIABILITIES							
Current liabilities payable:							
Accounts payable	719,899	283,225	57,527	1,228,801	31,933	2,321,385	60,922
Accrued liabilities	-	-	-	-	-	-	-
Due to other funds	2,356,458	1,592,741	240,337	44,688	24,823	4,259,047	6,077
Unearned revenue	-	-	-	-	47,959	47,959	-
Total current liabilities payable	3,076,357	1,875,966	297,864	1,273,489	104,715	6,628,391	66,999
Current liabilities payable from restricted assets:							
Customer deposits payable	653,164	-	-	-	-	653,164	-
Escrow payable	252,109	-	-	-	-	252,109	124,279
Matured accrued compensation	126,366	24,840	-	75,720	16,162	243,088	9,632
Matured capital lease	640,705	-	-	102,964	32,260	775,929	-
Matured bonds/notes, net	4,031,000	-	-	-	-	4,031,000	-
Total current liabilities payable from restricted assets	5,703,344	24,840	-	178,684	48,422	5,955,290	133,911
Total current liabilities	8,779,701	1,900,806	297,864	1,452,173	153,137	12,583,681	200,910
Noncurrent liabilities:							
Accrued compensation	379,097	74,520	-	227,161	48,485	729,263	28,716
Capital lease payable	2,308,749	-	-	75,447	84,188	2,468,384	-
Bonds/notes principal payable	55,784,000	-	-	58,370,000	-	114,154,000	-
Lease Liability	194,948	3,705,694	-	-	195,013	4,095,655	-
Total noncurrent liabilities	58,666,794	3,780,214	-	58,672,608	327,686	121,447,302	28,716
Total liabilities	67,446,495	5,681,020	297,864	60,124,781	480,823	134,030,983	229,626
DEFERRED INFLOW OF RESOURCES							
Unamortized premium	1,585,619	-	-	10,848,364	-	12,433,983	-
Lease	-	-	-	1,836,292	-	1,836,292	-
Unearned Revenue-Intergovermental	3,068,246	-	-	-	-	3,068,246	-
Unearned Revenue-Customers	-	-	-	753,827		753,827	-
Total deferred inflow of resources	4,653,865	-	-	13,438,483	-	18,092,348	-
NET POSITION							
Invested in capital assets, net of related debt	101,382,258	4,895,081	46,217	26,519,022	2,609,646	135,452,224	307,150
Non Spendable							
Lease - GASB 87	-	-	-	60,208	-	60,208	-
Restricted for:				-		-	-
Debt service	4,943,352	537,648	-	2,500,000	-	7,981,000	-
Capital projects	-	-	-	-	-	-	-
Tourism	-	-	-	-	-	-	-
Unrestricted	(663,925)	-	(290,091)	1,199,437	156,471	401,892	174,684
Total net position	$ 105,661,685	5,432,729	$ (243,874)	30,278,667	$ 2,766,117	$ 143,895,326	$ 481,834

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The notes to the financial statements are an integral part of this statement

CITY OF PHARR, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Business-type Enterprise Funds						
	Utility	EMS	Teampharr.net	Toll Bridge	Tierra Del Sol Golf Course	Total	Internal Service Fund
Operating revenues:							
Charges for sales and services:							
Water sales	$ 9,344,391	$ -	$ -	$ -	$ -	$ 9,344,391	$ -
Sewer service	7,260,631	-	-	-	-	7,260,631	-
Tap fees	231,266	-	-	-	-	231,266	-
Toll fees	-	-	-	17,237,247	-	17,237,247	-
Golf services	-	-	-	-	977,002	977,002	-
Fiber	-	-	25,505	-	-	25,505	-
EMS	-	20,928,132	-	-	-	20,928,132	-
Other	119,036	1,220,859	-	325,462	78,970	1,744,327	7,399,286
Total operating revenues	16,955,324	22,148,991	25,505	17,562,709	1,055,972	57,748,501	7,399,286
Operating expenses:							
Personnel services	3,906,060	8,080,425	1,026	1,436,807	795,394	14,219,712	219,790
Supplies and Materials	2,269,564	444,764	169,737	216,159	191,301	3,291,524	4,690
Contractual Services	3,309,205	13,410,469	96,760	2,845,424	349,715	20,011,573	943,197
Depreciation	6,111,096	1,156,684	1,903	884,428	216,076	8,370,186	14,467
Self Insurance Claims		-	-	-	-	-	5,467,900
Total operating expenses	15,595,925	23,092,342	269,426	5,382,818	1,552,486	45,892,995	6,650,044
Operating income (loss)	1,359,399	(943,351)	(243,921)	12,179,891	(496,514)	11,855,506	749,242
Nonoperating revenues (expenses):							
Investment earnings	50,615	2,122	46	452,057	5,842	510,682	-
Interest expense	(1,055,664)	-	-	(2,485,719)	(54,079)	(3,595,462)	-
Amortization expense	363,824	(404,239)	-	36,420	-	(3,995)	-
Intergovernmental	404,500	-	-	1,646,580	-	2,051,080	-
Other	430,482	-	-	-	-	430,482	-
Issuance cost	-	-	-	-	-	-	-
Total nonoperating revenues (expenses)	193,758	(402,117)	46	(350,662)	(48,237)	(607,213)	-
Income before contributions and transfers	1,553,157	(1,345,468)	(243,874)	11,829,229	(544,751)	11,248,293	749,242
Transfers in	6,020,400	7,349,264	-	394,900	-	13,764,564	6,000
Transfers (out)	(578,700)		-	(10,563,100)	-	(11,141,800)	755,243
Capital contributions	1,419,293	-	-	-	-	1,419,293	-
	6,860,993	7,349,264	-	(10,168,200)	-	4,042,057	(749,242)
Changes in Net Position	8,414,150	6,003,796	(243,874)	1,661,029	(544,751)	15,290,350	-
Total net position - beginning	95,984,779	3,578,132	-	28,571,076	3,253,372	131,387,359	482,869
Prior period adjustment	1,262,755	(4,149,200)	-	46,562	57,498	(2,782,385)	(1,035)
Total net position - ending	$ 105,661,685	5,432,729	$ (243,874)	30,278,667	$ 2,766,117	$ 143,895,326	$ 481,834

The notes to the financial statements are an integral part of this statement

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CITY OF PHARR, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Business-type Enterprise Funds						
	Utility	EMS	Teampharr.net	Toll Bridge	Tierra Del Sol Golf Course	Total	Internal Service Fund
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers	$ 16,462,743	$ 19,371,188	$ 24,573	$ 19,035,477	$ 974,830	$ 55,868,811	$ 1,166,322
Payments to suppliers	(2,269,564)	(444,764)	(169,737)	(216,159)	(191,335)	(3,291,559)	(4,690)
Payments to employees	(3,874,269)	(8,055,478)	(1,026)	(1,356,760)	(778,462)	(14,065,995)	(218,841)
Payments for contractual services	(3,025,200)	(13,381,549)	(39,233)	(2,681,807)	(351,962)	(19,479,751)	(930,833)
Payments (to)/from others	124,781	1,221,079	-	325,462	78,970	1,750,292	-
Net cash flow (to)/from operating activities	7,418,491	(1,289,524)	(185,423)	15,106,213	(267,959)	20,781,798	11,958
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Receipts from grants	-	-	-	1,646,580	-	1,646,580	-
Advances (to)/from other funds	1,839,210	19,201	240,337	(126,041)	(74,265)	1,898,443	(22,240)
Transfers in from other funds	6,020,400	6,786,040	-	394,900	-	13,201,340	6,000
Transfers out to other funds	(578,700)	-	-	(10,563,100)	-	(11,141,800)	-
Payments (to)/from others	30,482	-	-	-	-	30,482	-
Net cash provided/(used) by noncapital and related financing activities	7,311,393	6,805,241	240,337	(8,647,660)	(74,265)	5,635,045	(16,240)
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Bond/Lease Proceeds	-	-	-	-	-	-	-
Acquisition and construction of capital assets	(11,427,234)	(1,323,777)	(48,120)	(7,786,483)	(5,800)	(20,591,414)	-
Principal paid on long-term debt	(1,919,858)	-	-	18,801,676	(42,710)	16,839,108	-
Interest paid on long-term debt	(1,055,664)	-	-	(2,485,719)	(54,079)	(3,595,462)	-
Other	1,638,164	(4,377,752)	-	2,806,525	57,826	124,760	-
Net cash provided/(used) by capital and related financing activities	(12,764,593)	(5,701,529)	(48,120)	11,335,999	(44,763)	(7,223,008)	-
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest income received	50,615	2,122	46	452,057	2,194	507,034	-
Net cash provided/(used) by investing activities	50,615	2,122	46	452,057	2,194	507,034	-
NON CASH INVESTING/FINANCING ACTIVITIES							
Capital Contributions	1,819,293	-	-	-	-	1,819,293	-
Noncash provided/(used) by investing/financing	1,819,293	-	-	-	-	1,819,293	-
Net increase/(decrease) in cash	3,835,199	(183,690)	6,840	18,246,608	(384,793)	21,520,165	(4,282)
Cash beginning of fiscal year	45,435,743	183,690	-	48,332,987	668,238	94,620,658	95,973
Cash end of fiscal year	$ 49,270,942	-	$ 6,840	66,579,598	$ 283,445	$ 116,140,822	$ 91,691

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	Business-type Enterprise Funds						
	Utility	EMS	Teampharr.net	Toll Bridge	Tierra Del Sol Golf Course	Total	Internal Service Fund
Reconciliation of operating income to net cash provided (used) by operating activities:							
Operating income (loss)	$ 1,359,400	(929,940)	(243,920)	12,179,892	(496,514)	$ 11,868,918	$ (1,355)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:							
Depreciation	6,111,096	1,143,274	1,903	884,428	216,076	8,356,775	-
(Increase) Decrease in Accounts and Other Receivables, net	(44,610)	(1,556,945)	(932)	1,434,817	(201)	(167,871)	-
(Increase) Decrease in Inventories	-	-	-	-	(33)	(33)	-
(Increase) Decrease in Other Assets		-	-	-		-	-
Increase (Decrease) in Accounts Payable	284,005	28,921	57,527	163,617	(2,247)	531,823	12,365
Increase (Decrease) in Accrued Compensation	31,791	24,947	-	80,046	16,933	153,717	949
Increase (Decrease) in Deferred/Escrow Revenue	5,745	220	-	363,412	(1,971)	367,406	-
Increase (Decrease) in Customer Deposits	75,566	-	-	-	-	75,566	-
Increase (Decrease) in Other Liabilities	(404,500)	-	-	-		(404,500)	-
Total adjustments	6,059,093	(359,584)	58,498	2,926,320	228,557	8,912,883	13,314
Net cash provided (used) by operating activities	$ 7,418,491	$ (1,289,524)	$ (185,423)	$ 15,106,213	$ (267,959)	$ 20,781,798	$ 11,958

Noncash capital and financial; activities:

NONE

The notes to the financial statements are an integral part of this statement

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Discrete Component Units
Basic Financial Statements

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

PharrHousingFinanceCorporation(PHFC): separate entity created for the purpose of carrying out the purposes of the Texas Housing Finance Corporation Act, Chapter 394.

PHFC-Jackson Place Apartments: is a separate entity created for the purpose of holding liability to construct an apartment complex.

GreaterChamberofCommerce: is a separate non-pro t entity created for the purpose of promoting tourism.

CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

	Pharr Hounsing Finance Corporation	PHFC Jackson Place Apartments	Greater Pharr Chamber	Total
ASSETS				
Current assets:				
Cash	$ 116	$ 641,778	$ 287,691	$ 929,585
Receivables (net of allowance for uncollectible)				
Other	-	4,718	-	4,718
Total current assets	116	646,496	287,691	934,303
NonCurrent assets:				
Restricted assets:				
Cash	-	2,497,862	-	2,497,862
Capital assets not being depreciated:				-
Land (nondepreciable)	-	1,500,000	-	1,500,000
Construction in Process	-	-	-	-
Capital assets net of accumulated				
Machinery and Equipment	-	22,622	16,131	38,753
Building	-	28,858,341	-	28,858,341
Improvement other than buildings	-	-	-	-
Total non-current assets	-	32,878,825	16,131	32,894,956
Total assets	116	33,525,321	303,822	33,829,259
LIABILITIES				
Current liabilities payable:				
Accounts payable -Vendors	877,467	4,138,449	18,839	5,034,755
Accounts Payable-City of Pharr	-	-	-	-
Interest Payable	-	-	-	-
Escrow accounts	-	-	-	-
Due with one year	-	692,170	-	692,170
Total current liabilities payable	877,467	4,830,619	18,839	5,726,925
Noncurrent liabilities:				
Other post employment benefit	-	-	-	-
Due in more than one year, net	-	31,545,921	-	31,545,921
Total non current liabilities	877,467	36,376,540	18,839	37,272,846
Total liabilities				
NET POSITION				
Net Invested in capital assets	-	(1,857,128)	16,131	(1,840,997)
Unrestricted	(877,352)	(994,091)	268,851	(1,602,592)
Total net position	$ (877,352)	$ (2,851,219)	$ 284,982	$ (3,443,588)

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The notes to the financial statements are an integral part of this statement

CITY OF PHARR, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Pharr Housing Finance Corporation	PHFC Jackson Place Apartments	Greater Pharr Chamber	Total
Expenses				
Salaries	$ -	$ 195,159	$ 141,607	$ 336,766
Supplies	-	-	38,644	38,644
Economic Development	-	-	67,566	67,566
Repairs and Mantenance	-	798,400	-	798,400
Depreciation Expense	-	1,208,921	7,170	1,216,091
Debt Interest	-	1,590,808	-	1,590,808
Total component unit	-	3,793,288	254,987	4,048,275
General Revenues				
Rent Revenue	-	2,917,699	-	2,917,699
Memberships	-	-	41,215	41,215
Investing earning	-	10	1,898	1,908
Other	-	348,061	38,530	386,591
Net City Contributions	-	-	184,700	184,700
Total General Revenues & transfers	-	3,265,770	266,343	3,532,113
Changes in net position	-	(527,518)	11,355	(516,163)
Net position - beginning	(877,352)	(8,060,340)	266,285	(8,671,407)
Prior Period Adjustment	-	5,736,638	7,344	5,743,982
Net position - ending	$ (877,352)	$ (2,851,219)	$ 284,982	$ (3,443,588)

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NOTES TO THE FINANCIAL STATEMENTS

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Statement

The City of Pharr, Texas (City) was founded in 1909 and was incorporated as a general law city on February 22, 1916. The City Charter was approved via election and adopted with an effective date of December 1, 1949. The charter established a City Manager form of government. The municipal government provided by the Charter of the City of Pharr shall be known as the Board of Commissioners. The Board of Commissioners shall consist of a Mayor and six (6) Commissioners, and which shall enact local legislation, adopt budgets, determine policies, and appoint the City Manager, who is held responsible to the Board of Commissioners for the execution of the laws and the administration of the government of the City.

The general governmental functions include law enforcement, fire, and other public safety activities, streets, sanitation, public improvements, public charities, parks and recreation, library services, zoning, and general administrative services. Enterprise funds are used to account for the operations of its utility, bridge, and golf operations.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United State of America applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB), the American Institute of Certified Public Accountants in the publication entitled Audits of State and Local Governmental Units and by the Financial Accounting Standards Board (FASB), when applicable.

B. Financial Reporting Entity

The City's financial reporting entity comprises the following:

Primary Government: City of Pharr

The City's basic financial statements include the accounts of all City operations. The criteria for including organizations as component units with the City's reporting entity, as set forth in Section 2100 of GASB's Codification of Governmental Accounting and Financial Reporting Standards, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the city holds the corporate powers of the organization.
- the city appoints a voting majority of the organization's board.
- the city can impose its will on the organization.
- the organization has the potential to impose a financial benefit/burden on the City.
- there is fiscal dependency by the organization on the city.

Blended Component Unit

Blended component units are separate legal entities that meet the component unit criteria described above and whose governing body is substantially the same as the City Commission and (1) there is a financial benefit or burden between the primary government and the component unit (2) city management holds power on the organization.

The city has three blended component units, Tax Increment Reinvestment Zone No. 1, Tax Increment Reinvestment Zone No. 2. Information, and Pharr Economic Development Corporation II, Inc.

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Financial Reporting Entity

Tax Increment Reinvestment Zone No. 1-On March 2012, the City Commissioners created the Tax Increment Reinvestment Zone No. 1 (TIRZ No. 1). TIRZ is a separate entity with its own EIN; the entity has a total of four (4) board members, for which three (3) of them are part of the city's board of commissioners. TIRZ #1 board serves as an advisory board; any projects or changes in the entity will have to be approved by the city's commission to be executed. TIRZ#1 has no active employees, so all administrative documentation is done by the city's staff and approved by city management.

TIRZ No. 1 was established to provide a financing mechanism to facilitate a high-quality development in the Pharr area, created by ordinance No. O-2011-46 in September 2011, TIRZ No. 1 is set to expire on January 1, 2051, or when all project costs are paid and all debt is retired, whichever comes first. Separate financial statements issued by TIRZ No. 1 can be obtained by request at the following address: TIRZ No. 1 P.O. Box 1729 Pharr, TX 78577. The city contributes 60% of the agreed contributions every year; payments and disbursements need to be approved by the city manager.

Tax Increment Reinvestment Zone No. 2-On February 2015, the City Commissioners created the Tax Increment Reinvestment Zone No. 2 (TIRZ No. 2). TIRZ is a separate entity with its own EIN. The entity, just like TIRZ # 1, has a total of four (4) members, of which three (3) of them are part of the city's board commissioners. The board is only an advisory board. Any changes on the entity will need to be approved by the city commission, and all documentation is prepared by city staff and approved by the city manager.

TIRZ No. 2 was established to provide a financing mechanism to facilitate a high-quality development in the Pharr area, created by ordinance No. O-2015-52 in November 2015 TIRZ No. 2 is set to expire on January 1, 2035, or the date when all project costs are paid and all debt is retired, whichever comes first. Separate financial statements issued by TIRZ No. 2 can be obtained by request at the following address: TIRZ No. 2 P.O. Box 1729 Pharr, TX 78577. The city contributes 60% of the agreed contributions every year. Also, payments and disbursements need to be approved by the city manager.

Pharr Economic Development Corporation II, Inc. – (PEDC) is a nonprofit development corporation organized for the purpose to promote the general economic welfare of the city. The component unit may offer incentives to local business for the enhancement of the community. While PEDC does not provide services directly to the city, all activities benefit the economic growth bringing more funding and economic resources to the city.

Sales taxes are collected under Section 4B of the Development Corporation Act of 1979 for these purposes. Voted by the citizens of Pharr on November 4, 2008, and ratified by the City Commission on November 10, 2008, via ordinance O-2008-49, the PEDC 4a was dissolved, and the PEDC was authorized to receive the sales tax revenue, which is its main revenue source. PEDC is consider a blended component unit due to its relationship with the primary government, PEDC board members can not add or remove a board member without city commission approval, also, all policies and program administration shall be submitted for city commission approval and PEDC board shall administer said programs accordingly. Recently PEDC and the city joint forces to increase the quality of life of the Pharr citizens by investing on broadband infrastructure, PEDC is funding the project while the city will manage the construction and will manage the service in the future. Separate financial statements issued by the PEDC can be obtained by request at the following address: PEDC- 1215 South Cage Blvd. Pharr, TX 78577.

Discretely Presented Component Units

The component unit column in the government-wide financial statements includes the financial data of the city's component unit. The unit is reported in a separate column to emphasize that they are legally separate from the city but are included because the primary government is financially accountable and can impose its will on the organization. This component unit subscribes to the accounting policies and procedures of the primary government.

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Financial Reporting Entity- (continued)

The Greater Pharr Chamber of Commerce is a nonprofit corporation created on April 16, 2018, to create an environment in which Pharr businesses can succeed and thrive and promote economic development by creating and promoting community events to increase tourism in tourism the City of Pharr. The primary government board members can also appoint and remove individuals from the component unit board. Primary government management is responsible for overseeing and approving financial operations and decisions concerning the organization. Separate financial statements issued by the Chamber of Commerce can be obtained by request at 1215 South Cage Blvd, Pharr, Texas 78577.

Pharr Housing Finance Corporation- On November 2015, the entity was created to carry out the purposes of the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, which is to provide financially residential ownership and development to provide decent, safe, and sanitary housing for residents of the City of Pharr at prices they can afford. The Board of Directors is composed in its entirety of persons who are members of the governing body of the city and whose terms of office shall be fixed by and run conterminously with their respective terms of office on such governing body of the city. PHFC is considered a Discrete Component Unit based on the criteria established by GASB Statement No. 61. PHFC uses the same fiscal year as the City of Pharr.

PHFC Jackson Place Apartments-On November 2015, the entity was created to hold liability to construct an apartment complex located in the Pharr area to meet the purpose of the Texas Housing Finance Corporation Act mentioned above. The City Manager is the designated official to act as the corporation's Executive Director. PHFC Jackson Place Apartments is considered a Discrete Component Unit based on the criteria established by GASB Statement No. 61. The city serves as collateral for the construction loan Jackson place apartments have.

C. Government-Wide and Fund Financial Statements

The government-wide financial statements include the statement of net position and the statement of activities. These statements report information on all the non-fiduciary financial information for the City and its component units. The primary government and component units are presented separately within the financial statements with a focus on the primary government. Eliminations have been made to minimize the double-counting of internal activities. Individual funds are not displayed but the statements distinguish governmental activities (generally supported by taxes and City general revenue) from business-type activities (generally financed in whole or in part with fees charged to external customers). The effect of interfund activity, within the governmental and business-type activities columns, has been removed from these statements.

The statement of activities demonstrates the degree to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or program. Program revenues include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given program and 2) operating or capital grants and contributions that are restricted to meeting the operations or capital requirements of a program. Taxes and other items not properly included among program revenues are reported instead as general revenues.

The fund financial statements provide reports on the financial condition and results of operations about the City's funds, with separate statements presented for each fund category. The emphasis of fund financial statements is on major governmental funds, each displayed in a separate column. All remaining governmental funds are aggregated and reported as nonmajor funds.

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. Government-Wide and Fund Financial Statements.

Proprietary fund operating revenues, such as charges for services, result from exchange transactions associated with the principal activity of the fund. Exchange transactions are those in which each party receives and gives up essentially equal values. Non-operating revenues, such as subsidies and investment earnings, result from non-exchange transactions or ancillary activities.

D. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The financial statements of the City are prepared in accordance with generally accepted accounting principles (GAAP).

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. The economic resources measurement focus means all assets and liabilities (whether current or non-current) are included on the statement of net position and the operating statements present increase (revenues) and decrease (expenses) in net total assets. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water and sewer services which are accrued. Expenses are recognized at the time the liability is incurred. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, i.e., when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. Expenditures are recorded when the related fund liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences are recorded only when payment is due.

The revenues susceptible to accrual are franchise fees, licenses, charges for service, and intergovernmental revenues. Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. All other governmental fund revenues are recognized when received.

Operating income reported in proprietary fund financial statements includes revenues and expenses related to the primary, continuing operations of the fund. Principal operating revenues for proprietary funds are charges to customers for sales or services. Principal operating expenses are the costs of providing goods or services and include administrative expenses and depreciation of capital assets. Other revenues and expenses are classified as non-operating in the financial statements.

When both restricted and unrestricted resources are available for use, it is the City’s policy to use restricted resources first, then unrestricted resources as needed.

E. Fund Types and Major Funds

Governmental Funds

The City reports the following major governmental funds:

- *General Fund* – reports the primary fund of the City. This fund is used to account for all financial resources not reported in other funds.
- *General Capital Improvements Fund*- This fund is used to account for all construction projects not accounted in enterprise funds.

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

E. Fund Types and Major Funds

Proprietary Funds

The City reports the following major enterprise funds:

- *Utility Fund* – accounts for the provision of water and sewer services to the residents of the city.
- *Pharr EMS* – accounts for the operations of the emergency medical service provided by the city.
- *TeamPharr*.net – accounts for the operations of the internet service provided by the city.
- *Bridge Fund* – accounts for the operating function of the City's international bridge with Mexico.
- *Golf Fund*-accounts for the operating function of the golf course including golf event hall, greens, pro-shop, and concessions.

Other Fund Types

Additionally, the City reports internal service funds which 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. These services include fleet management and health insurance. These are proprietary funds that are reported with governmental activities in the government-wide financial statements because most of the activity is for governmental activities. Direct expenses are not eliminated from the various functional categories, whereas indirect expenses are. Reimbursements are treated as a reduction of expenses.

F. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position or Equity

1. Cash and Investments

Cash of all funds, including restricted cash, are pooled into common pooled accounts to maximize investment opportunities. Each fund whose monies are deposited in the pooled cash accounts has equity therein, and interest earned on the investment of these monies is allocated based upon relative equity at month-end. An individual fund's pooled cash is available upon demand and are "cash equivalents" when preparing these financial statements. All investments are recorded at fair value based on quoted market prices. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

2. Property Taxes

Property taxes are levied by October 1 on the assessed value listed as of the prior January 1 for all real and business personal property located in the City in conformity with Subtitle E, Texas Property Tax Code. Taxes are due on receipt of the tax bill and are delinquent if not paid before February 1 of the year following the year in which imposed. On January 31 of each year, a tax lien attaches to property to secure the payment of all taxes, penalties, and interest ultimately imposed. Property tax revenues are considered available when they become due or past due and receivable within the current period.

Taxable property includes real property and certain personal property situated in the City. Certain properties of religious, educational, and charitable organizations, including the federal government and the State of Texas, are exempt from taxation. Additionally, there are other exemptions in arriving at the total assessed valuation of taxable property.

The valuations are subject to County-wide revaluation every three years. The effective tax rate is based upon the previous year's total assessed valuation.

Allowances for uncollectible tax receivables within the General and Debt Service funds are based upon historical experience in collecting property taxes. Uncollectible personal property taxes are periodically reviewed and included as part of the allowance for uncollectible; except for tax receivables over 20 years, the City is prohibited from writing off real property taxes without specific statutory authority from the Texas Legislature. The city does not write off tax receivable greater than 20 years.

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

F. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position or Equity

3. Inventories

The inventories are recorded at cost and are accounted for by the consumption method.

4. Receivables and Payables

Activities between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as "due to/from other funds". Any residual balances outstanding between the governmental activities and business-type activities are reported in the governmental-wide financial statements as "internal balances."

All trade and property tax receivables are shown net of an allowance for uncollectible. The three main receivables that contain allowances are property taxes, utility accounts, and warrants. For these categories, the allowance was based on historical collection rates, the allowances are 2% for property taxes as well as for utility accounts, and 20% for warrants. As of February 2017, the city recommended doing 100% allowance for warrants older than 10 years.

5. Transactions between Funds

Legally authorized transfers are treated as inter-fund transfers and are included in the results of operations of both Governmental and Proprietary Funds.

6. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets or donated works of art are valued at their acquisition value on the donated date. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant, and equipment.
Assets capitalized have an original cost of $5,000 or more and over three years of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

Buildings	50 Years
Infrastructure	30 Years
Improvements	20 Years
Water and Sewer System	30-50 Years
Machinery and Equipment	3-15 Years

7. Compensated Absences

The liability for compensated absences reported in the government-wide and proprietary fund statements consists of unpaid, accumulated annual, and sick leave balances. The City's policy allows employees to accumulate unused sick leave and extra compensation time on an unlimited basis and vacation leave based on the number of years of full-time employment with the City in accordance with the following chart:

Years of Employment	Pro-Rata Accrual Rate per Month
0-19 Years	10 hours (15 days per year)
20 & Over	13.33 hours (20 days per year)

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

F. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position or Equity- (continued)

Nonexempt employees may accumulate no more than a maximum of two years allotment of vacation leave as set above, except for civil service nonexempt employees, which can accumulate more than the maximum. Sick leave may be accrued but will not be paid out to employees that leave before retirement.

8. Long-Term Obligations

In the government-wide, proprietary, and component unit financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are deferred and amortized over the life of the bonds using the straight-line method as the amount is immaterial against the effective interest method. Gain or loss on refunding are not netted against the liability but recorded in as deferred outflow/inflow of resources. Issuance cost is recorded as an expense for the period incurred and is no longer amortized over the life of the bond after implementing GASB Statement No. 65 and Statement No. 63. In the fund financial statements, long-term liabilities are not recorded in the governmental funds as the payment of the obligations will not be made by current financial resources. The governmental fund financial statements recognize the proceeds of debt as other financing resources.

9. Restricted Assets

The proceeds and required reserves of debt issuances are recorded as restricted assets as they are restricted for debt service and/or capital projects, payments, and/or purchases.

10. Net Position / Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available or are legally restricted by outside parties for use for a specific purpose.

11. Estimates

The preparation of financial statements in accordance with generally accepted accounting principles requires the use of estimates by management. All estimates are made utilizing a conservative philosophy for both revenues and expenditures.

12. General Fund's Fund Balance Policy

The city has adopted GASB 54 through a resolution as part of its fiscal year ending September 30, 2011. Implementation of GASB 54 is required of all cities for the fiscal year ending in 2011. The intention of the GASB is to provide a more structured classification of fund balance and to improve the usefulness of fund balance reporting to the users of the City's financial statements. The reporting standard establishes a hierarchy for fund balance classifications and the constraints imposed on the uses of those resources. GASB 54 provides for two major types of fund balances which are non-spendable and spendable.

Non-spendable fund balances are balances that cannot be spent because they are not expected to be converted to cash or they are legally or contractually required to remain intact. Examples of this classification are prepaid items, inventories, non-current advances to other funds that are not expected to be collected in the next fiscal year, and the principal (corpus) of an endowment fund. The City has inventories that are considered non-spendable, an encumbrance, and a non-current advance to the PEDC II. The City does not have any prepaid items or non-spendable funds related to an endowment.

In addition to non-spendable fund balance, GASB 54 has provided a hierarchy of spendable fund balances, based on a hierarchy of spending constraints.

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

F. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position or Equity- (continued)

-Restricted: Fund balances that are constrained by external parties, constitutional provisions, or enabling legislation. All the City's restricted funds are from Special Revenue Funds, whose funds are revenues legally restricted to expenditures for a particular purpose.

-Committed: Fund balances that contain self-imposed constraints of the government from its highest level of decision-making authority. The responsibility to commit funds rests with the elected City Commissioners and Mayor through an approved resolution. Committed amounts cannot be used for any other purpose unless the governing board removes those constraints by taking the same type of formal action. The City formally approved the recording of its self-named "Contingency" fund balance as committed. The Contingency fund balance policy is as follows:

> The City shall strive to maintain the General Fund (not the combined reporting General Fund which consists of the Payroll, Contingency, and the General funds) committed fund balance at 90 days (25%) of the current year's original budget appropriation for operations and maintenance, which is defined as the total budget less capital outlay purchase, debt service, annual economic incentives, and the annual transfer from the General Fund to the other funds (Charter mandated contingency funding will not take place so long as the contingency fund is fully funded). This amount changes slightly from year to year; for this fiscal year, the General Fund committed balance was fully funded at the end of September 30, 2021.
>
> These funds 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 these funds will be disclosed to the City Commission. If the required amount goes below the stated policy amount, the City will set aside enough 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.

-Assigned: Fund balances that contain self-imposed constraints of the government to be used for a purpose. The responsibility to assign funds rests with the City Manager. The only funds assigned relate to the accumulation of funds for future capital projects.

-Unassigned: Fund balance of the general fund that is not constrained for any purpose. This is also where negative amounts from the other categories of fund balance are recognized.

When an expense is incurred for purposes for which both restricted and unrestricted net positions 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. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to having been spent first out of assigned, then unassigned, and finally committed funds.

13. Leases

Leases are defined by GASB as a contract that conveys control of the right to use another entity's nonfinancial assets as specified in the contract for a period in an exchange or exchange-like transaction.

1. City as Lessor

City should recognize a lease receivable and a deferred inflow of resources at the commencement of the lease team. The lease receivable should be measured at the present value of lease payments expected to be measured at the value of lease payments expected to be received during the lease term.

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

F. Assets, Deferred Outflow of Resources, Liabilities, Deferred Inflow of Resources and Net Position or Equity- (continued)

13. Leases

2. City as a lessee

The city recognizes a lease liability and an intangible right-to-use lease asset at the beginning of a lease. In general, the lease liability and the right-to-use lease assets are measured based on the present value of the expected payments during the learn of the lease.

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Data

1. Budget Policy and Practice

The City follows the procedures outlined below in establishing budgetary data reflected in the financial statements:

Annual budgets are legally adopted for all City funds with revenue and expense/expenditure activity. 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.

Dates for public hearings, the purpose of which is 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, function, and department. The City's department heads may make transfers of appropriations between/within a department in the same fund with the City Manager's approval. Transfers of appropriations between funds require the approval of the Board of Commissioners. The legal level of budgetary control (i.e., the level at which expenditures may not legally exceed appropriations) is the fund level.

At any time during the fiscal year, the City Manager can reallocate expenditures 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.

As of September 30, 2022, the City of Pharr Commissioners approved two (2) Budget Amendments with a net effect of $5,514,300 in the general fund, 6,850,600 and 8,047,200 in EMS and Fiber fund respectively in all funds the expenditures where over revenues which all funding was available in cash on hand.

B. Excess of General Fund Expenditures over Appropriations

In FY 21-22, expenses in certain general fund departments exceeded their budgeted amount. These expenditures over budget are mainly due to the new implementation of GABS 87. IT department had to cover some starting cost for operation of the new internet services, and lastly two incentives payments covered by the excess of sales taxes. The departments and excess expenditures are listed below.

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II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

B. Excess of General Fund Expenditures over Appropriations

Department	Amount
IT	$ 311,965
Grants	17,421
Police	860,401
Fire	698,560
Highways and streets	326,541
Animal Control	17,177
Parks	513,787
Economic Development	669,370
	$ 3,415,222

C. Budget Basis of Accounting

The city prepares its annual budget on a basis (budget basis), which slightly differs from generally accepted accounting principles (GAAP Basis). The budget and all transactions are presented in accordance with the City's method (budget basis) in the Statement of Revenues, Expenditures, and Changes in Fund Balances – Budget and Actual – General Fund to provide a meaningful comparison of actual results with the budget. The major differences between budget and GAAP basis are debt service transactions, capital outlay purchases, and the recording of bond/loan proceeds.

D. Finance-Related Legal and Contractual Provisions

In accordance with GASB Statement No. 38, "Certain Financial Statement Note Disclosures", violations of finance-related legal and contractual provisions, if any, are reported below, along with actions taken to address such violations:

Violation	Action Taken
None	Not applicable

E. Deficit Fund Equity/Net Position

Our Capital project funds show a negative fund balance due to additional expenses for the completion of several projects that bond proceeds did not covered, also, the discretely component unit PHFC- Jackson Place Apartments shows a deficit in net position due to high loan payments. The investment for the construction of the apartments has not been able to recover up to this date.

F. Prior Period Adjustment

Prior period adjustments (PPA) were needed in several funds to properly state the correct financial position of the City. Last fiscal year PEDC and Chamber were reported as blended component unit, for FY 20-21 both entities change to discretely component unit to comply with GABS 61. PPA of component units and other are listed below.

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II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

F. Prior Period Adjustment

Purpose of Prior Period Adjustment	Amount	Total
Governmental Funds:		
General Fund:		
To correct prior year receivables	$ 319,228	
To correct prior year payables	(725,492)	
To adjust even center end balances	532,330	
To correct 60 day property tax accrual	1,429,867	
To adjust payroll accounts	418,958	
		$ 1,974,891
General CIP:		
To correct prior-year unearned revenue	570,432	
		570,432
PEDC:		
To adjust PEDC 2021 ending balance	8,364,769	
		8,364,769
Other:		
To adjust prior receivables	1,337	
To correct deferred revenue	91,541	
To adjust 60 day property tax accrual	379,466	
Total Governmental Fund Adjustment		472,344
		11,382,437
Government-Wide Adjustments		
To adjust PEDC long-Term Debt	(2,541,284)	
To adjust Prior Long-Term Debt	130,032	
To adjust Prior Year capital assets	129,603	
To adjust PEDC capital assets	9,502,049	
To adjust Prior City Garage adjustment	(1,036)	
To adjust PEDC compesated absenses	(118,765)	
To adjust Property Tax Renevue	(1,809,333)	
To adjust PEDC Notes Receivable	604,635	
		5,895,901
Total Prior Period Adjustment		$ 17,278,338

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II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

F. Prior Period Adjustment

During FY 21-22 PPA adjustments were needed in our enterprise funds to correct some constructions payments, EMS revenues and receivables and the new implementation of the GABS 87 on bridge fund. The PPA are reflected in the table below.

Purpose of Prior Period Adjustment	Amount	Total
Proprietary Funds:		
Enterprise Fund: Utility Fund:		
To correct accounts receivable	$ (149,111)	
To correct constrction in process	1,454,463	
To adjust prior year Payables	(42,596)	
		$ 1,262,755
Enterprise Fund: EMS Fund		
To adjust Revenues and Receivables	(4,149,200)	
		(4,149,200)
Enterprise Fund: Bridge Fund		
To reflect gasb 87 prior year amounts	46,562	
		46,562
Enterprise Fund:Golf Fund		
To adjust prior year lease payable	57,498	
		57,498
Total Proprietary Fund Adjustment		$ (2,782,385)

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

A. Deposits and Investments

1. Deposits

The city's funds are required to be deposited and invested under the terms of a depository contract and investment policy pursuant to state statute. The depository bank deposits for safekeeping and trust with its agent approved pledged securities authorized by Chapter 2257 Collateral for Public Funds of the Government Code in an amount enough to protect City funds on a day-to-day basis during the period of the contract. The pledge of approved securities is waived only to the extent of the dollar amount of Federal Deposit Insurance Corporation (FDIC) insurance.

On September 30, 2022, the carrying amount of all the City's bank deposits was $181,239,386. The city has two depository accounts: Lone Star National Bank (LSNB) and Texas Regional Bank.

LSNB Depository Account-City of Pharr	Balance September 30, 2022
Insured	$ 250,000
Security collateral issued by pledging bank's trust - Lonestar National bank	149,430,372
Security collateral issued by pledging bank's trust - Texas Regional Bank	34,137,279
(over-collateralized)/under-collateralized	(2,578,265)
Total Deposits	$ 181,239,386

Also, as of September 30, 2022, the carrying amount of PEDC was $24,144,995. The units use Lone Star National bank as a depository bank.

LSNB Depository Account- PEDC	Balance September 30, 2022
Insured	$ 250,000
Security collateral issued by pledging bank's trust department in the City's name	26,008,593
(over-collateralized)/under-collateralized	(2,113,598)
Total Deposits	$ 24,144,995

Custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City has a policy of maintaining contact with the trust department of its depository agency to eliminate all custodial credit risk. As of September 30, 2022, the City's bank balance was not exposed to custodial credit risk and was over-insured and over-collateralized.

In addition, the following is disclosed regarding coverage of combined balances on the date of the highest deposit:

a. Depository: LSNB and Texas Regional Bank
b. The market value of securities pledged as of the date of the highest combined balance on deposit was $205,192,498.
c. The highest combined balances of cash accounts amounted to $193,486,998 and occurred during April 2022.
d. The total amount of FDIC coverage at the time of the largest combined balance was $250,000 during September 2022.

Restricted cash is defined as the cash balances restricted by the funder for a specific purpose. Total restricted cash at the end of September 30, 2022, amounted to $158,081,234 with $4,914,808 that is classified as cash with fiscal agent, which was covered by collateral held in the fiscal agents' trust departments, but not in the city's name. the rest of $153,166,426 are bond proceeds under the city's name. The trust department pledges a pool of collateral against all trust deposits it holds. Banc of America leasing company, U.S. Bank corp. are the city's fiscal agents.

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

2. Investments

The city is required by Government Code Chapter 2256, The Public Funds Investment Act ("Act"), to adopt, implement, and publicize an investment policy. That policy must be written, primarily emphasize the safety of principal and liquidity, address investment diversification, yield, and maturity and the quality and capability of investment management and include a list of the types of authorized investments in which the investing entity's funds may be invested, and the maximum allowable stated maturity of any individual investment owned by the entity.

The Act requires an annual audit of investment practices. Audit procedures in this area conducted as a part of the audit of the general purposes financial statements disclosed that in the areas of investment practices, management reports and establish appropriate policies. The city adheres to the requirements of the Act. Additionally, investment practices of the City are in accordance with local policies.

Analysis of Specific Deposit and Investment Risks:

GASB Statement No. 40 requires a determination as to whether the city was exposed to the following specific investment risks at year-end and if so, the reporting of certain related disclosures:

a. Interest Rate Risk
This is the risk that changes in interest rates will adversely affect the fair value of an investment. At year-end, the city was not exposed to interest rate risk. The City's investment policy states that no investment shall exceed 24 months in maturity. By limiting the exposure of its investments, the city reduces its risk to the rising or decreasing interest rates.

b. Credit Risk
Credit risk is the risk that an issuer or other counterparty to an investment will not fulfill its obligations. The ratings of securities by nationally recognized agencies are designed to give an indication of credit risk. At year-end, the city was not exposed to credit risk.

c. Custodial Credit Risk
Deposits and investments are exposed to custodial credit risk if they are not covered by depository insurance and the deposits and investments are uncollateralized, collateralized with securities held by the pledging financial institution, or collateralized with securities held by the pledging financial institution's trust department or agent but not in the City's name. At year end, the city was not exposed to custodial credit risk. See Note III A.1 for more information on this risk.

d. Concentration of Credit Risk
This risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. At year end, the city was exposed to concentration of credit risk, but highly collateralized. With the City's investment policy, diversification is stressed.
The city followed its diversification investment guidelines. At the beginning of year, all deposits were placed into LSNB due to previous depository agreement given a rate of return of 2%, now with a renewed agreement, rates are lower, and diversification is even needed more. The City invested in TexPool a portion of its contingency fund as of May 2016 of last year and has accrued interest since then.

e. Foreign Currency Risk
This is the risk that exchange rates will adversely affect the fair value of an investment. At year end, the City was not exposed to foreign currency risk.

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

A. Deposits and Investments

2. Investments

The City of Pharr Investment activity as of September 30, 2022, was as follows:

	Beginning Balance	Additions	Retirements	Ending Balance	Market Value
Texpool Investments	$ 2,143,612	$ 15,337	$ -	$ 2,158,949	$ 2,158,949
Texpool Investments	5,000,329	35,517	-	5,035,846	5,035,846
LSNB-CD	309,473		309,473	-	-
LSNB-CD	300,000	-	300,000	-	-
Total	$ 7,753,414	$ 50,854	$ 609,473	$ 7,194,795	$ 7,194,795

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GASB No. 79 requires additional note disclosure requirements for qualifying external investment pools that measure all their investments at amortized cost for financial reporting purposes and for governments that participate in those pools. Texpool revised its Investment Policy to comply with GASB No. 79 as of August 2017 which includes the use of amortized cost to value portfolio assets and the following guidelines to maintain the portfolio consistent with a stable net asset value per share:

- The maximum remaining maturity of any security of other investment acquired for the portfolio shall be 397 calendar days or less.
- The portfolio should maintain a weighted average maturity of 60 days or less.
- The portfolio should maintain a weighted average life of 120 days or less.

B. Receivables

1. Receivables for the City on September 30, 2022, were as follows:

	Governmental Activities			Business-Type Activities					
	General	Other	Total	Utility	Fiber	EMS	Bridge	Golf	Total
Property taxes	$ 2,191,694	$ 447,811	$ 2,639,505	$ -	$ -	$ -	$ -	$ -	$ -
Warrants	14,204,599	-	14,204,599	-	-	-	-	-	-
Sales Tax	3,641,952	1,213,984	4,855,936	-	-	-	-	-	-
Notes	-	521,857	521,857	-	-	-	-	-	-
Accounts	1,276,437	115,795	1,392,232	4,152,800	932	12,351,509	39,605	18,647	16,563,493
Intergovernmental	-	172,800	172,800	-	-	-	-	-	-
Lease	-	-	-	-	-	-	1,896,500	-	1,896,500
PHFC	866,792	-	866,792	-	-				-
Jackson Place Apts	4,139,822	-	4,139,822	-	-	-	-	-	-
Other	1,004,283	1,407,685	2,411,968	-	-	1,615	-	-	-
Gross receivables	27,325,578	3,879,932	31,205,510	4,152,800	932	12,353,124	1,936,105	18,647	18,459,993
Less; allowance for uncollectible	(13,337,518)	(77,539)	(13,415,057)	(920,764)	-	(9,772,607)	-	-	(920,764)
Net total receivable	**$ 13,988,060**	**$ 3,802,393**	**$ 17,790,454**	**$3,232,036**	**$ 932**	**$ 2,580,517**	**$ 1,936,105**	**$ 18,647**	**$ 17,539,229**

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

B. Receivables

2. In the Notes Receivables for the Pharr Economic Development Corporation the loan for Rositas got granted a loan forgiveness with Covid relief PEDC was given to small business, so Loan as paid off in full, the balances as September 30, 2022, are as follow:

Note	Outstanding Balance As of 10/1/2021	Increases	Decreases	Outstanding Balance As of 9/30/2022
Reyes Garza, 05/13/2012, for the amount of $27,021.68 at an interest rate of 6.00% with maturity on April 13, 2027.	$ 14,794	$ -	$ -	$ 14,794
Rositas Taste of the Valley, 02/06/2017, for the amount of $62,0000 at an interest rate of 5% with maturity on February 06, 2022.	20,251	-	20,251	-
Trancasa, 02/15/18, for the amount of $600,000 at an interest rate of 6.00% with maturity on March 15, 2026.	569,591	-	118,417	451,174
Totals	$ 604,636	$ -	$ 138,668	$ 465,968

C. Payables

Payables for the City on September 30, 2022, were as follows:

	Governmental Activities	Business-Type Activities						
	Governmental	Utility	EMS	TeamPharr.net	Bridge	Golf	Business-Type Total	Total
Vendors	$ 9,448,059	$ 662,050	$ 283,225	$ 57,527	$ 709,973	$ 31,933	$ 1,744,708	$ 11,192,767
Salaries & benefits	977,532	-	-	-	-	-	-	977,532
Retainage fees	622,283	-	-	-	371,668	-	371,668	993,951
Accrued interest	-	57,849	-	-	147,161	-	205,010	205,010
Customer deposit payable	-	653,164	-	-	-	-	653,164	653,164
Total payables	**$ 11,047,874**	**$1,373,062**	**$ 283,225**	**$ 57,527**	**$ 1,228,802**	**$ 31,933**	**$ 2,974,550**	**$ 14,022,424**

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

D. Escrows

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period. Governmental funds defer revenue recognition in connection with resources that have been received, but not yet earned.
At the end of the current fiscal year, the various components of unearned revenue were mainly Escrow Liability Accounts which are comprised of the following:

	As of September 30, 2020
Water & Sewer	$ 111,640
Police	123,573
Media	52,322
Fire	124,024
Library	256,821
Public Works	67,771
Planning & Zonning	276,047
Court	340,888
Communications	242,505
Subdivision and Improvements	1,388,954
Other	243,117
	$ 3,227,664

E. Interfund Balances

The City reports interfund balances between many of its funds. The total of all balances agrees with the sum of interfund balances presented in the statements of net position/balance sheets for governmental and enterprise funds. The interfund balances are operational and short-term in nature. Interfund balances on September 30, 2022, consisted of the following:

General Fund		PURPOSE
DUE FROM:		
Governmental Funds:		
CDBG	$ 231,501	To advance funds for administrative expenditures
Grant Fund	193,418	To advance funds for expenditures
Utility	2,356,458	To advance funds for payroll expenditures/ general operations
Fiber	240,337	To advance funds for startup operating expenses
PEDC	270,392	To advance funds for expenditures
EMS	1,592,741	To advance funds for payroll/operations expenditures
City Garage	6,077	To advance funds for payroll expenditures
Bridge	44,688	To advance funds for payroll expenditures
Golf	24,823	To advance funds for payroll expenditures
General Fund	**$ 4,960,434**	
Grant Fund	$ 107,554	To advance funds for expenditures
Capital Projects	**$ 107,554**	
Grand Total	$ 5,067,988	

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

F. Capital Assets

Capital asset activity for the year ended September 30, 2022, was as follows:

	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
Primary Government					
Governmental Activities:					
Capital assets, not being depreciated:					
Land and right of way	$ 14,818,552	$ 2,627,523	-	$ -	$ 17,446,075
Construction in Progress	40,258,084	9,084,574	39,456,437	-	9,886,221
Total capital assets, not being depreciated	55,076,637	11,712,097	39,456,437	-	27,332,296
Capital assets, being depreciated:					
Buildings	43,440,091	39,456,437	-	-	82,896,528
Machinery and equipment	33,748,318	2,475,398	-	-	36,223,716
Improvements other than buildings	62,557,175	2,750,389	-	-	65,307,564
Infrastructure	90,537,596	662,855	-	-	91,200,451
Total capital assets, being depreciated	230,283,180	45,345,079	-	-	275,628,259
Less accumulated depreciation for:					
Buildings	16,144,339	1,173,406	-	(54,186)	17,263,559
Machinery and equipment	25,885,972	2,079,879	-	-	27,965,851
Improvements other than buildings	8,131,737	3,031,914	-	(98,885)	11,064,766
Infrastructure	61,877,655	1,715,355	-	-	63,593,010
Total accumulated depreciation	112,039,703	8,000,553	-	(153,070)	119,887,186
Total capital assets, being depreciated, net	118,243,478	37,344,526	-	153,070	155,741,074
Governmental activities capital assets, net	$ 173,320,115	$ 49,056,623	$ 39,456,437	$ 153,070	$ 183,073,372

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

F. Capital Assets

Business-Type Activities:	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
Capital assets, not being depreciated:					
Water Rights	$ 3,450,000	$ 4,300,000	$ -	$ -	$ 7,750,000
Land and right of way	6,897,338	-	-	-	6,897,338
Construction in Progress	12,515,679	11,486,931	-	-	24,002,610
Total capital assets, not being depreciated	22,863,017	15,786,931	-	-	38,649,948
Capital assets, being depreciated:					
Buildings	34,748,599	-	-	-	34,748,599
Machinery and equipment	25,593,582	2,530,931	-	285,714	28,410,227
Improvements other than buildings	15,314,449	1,131,868	-	-	16,446,317
Infrastructure	157,319,779	1,419,293	-	(839)	158,738,233
Total capital assets, being depreciated	232,976,409	5,082,091	-	284,875	238,343,375
Less accumulated depreciation for:					
Buildings	19,757,063	758,109	-	-	20,515,172
Machinery and equipment	20,137,975	1,922,953	-	-	22,060,928
Improvements other than buildings	4,705,823	1,018,984	-	-	5,724,807
Infrastructure	56,706,854	4,762,155	-	15,809	61,484,818
Total accumulated depreciation	101,307,715	8,462,200	-	15,809	109,785,724
Total capital assets, being depreciated, net	131,668,694	(3,380,109)	-	(15,809)	128,557,646
Business-Type activities capital assets, net	154,531,711	12,406,822	-	269,066	167,207,594
Total Primary Government	$ 327,851,826	$ 61,463,445	$ 39,456,437	$ 422,136	$ 350,280,966

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

F. Capital Assets

Component Unit- Blended PEDC					
Capital assets, not being depreciated:					
Land and right of way	$ 4,858,106	$ -	$ -	$ -	$ 4,858,106
Construction in Progress	3,237,346	39,578,101	-	-	42,815,447
Total capital assets, not being depreciated	8,095,452	39,578,101	-	-	47,673,553
Capital assets, being depreciated:					
Buildings	747,170	-	-	-	747,170
Improvement other than buildings	1,640,656	-	-	-	1,640,656
Machinery and equipment	193,685	49,441	-	-	243,126
Total capital assets, being depreciated	2,581,511	49,441	-	-	2,630,952
Less Accumulated Depreciation					
Buildings	490,113	28,089	-	-	518,202
Improvement other than buildings	563,648	96,468	-	-	660,116
Machinery and equipment	121,154	13,386	-	23,563	158,103
Total Accumulated Depreciation	1,174,914	137,943	-	23,563	1,336,421
Total Capital assets, being depreciated, net	1,406,597	(88,502)	-	(23,563)	1,294,531
Component Unit - Discretely Chamber					
Capital assets, being depreciated:					
Buildings	-	-	-	-	-
Improvement other than buildings	-	-	-	-	-
Machinery and equipment	35,848	-	-	-	35,848
Total capital assets, being depreciated	35,848	-	-	-	35,848
Less Accumulated Depreciation					
Buildings	-	-	-	-	-
Improvement other than buildings	-	-	-	-	-
Machinery and equipment	12,547	7,170	-	-	19,717
Total Accumulated Depreciation	12,547	7,170	-	-	19,717
Total Capital assets, being depreciated, net	23,301	(7,170)	-	-	16,131

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

F. Capital Assets

Component Unit-Discretely PHFC					
PHFC Capital assets, not being depreciated:					
Land and right of way	1,500,000	-	-	-	1,500,000
Total capital assets, not being depreciated	1,500,000	-	-	-	1,500,000
PHFC Capital assets, being depreciated:					
Buildings	26,502,558	-	-	-	26,502,558
Improvement other than buildings	-	-	-	-	-
Machinery and equipment	153,683	-	-	-	153,683
Total capital assets, being depreciated	26,656,241	-	-	-	26,656,241
Less Accumulated Depreciation					
Buildings	1,766,837	1,177,891	-	-	2,944,728
Improvement other than buildings	-	-	-	-	-
Machinery and equipment	69,001	31,030	-	-	100,031
Total Accumulated Depreciation	1,835,838	1,208,921	-	-	3,044,759
Total Capital assets, being depreciated, net	24,820,403	(1,208,921)	-	-	23,611,482
Component Unit-Blended capital assets, net	32,668,348	1,279,247	-	-	34,636,832
City-Wide capital assets, net	$ 330,342,317	$ 42,183,926	$ 5,721,760	$ (5,005,604)	$ 362,488,618

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

G. Long-Term Obligations

The following schedule summarizes the changes in long-term debt during the year ended September 30, 2022:

	Beginning Balance	Additions	Retirements	Adjustments	Ending Balance	Due Within One Year
Governmental Activities						
Certificates of Obligation	67,085,000	54,615,000	2,940,000		118,760,000	3,220,000
Uamortized Premium/(Discount)	4,005,937	-	247,785		3,758,152	247,785
Capital Leases	6,159,708	1,608,000	1,716,460	(129,034)	5,922,214	1,898,670
CDBG Section 108 Note Payable	2,950,000	-	295,000	-	2,655,000	295,000
LSNB Tax Notes	3,657,499	-	1,071,360	18	2,586,157	1,118,660
Other Post Employment Benefits	1,384,039	171,373	-	297,596	1,853,008	-
Accrued Compensated Absences	5,737,055	3,472,819	2,935,401	-	6,274,473	1,578,191
Accrued Compensated Absences -Garage	37,399	889	-	-	38,288	9,350
Accrued Compensated Absences - PEDC	-	124,372.00	-	118,765	243,137	60,784.00
Net Pension Liability-GASB 68	5,655,804	2,622,065			8,277,869	-
Total Governmental Activities	$ 96,672,441	$ 62,614,518	$ 9,206,006	$ 287,345	$ 150,368,298	$ 8,428,440
	-					
Business-Type						
Revenue Bonds Payable	$ 89,999,000	$ 20,945,000	$ 2,384,000	$ -	$ 108,560,000	$ 2,441,000
Refunding Revenue Bonds Payable	11,865,000	-	2,240,000	-	9,625,000	1,590,000
Uamortized Premium/(Discount)	10,046,634	2,820,175	430,520	(2,306)	12,433,983	430,520
Capital Leases	2,722,238	2,548,000	2,023,643	(2,281)	3,244,314	959,934
Accrued Compensated Absences	823,244	705,392	551,676	(4,610)	972,350	204,658
Total Business-Type Activities	$ 115,456,116	$ 27,018,567	$ 7,629,839	$ (9,197)	$ 134,835,649	$ 5,626,113
Deferred Outflow/Inflow of Resources						
Unamortized Gain/(loss) on Refunding	$ (165,209)	$ 34,886	$ -	$ -	$ (130,323)	$ -
	$ (165,209)	$ 34,886	$ -	$ -	$ (130,323)	$ -

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

G. Long-Term Obligations

Long-term bonded and revenue supported obligations outstanding on September 30, 2022, is comprised of the following:

	Original Issuance	Series	Type	Name	Payment Installments	Installments Lowest	Installments Highest	Interest Rates Lowest	Interest Rates Highest	Payment Through	Current Balance
Governmental Activities	$ 7,625,000	2012	Certificate of Obligation	CO	Annual	$ 295,000	$ 535,000	0.60%	4.98%	8/15/2032	$ 3,380,000
	$ 14,290,000	2016	Certificate of Obligation	CO	Annual	$ 190,000	$ 1,035,000	1.13%	3.60%	2/15/2036	12,805,000
	$ 17,240,000	2017	Certificate of Obligation	CO	Annual	$ 355,000	$ 2,640,000	1.45%	2.79%	8/15/2031	13,085,000
	$ 16,440,000	2018	Certificate of Obligation	CO	Annual	$ 70,000	$ 1,440,000	2.08%	3.52%	8/15/2038	14,305,000
	$ 25,000,000	2020	Certificate of Obligation	CO	Annual	$ 890,000	$ 2,625,000	3.00%	3.00%	8/15/2039	20,570,000
	$ 54,615,000	2021	Certificate of Obligation	CO - PEDC	Annual	$ 1,645,000	$ 3,740,000	4.50%	4.06%	8/15/2046	54,615,000
								Subtotal-Certificate of Obligation			118,760,000
	$ 7,300,000	2017	Tax Notes	TN	Monthly	$ 941,000	$ 1,167,000	4.25%	4.25%	12/1/2024	$ 2,586,157
									Subtotal-Tax Notes		2,586,157
	$ 5,600,000	2017	HUD Section 108 Loan	HUD 108	Annual	$ 294,000	$ 295,000	1.28%	1.73%	8/15/2031	$ 2,655,000
									Subtotal-Section 108 Laon		2,655,000
									Governmental Total		$ 124,001,157
									Governmental Total		**$ 124,001,157**
Business-Type Activities	$ 13,310,000	2007A	Revenue Bonds-DWSFR	WW & SS	Annual	$ 380,000	$ 1,075,000	2.35%	3.50%	9/1/2027	$ 5,080,000
	$ 10,000,000	2007B	Revenue Bonds-NADBANK	WW & SS	Annual	$ 385,000	$ 685,000	3.75%	3.75%	9/1/2027	3,200,000
	$ 8,725,000	2013	Revenue Bonds-DWSFR	WW & SS	Annual	$ 255,000	$ 400,000	0.00%	2.71%	9/1/2042	6,425,000
	$ 1,762,000	2015	Revenue Bonds-DWSFR	WW & SS	Annual	$ 72,000	$ 117,000	0.59%	4.10%	9/1/2035	1,244,000
	$ 18,150,000	2020A	Revenue Bonds-CWSFR	WW & SS	Annual	$ 115,000	$ 780,000	0.03%	0.22%	9/1/2049	17,730,000
	$ 13,880,000	2020B	Revenue Bonds-CWSFR	WW & SS	Annual	$ 115,000	$ 590,000	0.04%	0.32%	9/1/2049	13,460,000
	$ 37,425,000	2021	Revenue Bonds - CT&IBR	CT & IBR	Annual	$ 1,395,000	$ 2,850,000	3.00%	5.00%	8/15/2041	37,425,000
	$ 3,157,000	2021	Renenue Bonds - CT&WR	WW & SS	Annual	$ 105,000	$ 106,000	0.00%	0.00%	8/15/2051	3,051,000
	$ 20,945,000	2021	Revenue Bonds - CT&IBR	CT & IBR	Annual	$ 580,000	$ 1,355,000	2.00%	2.80%	8/152046	20,945,000
								Subtotal-Revenue Bonds			$ 108,560,000
	$ 9,755,000	2005A	Refunding Bonds	CT & IBR	Annual	$ 510,000	$ 740,000	3.63%	4.50%	8/15/2022	$ -
	$ 18,000,000	2017	Refunding Bonds	WW & SS	Annual	$ 1,220,000	$ 2,160,000	3.29%	3.62%	8/15/2028	9,625,000
								Subtotal-Refunding Bonds			$ 9,625,000
									Business-Type Total		**$ 118,185,000**

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

G. Long-Term Obligations

1. Bonds Payable

Debt service requirements of bonds payable on September 30, 2022, are as follows:

Year Ended	Governmental Activities			Business-Type Activities		
September 30,	Principal	Interest	Total	Principal	Interest	Total
2023	$ 4,338,660	4,826,193	$ 9,164,853	$ 4,031,000	$ 4,499,739	$ 8,530,739
2024	4,782,593	4,716,777	9,499,370	5,557,000	2,509,676	8,066,676
2025	5,090,500	4,587,083	9,677,583	6,344,000	2,374,662	8,718,662
2026	5,220,000	4,404,829	9,624,829	6,587,000	2,168,026	8,755,026
2027	5,470,000	4,206,271	9,676,271	6,829,000	1,951,842	8,780,842
2028-2033	35,900,000	20,644,215	56,544,215	26,921,000	8,126,396	35,047,396
2034-2050	57,958,247	15,774,985	73,733,232	61,916,000	7,081,230	68,997,230
	$ 118,760,000	$ 59,160,353	$ 104,187,121	$ 118,185,000	$ 21,630,341	$ 77,899,341

2. Tax Notes Payable

Year Ended	Governmental Activities		
September 30,	Principal	Interest	Total
2022	$ 1,118,660	$ 89,456	$ 1,233,907
2023	1,167,708	40,408	1,233,907
2024	299,789	2,150	315,261
	$ 2,586,157	$ 132,014	$ 2,783,075

3. Notes Payable

Year Ended	Governmental Activities		
September 30,	Principal	Interest	Total
2023	$ 295,000	$ 83,662	$ 378,662
2024	295,000	75,075	370,075
2025	295,000	66,345	361,345
2026-2030	1,770,000	205,084	1,975,084
	$ 2,655,000	$ 430,166	$ 3,085,166

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

G. Long-Term Obligations

4. Capital Leases Payable

Capital leases payable on September 30, 2022, is comprised of the following issues:

Capital Leases	Governmental	Business-Type	Total
$2,685,000 lease payable, due in annual installments of $325,947 including interest, through January 2026 at 3.69% LED Lighting Project City-Wide	1,191,850	-	1,191,850
$254,694 lease payable; due in semi-annual installments of $19,622 including interest, through May 1, 2023; interest at 2.05%. All funds used to purchase Public Works Units	38,648	-	38,648
$979,455 lease payable; due in semi-annual installments of $55,045 including interest, through May 1, 2026; interest at 2.28%. All funds used to purchase Fire Truck and Equipment	418,602	-	418,602
$482,200 lease payable; due in quarterly installments of $25,638 including interest, throught October 15, 2022; interest 2.62% All fund used to purchase Parks and Bridge equipment.	23,411	2,060	25,471
$2,897,100 lease payable, due in quarterly installments of $113,435 including interest, through October 15,2024; interest 2.78% All funds used to purchase city vehicles, public utilities equipment, bridge office expansion and golf house renovations.	149,116	837,195	986,311
$955,000 lease payable, due in quarterly installments of $27,489 including interes, through October 15, 2027; interest 2.97% All funds used for city-wide air conditioning repairs, fire equipment and irrigation repairs for the golf course.	460,087	72,498	532,585
$200,000 lease payable, due in quarterly installments of $10,827 including interest, through August 31 2023; interest 3.41% All funds used for International Bridge Security Camaras.	-	42,400	42,400
$212,000 lease payable, due in quarterly installments of $11,374 including interest, through December 15 2022; interest 3.02% All funds used to purchase Fire and IT equipment, Golf course replacement for old gator carts for greens.	52,459	3,148	55,607
$138,000 lease payable, due in quarterly installments of $5,462 including interest, through October 31 2024; interest 3.12% All funds used to purchase general fund equipment and Golf course Equipment.	59,972	7,314	67,286
$3,695,500 lease payable, due in quarterly installments of $193,031 including interest, through December 6, 2024; interest 2.37% All funds used to purchase general fund equipment and bridge office expansion.	762,113	-	762,113

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

G. Long-Term Obligations

4. Capital Leases Payable

Capital Leases	Governmental	Business-Type	Total
$1,788,000 lease payable. Due in quarterly installments of $70,435 including interest, through November 23, 2030; interest 1.385% All funds used to purchase general fund equipment	1,327,277	-	1,327,277
$4,156,000 lease payable. Due in quarterly installments of $157,372 including interest, through November 01, 2028; interest 1.756% All funds used to purchase general fund equipment and utility fund equipment.	1,438,679	2,279,698	3,718,377
	$ 5,922,214	$ 3,244,313	$ 9,166,527

Assets purchased with the lease funds are included in the City's capital assets and depreciation expense. Debt service requirements of capital leases obligations on September 30, 2022, are as follows:

Year Ended	Governmental Activities			Business-Type Activities		
September 30,	Principal	Interest	Total	Principal	Interest	Total
2023	$ 1,898,670	$ 134,316	$ 2,032,986	$ 775,929	$ 72,373	$ 848,302
2024	956,698	97,375	1,054,073	746,488	42,573	789,061
2025	997,446	72,914	1,070,360	453,530	32,223	485,753
2026	872,075	53,170	1,050,616	425,262	21,467	446,729
2027	760,508	14,839	886,913	366,978	12,469	379,446
2028-2030	436,817	19,156	779,664	476,127	6,289	482,416
	$ 5,922,214	$ 391,770	$ 6,874,613	$ 3,244,313	$ 187,394	$ 3,431,707

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

G. Long-Term Obligations

5. Notes Payable

Long-term notes payable outstanding on September 30, 2022, is comprised of the following:

Governmental Original Issuance	Issuer	Name	Payment Installments	Installments Lowest	Installments Highest	Interest Rates Lowest	Interest Rates Highest	Payment Through	Current Balance
$5,600,000	Housing and Urban Development	CDBG HUD Section 108	Annual	$ 294,000	$ 295,000	0.49%	1.73%	8/1/2031	$ 2,655,000
								Subtotal-City of Pharr Governmental	$ 2,655,000
								Total	$ 2,655,000

Debt service requirements of notes payable on September 30, 2022, are as follows:

Year Ended September 30,	Governmental Activities Principal	Interest	Total
2023	$ 295,000	$ 83,662	$ 378,662
2024	295,000	75,075	370,075
2025	295,000	66,345	361,345
2026-2030	1,770,000	205,084	1,975,084
	$ 2,655,000	$ 430,166	$ 3,085,166

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

G. Long-Term Obligations

6. Debt Disclosure and Currently Defeased Debt

None.

7. Accrued Compensated Absences

Accrued compensated absences (vested sick and vacation leave) are payable from the fund responsible for the employee's compensation. As of September 30, 2022, the owning fund of the liability is as follows:

Owning Fund of Liability	Amount
General	$ 6,270,793
Community Development	3,683
Garage	38,288
Utility	505,462
EMS	99,359
Bridge	302,881
Golf	64,647
PEDC	243,137
	$ 7,528,250

8. Arbitrage

The City has issued long-term debt for capital construction projects. These bonds are subject to the arbitrage regulations. Arbitrage regulations call for the return of the difference in interest revenue against interest expense. On September 30, 2022, there was no liability of arbitrage that would have been owed to the federal government.

H. Interfund Transfers

The City reports interfund transfers between many of its funds. Interfund transfers for the year ended September 30, 2022, consisted of the following:

		TRANSFER FROM Governmental Funds							
		General	Debt Service	PEDC	Hotel/ Motel	Covid Relief	CIP	Paving & Drainage	Total Governmental
TRANSFER TO	General	$ -	$ -	$ 500,000	$ 150,900	$ -	$ -		$ 650,900
	CIP	9,780,600	-	-	1,380,700	-	-	1,045,500	12,206,800
	Debt Service	326,100	-	510,800	-	-	-		836,900
	Total governmental	10,106,700	-	1,010,800	1,531,600	-	-	1,045,500	13,694,600
	Utility	2,020,400	-	-	-	-	4,000,000	-	6,020,400
	Garage	6,000	-	-	-	-	-	-	6,000
	EMS	118,800	-	-	-	6,667,240	563,224	-	7,349,264
	Bridge	26,400	368,500	-	-	-	-	-	394,900
	Golf	-	-	-	-	-	-	-	-
	Total enterprise	2,171,600	368,500	-	-	6,667,240	4,563,224	-	13,770,564
	Total	$ 12,278,300	$ 368,500	$ 1,010,800	$ 1,531,600	$ 6,667,240	$ 4,563,224	$ 1,045,500	$ 27,465,165

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

H. Interfund Transfers

The reasons for the transfers vary from operational, to reimbursements, to debt service payment supplements. The following details state the exact purpose of the transfers.

The transfers on this page are related to Governmental transactions.

General Fund:

- The Transfer from General Fund to debt service is to cover for debt service payment of associated with Envirolite city-wide project.
- Transfer from General Fund to Capital Projects to cover for main unrestricted projects.
- Transfer to cover garage fund expenses.

Other:

- The transfer from Hotel Funds to General fund for city festivals.
- The transfer from Paving & Drainage to CIP is to cover for a portion of debt service payment for Tax Notes 2017.
- The transfer from General CIP to Utilities is to advance payments on utility CIP projects.
- The transfer from Hotel fund to CIP is to cover for a portion of debt service payment for Tax Notes 2017.

Enterprise Funds:

	TRANSFER FORM Enterprise Funds				
TRANSFER TO	Utility	Bridge	Health Insurance	Total Enterprise	Grand Total
General	$ 578,700	$ 10,563,100	$ 755,243	$ 11,897,043	$ 12,547,943
Grants	-	-	-	-	12,206,800
Debt Service	-	-	-	-	1,205,400
Total governmental	578,700	10,563,100	755,243	11,897,043	25,960,143
Utility	-	-	-	-	6,020,400
Garage	-	-	-	-	-
Health insurance	-	-	-	-	-
EMS	-	-	-	-	7,349,264
Bridge	-	-	-	-	26,400
Golf	-	-	-	-	-
Total enterprise	-	-	-	-	13,396,064
Total	$ 578,700	$ 10,563,100	$ 755,243	$ 11,897,043	$39,356,206

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

H. Interfund Transfers

- The transfer from Utility to the general fund is to pay annual service fees for administrative services.
- The transfer from Heath insurance fund to general fund to cover for employee insurances.
- The transfer from Bridge to the General Fund is for the following:

Purpose	FY 21/22
GF Operations	$ 10,037,670
Golf Operations	525,400
Total	$ 10,563,070

I. Restricted Assets

The balances of the restricted asset as of September 30, 2022, are as follows:

Governmental Funds	
Capital Outlay	$ 2,358,487
Capital Improvement Projects	22,065,071
Grant Receivables	408,590
Grant Receivable - Covid	18,210,325
Total restricted assets-governmental funds	43,042,473

Business-Type Funds	
Capital Outlay	2,556,321
Capital financing-Utility	41,562,412
Debt reserves - Utility	5,160,460
Capital financing-Bridge	60,693,368
Grants Receivable - FY 15 DAP	103,802
Debt reserves-Bridge	5,474,790
Total restricted assets-business-type funds	$ 115,551,152
Total restricted assets	$ 158,593,625

J. Leases

During Fiscal year 21-22 the city started to implement GASB 87 which states that a lessee government is required to recognize (1) a lease liability and (2) and intangible asset representing the lessee's right to use the leased asset.

The city entered in a contract with Kyocera for city-wide printers, contact started in October 2019 and is expected to be finished by December 2022. Payments of $5,726 are paid monthly with an interest of a .33%.

Pharr EMS started a lease contract with Stryker Sales, LLC in 2021 for ambulances services the contract is for 10 years with annual payments of $498,390.

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III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

J. Leases

Tierra de sol, has a lease with Yamaha to lease the golf carts been used for operations. The lease ends in 2024 and the city pay monthly installments of $5,390.
The city enters into a lease agreement with Enterprise in 2021 to replace city wide fleet. The agreement is for 48 months for the public safety fleet and 36 months for the rest of the city's fleet. Amount paid by month is around $27,847 plus maintenance repairs.
The international bridge serves as a lessor for three business the first one is TABC they pay the international bridge a monthly amount of $550. Also, UETA rents land and make monthly payments of $12,500 and lastly cold storage with monthly payments of $7,723.

IV. OTHER INFORMATION

A. Risk Management

The city is exposed to various risks of loss related to torts, theft of, damage to, and destruction of assets, errors and omissions, injuries to employees (workman's compensation), and natural disasters. During the fiscal year, the City obtained general liability coverage at a cost that is economically justifiable by joining with other governmental entities in the State as a member of the Texas Municipal League Intergovernmental Risk Pool (TML). TML is a self-funded pool operating as common risk management and insurance program. The city pays an annual premium to TML for its above insurance coverage. The agreement for the formation of TML provides that TML will be self-sustaining through member premiums and will reinsure through commercial companies for claims more than acceptable risk levels; however, each category of coverage has its own level of reinsurance. The city continues to carry commercial insurance for other risks of loss. There were no significant reductions in commercial insurance coverage in the past fiscal year and settled claims resulting from these risks have not exceeded coverage in any of the past three fiscal years. A copy of TML's Comprehensive Annual Report may be obtained by request at the following address:

Texas Municipal League
1821 Rutherford Lane, Suite 400
Austin, TX 78754-5128

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1. Health Care Coverage

As of January 2018, the City transitioned from fully funded to self/partially funded. The health provider is now United Health Care with Lone Star Insurance services as an agent of record. The City now funds its claims monthly through a separate bank account managed through the agent. The City pays for 100% of the employees' insurance cost and 50% of the employee's dependent's insurance cost with the following plans:

Coverage Type	Monthly Cost to Employee	Monthly cost to City	Total Monthly Cost
Employee Only	$ -	$ 149.74	$ 149.74
Employee and Spouse	$ 206.08	$ 149.74	$ 355.82
Employee and Child(ren)	$ 189.25	$ 149.74	$ 338.99
Employee and Family	$ 408.28	$ 149.74	$ 558.02

Coverage Type	Monthly Cost to Employee	Monthly cost to City	Total Monthly Cost
Employee Only	$ 16.97	$ 149.74	$ 166.71
Employee and Spouse	$ 239.62	$ 149.74	$ 389.36
Employee and Child(ren)	$ 221.42	$ 149.74	$ 371.16
Employee and Family	$ 458.05	$ 149.74	$ 607.79

IV. OTHER INFORMATION

For more detailed information about United HealthCare please contact:

United Healthcare
2000 West Loop South, Suite 900
Houston, TX 77027

2. Post-Retirement Health Care Benefits

The City provides certain health care and life insurance benefits, under City ordinance, for:

A. A retired person and their dependents covered under the City of Pharr's health insurance plan, prior to January 1, 2009, shall be entitled to continued coverage at the municipality's expense not to exceed $275 per month for the retiree, and fifty percent of the cost of coverage for the dependent or $225 whichever is less. When a retiree reaches the age of 65, the municipality will no longer pay for the retiree's and dependent's health insurance. The municipality will only pay for the cost of the retiree's Medicare Advantage Plan coverage.

B. Any person employed with the City of Pharr, prior to January 1, 2009, that has been employed for not less than twenty (20) years with any municipality in the State of Texas that participates in the Texas Municipal Retirement System, that was employed with the City of Pharr for not less than ten (10) years, and reaches the age of fifty (50), shall be eligible upon retirement to receive continued health coverage at the expense of the municipality not to exceed $275 per month. A dependent of an eligible retired person under the subsection shall not receive continued coverage at the expense of the municipality. When a retiree reaches the age of 65, the municipality will no longer pay for the retiree's health coverage.

C. A person that becomes employed with the City of Pharr, after January 1, 2009, shall not be eligible for any health insurance coverage at the expense of the municipality upon retirement. A dependent of an employee under this subsection shall not receive health insurance coverage at the expense of the municipality upon retirement.

Currently, approximately 46 retirees meet these eligibility requirements. The City pays 80% of the number of validated claims for qualified medical and hospitalization costs incurred after the retiree meets a deductible ranging from $1,000 per individual to $2,000 per family for In-Network coverage. The maximum out-of-pocket costs that can be incurred by a retiree in the one-year range from, $1,500 per individual to $3,000 per family.

B. Deferred Compensation Plan

The City offers its employees a deferred compensation plan created in accordance with Internal Revenue Code Section 457. The plan, available to all full-time employees at their option, permits participants to defer a portion of their salary until future years. The deferred compensation is not available to participants until termination, retirement, death, or unforeseeable emergency. All amounts of compensation deferred under the plan, all property and rights purchased with those amounts, and all income attributable to those amounts, property or rights are the property of the beneficiary. General inflation is assumed to be 2.50% per year with an investment return and assumption of 6.75% per year, compounded annually, composed on an assumed 2.5% inflation rate and a 4.25% net real rate of return.

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IV. OTHER INFORMATION

C. Pension Plan

1. Plan Description

The City of Pharr participates as of the 872 plans in the nontraditional, joint contributory, hybrid pension plan administered by the TMRS Act, Subtitle G, Title 8, Texas Government Code (The TMRS Act) as an agent of multi-employer retirement system for municipal employees in the State of Texas. The TMRS Act places the general administration and management of the system with a six-member Board of Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the Sate of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available Annual Comprehensive Financial Report (ACFR) that can be obtained at www.TMRS.com.

All eligible employees of the City are required to participate in TMRS.

2. Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefits provisions are adopted by the Governing Body of the City, within options available in the state statutes governing TMRS. At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payment options. Members may also choose to receive a portion of their benefit as a Partial Lump-Sum Distribution in the amount equal to 12, 24 or 36 payments, which cannot exceed 75% of the member's deposits and interest.

	Plan Year 2021	Plan Year 2022
Employee deposit rate	7.0%	7.0%
Matching ratio (city to employee)	2 to 1	2 to 1
Years required for vesting	5	5
Service retirement eligibility (express as age/years of service)	60/5, 0/20	60/5, 0/20
Updated Service Credit	0%	0%
Annuity Increase (to retirees)	0% of CPI	0% of CPI

Employee Covered by Benefits Terms.

At the December 31, 2021, valuation and measurement date, the following employees were covered by the terms of the benefits:

	2021
Membership*	
Number of	
Inactives Employees currently receiving benefits	212
Inactives Employees entitled but not yet receiving benefits	49
Active Employees	750
Total	1,011
Covered Payroll	$ 38,872,833

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IV. OTHER INFORMATION

C. Pension Plan

3. Contributions

The contribution rates for employees with TMRS are either 5%, 6% or 7% of employee gross earnings, and the City matching percentages are either 100%, 150%, or 200% as adopted by the governing body of the City. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amount necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Pharr were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Pharr were 12.32% in calendar years 2021.

The City's contributions to TMRS for the year ended September 30, 2021, were $5,694,187.

	2021	2020	2019
Annual Pension Cost:			
Annual Required Contribution	$ 5,694,187	$ 4,642,463	$ 4,242,054
Contributions Made	5,694,187	4,642,463	4,242,054
Net Pension Obligation	$ -	$ -	$ -

4. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2021, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The Total Pension Liability in the December 31, 2021, actuarial valuation was determined using the following actuarial assumptions:

Inflation	2.50%
Salary increases	3.50% to 11.50% including inflation
Discount rate*	2.75%

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment, with male rates multiplied by 109% and female rates multiplied by 103%. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements. For disabled annuitants, the gender-distinct RP2000 Combined Healthy Mortality Tables with Blue Collar Adjustment are used with males' rates multiplied by 109% and female rates multiplied by 103% with a 3-year set-forward for both males and females. In addition, a 3% minimum mortality 16 rate is applied to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by scale BB to account for future mortality improvements subject to the 3% floor.

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IV. OTHER INFORMATION

Pension Plan

Actuarial assumptions were used on December 31, 2017; valuation was based on the results of actuarial experience studies. The experience study in TMRS was for the period December 31, 2010, through December 31, 2014. Healthy post-retirement mortality rates and annuity purchase rates were updated based on a Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. These assumptions were first used in the December 31, 2013, valuation, along with a change to the Entry Age Normal (EAN) actuarial cost method. Assumptions are reviewed annually. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense, and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. In determining their best estimate of a recommended investment return assumption under the various alternative asset allocation portfolios, GRS focused on the area between (1) arithmetic mean (aggressive) without an adjustment for time (conservative) and (2) the geometric mean (conservative) with an adjustment for time (aggressive).

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in the statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of currently active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Changes in Net Pension Liability

On September 30, 2022, the City reported a liability of **$13,933,673.**
The Net Pension Liability is based on an actuarial valuation performed as of December 31, 2022, and a measurement date of December 31, 2021; as such, no roll-forward was required.
For this valuation, a single discount rate of 6.75% was used to measure the total pension liability as of December 31, 2021. This single discount rate was based on the expected rate of return on pension plan investment of 6.75%. Based on the stated assumptions and the projection of cash flow, the City's fiduciary net position and future contributions were enough to finance the future benefit payments of the current plan members for all projection years. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of the projected benefit payments to determine the total pension liability for the City. The projection of cash flows used to determine the single discount rate for the City assumed that the funding policy adopted by the TMRS Board will remain in effect for all future years. Under this funding policy, the City will finance the unfunded actuarial accrued liability over the years remaining for the closed period existing for each base in addition to the employer portion of all future benefit accruals.

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IV. OTHER INFORMATION

4. Net Pension Liability

Changes in Net Pension Liability

The change in the City's net pension liability for TMRS pension for the fiscal year ended September 30, 2022, is as follows:

A. Total pension liability		
1. Service Cost	$	5,640,448
2. Interest (on the Total Pension Liability)		7,442,313
3. Change in benefit terms including substantively automatic status		12,390,200
4. Difference between expected and actual experience		357,274
5. Change in assumptions		-
6. Benefit payments, including refunds of employee contributions		(4,882,879)
7. Net change in total pension liability	$	20,947,356
8. Total pension liability-beginning		97,487,499
9. Total pension liability-ending	$	118,434,855
B. Plan fiduciary net position		
1. Contributions-employeer	$	2,907,748
2. Contributions-employeer		2,725,135
3. Net investment income		11,974,498
4. Benefit payment, including refunds of employees contributions		(4,882,879)
5. Administrative Expense		(55,392)
6. Other		379
7. Net change in plan fiduciary net position	$	12,669,489
8. Plan fiduciary net position-beginning		91,831,695
9. Plan fiduciary net position-ending	$	104,501,184
C. Net pension liability/(assets) (Item A.9 - Item B.9)	$	13,933,671
D. Plan fiduciary net position as a percentage of the total pension liability (Item B.9 / Item A.9)		88.24%
E. Covered-employee payroll	$	38,872,833
F. Net pension liability/(asset) as a percentage of covered employee payroll		35.84%

IV. OTHER INFORMATION

4. Net Pension Liability

Sensitivity of the Net Position liability changes in the discount rate

The following presents the net pension liability of the City, calculated using the discount rate of 6.75%, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

1% Decrease 5.75%	Current Single Discount Rate Assumption 6.75%	1% Increase 7.75%
$32,341,242	$13,933,673	$ (1,093,251)

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's Fiduciary Net Position is available in a separately issued TMRS financial report. That report may be obtained on the Internet at www.tmrs.com.

5. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

For the year ended September 30, 2021, the city recognized a pension expense of **$1,454,581.**

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SCHEDULE OF PENSION EXPENSE

1. Total Service Cost	$	5,640,448
2. Interest on the Pension Liability		7,442,313
3. Changes in Current Period Benefits Including Substantively Automatic Status		12,390,200
4. Employees Contributions (Reduction of Expense)		(2,725,135)
5. Projected Earning on Plan Investment (Reduction of Expense)		(6,198,639)
6. Administrative Expense		55,392
7. Other Changes in Fiduciary Net Position		(379)
8. Recognition of Current Year Outflow (Inflow) of Resources-Liabilities		60,761
9. Recognition of Current Year Outflow (Inflow) of Resources-Assets		(1,155,172)
10. Amortization of Prior Year Outflows (Inflows) of Resources-Liabilities		36,822
11.Amortization of Prior Year Outflows (Inflow) of Resources-Assets		(888,570)
12. Total Pension Expense (Income)	$	14,658,041

IV. OTHER INFORMATION

5. Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

On September 30, 2021, the city reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

Due to Liabilities:	Recognition Period (or amortization yrs.)	Total (Inflow) or Outflow or Resources	2021 Recognized in current pension expense	Deferred (Inflow)/Outflow in future expense
Difference in expected and actual experience actuarial (gains) or losses	5.8800	$ 357,274	$ 60,761	$ 296,513
Changes in assumptions actuarial (gains) or losses	5.8800	$ -	$ -	$ -
				$ 296,513
Due to Assets:				
Difference in projected and actual earnings on pension plan investments actuarial (gains) or losses	5.00	$ (5,775,858)	$ (1,155,172)	$ (4,620,686)
			$ (1,155,172)	$ (4,620,686)
Total:				$ (4,324,173)

The net amounts of the City's balances of deferred outflows of resources and deferred inflows related to pensions will be recognized in pension expense as follows:

	Net deferred outflows (Inflows) of resources
2022	$ (1,184,833)
2023	(2,621,842)
2024	(1,330,481)
2025	(1,126,659)
2026	53,469
Thereafter	-
Total	$ (6,210,346)

IV. OTHER INFORMATION

D. Other Post Employment Benefit (OPEB) Programs

1. Plan Description

Texas Municipal Retirement System ("TMRS") administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund ("SDBF"). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered another post-employment benefit ("OPEB") and is a fixed amount of $7,500. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is an unfunded OPEB plan (i.e. no assets are accumulated).
The member city contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year. The intent is not to pre-fund retiree term life insurance during employees' entire careers.

GASB 75 requires employers to recognize the total OPEB liability and the OPEB expense on their financial statements. The OPEB expense recognized each fiscal year is equal to the change in the total OPEB liability from the beginning of the year to the end of the year, adjusted for deferred recognition of certain changes in the liability.

The city's SDBF is considered a single-employer unfunded OPEB plan with benefit payments treated as being equal to the employee's contribution for retirees.

2. Supplemental Death Benefits (SDBF) Plan Contributions

The city contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

Plan/Calendar Year	Total SDB Contribution (Rate)	Retiree Portion of SDB Contribution (Rate)
2022	0.18%	0.10%
2021	0.18%	0.10%
2020	0.13%	0.03%
2019	0.13%	0.03%

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IV. OTHER INFORMATION

3. OPEB Liability

The Other Post-Employment Benefits (OPEB) was measured as of December 31, 2021, and the Total Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The Total OPEB Liability on December 31, 2021, actuarial valuation was determined using the following actuarial assumptions.

Inflation	2.50%
Salary increases	3.50% to 11.50% including inflation
Discount rate*	1.84%

*The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2021

The change in the City's OPEB for City of Pharr for the fiscal year ended September 30, 2021, is as follows:

	2021
Membership*	
Number of	
Inactives Employees currently receiving benefits	212
Inactives Employees entitled but not yet receiving benefits	49
Active Employees	750
Total	1,011
Covered Payroll	$ 38,872,833

Changes in the Total OPEB Liability

Total OPEB Liability - Beginning of year	1,681,635
Changes for the Year	
Service Cost	128,280
Interest on Total OPEB Liability	34,527
Changes of Benefits terms	-
Difference between expected and actual experience	(13,348)
Changes in assumptions or other imputs	60,787
Benefit Payments**	(9,304)
Net Changes	200,942
Total OPEB Laibility-end of Year	$ 1,882,577
Total OPEB Liability as a percentage of Covered Payroll	4.84%

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IV. OTHER INFORMATION

Sensitivity of the Net Position liability changes in the discount rate

	1% Decrease .84%	Current Discount Rate 1.84%	1% Increase 2.84%
Total OPEB liability	$2,065,759	$1,681,635	$1,383,208

4. OPEB Expense

For the year ended September 30, 2021, the city recognized OPEB expense of **$217,297.**

OPEB Expense

Service cost	$	128,280
Interest on total OPEB liability		34,527
Changes in benefit terms including TMRS plan participation		0
Employer administrative cost		0
Recognition of deferred outflows/inflows of resources:		
Difference between expected and actual experience		(18,072)
Changes in assumption or other inputs*		72,562
Total OPEB expense	$	217,297

* Generally, this will only be the annual change in the municipal bond index rate.

5. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions

On September 30, 2022, the city reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	Deferred (Inflows) of Resources	Deferred Outflows of Resources
Diferrences between expected and actual experience	$ (86,207.00)	$ -
Changes in assumptions and other inputs	-	355,884.00
Contributions made subsequent to measurement date		38,873.00
Total (excluding contributions made subsequent to measurement date)	$ (86,207.00)	$ 394,757.00

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IV. OTHER INFORMATION

5. OPEB Expense and Deferred Outflows of Resources and Deferred Inflows of Resources related to Pensions –(continued)

The net amounts of the City's balances of deferred outflows of resources and deferred inflows related to pensions will be recognized in OPEB expense as follows:

	Net Deferred Outflows/(Inflows) of Resources
2020	$ 54,490
2021	54,490
2022	50,035
2023	47,648
2024	15,655
Thereafter	86,232
Total	$ 308,550

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E. Commitments

1. Grant Programs

The City participates in several federal and state-assisted grant programs. Under the terms of these grants, the City is subject to program compliance audits by the grantors or their representatives. Accordingly, the City's compliance with applicable grant requirements will be established at some future date. If future program compliance audits result in questioned or disallowed costs, reimbursements would be made to the grantor agencies.

During FY 21-22 the US Department of Housing and Urban Development audit our CDBG program and find the city for failing to submit a proper compliance in one of their programs, The city failed to complete a required Environmental Review Record for the Jones Box Park Improvements project, they city will repay the amount of $877,794.35 during next fiscal year.

2. Litigation

The city is a defendant in various lawsuits. It is the opinion of the City's legal counsel and management that there is no potential unasserted claim as of September 30, 2022.

3. Construction Commitments

The city has entered various significant construction commitments that are currently underway. As of September 30, 2022, they are as follows:

IV. OTHER INFORMATION

E Commitments

3. Construction Commitments

The city has entered various significant construction commitments that are currently underway. As of September 30, 2022, they are as follows:

Governmental:					
	Balance 10/1/2021	Additions	Completions	Adjustments	Balance 9/30/2022
ADMINISTRATION					
UTRGV Nursing School	669,246	837,779	-	-	1,507,025
Total Administration	669,246	837,779	-	-	1,507,025
PUBLIC SAFETY					
Fire Station	-	875,652	-	-	875,652
	-	875,652	-	-	875,652
PARKS					
Jones Box - Splash Pad	200,980	88,573	-		289,553
New Nature Park	6,350	-	-		6,350
Maintenance building	-	99,290	-		99,290
North Side Aquatic Facility	27,001,253	2,831,570	29,832,823		-
Total Parks	27,208,583	3,019,433	29,832,823	-	395,193
STREETS					
North Cana	46,788	-	-	-	46,788
Veterans Hike & Bike	955,530	936,420	-	-	1,891,950
Various Parking Improvements	503,944	-	-	-	503,944
Anaya Road	329,887	-	-	-	329,887
Owassa Road	3,255,593	-	-	-	3,255,593
Railroad Crossing Replanking	276,713	220,990	-	-	497,703
Moore Rd to Veterans	-	582,579	-	-	582,486
Total Streets	5,368,455	1,739,989	-	-	7,108,351
LIBRARY					
North Side Facility - Pharr one	7,011,801	2,611,813	9,623,614	-	-
Total Streets	7,011,801	2,611,813	9,623,614		-
PEDC					
TeamPharr.net	3,237,346	39,578,101	-		42,815,447
Total PEDC	3,237,346	39,578,101		-	42,815,447
Total Governmental	$ 36,483,630	$ 46,050,954	$ 29,832,823	$ -	$ 52,701,668

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IV. OTHER INFORMATION

E Commitments

3. Construction Commitments

Business-Type:					
	Balance 10/1/2020	Additions	Completions		Balance 9/30/2021
UTILITY					
South Detention Pound	466,912.00	101,555.00	-	-	568,467
Lift Station Elimination	489,135.00	471,786.00	-	-	960,921
SOUTH REGION INTERCEPTOR	463,250.00	533,095.00	-	-	996,345
Raw Water Reservoir	214,192.00	217,072.00	-	-	431,264
LS-30 Rehabilition	-	1,928,076.00	-	-	1,928,076
Water Treatment Plant Upgrade	-	412,750.00	-	-	412,750
WasteWater Treat Headworks	-	100,639.00	-	-	100,639
Total Utility	1,633,489	3,764,973	-	-	5,398,462
BRIDGE					
Bridge Expansion	3,394,170	$ 2,848,669	-	-	6,242,917
FY 15 DAP	5,498,273	3,865,978	-	-	9,364,251
FY 16 DAP	1,989,669	1,007,311	-	-	2,996,980
Total Bridge	$ 10,882,112	$ 7,721,958	$ -	$ -	$ 18,604,148
Total Business-Type:	**$ 12,515,601**	**$ 11,486,931**	**$ -**	**$ -**	**$ 24,002,610**
Grand Total	**$ 48,999,231**	**$ 57,537,885**	**$ 29,832,823**	**$ -**	**$ 76,704,278**

4. Economic Development Commitments

The PEDC, TIRZ, and the city have the following outstanding commitments as of September 30, 2022
:

Program Commitment To	Amount Pending	Obligator	Purpose	Length of Time
City of Pharr	varies	TIRZ	Infrastructure development	20 Years
UTRGV	2,500,000	City Of Pharr	Infrastructure development	10 Years
Pharr Town Center	varies*	City OF Pharr	Commercial Development	10 Years
Evergreen	$ 638,393	PEDC	Commercial Development	3 years
CarMax	$ 120,000	PEDC	Commercial Development	2 Years
Top Golf	Varies**	PEDC	Commercial Development	12 years
Total	$ 3,258,393			

*City will reimburse 25% of sales tax received for 10 years

**PEDC will reimburse 50% of total Sales for the next 12 years.

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IV. OTHER INFORMATION

F. Land available for sale

During FY 2011-2012, the City and PEDC entered into an agreement to buy land for economic development purposes. As of September 30, 2015, the city has a market value of $8,867,500 in land including demolitions and infrastructure. On February 2012, the City Commission approved to contribute all land that has been purchased to the PEDC, the transfer of all land titles was completed as of September 30, 2013. Per GASB standards, land available for sale should be recorded at the lower of cost or net realizable value (NRV). The City obtained appraisals for the land in January 2017 which indicated that the land was worth $1,565,698 less than the previous recorded value, a loss of this amount was reported on the financial statements as a special item. The balance of land available for development is recorded as Land Available for Sale in the PEDC fund.

The summary land transactions are stated on the following table:

Project/Land	NRV Recorded 9.30.2021	Added/ (Removed)	Adjustment	Gain/(Loss) on Appraised Value	NRV Recorded 9.30.2022
Jackson Development Project	$ 1,240,000	$ -	$ -	$ -	$ 1,240,000
Produce Park	420,012	-	-	-	420,012
Water Resvoir Commercial Portion	750,000		-	-	750,000
Total	$ 2,410,012	$ -	$ -	$ -	$ 2,410,012

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G. Related Party

None

H. New Accounting Principles

In fiscal year 2022, GASB Issued Statement No 100, it summarized as follows:

Statement 100, the objective of this statement is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. Effective for fiscal year after June 15, 2023, and all reporting thereafter.

Statement 101, the objective of this statement is to better meet the information needs of financial statements users by updating the recognition and measurement guidance for compensated absences. Effective for fiscal year after December 15, 2023, and all reporting periods thereafter.

The following pronouncements were also issued by GASB but not applicable to City of Pharr as of September 30, 2022.

- GASB Statement No. 92, Omnibus 2020
- GASB Statement No. 93, Replacement of interbank offered rates.
- GASB Statement No. 94, Public-Private and public-Public Partnership and availability payment arrangements
- GASB Statement No. 96, Subscription-Based information technology arrangements.
- GASB Statement No. 97, Certain Component unit Criteria, and accounting and financial reporting for internal revenue code section 457 deferred compensation plans.

IV. OTHER INFORMATION

J. Subsequent Events

To report subsequent events, management has considered events occurring through June 19, 2023, the date the report was available to be issued, and the following are to be disclosed:

- The launching of Teampharr.net as of the day of this report the city has 7,000 active accounts.
- The city entered in a contract with city of San Juan for emergency services.
- The city entered in a contract with Rio Regional for Transfers services.

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REQUIRED SUPPLEMENTARY INFORMATION

CITY OF PHARR, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
REVENUES				
Taxes:				
Property	$ 20,993,500	$ 20,993,500	$ 20,866,315	$ (127,185)
Sales	19,752,400	20,852,400	21,319,181	466,781
Franchise	2,381,000	2,381,000	2,665,090	284,090
Other	192,600	192,600	282,120	89,520
Licenses and permits	993,000	993,000	1,326,575	333,575
Intergovernmental	750,000	63,000	97,729	34,729
Fees and charges:				
Sanitation	3,134,800	3,134,800	3,050,224	(84,576)
Brush	1,293,300	1,293,300	1,213,877	(79,423)
Other	826,800	826,800	1,046,261	219,461
Fines	542,400	542,400	498,560	(43,840)
Interest income	32,400	32,400	101,232	68,832
Other	48,600	48,600	1,127,995	1,079,397
Total revenues	50,940,800	51,353,800	53,595,157	2,241,359
EXPENDITURES				
Current:				
General government	15,457,700	16,542,700	15,471,767	1,070,933
Public safety	31,195,800	30,829,100	32,034,810	(1,205,710)
Highways and streets	6,059,700	5,318,200	5,644,742	(326,542)
Health and welfare	3,052,300	3,142,300	3,096,669	45,631
Culture and recreation	8,292,500	8,754,800	9,157,980	(403,180)
Economic Development	1,206,100	1,349,500	2,018,870	(669,370)
Debt service:				
Principal	1,337,400	1,435,400	1,444,120	(8,720)
Interest	113,600	113,600	93,615	19,985
Total expenditures	66,715,100	67,485,600	68,962,572	(1,476,972)
Excess (deficiency) of revenues over (under) expenditures	(15,774,300)	(16,131,800)	(15,367,412)	(764,388)
OTHER FINANCING SOURCES (USES)				
Transfers in	16,599,300	11,842,700	17,547,943	(5,705,243)
Transfers (out)	(2,433,000)	(2,833,200)	(12,278,300)	9,445,100
Cost of Issuance	-	-	(5,959)	5,959
Issuance of debt	1,608,000	1,608,000	4,289,571	(2,681,571)
Premium	-	-	-	-
Total other financing sources and uses	15,774,300	10,617,500	9,553,255	1,064,245
Net change in fund balance	-	(5,514,300)	(5,814,158)	(299,858)
Fund balance - beginning	-	-	29,398,896	29,398,896
Prior period adjustment	-	-	1,974,891	1,974,891
Fund balance - ending	$ -	$ (5,514,300)	$ 25,559,629	$ 31,073,929

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CITY OF PHARR, TEXAS
PHARR ECONOMIC DEVELOPMENT CORPORATION, INC.
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
REVENUES				
Taxes:				
Sales	$ 6,584,200	6,589,800	7,106,394	$ 516,594
Interest income	30,000	30,000	193,387	163,387
Other	157,200	157,200	181,897	24,697
Total revenues	6,771,400	6,777,000	7,481,678	704,678
EXPENDITURES				
Current:				
Economic development	3,067,200	3,072,800	43,042,835	(39,970,035)
Debt service:	-			
Principal	608,800	608,800	2,540,285	(1,931,485)
Interest	1,934,600	1,934,600	754,296	1,180,304
Total expenditures	5,610,600	5,616,200	46,337,417	(40,721,217)
Excess (deficiency) of revenues over (under) expenditures	1,160,800	1,160,800	(38,855,739)	(40,016,539)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers (out)	(13,160,800)	(13,160,800)	(1,123,300)	12,037,500
Proceeds from sale of assets	-	-	-	-
Issuance of debt	12,000,000	12,000,000	54,615,000	42,615,000
Total other financing sources and uses	(1,160,800)	(1,160,800)	53,491,700	54,652,500
SPECIAL ITEMS				
Gain/(Loss) on land available for sale valuation	-	-	-	-
Total special items	-	-	-	-
Net change in fund balance	-	-	14,635,961	14,635,961
Fund balance - beginning	-	-	8,398,156	8,398,156
Prior period adjustment	-	-	(33,388)	(33,388)
Fund balance - ending	$ -	$ -	23,000,730	$ 23,000,730

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CITY OF PHARR, TEXAS
GENERAL CAPITAL IMPROVEMENTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
REVENUES				
Taxes:				
Intergovernmental	$ 30,092,200	$ 30,092,200	$ 1,232,268	$ (28,859,932)
Total revenues	30,092,200	30,092,200	1,232,268	(28,859,932)
EXPENDITURES				
Current:				
General government	42,750,000	42,750,000	1,706,516	(41,043,484)
Public safety	280,000	280,000	875,652	595,652
Highways and streets	3,575,700	3,575,700	6,063,131	2,487,431
Culture and recreation	3,549,000	3,549,000	6,513,412	2,964,412
Debt Service				
Principal	1,071,600	1,071,600	1,071,360	(240)
Interest	136,600	136,600	136,756	156
Total expenditures	51,362,900	51,362,900	16,366,827	(34,996,074)
Excess (deficiency) of revenues over (under) expenditures	(21,270,700)	(21,270,700)	(15,134,559)	6,136,142
OTHER FINANCING SOURCES (USES)				
Transfers in	14,757,800	14,156,800	7,206,800	(6,950,000)
Transfers (out)	-	-	(4,563,224)	(4,563,224)
Proceeds from sale of assets	-	-	(877,794)	(877,794)
Issuance of debt	-	-	-	-
Total other financing sources and uses	14,757,800	14,156,800	1,765,782	(12,391,018)
Net change in fund balance	(6,512,900)	(7,113,900)	(13,368,777)	(6,254,877)
Fund balance - beginning	-	-	11,938,761	11,938,761
Prior period adjustment	-	-	570,432	570,432
Fund balance - ending	$ (6,512,900)	$ (7,113,900)	$ (859,583)	$ 6,254,317

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COMBINING AND INDIVIDUAL FUND INFORMATION AND OTHER SUPPLEMENTARY INFORMATION

CITY OF PHARR, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN NET PENSION AND RELATED RATIONS
LAST TEN YEARS

A. Total Pension Liability	**2021**	**2020**	**2019**	**2018**	**2017**	**2016**	**2015**	**2014**
1 Total Sevice Cost	$ 5,640,448	$ 3,749,532	$ 3,734,670	$ 3,533,893	$ 3,320,128	$ 3,146,078	$ 2,746,650	$ 2,377,944
2 Interest on the Total Pension Liability	7,442,313	6,184,172	5,838,306	5,493,822	5,161,419	4,880,163	4,587,828	4,321,502
3 Change in benefit terms including substantively automatic status	12,390,200	-	-	-	-	-	-	-
4 Difference between expected and actual experience	357,274	(80,063)	(204,752)	(231,976)	677,911	(278,776)	435,455	(63,247)
5 Changes in Assumptions	-	-	(213,606)	-	-	-	2,330,292	-
6 Benefits Payments, including refunds of employeement contributions	(4,882,879)	(4,217,477)	(3,858,744)	(3,726,672)	(3,736,864)	(3,598,628)	(3,484,627)	(2,547,161)
7 Net change in total liability	20,947,356	$ 5,636,164	$ 5,295,874	$ 5,069,067	$ 5,422,594	$ 4,148,837	$ 6,615,598	$ 4,089,038
8 Total pension liability - beginning	97,487,499	91,851,335	86,555,461	81,486,304	76,673,830	72,524,993	65,909,395	61,820,357
9 Total pension liability - ending	**$ 118,434,855**	**$ 97,487,499**	**$ 91,851,335**	**$ 86,555,371**	**$ 82,096,424**	**$ 76,673,830**	**$ 72,524,993**	**$ 65,909,395**
B. Plan fiduciary net position								
1 Contributions - employer	$ 2,907,748	$ 2,437,328	$ 2,442,368	$ 2,312,486	$ 2,174,506	$ 1,683,200	$ 1,649,708	$ 1,570,743
2 Contributions - employee	2,725,135	2,170,945	2,167,600	2,021,401	1,903,877	1,800,699	1,702,972	1,578,431
3 Net Investment income	11,974,498	6,454,440	11,294,135	(2,238,218)	9,059,762	4,148,172	90,733	3,296,861
4 Benefit payments, including refunds of employee contributions	(4,882,879)	(4,217,477)	(3,858,744)	(3,726,672)	(3,736,864)	(3,598,628)	(3,484,627)	(2,547,161)
5 Administrative Expense	(55,392)	(41,761)	(63,813)	(43,261)	(46,957)	(46,857)	(55,265)	(34,419)
6 Other	379	(1,629)	(1,917)	(2,260)	(2,380)	(2,525)	(2,730)	(2,830)
7 Net change in plan fiduciary net position	$ 12,669,489	$ 6,801,846	$ 11,979,629	$ (1,676,524)	$ 9,351,944	$ 3,984,061	$ (99,209)	$ 3,861,625
8 Plan fiduciary net position - beginning	91,831,699	85,029,853	73,050,224	74,726,749	65,374,805	61,390,744	61,489,953	57,628,328
9 Plan fiduciary net position - ending	**$ 104,501,188**	**$ 91,831,699**	**$ 85,029,853**	**$ 73,050,225**	**$ 74,726,749**	**$ 65,374,805**	**$ 61,390,744**	**$ 61,489,953**
C. Net Pension Liability (A9-B9)	**$ 13,933,667**	**$ 5,655,800**	**$ 6,821,482**	**$ 13,505,146**	**$ 7,369,675**	**$ 11,299,025**	**$ 11,134,249**	**$ 4,419,442**
D. Plan fiduciary net position as percentage of the total pension liability (B9/A9)	88.24%	94.20%	92.57%	84.40%	91.02%	85.26%	84.65%	93.29%
E. Covered payroll	$ 38,872,833	$ 31,013,497	$ 30,363,171	$ 28,848,841	$ 27,417,409	$ 25,724,265	$ 24,328,166	$ 22,531,464
F. Net Pension liability as a percentage of covered payroll (C/E)	35.84%	18.24%	22.47%	46.81%	26.88%	43.92%	45.77%	19.61%

Note to City: GASB 68 requires 10 fiscal years of data to be provided in this schedule.
City will be required to build this schedule over the next 10-year period.

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CITY OF PHARR, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CONTRIBUTIONS
LAST TEN YEARS

	2022	2021	2020	2019	2018	2017	2016	2015
Actuarially Determined Contribution	2,674,066	$ 2,777,930	$ 2,489,627	$ 2,154,807	$ 2,134,021	$ 2,175,593	$ 2,092,448	$ 1,980,325
Contribution in relation to the actuarially determined contribution	2,923,926	$ 2,792,076	$ 2,305,875	$ 2,178,843	$ 2,120,938	$ 2,236,749	$ 2,005,126	$ 1,715,919
Contribution deficiency (excess)	(249,860)	$ (14,145)	$ 183,752	$ (61,156)	$ (61,156)	$ (61,156)	$ 87,322	$ 264,406
Covered payroll	38,377,631	$ 35,342,627	$ 31,617,123	$ 30,363,171	$ 28,848,841	$ 27,147,409	$ 25,724,265	$ 27,723,154
Contribution as a percentage of covered payroll	7.62%	7.90%	7.29%	7.18%	7.35%	8.24%	7.79%	6.19%

Note to City: GASB 68 requires 10 fiscal years of data to be provided in this schedule.
City will be required to build this schedule over the next 10-year period.

Valuation Date: Actuarial determined contribution rates are calculated as October 1st.

Note: Actuarially determined contribution rates are calculated as of December 31 and become effective in January, 13 months later.

Methods and Assumptions Used to Determine Contributions Rate:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of payroll, Closed
Remaining Amortization Period	24 Years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the public safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes	Adopted 100% repeating USC.

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CITY OF PHARR, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

	Special Revenue Funds				
	Asset Sharing	Community Development	Hotel/Motel	Parkland Dedication	Paving & Drainage
ASSETS AND DEFERRED OUTFLOWS					
Cash	$ 936,397	$ 1,596,809	$ 1,232,271	$ 264,103	$ 850,654
Receivables (net of allowance for uncollectible):					
Property taxes	-	-	-	-	-
Notes	-	55,889	-	-	-
Accounts	-	-	-	-	115,795
Other	-	-	112,733	-	6,783
Due from other funds	-	-	-	-	-
Restricted assets:					
Cash	-	-	-	-	-
Intergovernmental receivable	-	107,618	-	-	-
Total assets	$ 936,397	$ 1,760,316	$ 1,345,004	$ 264,103	$ 973,232
LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCE					
Liabilities:					
Accounts payable	$ 135,604	$ 999,033	$ -	$ -	$ -
Due to other funds	-	231,501	-	-	-
Unearned revenue	-	-	-	-	-
Escrow accounts	-	-	-	-	-
Total liabilities	135,604	1,230,534	-	-	-
Deferred Inflows of Resources:					
Deferred property tax	-	-	-	-	-
Deferred accounts	-	-	-	-	115,795
Deferred notes	-	54,619	-	-	-
Total deferred inflows	-	54,619	-	-	115,795
Fund balances:					
Restricted:					
General Government	-	-	-	-	-
Debt service	-	-	-	-	-
Street paving and drainage	-	-	-	-	857,437
Tourism	-	-	1,345,004	-	-
Public safety	800,793	-	-	-	-
Parkland	-	-	-	264,103	-
Community development	-	475,163	-	-	-
Economic development	-	-	-	-	-
Assigned:					
Capital outlay	-	-	-	-	-
Total fund balances	800,793	475,163	1,345,004	264,103	857,437
Total liabilities and fund balances	$ 936,397	$ 1,760,316	$ 1,345,004	$ 264,103	$ 973,232

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CITY OF PHARR, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2022

Special Revenue Funds						
Grants	Cares Act Grant	TIRZ No. 1	TIRZ No. 2	Total	Debt Service	Total Nonmajor Governmental Funds
$ -	$ -	$ 2,697,455	$ 1,933,255	$ 9,510,944	$ 2,450,957	$ 11,961,900
						-
						-
-	-	-	-	-	370,272	370,272
-	-	-	-	55,889	-	55,889
-	-	-	-	115,795	-	115,795
-	-	578,836	409,883	1,108,235	-	1,108,235
-	-	-	-	-	-	-
-	18,210,325	-	-	18,210,325		18,210,325
300,971	-	-	-	408,589	-	408,590
$ 300,971	18,210,325	$ 3,276,291	$ 2,343,138	$ 29,409,777	$ 2,821,229	$ 32,231,006
$ -	$ -	$ -	$ -	$ 1,134,637	$ -	$ 1,134,637
300,971	-	-	-	532,472	-	532,472
-	18,174,808	-	-	18,174,808	-	18,174,808
-	329	-	-	329	-	329
300,971	18,175,137	-	-	19,842,246	-	19,842,246
-	-	-	-	-	20,914	20,914
-	-	-	-	115,795	-	115,795
-	-	-	-	54,619	-	54,619
-	-	-	-	170,414	20,914	191,328
-	35,188	-	-	35,188	-	35,188
-	-	-	-	-	2,800,315	2,800,315
-	-	-	-	857,437	-	857,437
-	-	-	-	1,345,004	-	1,345,004
-	-	-	-	800,793	-	800,793
-	-	-	-	264,103	-	264,103
-	-	-	-	475,163	-	475,163
-	-	3,276,291	2,343,138	5,619,429	-	5,619,429
	-	-	-	-	-	-
-	-	-	-	-	-	-
-	35,188	3,276,291	2,343,138	9,397,117	2,800,315	12,197,432
$ 300,971	$ 18,210,325	$ 3,276,291	$ 2,343,138	$ 29,409,777	$ 2,821,229	$ 32,231,006

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CITY OF PHARR, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANC
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Special Revenue Funds				
	Asset Sharing	Community Development	Hotel/Motel	Parkland Dedication	Paving & Drainage
REVENUES					
Taxes:					
Property	$ -	$ -	$ -	$ -	$ -
Other	-	-	786,620	-	-
Intergovernmental	338,397	1,287,536	-	-	-
Fees and charges:					
Other	-	-	-	230,347	1,127,643
Interest income	7,566	3,135	-	3,618	15,459
Other	-	5	28,757	-	-
Total revenues	345,963	1,290,676	815,377	233,965	1,143,102
EXPENDITURES					
Current:					
General government	-	1,777,884	-	-	-
Public safety	526,778	-	-	-	-
Highways and streets	-	2,978	-	-	-
Culture and recreation	-	-	-	-	-
Economic development	-	-	-	-	-
Debt service:					
Principal	-	295,000	-	-	-
Interest	-	91,627	-	-	-
Total expenditures	526,778	2,167,489	-	-	-
Excess (deficiency) of revenues over (under) expenditures	(180,815)	(876,813)	815,377	233,965	1,143,102
OTHER FINANCING SOURCES (USES)					
Contrubutions	-	879,954.00	(68,400.00)	-	-
Transfers in	-	-	-	-	-
Transfers (out)	-	-	(1,531,600)	-	(1,045,500)
Total other financing sources and uses	-	879,954	(1,600,000)	-	(1,045,500)
Net change in fund balances	(180,815)	3,140	(784,623)	233,965	97,602
Fund balance - beginning	981,608	470,113	2,130,201	30,136	668,293
Prior period adjustment	-	1,911	(574)	-	91,541
Fund balance - ending	$ 800,793	$ 475,164	$ 1,345,004	$ 264,103	$ 857,437

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CITY OF PHARR, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANC
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2022

Special Revenue Funds						
Grants	COVID RELIEF Grant	TIRZ No. 1	TIRZ No. 2	Total	Debt Service	Total Nonmajor Governmental Funds
$ -	$ -	$ 823,500	$ 599,700	$ 1,423,200	$ 5,555,825	$ 6,979,025
-	-	-	-	786,620	-	786,620
1,132,960	6,725,300	-	-	9,484,193	-	9,484,193
-	-	-	-	1,357,990	-	1,357,991
-	35,188	18,215	16,370	99,551	-	99,550
-	-	-	-	28,762	-	28,762
1,132,960	6,760,488	841,715	616,070	13,180,316	5,555,825	18,736,141
-	58,060	10,000	10,000	1,855,944	-	1,855,944
1,132,960	-	-	-	1,659,738	-	1,659,739
-	-	-	-	2,978	-	2,978
-	-	-	-	-	-	-
-	-	-	-	-	-	-
						-
-	-	-	-	295,000	3,211,934	3,506,934
-	-	-	-	91,627	2,712,290	2,803,917
1,132,960	58,060	10,000	10,000	3,905,287	5,924,224	9,829,512
-	6,702,428	831,715	606,070	9,275,029	(368,399)	8,906,629
-		-	-	811,554	-	811,544
-	-	-	-	-	836,900	836,900
-	(6,667,240)	-	-	(9,244,340)	(368,500)	(9,612,840)
-	(6,667,240)	-	-	(8,432,786)	468,400	(7,964,386)
-	35,188	831,715	606,070	842,243	100,001	942,243
-	-	2,444,577	1,737,067	8,461,995	2,320,849	10,782,844
-	-	-	-	92,878	379,466	472,344
$ -	35,188	$ 3,276,292	$ 2,343,137	9,397,116	$ 2,800,316	$ 12,197,431

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Governmental Funds Schedule of Revenues, Expenditures and Changes in Fund Balance – Budget and Actual

General Fund (detailed): is used to account for all financial resources except those required to be reported in another fund.

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

Asset Sharing – This fund accounts for forfeitures awarded to the City by the courts and drug enforcement expenditures.

Community Development – This fund accounts for revenue received from the Community Development Block Grant and the expenditures allowed by grant terms.

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.

Parkland Dedication – This fund accounts for contributions developers are required to make when creating subdivisions for park improvements or development.

Paving & Drainage – This fund accounts for restricted funds that were billed and collected from every utility account to supplement the cost of street improvements.

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

COVID Relief Fund-This fund accounts for ARPA funding expenditures incurred with allocated sources from the Recovery Act of 2021.

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

TIRZ No. 1& 2-These Funds account for tax collections from City of Pharr and Hidalgo County for geographical areas designated as Reinvestment Zones.

CITY OF PHARR, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
REVENUES				
Taxes:				
Property				
Current	$ 19,929,100	$ 19,929,100	$ 19,607,143	$ 321,957
Delinquent	600,000	600,000	713,665	(113,665)
Penalty & interest	464,400	464,400	545,506	(81,106)
Total property taxes	20,993,500	20,993,500	20,866,314	127,186
Sales	19,752,400	20,852,400	21,319,181	(466,781)
Franchise				
Telephone	150,000	150,000	107,841	42,159
Electric	1,834,200	1,834,200	2,086,903	(252,703)
Cable	286,500	286,500	315,103	(28,603)
Gas	110,300	110,300	155,243	(44,943)
Total franchise taxes	2,381,000	2,381,000	2,665,090	(284,090)
Other	192,600	192,600	282,120	(89,520)
Total taxes	43,319,500	44,419,500	45,132,705	(713,205)
Licenses and permits				
Building	603,100	603,100	774,050	(170,950)
Vocational	107,400	107,400	108,810	(1,410)
Other	282,500	282,500	443,715	(161,215)
Total licenses & permits	993,000	993,000	1,326,575	(333,575)
Intergovernmental				
Local school districts	-	-	97,729	(97,729)
Other	750,000	63,000	-	63,000
Total intergovernmental	750,000	63,000	97,729	(34,729)
Fees and charges:				
Sanitation	3,134,800	3,134,800	3,050,224	84,576
Brush	1,293,300	1,293,300	1,213,877	79,423
Other	826,800	826,800	1,046,261	(219,461)
Total fees & charges	5,254,900	5,254,900	5,310,362	(55,462)
Fines				
Court	513,300	513,300	464,610	48,690
Other	29,100	29,100	33,950	(4,850)
Total fines	542,400	542,400	498,560	43,840
Interest income	32,400	32,400	101,232	(68,832)
Other	48,600	48,600	1,127,995	(1,079,395)
Total revenues	$ 50,940,800	$ 51,353,800	53,595,158	$ (2,241,358)

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CITY OF PHARR, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - Continued
FOR THE YEAR ENDED SEPTEMBER 30, 2022

EXPENDITURES	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
Current:				
General government				
City manager	2,139,800	2,300,200	2,158,716	141,484
Finance	795,900	813,600	755,819	57,781
Purchasing	323,800	359,000	320,428	38,572
IT	2,734,700	2,759,300	3,071,265	(311,965)
Media	742,700	765,000	672,467	92,533
Grants	503,000	509,000	526,421	(17,421)
Office of Strategic Excellence	496,400	499,000	355,534	143,466
Legal	844,800	967,400	846,897	120,503
Human Resources	770,600	895,200	816,148	79,052
Development Services	1,757,000	1,817,500	1,564,903	252,597
Engineering	893,200	916,300	727,883	188,417
Non-departmental	3,455,800	3,941,200	3,655,286	285,914
Total general government	15,457,700	16,542,700	15,471,767	1,070,933
Public safety				
Police	17,766,300	17,529,500	18,389,901	(860,401)
Court	626,800	637,600	592,204	45,396
Fire	9,517,000	9,599,900	10,298,460	(698,560)
Communications	3,285,700	3,062,100	2,754,245	307,855
Total public safety	31,195,800	30,829,100	32,034,810	(1,205,710)
Highways and streets	6,059,700	5,318,200	5,644,742	(326,542)
Health and welfare				
Sanitation	2,143,100	2,143,100	2,080,965	62,135
Brush	780,200	780,200	779,527	673
Animal control	129,000	219,000	236,177	(17,177)
Total health and welfare	3,052,300	3,142,300	3,096,669	45,631
Culture and recreation				
Library	1,602,400	1,715,400	1,604,793	110,607
Parks	6,690,100	7,039,400	7,553,187	(513,787)
Total culture and recreation	8,292,500	8,754,800	9,157,980	(403,180)
Economic Development	1,206,100.00	1,349,500.00	2,018,870.00	(669,370)
Debt service:				
Principal	1,337,400	1,435,400	1,444,120	(8,720)
Interest	113,600	113,600	93,615	19,985
	1,451,000	1,549,000	1,537,735	11,265
Total expenditures	66,715,100	67,485,600	68,962,573	(1,476,973)
Excess (deficiency) of revenues over (under) expenditures	(15,774,300)	(16,131,800)	(15,367,415)	(764,385)

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CITY OF PHARR, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS) - Continued
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
OTHER FINANCING SOURCES (USES)	Original	Final		
Transfers in				
Capital Improvements	-	-	5,000,000	(5,000,000)
CDBG	50,000	50,000	-	50,000
Utility	578,700	578,700	578,700	-
Bridge	9,237,700	10,563,100	10,563,100	-
Hotel	150,900	150,900	150,900	-
EMS	3,286,400	-	-	-
Fiber	2,270,200	-	-	-
Golf	525,400	-	-	-
Health Insurance	-	-	755,243	(755,243)
PEDC	500,000	500,000	500,000	-
Total transfers in	16,599,300	11,842,700	17,547,943	(5,705,243)
Transfers (out)				
CO Series 2019	-	(1,050,000)	(1,050,000)	-
Community Development	-	(2,600)	(2,159)	(441)
Capital Improvement Project	(1,331,600)	(730,600)	(8,730,600)	8,000,000
Debt Service	(326,000)	(326,000)	(326,100)	100
City Garage	(250,000)	(6,000)	(6,000)	-
Utility	-	(20,400)	(2,020,400)	2,000,000
EMS	-	(118,800)	(118,800)	-
Bridge	-	(26,400)	(26,400)	-
Golf	(525,400)	(548,600)	-	(548,600)
Chamber	-	(3,800)	(3,800)	-
Total transfers (out)	(2,433,000)	(2,833,200)	(12,284,259)	9,451,059
Cost of Issuance	-	-	-	-
Bond/loan proceeds	1,608,000	1,608,000	4,289,571	(2,681,571)
Premium	-	-	-	-
Total	1,608,000	1,608,000	4,289,571	(2,681,571)
Total other financing sources and uses	15,774,300	10,617,500	9,553,255	1,064,245
Net change in fund balance	-	(5,514,300)	(5,814,160)	(299,860)
Fund balance - beginning	-	-	29,398,896	29,398,896
Prior period adjustment	-	-	1,974,891	1,974,891
Fund balance - ending	$ -	$ (5,514,300)	$ 25,559,629	$ 31,073,927

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CITY OF PHARR, TEXAS
ASSET SHARING FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
REVENUES				
Taxes:				
Intergovernmental	$ 120,000	$ 120,000	$ 338,397	$ 218,397
Interest income	20,000	20,000	7,566	(12,434)
Total revenues	140,000	140,000	345,964	205,964
EXPENDITURES				
Current:				
Public safety	350,000	350,000	526,778	176,778
Total expenditures	350,000	350,000	526,778	176,778
Excess (deficiency) of revenues over (under) expenditures	(210,000)	(210,000)	(180,814)	29,186
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Bond/loan proceeds	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balance	(210,000)	(210,000)	(180,814)	29,185
Fund balance - beginning			981,608	981,608
	-	-	-	-
Fund balance - ending	$ (210,000)	$ (210,000)	$ 800,793	$ 1,010,793

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CITY OF PHARR, TEXAS
CDBG
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
REVENUES				
Intergovernmental	$ 1,356,700	$ 1,377,500	$ 1,287,536	$ (89,965)
Interest income	-	-	3,135	3,135
Other	-	-	5	5
Total revenues	1,356,700	1,377,500	1,290,676	(86,825)
EXPENDITURES				
Current:				
General government	970,000	993,400	1,777,884	784,484
Public Safety	-	-	-	-
Highways and streets	-	-	2,978	2,978
Culture and recreation	-	-	-	-
Debt service:				
Principal	295,000	295,000	295,000	-
Interest	91,700	91,700	91,627	(73)
Total expenditures	1,356,700	1,380,100	2,167,489	787,389
Excess (deficiency) of revenues over (under) expenditures	-	(2,600)	(876,813)	(874,214)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	2,600	879,954	877,354
Transfers out	-	(50,000)	-	50,000
Contributions			-	-
Bond/loan proceeds	-	-	-	-
Total other financing sources and uses	-	(47,400)	879,954	927,354
Net change in fund balance	-	(50,000)	3,141	53,140
Fund balance - beginning	-	-	470,113	470,113
Prior Year Adjustment	-	-	1,911	1,911
Fund balance - ending	$ -	(50,000)	475,164	$ 525,164

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CITY OF PHARR, TEXAS
HOTEL/MOTEL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
REVENUES				
Taxes:				
Other	$ 600,000	600,000	786,620	$ 186,620
Interest income	-	-	-	-
Other	-	-	28,757	28,757
Total revenues	600,000	600,000	815,377	215,377
EXPENDITURES				
Current:				
Culture and recreation	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	600,000	600,000	815,377	215,377
OTHER FINANCING SOURCES (USES)				
Transfers out	(600,000)	(600,000)	(1,600,000)	(1,000,000)
Total other financing sources and uses	(600,000)	(600,000)	(1,600,000)	(1,000,000)
Net change in fund balance	-	-	(784,623)	(784,623)
Fund balance - beginning	-	-	2,130,201	2,130,201
Prior period adjustment	-	-	(574)	(574)
Fund balance - ending	$ -	$ -	$ 1,345,004	$ 1,345,004

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CITY OF PHARR, TEXAS
PARKLAND FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
REVENUES				
Fees and charges:				
Other	$ (30,000)	$ (30,000)	$ 230,349	$ 260,348
Interest income	(350)	(350)	3,619	3,969
Total revenues	(30,350)	(30,350)	233,967	264,317
EXPENDITURES				
Current:				
Highways and streets	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	(30,350)	(30,350)	233,967	264,317
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Bond/loan proceeds	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balance	(30,350)	(30,350)	233,967	264,317
Fund balance - beginning	-	-	30,136	30,136
Fund balance - ending	$ (30,350)	(30,350)	$ 264,103	$ 294,453

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CITY OF PHARR, TEXAS
PAVING AND DRAINAGE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
REVENUES				
Taxes:				
Other	$ 1,043,400	$ 1,043,400	$ 1,127,643	$ 84,243
Interest income	2,100	2,100	15,459	13,359
Total revenues	1,045,500	1,045,500	1,143,102	97,602
EXPENDITURES				
Highways and streets	-	-	-	-
Total expenditures	-	-	-	-
Excess (deficiency) of revenues over (under) expenditures	1,045,500	1,045,500	1,143,102	97,602
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,045,500)	(1,045,500)	(1,045,500)	-
Total other financing sources and uses	(1,045,500)	(1,045,500)	(1,045,500)	-
Net change in fund balance	-	-	97,602	97,602
Fund balance - beginning	-	-	668,293	668,293
Prior period adjustment	-	-	91,541	91,541
Fund balance - ending	$ -	$ -	$ 857,437	$ 857,437

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CITY OF PHARR, TEXAS
GRANTS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
REVENUES				
Intergovernmental	$ -	-	1,132,960	$ 1,132,960
Other		-	-	-
Total revenues	-	-	1,132,960	1,132,960
EXPENDITURES				
Current:				
Public safety	-	-	1,132,960	(1,132,960)
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
Total expenditures	-	-	1,132,960	(1,132,960)
Excess (deficiency) of revenues over (under) expenditures	-	-	-	-
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
(Transfers out)	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balance	-	-	-	-
Fund balance - beginning	-	-	-	-
Fund balance - ending	$ -	$ -	-	$ -

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CITY OF PHARR, TEXAS
COVID RELIEF FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
REVENUES				
Intergovernmental	$ -	-	6,725,300	$ 6,725,300
Other		-	35,188	35,188
Total revenues	-	-	6,760,488	6,760,488
EXPENDITURES				
Current:				
Health and welfare	-	-	58,060	(58,060)
Total expenditures	-	-	58,060	(58,060)
Excess (deficiency) of revenues over (under) expenditures	-	-	6,702,427	6,702,427
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
(Transfers out)	-	-	(6,667,240)	(6,667,240)
Total other financing sources and uses	-	-	(6,667,240)	(6,667,240)
Net change in fund balance	-	-	35,188	35,188
Fund balance - beginning	-	-	-	-
Prior period adjustment	-	-	-	-
Fund balance - ending	$ -	$ -	$ 35,188	$ 35,188

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CITY OF PHARR, TEXAS
DEBT SERVICE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
REVENUES				
Taxes:				
Current taxes	$ 5,288,900	$ 5,288,900	$ 5,203,447	$ (85,453)
Delinquent taxes	100,000	100,000	167,397	67,397
Interest and penalty	100,000	100,000	127,687	27,687
Interest income	10,000	10,000	57,293	47,293
Total revenues	5,498,900	5,498,900	5,555,824	56,924
EXPENDITURES				
Debt service:				
Principal	3,212,000	3,212,000	3,211,934	66
Interest	2,755,200	2,755,200	2,712,290	42,910
Total expenditures	5,967,200	5,967,200	5,924,224	42,976
Excess (deficiency) of revenues over (under) expenditures	(468,300)	(468,300)	(368,400)	99,900
OTHER FINANCING SOURCES (USES)				
Transfers in	836,800	836,800	836,900	100
Transfers (out)	(368,500)	(368,500)	(368,500)	-
Total other financing sources and uses	468,300	468,300	468,400	100
Net change in fund balance	-	-	100,000	100,000
Fund balance - beginning	-	-	2,320,849	2,320,849
Prior period adjustment	-	-	379,466	379,466
Fund balance - ending	$ -	$ -	2,800,315	$ 2,800,315

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CITY OF PHARR, TEXAS
TIRZ #1
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
REVENUES				
Taxes:				
Property	$ 977,500	$ 977,500	$ 823,500	$ (154,000)
Interest Income	-	-	18,215	18,215
Total revenues	977,500	977,500	841,715	(135,785)
EXPENDITURES				
Current:				
General Government	-	-	10,000	10,000
Total expenditures	-	-	10,000	10,000
Excess (deficiency) of revenues over (under) expenditures	977,500	977,500	831,715	(125,785)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Bond/loan proceeds	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balance	977,500	977,500	831,715	(125,785)
Fund balance - beginning	-	-	2,444,577	2,444,577
Prior Year Adjustment	-	-	-	-
Fund balance - ending	$ 977,500	$ 977,500	$ 3,276,291	$ 2,318,791

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CITY OF PHARR, TEXAS
TIRZ #2
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
REVENUES				
Taxes:				
Property	$ 669,200	$ 669,200	$ 599,700	$ (69,500)
Interest Income	-	-	16,370	16,370
Total revenues	669,200	669,200	616,070	(53,130)
EXPENDITURES				
Current:				
General Government	-	-	10,000	10,000
Total expenditures	-	-	10,000	10,000
Excess (deficiency) of revenues over (under) expenditures	669,200	669,200	606,070	(43,130)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	-	-	-	-
Bond/loan proceeds	-	-	-	-
Total other financing sources and uses	-	-	-	-
Net change in fund balance	669,200	669,200	606,070	(43,130)
Fund balance - beginning	-	-	1,737,067	1,737,067
Prior Year Adjustment	-	-	-	-
Fund balance - ending	$ 669,200	$ 669,200	$ 2,343,136	$ 1,693,937

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Proprietary Funds Schedule of Revenues, Expenses and Changes in Net Position– Budget and Actual

Utility Fund: is used to account for the City's water and sewer/ wastewater system operations.

EMS: is used to account for the City's ambulance emergency response service.

TeamPharr.net: is used to account for the City's internet services. Teampharr.net service Pharr citizens with high speed and affordable internet services.

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, TEXAS
UTILITY FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
OPERATING REVENUES				
Charges for sales and services:				
Water Sales	$ 9,672,400	$ 9,672,400	$ 9,344,391	$ 328,009
Sewer Fees	7,274,000	7,274,000	7,260,631	13,369
Tap Fees	313,800	313,800	231,266	82,534
Other	41,400	41,400	119,036	(77,636)
Total operating revenues	17,301,600	17,301,600	16,955,324	346,276
OPERATING EXPENSES				
Personnel services	4,533,700	4,657,600	3,906,060	(751,540)
Supplies and Materials	2,383,700	2,462,400	2,269,564	(192,836)
Contractual Services	7,429,000	7,246,800	3,309,205	(3,937,595)
Depreciation	-	-	6,111,096	6,111,096
Total operating expenses	14,346,400	14,366,800	15,595,925	1,229,125
Operating income (loss)	2,955,200	2,934,800	1,359,399	1,575,401
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	20,000	20,000	50,615	(30,615)
Interest expense	(1,081,500)	(1,081,500)	(1,055,664)	(25,836)
Amortization expense	-	-	363,824	(363,824)
Intergovernmental	-	-	404,500	(404,500)
Other	-	-	430,482	(430,482)
Issuance of Debt	2,548,000	2,548,000	-	2,548,000
Total nonoperating revenues/ (expenses)	1,486,500	1,486,500	193,757	1,292,743
Income before contributions and transfers	4,441,700	4,421,300	1,553,156	(2,868,144)
Transfers in	-	20,400	6,020,400	6,000,000
Transfers (out)	(578,700)	(578,700)	(578,700)	-
Capital Contributions	-	-	1,419,293	1,419,293
Changes in net position	3,863,000	3,863,000	8,414,149	4,551,149
Total net position - beginning	-	-	95,984,779	95,984,779
Prior period adjustment	-	-	1,262,755	1,262,755
Total net position - ending	$ 3,863,000	$ 3,863,000	$ 105,661,684	$ 101,798,683

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*This statement is following financial GAAP basis not budgetary GAAP basis

CITY OF PHARR, TEXAS
PHARR EMERGENCY MEDICAL SERVICE
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
OPERATING REVENUES				
Charges for sales and services:				
EMS	$ 24,175,400	$ 7,075,400	$ 22,148,992	$ 15,073,592
Total operating revenues	24,175,400	7,075,400	22,148,992	15,073,592
OPERATING EXPENSES				
Personnel services	11,160,300	8,115,200	8,080,425	(34,775)
Supplies and Materials	650,000	650,000	444,764	(205,236)
Contractual Services	7,279,600	5,279,600	13,410,469	8,130,869
Depreciation	-	-	1,156,684	1,156,684
Total operating expenses	19,089,900	14,044,800	23,092,342	9,047,542
Operating income (loss)	5,085,500	(6,969,400)	(943,350)	6,026,050
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	-	-	2,122	2,122
Amortization expense	-	-	(404,239)	(404,239)
Total nonoperating revenues/(expenses)				
Income before contributions and transfers	5,085,500	(6,969,400)	(1,345,467)	5,623,933
Transfers	-	118,800	7,349,264	7,230,464
Transfers (out)	(3,286,400)	-	-	-
Changes in net position	5,085,500	(6,850,600)	6,003,797	12,854,397
Total net position - beginning	-	-	3,578,132	3,578,132
Prior period adjustment	-	-	(4,149,200)	(4,149,200)
Total net position - ending	$ 5,085,500	$ (6,850,600)	$ 5,432,729	$ 12,283,329

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*This statement is following financial GAAP basis not budgetary GAAP basis

CITY OF PHARR, TEXAS
TEAMPHARR.NET
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
OPERATING REVENUES				
Charges for sales and services:				
Services	$ 6,146,300	$ 619,900	$ 25,505	$ (594,395)
Total operating revenues	6,146,300	619,900	25,505	(594,395)
OPERATING EXPENSES				
Personnel services	1,424,000	196,300	1,026	195,274
Supplies and Materials	751,900	471,900	169,737	302,163
Contractual Services	1,717,200	1,148,300	96,760	1,051,540
Depreciation	-	-	1,903	(1,903)
Total operating expenses	3,893,100	1,816,500	269,426	1,547,074
Operating income (loss)	2,253,200	(1,196,600)	(243,921)	952,679
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	17,000	-	46	46
Total nonoperating revenues/(expenses)				
Income before contributions and transfers	2,270,200	(1,196,600)	(243,875)	952,725
Transfers in		-	-	-
Transfer out	(2,270,200)	-	-	-
Changes in net position	-	(1,196,600)	(243,875)	952,725
Total net position - beginning	-	-	-	-
Total net position - ending	$ -	$ (1,196,600)	$ (243,875)	$ 952,725

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*This statement is following financial GAAP basis not budgetary GAAP basis

CITY OF PHARR, TEXAS
BRIDGE FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
OPERATING REVENUES				
Charges for sales and services:				
Toll fees	$ 16,327,900	$ 17,127,900	$ 17,237,247	$ 109,347
Other	422,900	422,900	325,462	(97,438)
Total operating revenues	16,750,800	17,550,800	17,562,709	11,909
OPERATING EXPENSES				
Personnel services	1,406,000	1,432,400	1,436,807	4,407
Supplies and Materials	275,200	275,200	216,159	(59,041)
Contractual Services	2,162,800	2,162,800	2,845,424	682,624
Depreciation	-	-	884,428	884,428
Total operating expenses	3,844,000	3,870,400	5,382,818	1,512,418
Operating income (loss)	12,906,800	13,680,400	12,179,891	(1,500,509)
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	14,000	14,000	452,057	(438,057)
Interest expense	(2,393,700)	(2,393,700)	(2,485,719)	92,019
Amortization expense	-	-	36,420	(36,420)
Intergovernmental	-	-	1,646,580	(1,646,580)
Total nonoperating revenues/(expenses)	(2,379,700)	(2,379,700)	(350,662)	2,029,038
Income before contributions and transfers	10,527,100	11,300,700	11,829,229	528,529
Transfers in	-	394,900	394,900	-
Transfers (out)	(9,763,100)	(8,963,100)	(10,563,100)	(1,600,000)
Changes in net position	764,000	2,732,500	1,661,029	(1,071,471)
Total net position - beginning	-	-	28,571,076	28,571,076
Prior period adjustment	-	-	46,562	46,562
Total net position - ending	$ 764,000	$ 2,732,500	$ 30,278,667	$ 27,546,168

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*This statement is following financial GAAP basis not budgetary GAAP basis

CITY OF PHARR, TEXAS
GOLF BUDGET
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
OPERATING REVENUES				
Charges for sales and services:				
Golf Services	$ 723,400	$ 723,400	$ 977,002	$ 253,602
Other	65,800	65,800	78,970	13,170
Total operating revenues	789,200	789,200	1,055,972	266,772
OPERATING EXPENSES				
Personnel services	844,500	858,800	795,394	63,406
Supplies and Materials	145,100	164,500	191,301	(26,801)
Contractual Services	284,800	274,300	349,715	(75,415)
Depreciation	-	-	216,076	(216,076)
Total operating expenses	1,274,400	1,297,600	1,552,486	(254,886)
Operating income (loss)	(485,200)	(508,400)	(496,514)	11,886
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	5,900	5,900	5,842	(58)
Interest expense	(46,100)	(46,100)	(54,079)	(7,979)
Total nonoperating revenues/ (expenses)	(40,200)	(40,200)	(48,237)	(8,037)
Income before contributions and transfers	(525,400)	(548,600)	(544,751)	3,849
Transfers in	525,400	548,600	-	548,600
Changes in net position	-	-	(544,751)	(544,751)
Total net position - beginning	-	-	3,253,372	3,253,372
Prior period adjustment	-	-	57,498	57,498
Total net position - ending	$ -	$ -	$ 2,766,119	$ 2,766,119

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*This statement is following financial GAAP basis not budgetary GAAP basis

Combining Financial Statements

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.

Health Care Fund-This fund is used to account for the semi self-funded health insurance benefits provided by the City

CITY OF PHARR, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2022

	City Garage	Health Care Insurance	TOTAL
ASSETS			
Current assets:			
Cash	$ 101,513	$ 261,396	$ 362,909
Inventories	41,401	-	41,401
Restricted assets:			-
Cash with Fiscal Agent	-	-	-
Total current assets	142,914	261,396	404,310
Noncurrent assets:			
Capital assets (net of accumulated: depreciation):			
Buildings	307,150	-	307,150
Improvements other than buildings	-	-	-
Machinery and equipment	-	-	-
Total capital assets, net of accumulated depreciation	307,150	-	307,150
Total noncurrent assets	307,150	-	307,150
Total assets	450,064	261,396	711,460
LIABILITIES			
Current liabilities:			
Accounts payable	60,922	-	60,922
Escrows	-	124,279	124,279
Due to other funds	6,077	-	6,077
Total current liabilities	66,999	124,279	191,278
Current liabilities payable from restricted assets:			
Matured accrued compensation	9,632	-	9,632
Matured capital lease	-	-	-
Total current liabilities payable from restricted assets	9,632	-	9,632
Noncurrent liabilities:			
Accrued compensation	28,716	-	28,716
Capital lease payable	-	-	-
Total noncurrent liabilities	28,716	-	28,716
Total liabilities	105,347	124,279	229,626
NET POSITION			
Net assets:			
Invested in capital assets, net of related debt	307,150	-	307,150
Unrestricted	37,567	137,117	174,684
Total net position	$ 344,717	$ 137,117	$ 481,834

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CITY OF PHARR, TEXAS
INTERNAL SERVICE FUNDS - GARAGE
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
OPERATING REVENUES				
Charges for sales and services:				
Other	$ 515,100	$ 515,100	$ 1,176,143	$ 661,043
Total operating revenues	515,100	515,100	1,176,143	661,043
OPERATING EXPENSES				
Personnel services	243,400	249,400	219,790	29,610
Supplies and Materials	10,600	10,600	4,689	5,911
Contractual Services	511,100	439,500	943,197	(503,697)
Depreciation	-	-	14,467	(14,467)
Total operating expenses	765,100	699,500	1,182,143	(482,643)
Operating income (loss)	(250,000)	(184,400)	(6,000)	178,400
NON OPERATING REVENUES/(EXPENSES):				
Interest expense	-	-	(2,684)	2,684
Total nonoperating revenues/ (expenses) income before contributions and transfers	-	-	(8,684)	175,716
Transfers in	250,000	6,000	6,000	-
Changes in net position	-	(178,400)	(2,684)	175,716
Total net position - beginning			345,752	345,752
Prior period adjustment	-	-	(1,035)	(1,035)
Total net position - ending	$ -	$ (178,400)	$ 342,033	$ 520,433

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CITY OF PHARR, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	City Garage	Health Care Insurance	TOTALS
Operating revenues:			
Charges services:	$ 1,176,143	$ -	$ 1,176,143
Contributions	-	6,223,143	6,223,143
Total operating revenues	1,176,143	6,223,143	7,399,286
Operating expenses:			
Personnel services	219,790	-	219,790
Supplies and Materials	4,690	-	4,690
Contractual Services	943,197	-	943,197
Depreciation	14,467	-	14,467
Self Insurance Claims	-	5,467,900	5,467,900
Total operating expenses	1,182,143	5,467,900	6,650,044
Operating income (loss)	(6,000)	755,243	749,243
Nonoperating revenues (expenses):			
Interest expense	-	-	-
Investment revenue	-	-	-
Total nonoperating revenues (expenses)	-	-	-
Income before contributions and transfers	(6,000.00)	755,243	749,242.60
Transfers in	6,000.00	-	6,000.00
Transfers out	-	(755,243)	(755,242.60)
Changes in net position	0.00	-	-
Total net position- beginning	345,752	137,117	482,869
Prior period adjustment	(1,035)	-	(1,035)
Total net position - ending	$ 344,717	$ 137,117	$ 481,834

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CITY OF PHARR, TEXAS
INTERNAL SERVICE FUNDS - HEALTH INSURANCE
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2022

	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
OPERATING REVENUES				
Charges for sales and services:				
Other	$ -	$ -	$ 5,430,108	$ (5,430,108)
Total operating revenues	-	-	5,430,108	(5,430,108)
OPERATING EXPENSES				
Self Insurance Claims	-	-	5,467,900	(5,467,900)
Total operating expenses	-	-	5,467,900	(5,467,900)
Operating income (loss)	-	-	(37,792)	37,792
NON OPERATING REVENUES/(EXPENSES):				
Interest expense	-	-	772	(772)
Total nonoperating revenues/ (expenses) income before contributions and transfers	-	-	(37,020)	37,020
Transfers in	-	-	140,878	(140,878)
Changes in net position	-	-	103,858	(103,858)
Total net position - beginning	-	-	-	-
Prior period adjustment	-	-	-	-
Total net position - ending	$ -	$ -	$ 103,858	$ (103,858)

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STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Pharr's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City of Pharr's overall financial health.

Page

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. -112-

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax. -117-

Debt Capacity

These schedules present information to help the reader assess the afford-ability of the City's current levels of outstanding debt and the City's ability to issue additional debt in the future. -121-

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 -126-

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. -129-

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City of Pharr, Texas
Net Position by Component
Last Ten Fiscal Years[1]
(Accrual Basis of Accounting)
(amount expressed in thousands)

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities										
Net Invested in capital assets	$ 39,362	$ 64,274	$ 62,451	$ 69,610	$ 76,686	$ 72,654	$ 79,387	$ 76,805	$ 100,102	$ 126,906
Restricted	35,796	15,012	18,454	23,585	21,655	31,783	31,481	43,118	20,320	38,582
Unrestricted	8,032	8,951	1,170	2,224	5,954	7,129	3,784	9,776	12,845	(25,786)
Total governmental activities net position	$ 83,190	$ 88,237	$ 82,075	$ 95,420	$ 104,295	$ 111,566	$ 114,652	$ 129,699	$ 133,267	$ 139,702
Business-type activities										
Net Invested in capital assets	$ 86,011	$ 85,304	$ 88,401	$ 91,942	$ 95,760	$ 98,709	$ 103,809	$ 74,496	$ 83,306	$ 135,452
Restricted	21,394	18,996	19,603	16,647	13,158	10,459	8,044	42,496	46,576	8,041
Unrestricted	6,013	10,276	10,280	5,994	5,938	10,049	10,570	16,735	1,752	402
Total business-type activities net position	$ 113,418	$ 114,576	$ 118,283	$ 114,583	$ 114,855	$ 119,217	$ 122,423	$ 133,727	$ 131,634	$ 143,895
Primary government										
Net Invested in capital assets	$ 125,374	$ 149,577	$ 150,852	$ 161,552	$ 172,445	$ 171,363	$ 183,197	$ 151,302	$ 183,408	$ 262,359
Restricted	57,191	34,008	38,056	40,232	34,813	42,242	39,525	85,614	66,896	46,623
Unrestricted	14,044	19,227	11,450	8,218	11,892	17,178	14,534	26,511	14,597	(25,474)
Total primary government net position	$ 196,609	$ 202,813	$ 200,358	$ 210,002	$ 219,150	$ 230,783	$ 237,256	$ 263,427	$ 264,901	$ 283,508

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City of Pharr, Texas
Changes in Net Position
Last Ten Fiscal Years[1]
(Accrual Basis of Accounting)
(Amount expressed in thousands)

Expenses	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Governmental activities:										
General government	$ 9,970	$ 12,144	$ 11,091	$ 12,359	$ 12,265	$ 16,369	$ 13,205	$ 22,680	$ 18,685	$ 21,338
Public safety	22,700	21,355	20,581	20,175	25,261	23,813	26,572	20,473	30,026	39,936
Streets	5,330	4,903	7,826	7,834	8,748	1,481	5,242	5,140	4,113	8,446
Sanitation	1,880	2,867	2,636	1,518	647	3,014	3,080	3,019	3,439	3,470
Culture and recreation	4,306	6,155	5,530	5,790	5,358	5,607	7,420	13,952	9,002	6,716
Economic development	8,085	2,590	1,679	3,119	3,445	5,467	4,425	5,303	1,087	6,007
Debt service	1,926	1,800	1,629	1,182	1,810	2,192	2,973	2,958	2,909	3,535
Total governmental activities expenses	54,196	51,814	50,973	51,978	57,535	57,943	62,917	73,525	69,261	89,448
Business-type activities:										
Utility	12,241	13,619	14,069	13,981	14,908	13,319	13,582	15,184	16,664	16,287
TeamPharr.net	-	-	-	-	-	-	-	-	-	269
Pharr Event Center	-	-	727	808	776	769	824	685	387	-
EMS	-	-	-	-	-	-	-	-	4,648	23,496
Toll Bridge	3,413	4,822	3,905	3,725	3,768	4,037	4,118	4,221	5,146	7,832
Tierra Del Sol Golf Course	1,279	1,394	1,428	1,338	1,337	1,415	1,536	1,446	1,493	1,606
Total business-type activities expenses	16,933	19,836	20,128	19,851	20,788	19,540	20,060	21,536	28,338	49,490
Total primary government expenses	$ 71,128	$ 71,650	$ 71,101	$ 71,829	$ 78,323	$ 77,483	$ 82,977	$ 95,061	$ 97,599	$ 138,938
Program Revenues										
Governmental activities:										
Charges for services:										
General government	$ 1,980	$ 1,646	$ 1,431	$ 2,074	$ 1,989	$ 4,210	$ 3,712	$ 1,949	$ 1,991	$ 2,668
Public Safety	1,210	1,355	1,607	2,953	2,576	-	447	3,180	165	179
Streets	878	859	1,008	1,026	1,048	472	512	1,782	1,133	1,857
Sanitation	3,658	3,825	3,924	4,018	4,079	4,095	4,248	4,226	4,446	3,963
Culture and recreation	579	1,629	582	409	436	390	391	318	416	651
Economic development	-	648	-	-	1,610	-	-	2,116	789	183
Debt service	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	9,493	3,132	2,568	3,289	3,784	1,014	-	12,392	7,183	9,582
Capital grants and contributions	1,111	1,435	1,477	222	59	2,170	1,911	7,259	9,885	1,232
Total governmental activities program revenues	18,910	14,529	12,597	13,991	15,580	12,351	11,221	33,222	26,008	20,315
Business-type activities:										
Charges for services:										
Utility	13,977	13,670	12,980	13,751	14,462	13,952	13,956	16,208	16,605	16,955
TeamPharr.net	-	-	-	-	-	-	-	-	-	25
Boggus Ford Event Center	-	-	434	617	518	341	419	252	28	-
EMS	-	-	-	-	-	-	-	-	1,315	22,149
Toll Bridge	11,915	12,572	12,781	13,438	13,905	13,978	14,341	14,595	16,964	17,563
Tierra Del Sol Golf Course	597	786	781	810	876	801	796	796	881	1,056
Operating grants and contributions	314	-	-	1,812	-	-	-	-	3,605	2,051
Capital grants and contributions	1,686	919	3,339	842	2,300	2,776	1,911	5,589	-	-
Total business-type activities program revenues	28,489	27,948	30,315	31,270	32,061	31,848	31,423	37,440	39,400	59,799
Total primary government program revenues	$ 47,398	$ 42,477	$ 42,912	$ 45,261	$ 47,641	$ 44,199	$ 42,644	$ 70,662	$ 65,408	$ 80,114
Net (expense)/revenue										
Governmental activities	$ (35,286)	$ (37,286)	$ (38,375)	$ (37,987)	$ (41,955)	$ (45,592)	$ (51,696)	$ (40,303)	$ (43,253)	$ (69,133)
Business-type activities	11,556	8,112	10,186	11,419	11,273	12,308	11,363	15,904	11,062	10,309
Total primary government net expense	$ (23,730)	$ (29,174)	$ (28,189)	$ (26,568)	$ (30,681)	$ (33,284)	$ (40,333)	$ (24,399)	$ (32,191)	$ (58,828)
General Revenues and Other Changes in Net Assets										

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Governmental activities:										
Taxes										
Property taxes	$ 15,186	$ 15,812	$ 16,728	$ 17,186	$ 17,875	$ 19,688	$ 20,759	$ 23,977	$ 25,918	$ 34,900
Sales taxes	13,079	14,557	16,311	16,781	17,082	19,376	21,668	22,087	20,193	22,106
Other Taxes	3,129	3,129	3,605	3,457	3,565	5,534	2,536	2,722	2,770	2,947
Contributions	-	-	-	-	-	-	-	-	2,247	478
Investment earnings	473	401	314	89	241	417	562	255	60	394
Grants, Donations, and Miscellaneous	421	198	-	1,763	1,546	721	152	300	-	-
Transfers	6,317	7,682	10,758	11,300	11,175	8,445	8,354	4,509	10,572	(2,622)
Total governmental activities	38,605	41,780	47,717	50,576	51,484	54,181	54,031	53,850	61,760	58,203
Business-type activities:										
Investment earnings	848	848	486	67	112	259	283	171	55	510
Grants, Donations, and Miscellaneous	21	21	65	7	30	5	1	17	1,431	1,850
Water Relief Program	-	-	-	(3,750)	-	-	-	-	-	-
Cost of Issuance	-	-	-	-	-	-	-	(269)	(80)	-
Transfers	(6,466)	(7,849)	(11,020)	(11,683)	(11,175)	(8,445)	(8,354)	(4,509)	(10,572)	2,622
Total business-type activities	(5,598)	(6,981)	(10,469)	(15,359)	(11,033)	(8,181)	(8,070)	(4,590)	(9,166)	4,982
Total primary government	$ 33,008	$ 34,799	$ 37,248	$ 35,217	$ 40,451	$ 46,000	$ 45,961	$ 49,260	$ 52,594	$ 63,185

Change in Net Position										
Governmental activities	$ 3,320	$ 4,494	$ 9,342	$ 12,589	$ 9,530	$ 7,374	$ 2,336	$ 13,547	$ 18,507	$ (10,930)
Business-type activities	5,958	1,131	(283)	(3,940)	240	4,127	3,293	11,314	1,896	15,291
Total primary government	$ 9,278	$ 5,625	$ 9,059	$ 8,649	$ 9,770	$ 11,501	$ 5,629	$ 24,861	$ 20,406	$ 4,357

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
General Fund										
Reserved, Nonspendable, Restricted	$ 10,752	$ 12,879	$ 12,841	$ 13,573	$ 16,422	$ 12,634	$ 14,411	$ 18,992	$ 19,874	$ 18,143
Unreserved, undesignated, unassigned	3,593	219	794	5,839	6,333	3,218	4,560	4,237	3,142	1,576
Designated, Commited, Assigned	-	-	-	-	-	8,010	5,876	5,821	6,930	5,840
Total general fund	$ 14,346	$ 13,098	$ 13,636	$ 19,413	$ 22,755	$ 23,862	$ 24,847	$ 29,050	29,946	25,559
All other governmental funds										
Reserved, Nonspendable,	$ 1,212	$ 1,677	$ 2,405	$ 3,052	$ 3,145	$ 3,074	$ 2,365	$ 2,419	$ -	$ 4,010
Restricted, reported in:		-								
Special revenue funds	-	-	-	-	-	4,066	5,913	4,618	4,280	3,777
Debt service fund	-	-	-	-	-	-	627	931	2,320	9,764
Economic Development fund	20,014	23,094	12,169	12,816	12,869	3,320	1,923	10,656	3,633	3,335
Unreserved, unassigned, reported in:										
Special revenue funds	-	-	-	-	-	-	-	-	-	-
Capital projects funds	11,747	8,349	10,459	23,198	15,690	24,965	23,229	27,686	11,938	-
Debt service funds	37	157	317	203	251	676	-	-	-	-
Economic Development	-	-	-	-	-	-	2,885	-	-	-
Assigneed	-	-	-	-	-	-	-	-	-	13,451
Total all other governmental funds	$ 33,009	$ 33,278	$ 25,350	$ 39,269	$ 31,955	$ 36,101	$ 36,942	$ 46,310	$ 22,171	$ 34,337
Total governmental fund balances	$ 47,355	$ 46,376	$ 38,986	$ 58,681	$ 54,709	$ 59,963	$ 61,789	$ 75,360	$ 52,120	$ 59,898

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Revenues										
Taxes	$ 31,504	$ 33,978	$ 36,550	$ 37,335	$ 38,434	$ 44,716	$ 44,983	$ 48,780	$ 48,826	$ 60,005
Licenses and permits	818	762	681	734	657	722	808	966	1,105	1,327
Intergovernmental	9,521	4,468	2,964	3,289	3,784	1,015	4,037	19,652	17,068	10,814
Charges for services	5,778	6,326	5,933	6,048	6,332	6,718	6,374	6,224	5,870	6,669
Fines	936	1,086	1,178	1,309	1,641	1,068	798	550	556	498
Investment earnings	474	401	314	89	241	417	562	256	60	394
Miscellaneous	644	945	368	1,218	12,571	1,191	2,062	2,945	1,074	1,338
Total Revenues	49,675	47,966	47,988	50,023	63,661	55,847	59,624	79,373	74,559	81,045
Expenditures										
Current:										
General government	10,337	11,933	10,784	11,498	11,037	16,384	12,218	22,055	20,350	19,034
Public safety	22,253	21,439	19,456	21,930	23,572	26,603	28,400	20,527	26,985	34,570
Highways and streets	7,056	5,012	8,412	11,107	13,846	8,764	8,696	10,337	8,066	11,711
Health and Welfare	2,371	2,758	2,808	2,694	2,408	2,853	2,857	2,823	3,201	3,097
Culture and recreation	12,999	6,346	4,867	5,439	7,926	12,253	19,032	24,849	29,585	15,671
Economic development	1,163	2,775	1,698	2,720	3,340	8,690	4,717	4,481	719	45,061
Debt Service:										
Debt service - Principal	9,339	7,811	7,994	15,162	17,161	12,046	8,622	10,298	6,630	8,563
Debt service - Interest	1,750	1,866	1,636	1,267	2,052	2,393	3,222	3,357	3,267	3,789
Total expenditures	67,269	59,940	57,655	71,817	81,342	89,986	87,764	98,727	98,803	141,496
Excess of revenues over (under) expenditures	(17,594)	(11,974)	(9,667)	(21,793)	(17,681)	(34,139)	(28,140)	(19,354)	(24,244)	(60,451)
Other financing sources (uses)										
Transfers in	34,633	19,662	21,849	35,719	20,787	37,389	33,431	16,305	19,446	25,592
Transfers out	(28,316)	(11,981)	(11,090)	(24,419)	(9,612)	(29,503)	(25,077)	(11,796)	(9,052)	(27,465)
Proceeds from sale of assets	551	198	(953)	642	-	-	-	-	-	
Other Contributions	-	-	-	-	(9,900)	-	-	-	950	(184)
Issuance of debt	14,306	2,381	480	29,739	11,366	31,810	19,430	26,945	1,788	58,903
Total other financing sources (uses)	21,175	10,260	10,286	41,680	12,641	39,696	27,784	31,454	13,132	56,846
Special Items										
Gain/(Loss) on land available for sale valuation	(6,371)	-	(7,629)	-	1,566	(356)	-	-	-	-
Total special items	(6,371)	-	(7,629)	-	1,566	(356)	-	-	-	-
Net change in fund balances	$ (2,790)	$ (1,714)	$ (7,010)	$ 19,887	$ (3,475)	$ 5,201	$ (356)	$ 12,100	$ (11,110)	$ (3,604)
Debt service as a percentage of noncapital expenditures	19.7%	19.3%	20.1%	29.7%	30.9%	19.1%	15.6%	16.1%	11.1%	9.6%

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

Fiscal Year Ended	Tax Year	Residential Property	Commercial Property	Industrial Property	Minerals	Other	Total Assessed	Less: Ag Loss &Tax Exempt Real Property	Total Taxable Assessed Value	Total Direct Tax Rate
2012	2011	$ 1,913,524	$ 574,336	$ 13,337	$ 11,027	$ 256,980	$ 2,769,204	$ 604,760	$ 2,164,444	$ 0.68
2013	2012	$ 1,978,273	$ 591,866	$ 12,310	$ 11,038	$ 265,359	$ 2,858,847	$ 662,530	$ 2,196,317	$ 0.68
2014	2013	$ 1,989,015	$ 623,074	$ 12,350	$ 9,132	$ 320,085	$ 2,953,655	$ 687,001	$ 2,266,654	$ 0.68
2015	2014	$ 2,130,562	$ 665,903	$ 12,239	$ 6,201	$ 316,074	$ 3,130,979	$ 753,721	$ 2,377,258	$ 0.68
2016	2015	$ 2,255,602	$ 734,905	$ 11,444	$ 4,972	$ 377,209	$ 3,384,132	$ 812,816	$ 2,571,316	$ 0.65
2017	2016	$ 2,302,343	$ 826,519	$ 11,971	$ 3,175	$ 374,763	$ 3,518,771	$ 827,461	$ 2,691,310	$ 0.65
2018	2017	$ 2,384,074	$ 951,399	$ 12,021	$ 5,914	$ 385,546	$ 3,738,955	$ 896,151	$ 2,842,804	$ 0.65
2019	2018	$ 1,936,602	$ 1,370,234	$ 23,038	$ 4,586	$ 660,766	$ 3,995,226	$ 808,535	$ 3,186,691	$ 0.65
2020	2019	$ 2,141,472	$ 1,441,537	$ 21,637	$ 2,812	$ 657,520	$ 4,264,978	$ 803,940	$ 3,461,038	$ 0.65
2021	2020	$ 2,347,876	$ 1,506,505	$ 18,262	$ 1,786	$ 682,648	$ 4,557,077	$ 857,906	$ 3,699,171	$ 0.72
2022	2021	$ 2,831,473	$ 1,613,943	$ 18,938	$ 1,942	$ 531,409	$ 4,997,705	$ 894,137	$ 4,103,568	$ 0.72

Source: Hidalgo County Central Appraisal District

Note: Assessed values are determined as of July 17th, 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.

[1]Includes tax-exempt property.

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City of Pharr, Texas
Property Tax Rates[1] and Tax Levies
Direct and Overlapping[2] 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
2013	$ 0.60	$ 0.077	$ 0.68	$ 0.06	$ 0.04	$ 0.10	$ 0.52	$ 0.07	$ 0.59	$ 1.17	$ 0.19	$ 1.36
2014	$ 0.60	$ 0.080	$ 0.68	$ 0.05	$ 0.05	$ 0.10	$ 0.53	$ 0.06	$ 0.59	$ 1.17	$ 0.19	$ 1.36
2015	$ 0.58	$ 0.072	$ 0.65	$ 0.05	$ 0.05	$ 0.10	$ 0.53	$ 0.06	$ 0.59	$ 1.17	$ 0.19	$ 1.36
2016	$ 0.58	$ 0.072	$ 0.65	$ 0.05	$ 0.05	$ 0.10	$ 0.53	$ 0.06	$ 0.59	$ 1.17	$ 0.23	$ 1.40
2017	$ 0.58	$ 0.070	$ 0.65	$ 0.05	$ 0.05	$ 0.10	$ 0.53	$ 0.06	$ 0.59	$ 1.17	$ 0.23	$ 1.40
2018	$ 0.58	$ 0.072	$ 0.65	$ 0.05	$ 0.05	$ 0.10	$ 0.53	$ 0.05	$ 0.58	$ 1.17	$ 0.21	$ 1.38
2019	$ 0.57	$ 0.151	$ 0.72	$ 0.05	$ 0.05	$ 0.11	$ 0.55	$ 0.07	$ 0.62	$ 1.07	$ 0.20	$ 1.27
2020	$ 0.57	$ 0.151	$ 0.72	$ 0.05	$ 0.05	$ 0.10	$ 0.57	$ 0.16	$ 0.73	$ 1.05	$ 0.22	$ 1.27
2021	$ 0.57	$ 0.151	$ 0.72	$ 0.05	$ 0.05	$ 0.10	$ 0.50	$ 0.07	$ 0.58	$ 1.05	$ 0.22	$ 1.27
2022	$ 0.57	$ 0.151	$ 0.72	$ 0.05	$ 0.07	$ 0.13	$ 0.51	$ 0.06	$ 0.58	$ 0.97	$ 0.21	$ 1.18

Fiscal Year Ending	Overlapping Tax Rates: South Texas ISD			South Texas College			Total Direct & Overlapping Rates
	Operating	Debt Service	Total	Operating	Debt Service	Total	
2013	$ 0.05	$ -	$ 0.05	$ 0.11	$ 0.04	$ 0.15	$ 2.92
2014	$ 0.05	$ -	$ 0.05	$ 0.11	$ 0.04	$ 0.15	$ 2.93
2015	$ 0.05	$ -	$ 0.05	$ 0.14	$ 0.05	$ 0.18	$ 2.93
2016	$ 0.05	$ -	$ 0.05	$ 0.14	$ 0.05	$ 0.18	$ 2.97
2017	$ 0.05	$ -	$ 0.05	$ 0.14	$ 0.05	$ 0.18	$ 2.97
2018	$ 0.05	$ -	$ 0.05	$ 0.14	$ 0.05	$ 0.18	$ 2.94
2019	$ 0.05	$ -	$ 0.05	$ 0.14	$ 0.04	$ 0.18	$ 2.94
2020	$ 0.05	$ -	$ 0.05	$ 0.14	$ 0.03	$ 0.17	$ 3.04
2021	$ 0.05	$ -	$ 0.05	$ 0.14	$ 0.03	$ 0.17	$ 2.88
2022	$ 0.05	$ -	$ 0.05	$ 0.14	$ 0.03	$ 0.17	$ 2.82

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

[1]Tax rate is per $100 of taxable assessed value

[2]Overlapping 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.

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City of Pharr, Texas
Principal Property Taxpayers
Fiscal Year End 2022 and 2013
(amounts expressed in thousands)

Taxpayer	2022 Taxable Assessed Value	2022 Rank	2022 Percentage of Total Taxable Assessed Value	2013 Taxable Assessed Value	2013 Rank	2013 Percentage of Total Taxable Assessed Value
AEP TEXAS INC-27H	$ 55,207	1	1.35%	$ 11,780	5	0.54%
PTC TX HOLDINGS LLC	$ 46,766	2	1.14%	$ -	-	0.00%
46TH STREET INVESTORS & PWIP LLC & ROWLAND ENTERPRISES	$ 36,675	3	0.89%	$ -	-	0.00%
HEB GROCERY COMPANY LP	$ 24,114	4	0.59%	$ 18,528	1	0.84%
PHARR BRIDGE INVESTMENT COMPANY LP	$ 20,881	5	0.51%			0.00%
BISSELL SOUTHWEST DC LEASING LLC	$ 17,186	6	0.42%	$ -	-	0.00%
WILDER CORPORATION OF DELAWARE	$ 15,653	7	0.38%	$ 12,873	3	0.59%
PTC TX HOLDINGS LLC	$ 15,000	8	0.37%	$ -	-	0.00%
TOYOTA OF PHARR SCION OF PHARR	$ 14,522	9	0.35%			0.00%
FJRS INVESTMENTS LTD	$ 13,830	10	0.34%	$ 10,220	7	0.47%
Totals	$ 259,834		6.3%	$ 53,401		2.4%
Assessed Taxable Value	$ 4,103,568			$ 2,196,317		

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

Fiscal Year Ended	Tax Year	Total Tax Levy* for Fiscal Year	Collections within the Fiscal Year of the Levy		Delinquent Collections in Subsequent Years	Total Collections to Date	
			Amount	Percentage of Levy		Amount	Percentage of Levy
2012	2011	$ 14,576	$ 13,771	94.5%	$ (0.13)	$ 13,771	94.5%
2013	2012	$ 14,935	$ 14,049	94.1%	$ 178.69	$ 14,228	95.3%
2014	2013	$ 15,413	$ 14,631	94.9%	$ 96.26	$ 14,727	95.6%
2015	2014	$ 16,431	$ 15,448	94.0%	$ 242.87	$ 15,691	95.5%
2016	2015	$ 16,952	$ 15,928	94.0%	$ 297.72	$ 16,226	95.7%
2017	2016	$ 17,654	$ 16,642	94.3%	$ 293.29	$ 16,935	95.9%
2018	2017	$ 18,625	$ 17,832	95.7%	$ 80.13	$ 17,912	96.2%
2019	2018	$ 19,278	$ 18,408	95.5%	$ 142.67	$ 18,551	96.2%
2020	2019	$ 22,494	$ 21,489	95.5%	$ 125.38	$ 21,614	96.1%
2021	2020	$ 23,908	$ 23,228	97.2%	$ (205.69)	$ 23,023	96.3%
2022	2021	$ 25,143	$ 24,954	99.2%	$ (618.50)	$ 24,336	96.8%

*Tax Levy including modifications throughout the year

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

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

	Governmental Activities				Business-Type Activities					
Fiscal Year	General Obligation Bonds	Certificates of Obligation	Notes	Capital Leases	Utility & Toll Bridge Bonds/Notes	Capital Leases	Notes	Total Primary Government	Percentage of Personal Income[1]	Per Capita[1]
2012	$ 14,300	$ 7,600	$ 21,500	$ 3,405	$ 55,385	$ 537	$ -	$ 102,726	0.03%	$ 1,417
2013	$ 12,800	$ 7,300	$ 28,500	$ 3,200	$ 61,000	$ 463	$ -	$ 113,263	0.03%	$ 1,562
2014	$ 11,295	$ 7,025	$ 24,064	$ 4,101	$ 58,442	$ 389	$ -	$ 105,317	0.03%	$ 1,452
2015	$ 9,710	$ 6,720	$ 20,242	$ 3,413	$ 55,917	$ 218	$ -	$ 96,219	0.04%	$ 1,327
2016	$ 7,440	$ 20,705	$ 14,254	$ 8,541	$ 52,092	$ 27	$ -	$ 103,059	0.03%	$ 1,347
2017	$ 6,305	$ 18,835	$ 1,121	$ 6,516	$ 44,268	$ 1,783	$ -	$ 78,827	0.05%	$ 1,019
2018	$ 5,898	$ 32,565	$ 6,819	$ 7,377	$ 41,097	$ 3,539	$ -	$ 97,295	0.04%	$ 1,224
2019	$ 4,090	$ 33,440	$ 18,700	$ 7,390	$ 44,400	$ 3,830	$ -	$ 111,850	0.04%	$ 1,403
2020	$ 1,430	$ 47,560	$ 4,683	$ 6,478	$ 65,613	$ 3,249	$ -	$ 129,013	0.03%	$ 1,625
2021	$ -	$ 67,085	$ 3,657	$ 6,358	$ 101,864	$ 2,722	$ -	$ 181,686	0.02%	$ 2,279
2022	$ -	$ 64,145	$ 2,586	$ 5,922	$ 118,185	$ 3,244	$ -	$ 194,082	0.02%	$ 2,435

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

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

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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 Obligation Bonds (1)	Less: Amounts Available in Debt Service Fund (2)	Total	Percentage of Estimated Actual Taxable Value of Property (3)	Per Capita (4)
2012	$ 14,300	$ -	14,300	0.52%	$ 197.21
2013	12,800	-	12,800	0.45%	176.52
2014	11,295	83	11,212	0.38%	154.43
2015	9,710	269	9,441	0.31%	132.76
2016	7,440	169	7,271	0.22%	97.21
2017	6,305	347	5,958	0.18%	81.54
2018	5,898	670	5,228	0.16%	74.20
2019	4,090	766	3,324	0.10%	51.31
2020	1,430	1,111	319	0.03%	18.01
2021	-	-	-	0.00%	-
2022	-	-	-	0.00%	-

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

(1) This is the genral bonded debt of govermental activities, net of original discounts and premiums
(2) This is the amount restricted for debt service principal payments.
(3) See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.
(4) Population data can be found in the Schedule of Demographic and Economic Statistics

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City of Pharr, Texas
Direct and Overlapping Governmental Activities Debt
As of September 30, 2022
(amounts expressed in thousands)

Governmental Unit	Debt Outstanding	Estimated Percentage Applicable[1]	Estimated Share of Overlapping Debt
Debt repaid with property taxes:			
Hidalgo County	$ 367,135	8.5%	$ 31,354
Hidalgo Irrigation District #1	$ 31,157	-	-
South Texas College	$ 221,114	100.1%	$ 221,379
South Texas ISD	$ 11,165	-	-
Pharr, San Juan, Alamo Independent School District	$ 302,376	12.6%	$ 38,036
Overlapping debt			$ 290,769
City of Pharr direct debt	$ 194,082	100.0%	$ 194,082
Total direct and overlapping debt			$ 484,851

Sources: Assessed value data used to estimate applicable percentages provided by the County E
Debt outstanding data provided by the county. Data as of 2022.

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.

[1]The 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.

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Debt Limit	$ 276,288	$ 276,920	$ 285,885	$ 295,366	$ 313,098	$ 338,412	400,700	448,005	399,523	426,498	499,771
Total net debt applicable to limit	15,750	14,300	12,800	11,295	9,710	7,440	6,819	5,898	4,090	-	-
Legal debt margin	$ 260,538	$ 262,620	$ 273,085	$ 284,071	$ 303,388	$ 330,972	$ 393,881	$ 442,107	$ 395,433	$ 426,498	$ 499,771
Total net debt applicable to the limit as a percentage of debt limit	5.70%	5.2%	4.5%	3.8%	3.1%	2.2%	1.7%	1.3%	1.0%	0.0%	0.0%

Assesed Value	$ 4,103,568
Add Back: exempt property	894,137
Total Assessed Value	4,997,705
Debt Limit (10% of total assessed value	499,771
Debt applocable to limit:	
General obligation bonds	-
Legal debt margin	$ 499,771

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.

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

	Water & Sewer Revenue Bonds					
				Debt Service		
Fiscal Year	Utility Sewer Charges and Other	Less: Operating Expenses	Net Available Revenue	Principal	Interest	Coverage
2012	$ 13,814	$ 7,465	$ 6,349	$ 2,540	$ 1,598	1.53
2013	$ 13,977	$ 7,043	$ 6,934	$ 2,540	$ 1,618	1.67
2014	$ 13,728	$ 7,862	$ 5,866	$ 2,870	$ 1,675	1.29
2015	$ 12,991	$ 7,966	$ 5,025	$ 2,950	$ 1,600	1.10
2016	$ 13,745	$ 6,315	$ 7,430	$ 3,035	$ 1,675	1.58
2017	$ 14,454	$ 6,387	$ 8,067	$ 3,382	$ 1,643	1.61
2018	$ 13,643	$ 6,590	$ 7,053	$ 2,958	$ 1,070	1.75
2019	$ 14,132	$ 6,886	$ 7,246	$ 3,084	$ 880	1.83
2020	$ 16,196	$ 7,667	$ 8,529	$ 3,165	$ 643	2.24
2021	$ 16,605	$ 8,927	$ 7,678	$ 3,919	$ 1,067	1.54

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

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

Fiscal Year	Population[1]	Median Household Income	Per Capita Personal Income	Median Age	Education Level in Years of Formal Schooling[2]	School Enrollment [3]	Unemployment Rate [4]
2012	72,513	30,486	12,328	27.3	59.7%	31,633	8.4%
2013	73,138	30,486	12,328	28.0	59.7%	32,050	9.3%
2014	73,138	32,087	12,964	28.3	61.3%	32,287	7.9%
2015	75,382	34,655	12,694	27.6	61.3%	32,519	7.1%
2016	76,538	34,708	13,713	27.6*	62.0%	33,501	6.7%
2017	77,320	36,501	13,724	31.1	62.8%	32,838	7.7%
2018	79,487	39,445	14,826	31.1	63.3%	32,631	7.3%
2019	79,707	39,372	14,655	28.7	63.6%	32,481	6.4%
2020	79,112	39,884	15,015	28.8	64.5%	31,335	10.5%
2021	79,697	39,606	17,149	30	68%	26,143	8.80%

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

[1]Population data fromPopulation Census, April 1,2021

Census Bureau totals for 2008 and 2009. 2011 population estimate based on percentage increase of US Census Bureau totals for 2009 and 2010. 2012 population estimate based on percentage increase of US Census Bureau totals for 2010 and 2011. 2013 population estimate based on percentage Increase of US Census Bureau totals for 2011 and 2012.

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

[3]School Enrollment data includes enrollment for Pharr San Juan and Alamo School Disctrict. (As of 12/31/2021)

[4]Unemployment rate as of June 2021.

* Data Not Available

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City of Pharr, Texas
Principal Employers
Fiscal Year Ending 2022 and 2012

	2022		
Employer	Employees	Rank	Percentage of Total City Employment[1]
Pharr-San Juan-Alamo ISD	4,644	1	17.10%
City of Pharr	900	2	3.31%
Maximus	547	3	2.01%
Juniors Meat Market	450	4	1.66%
Walmart	400	5	1.47%
Atento Contact US Teleservices	360	6	1.33%
Dragados	350	7	1.29%
VDP Healthcare	333	8	1.23%
HEB	300	9	1.10%
Lack's Valley Store Ltd	230	10	0.85%
Total	8,514		26.98%

	2012		
Employer	Employees	Rank	Percentage of Total City Employment[1]
Pharr-San Juan-Alamo ISD	3,000	1	11.05%
Ticketmaster	800	2	2.95%
Valley View ISD	700	3	2.58%
Convergy's	650	4	2.39%
VDP Healthcare	417	5	1.54%
City of Pharr	400	6	1.47%
Royal Freight	380	7	1.40%
Lack's Valley Store Ltd	361	8	1.33%
HEB	290	9	1.07%
Atento Contact US Teleservices	280	10	1.03%
Total	7,278		26.80%

Source: Workforce Solutions Lower RGV

* Information was not tracked to provide stated information.

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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, 2022

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
GENERAL FUND										
City Manager	8.5	15.0	9.0	7.0	8.0	8.0	11.0	12.0	16.0	18.0
Finance	14.0	14.0	12.0	10.0	8.0	8.0	9.0	10.0	10.0	10.0
Police Department	176.5	186.5	178.5	183.0	169.0	169.0	168.0	172.0	184.0	184.0
Purchasing	0.0	0.0	0.0	0.0	2.0	2.0	2.0	4.0	4.0	4.0
Municipal Court	8.0	7.0	8.0	9.0	10.0	10.0	9.0	10.0	11.0	9.0
Fire Protection	78.0	82.0	80.0	80.0	80.0	80.0	83.0	76.0	89.0	89.0
Public works	49.0	48.0	50.0	63.0	53.0	53.0	50.0	47.0	48.5	48.5
Information Technology	5.0	10.0	12.5	19.5	13.5	13.5	14.0	14.5	44.0	33.0
Media	0.0	0.0	0.0	0.0	8.0	8.0	14.0	8.0	11.0	11.0
Municipal Library	23.5	25.0	23.5	27.5	27.5	27.5	30.0	28.0	27.0	28.0
Grants	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	5.0	5.0
Parks & Recreation	62.1	56.8	112.6	31.0	54.0	54.0	53.0	79.0	88.0	85.0
OSE	0	0	0	0	0		0	0	3.0	3.0
Legal	0	0	0	0	0	0	0	0	3.0	2.0
Public Saftey Communication	0.0	0.0	0.0	6.0	23.0	23.0	25.0	27.0	45.0	40.0
Human Resources	0.0	0.0	4.0	6.0	8.0	8.0	7.0	9.0	10.0	12.0
Development Services	20.0	22.5	23.0	23.0	24.0	24.0	23.0	25.0	26.0	6.0
Engineer	5.5	4.5	6.5	7.5	8.5	8.5	7.0	9.5	10.5	11.0
Code Enforcement	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20.0
Total General Fund	457.1	479.6	527.9	477.5	499.5	499.5	508.0	534.0	635.0	618.5
UTILITY FUND										
Administrative	9.0	9.0	9.0	9.0	10.0	10.0	10.0	10.0	12.0	12.0
Water Production	13.0	15.0	15.0	15.0	15.0	15.0	15.0	16.0	17.0	17.0
Water Distribution	27.0	30.5	30.5	28.5	32.5	32.5	30.0	36.5	36.5	38.0
Water Treatment Plant	18.0	19.0	19.0	19.0	19.0	19.0	15.0	19.0	20.0	20.0
Lift Station	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Utility Fund	67.0	73.5	73.5	71.5	76.5	76.5	70.0	81.5	85.5	87.0
INTERNAL SERVICE FUND										
Chief Mechanic	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Laborers	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Total Internal Svc Fund	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Others	22.0	27.0	23.5	23.5	19.0	19.0	21.0	23.5	23.0	23.0
Total Int'l Bridge	23.0	28.0	24.5	24.5	20.0	20.0	22.0	24.5	24.0	24.0
OTHER										
EMS	-	-	-	-	-	-	-	109.5	161.50	48.00
Fiber	-	-	-	-	-	-	-	-	2.00	0.00
PEDC	-	-	-	-	7.0	7.0	6.0	6.0	8.00	8.00
Chamber	-	-	-	-	0.0	0.0	3.0	3.0	3.00	3.00
CDBG	3.5	4.0	0.0	0.0	5.0	4.0	3.0	3.0	3.0	3.0
Golf Course	17.0	23.5	20.5	22.0	24.0	24.0	24.0	22.5	22.0	22.0
Events Center	8.0	17.5	18.5	4.0	4.0	4.0	5.0	12.0	0.0	0.0
Total Other	28.5	45.0	45.0	40.5	40.0	39.0	41.0	156.0	199.5	84.0
GRAND TOTAL	580.6	631.1	675.9	619.0	641.0	640.0	646.0	801.0	949.0	818.5

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

Function	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Police										
Physical arrests	2,197	3,573	2,423	1,805	2,150	3,215	1,596	1,205	1,369	970
Parking & Traffic Violations	12,607	12,893	19,628	13,684	12,543	13,523	11,636	12,131	20,596	26,483
Fire										
Number of calls answered	2,491	2,488	2,899	2,926	1,527	1,711	2,714	2,398	2,584	2,301
Inspections	2,263	2,942	2,184	2,675	2,197	2,273	631	1,628	1,676	2,072
Highways and streets										
Street resurfacing (miles)	6.44	7.31	1.41	10	8	8	8	6.38	1.5	6.5
Potholes repaired	545	1297	506	3089	3947	1801	1801	822	453	1,739
International Bridge										
Car Crossings	937,829	866,328	794,930	865,200	843,452	856,392	677,062	456,470	459,229	469,339
Truck Crossings	485,299	508,180	523,373	548,172	566,918	578,617	623,155	643,396	720,294	751,385
Culture and recreation										
Pharr Events Center	60	91	69	160	74	76	54	57	0	0
Other Community Center Events	442	unknown	unkown	382	41	unkown	unkown	unkown	0	0
Water										
New connections	372	256	303	447	425	420	340	696	771	1157
Water mains breaks	~1625	~1642	~1726	1,410	1,107	1,107	739	739	917	1543
Average daily consumption (millions of gallons)	6.9 MGD	7.1 MGD	6.46 MGD	6.7 MGD	5.4 MGD	7 MGD	7.34 MGD	7.34 MGD	7.20 MGD	19.0 MGD
Wastewater										
Average daily sewage treatment (thousands of gallons)	4.8 MGD	5.1 MGD	5.2 MGD	4.9 MGD	4.8 MGD	4.57 MGD	4.97 MGD	4.97 MGD	5 MGD	5.59 MGD

Sources: Various City Departments

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

	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
Public Safety										
Police:										
Stations	2	2	2	2	3	3	3	3	3	3
Patrol units	61	68	68	83	93	98	100	96	85	74
Fire stations	3	3	3	3	3	3	3	3	4	4
Highways and streets										
Streets (miles)	214	214	214	214	214	214	348	348	219.3	219.3
Streetlights	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	980	unknown
Traffic signals	68	72	75	77	77	77	100	100	80	88
Culture and recreation										
Parks Acreage (Developed)	46	57	57	57	57	57	127	122	130	130
Swimming pools	1	1	1	1	1	1	1	1	2	2
Tennis courts	2	2	2	2	2	2	2	2	1	1
Community and Convention Centers	4	4	4	7	7	7	7	7	3	3
Water										
Water mains (miles)	~304	~303	~304	~350.84	~356	~356	~351	355	367	403
Fire hydrants	~2,214	~2,213	~2,214	~2,563	~2219	~2219	2,665	2,663	2,711	2,838
Maximum daily capacity (thousands of gallons)	10 MGD	19 MGD	20 MGD	20 MGD	19MGD	19MGD	19MGD	19MGD	19 MGD	7.8 MGD
Sewer										
Sanitary sewers (miles)	~267	~266	~267	~273.55	~280	~280	274	275	276	281
Storm sewers (miles)	96.63	95.63	95.64	97.34	98	98	97	97	101.91	104.41
Maximum daily treatment capacity (thousands of gallons)	7.4 MGD	6.4 MGD	7.3 MGD	6.44 MGD	8 MGD	8 MGD	8 MGD	9.52MGD	8 MGD	8.0 MGD

Sources: Various City Departments

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