



**TAKE NOTICE THAT A REGULAR MEETING
OF THE BOARD OF COMMISSIONERS
OF THE CITY OF PHARR, TEXAS
WILL BE HELD AT CITY HALL, COMMISSIONERS' ROOM,
118 S. CAGE BLVD., 2ND FLOOR, PHARR, TEXAS
COMMENCING AT 4:00 PM ON
MONDAY, MARCH 15, 2021**

The City of Pharr has called this meeting as allowed pursuant to Texas law, city charter, and city ordinances. The governing body may recess from day to day when it does not complete consideration of a particularly long subject as authorized by law. All persons desiring to address the governing body must register with the presiding city clerk prior to the scheduled meeting.

In accordance with social distancing guidelines, public meetings will be held in a manner intended to separate, to the maximum practical extent, audience and presenters from personal contact with members of community, city staff, and city council. The meeting will be held via videoconference and broadcast at <http://www.pharr-tx.gov>

1. CALL TO ORDER:

A) Roll call and possible action on the excusing of any absent member of the governing board.

B) Pledge of Allegiance/Invocation

2. PUBLIC TESTIMONY: (Ordinance No. O-2019-45). A person intending on addressing the governing body may speak at a scheduled meeting of the governing body following registration with the presiding clerk and prior to the scheduled meeting. A registered speaker may speak only on items on the agenda and may not exceed 1.5 minutes when addressing the board regarding an agenda item. A registered speaker may not donate time to another speaker. A sign-in form for public testimony shall be promulgated by the presiding clerk and be made available at the city clerk's office. A person may sign up for public testimony beginning at the time the agenda is posted for the meeting. A person may not sign up later than one hour before the posted meeting is scheduled to begin. No registered speaker may be allowed to speak regarding an item once the public testimony portion of the agenda has ended.

3. PUBLIC HEARINGS: (Ordinance No. O-2019-31). A registered speaker during the public hearing may not exceed 1.5 minutes when addressing the board. A sign-in form for participation in public a hearing shall be promulgated by the presiding clerk and be made available at the city clerk's office. The public hearing sign-in form shall include the person or entity's name, address, telephone number, other contact information, organization if applicable, and other notices, authorizations, and acknowledgements as may be allowed by law from time to time. No registered speaker may be allowed to address the governing body once the public hearing has closed.

A) Public Hearing on Development Services Cases.

4. CITY MANAGER'S REPORTS: *(City Manager's Administrative Reports and discussion, if any, with governing body. The City Manager may also assign a designated spokesperson for any particular listed topic)*

A) Submission of Sales Tax Collection Report for March 2021.

5. CONSENT AGENDA: *(All items listed under consent Agenda are considered to be routine and non-controversial by the Governing Body and will be enacted by one motion. Any Commissioner may remove items from the consent agenda by making such request prior to a motion and vote on the Consent Agenda)*

A) Approval of Minutes for March 1, 2021 Regular Called Meeting.
(ADMINISTRATION)

B) Consideration and action authorizing the City Manager to advertise for request for qualifications for the Pharr Land Port of Entry Operations Master Planning. (ENGINEERING)

C) Consideration and action authorizing City Manager to advertise for bids for the PSJA Tri-City Pedestrian Safety Improvements Project Phase I (CSJ: 0921-02-391) (ENGINEERING)

D) Consideration and action on renewal of vendor agreement with County of Hidalgo Community Service Agency and City of Pharr for Bravo Zulu Grant to assist veterans in need with their water bill. (FINANCE)

E) Consideration and action on Resolution authorizing the Pharr Police Department to submit a grant application to the Office of the Governor, Homeland Security Grants Division for the Local Border Star Program (LBSP 22) Project. (POLICE)

F) Consideration and action on Resolution authorizing the Pharr Police Department to submit a grant application to the Office of the Governor - Criminal Justice Division for Domestic Violence Coordinator Project. (POLICE)

G) Consideration and action on Resolution authorizing the Pharr Police Department to submit a grant application to the Office of the Governor - Criminal Justice Division for Crime Victim's Liaison Project. (POLICE)

H) Consideration and action on Resolution authorizing the Pharr Police Department to submit a grant application to the Office of the Governor - Criminal Justice Division for Human Trafficking Liaison Project. (POLICE)

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I) Consideration and action on Resolution authorizing the Pharr Police Department to submit a grant application to the Office of the Governor - Criminal Justice Division for the First Responder Mental Health & Wellness Program. (POLICE)

J) Consideration and action, if any, on Development Services Cases:

1. Oscar Garza, representing Queenstown Park L.L.C., owner, has filed with the Planning and Zoning Commission a request for a Change of Zone from Agricultural and/or Open Space District (A-O) to Limited Industrial District (L-I). The property is legally described as being a 26.375-acre tract of land, more or less, out of Lot 352, Kelly-Pharr Subdivision, Pharr, Hidalgo County, Texas. The property is physically located within the 8200-8400 Block of South Veterans Boulevard. **COZ#210110** (DEVELOPMENT SERVICES)

2. TGO Dahlia 21, L.P. an affiliate of Texas Grey Oaks, L.L.C., representing ESE Properties, LTD, owners, has filed with the Planning and Zoning Commission a request for a Change of Zone from Office Professional District (O-P) to Residential Multi-Family High Density District (R-MFHD). The property is legally described as being a 4.77-acre tract of land, more or less, (includes access easement), out of Lot 187, Kelly Pharr Subdivision, Pharr, Hidalgo County, Texas. The property is physically located within the 400-600 Block of West Sam Houston Avenue. **COZ#210212** (DEVELOPMENT SERVICES)

3. Marta's Bar is requesting renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a Business District (C-2). The property is legally described as being all of Lots 13-16, and the W10' out of Lot 12, Block 32, Pharr Original Townsite, Pharr, Hidalgo County, Texas. The property is physically located at 410 West State Street, Suite D. **CUP#160737** (DEVELOPMENT SERVICES)

4. Shots Main Event, LLC, d/b/a Main Event Entertainment, is requesting renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C). The property is legally described as being a 1.34 acre tract of land more or less, out of Lot 4A, Replat of vacated Car-Mel Subdivision, vacated El Centro Mall No. 3 & 4 Subdivision, Pharr, Hidalgo County, Texas. The property's physical address is 500 North Jackson Road, Suite C. **CUP#140101** (DEVELOPMENT SERVICES)

5. Cadena and Sons, L.L.C. d/b/a Tejas Restaurant and Sports Bar, is requesting renewal of the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C). The property is legally described as Lot 11, Maco Industrial Park Subdivision, Pharr, Hidalgo County, Texas. The property's physical address is 1308 Maco Drive. **CUP#161261** (DEVELOPMENT SERVICES)

REGULAR AGENDA - OPEN SESSION:

6. ORDINANCES AND RESOLUTIONS:

A) Consideration and action, if any, on Ordinance amending Ordinance No. O-2021-04 calling the City of Pharr General Municipal Election for May 1, 2021, for election of City Commissioners Places 2, 3, and 4 and designating Election Precincts and Polling Places. (Consideración y acción, enmendando Ordenanza No. O-2021-04 para ordenar la Elección Municipal General de la Ciudad de Pharr el 1 de mayo de 2021, para elegir Comisionados Lugares 2, 3, y 4, y la designación de Distritos Electorales y Centros de Votación) **(Adoption on 1st Reading) (TABLED)** (ADMINISTRATION)

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B) Consideration and action, if any, on Ordinance appointing Judges, Alternate Judges, and Early Voting Ballot Board Judge for the General Municipal Election to be held on Saturday, May 1, 2021. **(Adoption on 1st Reading)** (ADMINISTRATION)

C) Consideration and action, if any, on Ordinance amending Ordinance No. O-82-13 Appendix A, Zoning Ordinance. **(2nd Reading)** (DEVELOPMENT SERVICES)

D) Consideration and action, if any, on Ordinance amending Ordinance O-2020-38 relating to the number of authorized civil service positions within the Fire and Police Departments. **(2nd Reading)** (HR)

E) Consideration and action, if any, on Resolution executing an Advance Funding Agreement (AFA) with the Texas Department of Transportation (TxDOT) for I Road, from Rancho Blanco Road to Military Highway (US 281), CSJ 0921-02-363. (ENGINEERING)

F) Consideration and action, if any, on Resolution authorizing Affordable Homes of South Texas Inc. to administer a CARES Act Rental and Mortgage Assistance Program, for the City of Pharr. (GMCD)

7. ADMINISTRATIVE:

A) Consideration and action, if any, on Change Order No. 2 in the amount of \$114,00.00 of the Annual Supply Contract for the City Wide Ditch Excavation Hauling Services Project with Saenz Brothers Construction, LLC (ENGINEERING)

B) Submission of 2020 Racial Profiling Report. (POLICE)

C) Consideration and action, if any, accepting the City of Pharr Audited Financial Statements for FY 2019-2020. (FINANCE)

8. PURCHASING:

A) Consideration and action, if any, on the purchase of audio and video equipment from AISYS Consulting, LLC out of McAllen, TX using BuyBoard # 573-18 and 579-19 for a total price of \$187,357.06 for the Northside Wellness & Innovation Center. (IT)

9. CONTRACTS/AGREEMENTS:

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A) Consideration and action, if any, on Interlocal Agreement between City of Pharr, The Lower Rio Grande Valley Development Council and The Rio Grande Valley Metropolitan Planning Organization regarding implementing of the RGV Bicycle Pedestrian Counter Data Program. (ADMINISTRATION)

B) Consideration and action, if any, on renewal of Golf Cart Lease Agreement with Yamaha Motor Finance Corporation for the Tierra Del Sol Municipal Golf Course. (PARKS)

C) Consideration and action, if any, on contract with Pyro Shows of Texas for live fireworks display for City of Pharr Independence Day Celebration on Sunday, July 4, 2021 with a Rain-Date of Monday, July 5, 2021. (ADMINISTRATION)

10. LEGAL:

A) Consultation with the Board of Commissioners on Operation Takeover (ADMINISTRATION)

11. CLOSED SESSION: *In accordance with Chapter 551 of the Texas Gov't. Code, the Pharr Board of Commissioners hereby gives notice that it may meet in a closed (non-public) executive session to discuss the items listed on the public portion of the meeting agenda in accordance with the following below:*

Pursuant to Section 551.071, the Board may convene in a closed, non-public meeting with its attorney and discuss any matters related to **legal advice on pending or contemplated litigation, settlement offer, and/or on a matter in which the duty of the attorney to the governmental body under the Texas Disciplinary Rules of Professional Conduct of the State Bar of Texas clearly conflicts with this chapter.** The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Pursuant to Section 551.072, the Board may convene in a closed, non-public meeting to discuss any matters related to **real property and deliberate the purchase, exchange, lease, or value of real property as such would be detrimental to negotiations between the City and a third party in an open meeting.** The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Pursuant to Section 551.074, the Board may convene in a closed, non-public meeting to discuss any matters related to **appointment, employment, evaluation, reassignment, duties and discipline or dismissal of a public officer or employee and to hear any complaints or charges against an officer or employee.** The City and its attorney may also discuss such issues with the appropriate staff including members so as to obtain necessary and relevant information so that such discussion is informative and developed.

Pursuant to Section 551.076, the Board may convene in a closed, non-public meeting to discuss any matters on the **deployment, or specific occasions for implementation, of security**

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personnel or devices. The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Pursuant to Section 551.084, the Board may convene in a closed, non-public meeting to discuss any matters involving an **investigation and may exclude a witness from hearing during the examination of another witness in the investigation.** The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

Pursuant to Section 551.087, the Board may convene in a closed, non-public meeting to discuss any matters regarding **economic development issues.** The City and its attorney may also discuss such issues with the appropriate staff so as to obtain necessary and relevant information so that such discussion is informative and developed.

12. RECONVENE: *into Regular Session and consider action, if necessary, on any items(s) discussed in closed session.*

13. ADJOURNMENT:

NOTICE OF ASSISTANCE AT THE PUBLIC MEETING

City Hall is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the City Clerk's Office at 956/402-4100 ext. 1003/1007 or FAX 956/702-5313 or E-mail hilda.pedraza@pharr-tx.gov or imelda.barrera@pharr-tx.gov for further information. Braille is not available.

I, the undersigned authority, do hereby certify that the above notice of said Regular Meeting of the City Commission of the City of Pharr was posted on the bulletin board at City Hall and on the City's web page at www.pharr-tx.gov. This Notice was posted on the 12th day of March 2021 at 3:45 p.m. and will remain posted continuously for at least 72 hours preceding the scheduled time of said Meeting, in compliance with Chapter 551 of the Government Code, Vernon's Texas Codes, Annotated (Open Meetings Act).



WITNESS MY HAND AND SEAL, this 12th day of March 2021.

HILDA PEDRAZA, TRMC, CMC
CITY CLERK

I verify that the attached notice and agenda of items to be considered by the City Commission was removed from the bulletin board of City Hall on the _____ day of _____, 20__ by,

Title: _____



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 3.A.

DATE SUBMITTED:

MEETING DATE: March 15, 2021

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR:

Agenda Item: Public Hearing on Development Services Cases

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Issue:

Fiscal Consideration:

Staff Recommendation:

Alternatives:

Exclude Material from Public Packet? No

Reason:

ROUTING:

Hilda Pedraza

Karla Saavedra

Patricia Rigney

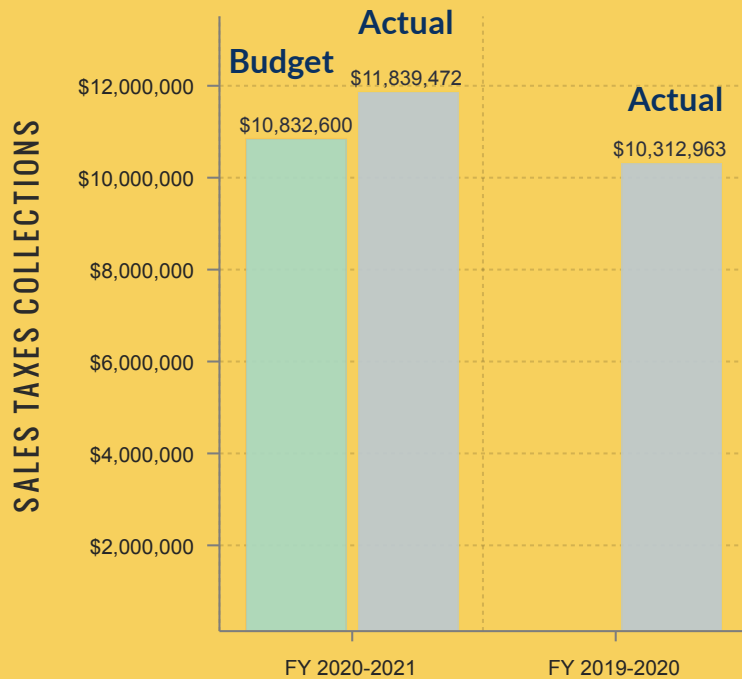
City Management Office

Created -



CITY OF PHARR SALES TAXES

March 2021
FY 2020-2021



13.79% YTD

Increase in Sales Tax from Last Year*

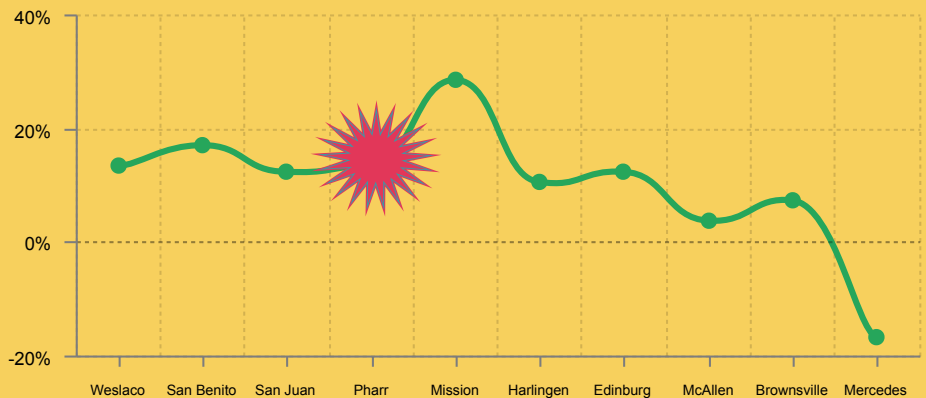


16.73%

Compared to March 2020 Sales Collections

**Ranked
No. 3**

compared to neighbor Cities



*Growth is based on Calendar Year per Texas State Comptroller

CREATED BY
Karla Saavedra, CGFO





AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.A.

DATE SUBMITTED: March 4, 2021

MEETING DATE: March 15, 2021

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR: Edward Wylie

Agenda Item: Approval of Minutes for March 1, 2021 Regular Called Meeting.

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Issue: Minutes for meeting held on Monday, March 1, 2021

Fiscal Consideration: N/A

Staff Recommendation: Approval.

Alternatives: N/A

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Hilda Pedraza
City Management Office

Created/Initiated - 3/4/2021
New -

**MINUTES
BOARD OF COMMISSIONERS
REGULAR CALLED MEETING
MONDAY, MARCH 1, 2021
118 SOUTH CAGE 2nd FLOOR**

The Board of Commissioners of the City of Pharr, Texas, met in a Regular Called Meeting on Monday, March 1, 2021 and following is the record of attendance.

BOARD OF COMMISSIONERS PRESENT: Mayor Ambrosio Hernandez
Comm. Eleazar Guajardo
Comm. Ramiro Caballero
Mayor Pro Tem Roberto “Bobby” Carrillo
Comm. Daniel Chavez
Comm. Ricardo Medina
Comm. Itza Flores

BOARD OF COMMISSIONERS ABSENT: None

STAFF PRESENT: Edward Wylie, Interim City Manager
Anali Alanis, Assistant City Manager
Hilda Pedraza, ACM / City Clerk
Omar Anzaldua, City Engineer
Karla Saavedra, Finance Director
Veronica Ramirez, HR Director
Criselda Rincon, Municipal Court Judge
Andrew Harvey Jr., Police Chief
Leonardo Perez, Fire Chief
Melanie Cano, Development Services Dir.
Pilar Rodriguez, Interim Public Works Dir.
Ruben Rosalez, Public Utilities Director
Sergio Alanis, Parks & Rec. Director
Adolfo Garcia, Library Director
Jose Pena, I.T. Director
Luis Bazan, Bridge Director
Victor Perez, PEDC Director
Ignacio Amezcua, Purchasing Director
Daniel Ramirez, Emergency Comm. Dir.
Kenneth Ennis, Interim Comm. Dir.
Marcela Beas, Interim Chamber President
Michelle Lopez, Chief Comm. Officer

CITY ATTORNEY Patricia Rigney, City Attorney

ITEM 1. CALL TO ORDER

A) ROLL CALL AND POSSIBLE ACTION ON THE EXCUSING OF ANY ABSENT MEMBER OF THE GOVERNING BOARD

Mayor Hernandez called the meeting to order at 4:00 p.m. Roll call established a quorum.

B) PLEDGE OF ALLEGIANCE/INVOCATION

Luis Bazan, Bridge Director, led in the pledge of allegiance and said the invocation.

ITEM 2. PROCLAMATIONS

A) PROCLAMATION PROCLAIMING MARCH 2021 AS THEATER IN OUR SCHOOLS MONTH

Ed Wylie, Interim City Manager, introduced the item.

Comm. Flores read proclamation proclaiming March 2021 as Theater in Our Schools Month.

Mayor Hernandez stated education was a foundation for success and the City of Pharr provides Pharr students funding opportunities to make sure they were given the opportunity to succeed.

Mayor Pro Tem Carrillo echoed Mayor's comments and stated students would be the leaders of our future and would serve the community.

Alejandro Coronado, Vanguard Academy, received the proclamation and thanked the City Commission for the recognition. He stated fine arts, dance and theatre were a strong foundation for students by assisting them with their core classes.

ITEM 3. PUBLIC TESTIMONY

There were no comments from the public.

ITEM 4. PUBLIC HEARINGS

A) PUBLIC HEARING ON DEVELOPMENT SERVICES CASES

Ed Wylie, Interim City Manager, opened the public hearing. There being no comments from the public, the public hearing was closed.

ITEM 5. CITY MANAGER'S REPORTS

Ed Wylie, Interim City Manager, reported on upcoming events. He stated the Parks and Recreation Department would be hosting Movies at the Park on Saturday, March 6, 2021 at 7:00 p.m. at Pharr/Vanguard Academy Nature Park and the featured

MINUTES: REGULAR CALLED MEETING

March 1, 2021

movie was HOP. He further stated free popcorn would be given out and stated social distancing and face coverings would be required.

Ed Wylie, Interim City Manager, reported the City of Pharr would be hosting the 15th Annual St. Patrick's Day 5K Run/Walk on Saturday, March 13, 2021 with the first race wave beginning at 7:00 a.m. at the Pharr Aquatic Center located at 1000 S. Fir St. and registration could be done at the Jose "Pepe" Salinas Recreation Center located at 1011 W. Kelly Ave.

Ed Wylie, Interim City Manager, also reported the Public Works Department would be having a Winter Storm Clean-up for temporary brush disposal on Monday, March 1, 2021 through Wednesday, March 3, 2021 at the Pharr Sports Complex located at 201 W. Moore Rd. from 8:00 a.m. to 8:00 p.m. for Pharr residents only.

Ed Wylie, Interim City Manager, further reported the grand opening and ribbon cutting for City Hall 1st Floor was scheduled for Thursday, March 11, 2021 at 11:00 a.m.

Ed Wylie, Interim City Manager, announced an online Covid-19 vaccine interest registration form was available on the city's website for Pharr residents. He stated the purpose was to gather data on individuals that were interested in receiving the vaccine once they become available.

Ed Wylie, Interim City Manager, announced the Texas City Attorneys Association approved the creation of the Rio Grande affiliate. He stated the association was formed to promote, encourage, and advance the professional development of municipal attorneys throughout the state and Patricia Rigney, City of Pharr Attorney, would be serving as Vice-President for the local chapter.

Mayor Hernandez recognized the talent at the City of Pharr and congratulated Ms. Rigney for her hard work and dedication.

At this time, Ed Wylie, Interim City Manager, recognized Jorge Piñon, PSJA Southwest Early College High School student, who was awarded a Presidential and football scholarship received. Mayor Pro Tem Carrillo congratulated Mr. Piñon for his accomplishments and encouraged him to apply for the PSJA Foundation BECA program. Mayor Hernandez also encouraged Mr. Piñon to continue working towards his sports and education and wished him the best of luck.

Mr. Piñon stated he will be attending Buena Vista University located in Storm Lake, Iowa and thanked the City Commission for the recognition.

A) CITY ENGINEER'S REPORT

Ed Wylie, Interim City Manager, introduced the item. He stated City Engineer was available and questions could be entertained at this time.

March 1, 2021

Mayor Hernandez asked staff when Highway Business 83 would be paved. Omar Anzaldua, City Engineer, stated the Texas Department of Transportation would begin working on the street within the next four (4) weeks.

ITEM 6. CONSENT AGENDA

- A) APPROVAL OF MINUTES FOR FEBRUARY 15, 2021 REGULAR CALLED MEETING (ADMINISTRATION)**
- B) CONSIDERATION AND ACTION RATIFYING RESOLUTION NO. R-2021-09 IN SUPPORT OF TGO DAHLIA 21, LP TO SUBMIT AN APPLICATION TO THE TEXAS DEPARTMENT OF HOUSING AND COMMUNITY AFFAIRS FOR THE 2021 COMPETITIVE 9% HOUSING TAX CREDITS FOR DAHLIA VILLAS (ADMINISTRATION)**
- C) CONSIDERATION AND ACTION ON RESOLUTION DESIGNATING RIO GRANDE VALLEY METROPOLITAN PLANNING ORGANIZATION (RGVMPO) MEMBERS (ADMINISTRATION)**
- D) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING THE PHARR POLICE DEPARTMENT TO PARTNER WITH FIBER BROKER'S INTERNATIONAL FOR THE DESTRUCTION OF 46 BALLISTIC VEST PANELS (POLICE)**
- E) CONSIDERATION AND ACTION, IF ANY, ON DEVELOPMENT SERVICES CASES:**
 - 1. GARMAN INVESTMENTS, LP, A TEXAS LIMITED PARTNERSHIP, OWNERS, REQUESTED A CHANGE OF ZONE FROM AGRICULTURAL AND/OR OPEN SPACE DISTRICT (A-O) TO RESIDENTIAL MULTI-FAMILY DISTRICT (R-MF). THE PROPERTY IS LEGALLY DESCRIBED AS BEING A 10-ACRE TRACT OF LAND, MORE OR LESS, OUT OF LOT 248, KELLY PHARR SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY'S PHYSICAL ADDRESS IS 1400 WEST JAVELINA DRIVE. COZ#210106**
 - 2. MARCO ANTONIO ALVARADO, OWNER, REQUESTED A CHANGE OF ZONE FROM SINGLE-FAMILY RESIDENTIAL DISTRICT (R-1) TO RESIDENTIAL MULTI-FAMILY DISTRICT (R-MF). THE PROPERTY IS LEGALLY DESCRIBED AS BEING LOT 48, BLOCK 1, HIDALGO PARK ESTATES SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY'S PHYSICAL ADDRESS IS 6617 SOUTH ST. MARIE DRIVE. COZ#210108**
 - 3. MARIA MAYELA GARZA, D/B/A FRIENDS ALL PARTIES, L.L.C., REQUESTED RENEWAL OF A CONDITIONAL USE PERMIT TO ALLOW THE SALE OF ALCOHOLIC BEVERAGES FOR ON-PREMISE CONSUMPTION IN A GENERAL BUSINESS DISTRICT (C). THE PROPERTY IS LEGALLY DESCRIBED AS BEING LOT 20, BLOCK 2, LOS MARINEROS SUBDIVISION PHASE I, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY'S PHYSICAL ADDRESS IS 2302 SOUTH CAGE BOULEVARD. CUP#151170**

March 1, 2021

4. AIESTY, INC., D/B/A SEOUL ASIAN MARKET, REQUESTED RENEWAL OF A CONDITIONAL USE PERMIT TO ALLOW THE SALE OF ALCOHOLIC BEVERAGES FOR ON-PREMISE CONSUMPTION IN A GENERAL BUSINESS DISTRICT (C). THE PROPERTY IS LEGALLY DESCRIBED AS BEING 0.3 ACRE TRACT OF LAND, MORE OR LESS, OUT OF LOT 4A, REPLAT OF VACATED CARMEL SUBDIVISION, VACATED EL CENTRO SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY'S PHYSICAL ADDRESS IS 2302 SOUTH CAGE BOULEVARD. CUP#151170

PLATS:

1. NAIN ENGINEERING, L.L.C., REPRESENTING JORGE KAMEL, PRESIDENT FOR 1500 HALL ACRES, L.L.C., REQUESTED A FINAL PLAT APPROVAL OF THE PROPOSED 1500 HALL ACRES SUBDIVISION. THE PROPERTY IS LEGALLY DESCRIBED AS BEING A 13.785 ACRE TRACT OF LAND OUT OF LOTS 5 AND 6, BLOCK 8, A.J. MCCOLL SUBDIVISION AND LOT 113, DUNLYN ESTATES PHASE II, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY IS WITHIN THE 1500 BLOCK OF WEST HALL ACRES ROAD. SUB#170924

Ed Wylie, Interim City Manager, introduced the item and recommended approval of consent agenda.

Comm. Guajardo **moved** to approve as recommended. Comm. Chavez seconded the motion and when put to a vote, it carried unanimously.

Ordinance Nos. O-2021-07 and O-2021-08 and Resolution Nos. R-2021-09 and R-2021-10 are filed with the City Clerk's Office.

At this time, Mayor Hernandez stated they would deviate and go into closed session. There was no objection.

ITEM 9. CLOSED SESSION

The time being 4:23 p.m., Mayor Hernandez stated the commission would be entering into closed session in accordance with Chapter 551 of the Texas Govt. Code to discuss agenda items listed in the public portion of the agenda and Pursuant to Sections 551.071, 551.072, 551.074, 551.076, 551.084 and 551.087.

ITEM 10. RECONVENE

The time being 4:40 p.m., Mayor Hernandez stated the commission would be resuming the open meeting.

REGULAR AGENDA - OPEN SESSION

ITEM 7. ORDINANCES AND RESOLUTIONS

- A) **CONSIDERATION AND ACTION, IF ANY, ON ORDINANCE AMENDING ORDINANCE NO. O-2006-47 STANDARDS MANUAL CONSTRUCTION AND**

DEVELOPMENT GUIDE (3RD AND FINAL READING) (DEVELOPMENT SERVICES)

Ed Wylie, Interim City Manager, introduced the item and recommended approval.

Comm. Guajardo moved to approve as recommended. Comm. Medina seconded the motion and when put to a vote, it carried unanimously.

Ordinance No. O-2021-09 is filed with the City Clerk's Office.

B) CONSIDERATION AND ACTION, IF ANY, ON ORDINANCE AMENDING ORDINANCE NO. O-82-13 APPENDIX A, ZONING ORDINANCE (1ST READING) (DEVELOPMENT SERVICES)

Ed Wylie, Interim City Manager, introduced the item. He stated this was for multi-family zoning districts and recommended approval.

Comm. Guajardo moved to approve as recommended. Comm. Medina seconded the motion and when put to a vote, it carried unanimously.

C) CONSIDERATION AND ACTION, IF ANY, ON ORDINANCE AUTHORIZING THE TRANSFER OF REAL PROPERTY TO THE PHARR ECONOMIC DEVELOPMENT CORPORATION, INC. II, PROVIDING FOR SEVERABILITY CLAUSE; PROVIDING FOR EFFECTIVE DATE; DECLARATION OF EMERGENCY; PROPER NOTICE OF MEETING; AND ORDAINING OTHER MATTERS RELATING TO THE FOREGOING (ADMINISTRATION)

Ed Wylie, Interim City Manager, introduced the item. He stated this was for the old Texan Hotel property and recommended approval.

Comm. Flores moved to approve as recommended. Comm. Medina seconded the motion and when put to a vote, it carried unanimously.

Ordinance No. O-2021-10 is filed with the City Clerk's Office.

D) CONSIDERATION AND ACTION, IF ANY, ON ORDINANCE AMENDING ORDINANCE NO. O-2021-04 CALLING THE CITY OF PHARR GENERAL MUNICIPAL ELECTION FOR MAY 1, 2021, FOR ELECTION OF CITY COMMISSIONERS PLACES 2, 3, AND 4 AND DESIGNATING ELECTION PRECINCTS AND POLLING PLACES. (CONSIDERACIÓN Y ACCIÓN, ENMENDANDO ORDENANZA NO. O-2021-04 PARA ORDENAR LA ELECCIÓN MUNICIPAL GENERAL DE LA CIUDAD DE PHARR EL 1 DE MAYO DE 2021, PARA ELEGIR COMISIONADOS LUGARES 2, 3, Y 4, Y LA DESIGNACIÓN DE DISTRITOS ELECTORALES Y CENTROS DE VOTACIÓN) (ADOPTION ON 1ST READING) (ADMINISTRATION)

Ed Wylie, Interim City Manager, introduced the item and recommended the item be tabled.

Comm. Carrillo **moved** to table. Comm. Guajardo seconded the motion and when put to a vote, it carried unanimously.

E) CONSIDERATION AND ACTION, IF ANY, ON ORDINANCE AMENDING ORDINANCE O-2020-38 RELATING TO THE NUMBER OF AUTHORIZED CIVIL SERVICE POSITIONS WITHIN THE FIRE AND POLICE DEPARTMENTS (1ST READING) (HR)

Ed Wylie, Interim City Manager, introduced the item. He stated this would increase the Fire Department Engineer positions by one for a total of nineteen positions and recommended approval.

Comm. Medina **moved** to approve as recommended. Comm. Chavez seconded the motion and when put to a vote, it carried unanimously.

F) CONSIDERATION AND ACTION, IF ANY, ON RESOLUTION APPOINTING ONE MEMBER (1) AND REAPPOINTING FOUR (4) MEMBERS TO THE COMMUNITY DEVELOPMENT COUNCIL (GMCD)

Ed Wylie, Interim City Manager, introduced the item. He briefly stated a new member was needed for Census Tract 213 and recommended Jesus Palomin. He further recommended reappointment of Norma Trevino, Jose Hinojosa, Romeo Robles, Jr., and Belia Garcia.

Comm. Medina **moved** to appoint Jesus Palomin and reappoint Norma Trevino, Jose Hinojosa, Romeo Robles Jr., and Belia Garcia to the Community Development Council. Comm. Chavez seconded the motion and when put to a vote, it carried unanimously.

Resolution No. R-2021-11 is filed with the City Clerk's Office.

ITEM 8. CONTRACTS/AGREEMENTS

A) CONSIDERATION AND ACTION, IF ANY, ON CONTRACT FOR ELECTION SERVICES BETWEEN THE CITY OF PHARR AND THE HIDALGO COUNTY ELECTIONS ADMINISTRATOR (ADMINISTRATION)

Ed Wylie, Interim City Manager, introduced the item and recommended approval to make counteroffer as discussed in closed session.

Comm. Carrillo **moved** to approve. Comm. Medina seconded the motion and when put to a vote, it carried unanimously.

ITEM 11. ADJOURNMENT

There being no other business to come before the board, Comm. Medina **moved** to adjourn. Comm. Carrillo seconded the motion and when put to a vote, the motion carried unanimously. Meeting adjourned at 4:43 p.m.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

STATE OF TEXAS
COUNTY OF HIDALGO
CITY OF PHARR

ON THIS THE 1st DAY OF MARCH 2021 the Board of Commissioners of the City of Pharr, Texas convened in a **REGULAR CALLED MEETING** at the Commissioner's Room located at 118 S. Cage, 2nd Floor, Pharr, Texas. The meeting being open to the public and notice of said meeting, giving the date, place, subject, hereof, having been posted in accordance with Chapter 551, Texas Government Code (Open Meetings Act) and there being present a quorum, I, **HILDA PEDRAZA, CITY CLERK**, of the City of Pharr, Texas, certify that this is a true and correct copy of the minutes.

ATTEST:

HILDA PEDRAZA, CITY CLERK

APPROVED: March 15, 2021



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.B.

DATE SUBMITTED: March 11, 2021

MEETING DATE: March 15, 2021

FROM: Omar Anzaldua, City Engineer

DEPARTMENT: Engineering

DIRECTOR: Omar Anzaldua

Agenda Item: Consideration and action authorizing the City Manager to advertise for request for qualifications for the Pharr Land Port of Entry Operations Master Planning.

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Issue: Master Planning of the Pharr Land Port of Entry Operations for the second bridge span and other future projects.

Fiscal Consideration: To be negotiated with selected Firm

Staff Recommendation: Staff recommends approval authorizing the City Manager to advertise for qualifications for the Pharr Land Port of Entry Operations Master Planning.

Alternatives: N/A

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Omar Anzaldua
Omar Anzaldua
Ignacio Amezcua
Patricia Rigney
Karla Saavedra
City Management Office

Created/Initiated - 3/11/2021
Approved - 3/11/2021
Approved - 3/11/2021
Approved - 3/12/2021
Approved - 3/12/2021
Final Approval - 3/12/2021



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.C.

DATE SUBMITTED: March 11, 2021

MEETING DATE: March 15, 2021

FROM: Maria Rangel, Engineer in Training

DEPARTMENT: Engineering

DIRECTOR: Omar Anzaldua

Agenda Item: Consideration and action authorizing City Manager to advertise for bids for the PSJA Tri-City Pedestrian Safety Improvements Project Phase I (CSJ: 0921-02-391)

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Issue: Staff is requesting authorization to solicit sealed bids for the PSJA Tri-City Pedestrian Safety Improvements Project Phase I. The project includes new sidewalk around five (5) schools in Pharr, as well as one (1) school in San Juan, and one (1) school in Alamo.

The project will be advertised in the newspaper, as well as on the City of Pharr webpage.

Fiscal Consideration: Cost to advertise in the newspaper is not expected to exceed \$1,000.

Staff Recommendation: Staff recommends approval to advertise.

Alternatives: NA

Exclude Material from Public Packet? No

Reason: No exclusion.

ROUTING:

Maria Rangel
Omar Anzaldua
Karla Saavedra
Patricia Rigney
City Management Office

Created/Initiated - 3/11/2021
Approved - 3/11/2021
Approved - 3/11/2021
Approved - 3/12/2021
Final Approval - 3/12/2021



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.D.

DATE SUBMITTED: March 12, 2021

MEETING DATE: March 15, 2021

FROM: Karla Saavedra, Finance Director

DEPARTMENT: Finance

DIRECTOR: Karla Saavedra

Agenda Item: Consideration and action on renewal of vendor agreement with County of Hidalgo Community Service Agency and City of Pharr for Bravo Zulu Grant to assist veterans in need with their water bill.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Issue: County of Hidalgo Community Service Agency approached the City of Pharr to see if City is interested in entering into an agreement with them to support the Bravo Zulu Grant which is designed to provide temporary financial assistance in the form of electric and water utilities assistance to honorably discharged Veterans living in Hidalgo County.

Fiscal Consideration: N/A

Staff Recommendation: Renew agreement

Alternatives: Not to approve

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Karla Saavedra

Karla Saavedra

Patricia Rigney

City Management Office

Created/Initiated - 3/12/2021

Approved - 1/29/2020

Approved - 1/29/2020

Final Approval - 1/31/2020

COUNTY OF HIDALGO

Community Service Agency

P.O. Box 204

Edinburg, Texas 78540

(956) 383-6240

FAX: (956)380-4324

E-mail Jaime.Longoria@co.hidalgo.tx.us

MEMORANDUM

TO: Energy Provider

FROM: Jaime Longoria
Executive Director

DATE: January 25th, 2021

REFERENCE: Vendor Agreement

The County of Hidalgo Community Service Agency is an Energy Assistance Program Provider and is seeking a continued working relationship with your company as some of your customers may seek assistance with their light bill. Agreement will expire on February 3rd, 2021. Therefore, at this time we wish to send our agreement to your company.

If you have any questions contact me at (956) 383-6240 Ext # 7902

I have attached the Vendor Agreement, W-9 and the Contact Information Form. Please return by fax: (956)-380-3414 or by email at: nora.vasquez@co.hidalgo.tx.us.

Thank you
Nora Vasquez- Finance Clerk

COUNTY OF HIDALGO COMMUNITY SERVICE AGENCY
VENDOR AGREEMENT
BRAVO ZULU

The purpose of the Bravo Zulu grant is to maintain Utility Services to Hidalgo County eligible Veterans. For purpose of this agreement, is designed to provide temporary financial assistance in the form of electric and water utilities assistance to honorably Veterans Living in Hidalgo County.

The Utility Provider (Vendor) agrees to honor the purpose of the Bravo Zulu and to accept pledges of payment from Bravo Zulu only for the eligible certified veterans to whom the vendor continues to provide services (Water). Bravo Zulu agrees to make payments only for the qualifying Veterans.

This vendor agreement is by and between:

County of Hidalgo Community Service Agency

and

City of Pharr

Utility Provider (Vendor-City)

Agency and Vendor agree to assist customers in the following Counties:

Hidalgo County

The agreement shall be effective from the ____ day of _____, 2021 for a period not to exceed one year from the effective date. Either party may terminate this agreement by written notice. Such written notice of termination shall not affect any obligation by either party incurred prior to the receipt of such notice. Notice shall be sent via certified mail with return receipt requested.

City of Pharr

(Vendor-City Name)

PO Box 1729 Pharr TX 78577

(Vendor-City Mailing Address)

County of Hidalgo Community Service Agency

(Name of Agency)

P.O. Box 204 Edinburg, TX 78540

(Agency Mailing Address)

The Agency named above represents and warrants to Vendor that it is a subrecipient of the Bravo Zulu and as such is authorized and has received funding from Bravo Zulu to provide utility payment from qualifying veterans.

The Vendor named above is a Utility Provider who represents and warrants that it is authorized to receive payments from Agency on behalf of a customer Qualified Veterans that the Agency has determined to be eligible under the Bravo Zulu guidelines and as such is a Certified Customer.

Vendor will, with reference to a Certified Customer:

- Extend the Bravo Zulu applicant's utility service for up to five (5) business days while the agency determines whether the Veteran (applicant) is eligible pursuant the Bravo Zulu
- Upon accepting pledge from Agency for the certified customer, continue or restore utility service to customer without any increase in the Utility charges, service charges or other charges affecting the total cost of the bill
- Invoice the Certified Customer in accordance with Vendor's normal billing practices
- Upon verbal or written request from the Agency, provide at no cost to the Agency the certified customer's billing and usage history for the previous (12) months, or available history plus monthly estimates if less than (12) months of billing history and usage is available. Vendor will transmit such billing history via electronic mail or fax no later than the end of the next business day following the request.
- Work with Agency and Certified Customer to explore the feasibility of offering flexible payment arrangements that may include, without limitation, waiving security deposits, reconnect fees, application fees, and all other fees whenever possible
- Not discriminate against Certified Customer in price or services, including the availability of deferred payment plans, level or average payment plans, discount, budget, advance payment or other credit plans
- Not refuse to provide Utility Service or otherwise discriminate in the marketing and provision of utility service to any Certified Customer because of race, creed, color, national origin, ancestry, sex, marital status, lawful source of income, level of income, disability, financial status, location of customer in an economically distressed geographic area, or qualification for low-income or utility service

- Allow Agency forty-five (45) days from the date of the pledge to forward payment to the vendor. Vendor agrees not to consider the portion of the Certified Customer's account to be paid by the Agency delinquent if said payment is received within the above
- mentioned forty-five (45) day period and Vendor is provide with a signed pledge from the Agency within five (5) days of identifying a Certified Customer and making the pledge
- Not interrupt service if Certified Customer enters into an agreement with the Vendor concerning how the Certified Customer will pay the balance owed Vendor and the certified customer is meeting the obligations under such agreement

In consideration of the mutual promises hereafter stated, County of Hidalgo Community Service Agency (CHCSA) and vendor agree as follows:

Payment Procedures/Request for Payment

- I. Vendor will submit a invoice/billing per certified customer for actual services rendered to the County of Hidalgo Community Service Agency at P.O. Box 204, Edinburg, TX 78540. Invoice/billing must include
 - a) Vendor Name
 - b) Client Name
 - c) Date of Bill
 - d) Total
 - e) Client Signature
2. Submittal of invoices/billings will be at Vendor's discretion. However, submittal should not exceed thirty (30) days. Invoices/billings submitted after contract periods will not honored.

CHCSA is a non-profit governmental entity; therefor the Agency is tax exempt.

The county of Hidalgo Community Service Agency requires compliance to the Vendor Agreement and a current W-9 must be on the file before pledges will be submitted to Utility Vendor.

The Agency will:

- Not provide pledges on behalf of a Certified Customer to Vendor without having adequate funds to pay such pledge
- Pay pledges within forty-five (45) days of making pledge to Vendor
- Determine if a customer is a qualified customer within five (5) business days of contacting Vendor
- Provide Vendor a list of names, telephone numbers and e-mail addresses of Agency staff designated to make pledges on behalf of the Agency and Qualified Veteran Clients

Authorized Vendor Signature

Date Agreement Signed

Print Name of Authorized Signature

Title of Authorized Signature

(Area Code) Telephone Number

Authorized Agency Signature

Date Agreement Signed

Jaime Longoria

Type Name of Authorized Signature

Executive Director

Title of Authorized Signature

(956) 383-6240

(Area Code) Telephone Number

Request for Taxpayer Identification Number and Certification

Give Form to the
requester. Do not
send to the IRS.

► Go to www.irs.gov/FormW9 for instructions and the latest information.

Print or type.
See Specific Instructions on page 3.

1 Name (as shown on your income tax return). Name is required on this line; do not leave this line blank. City of Pharr		
2 Business name/disregarded entity name, if different from above		
3 Check appropriate box for federal tax classification of the person whose name is entered on line 1. Check only one of the following seven boxes. ☐ Individual/sole proprietor or single-member LLC ☐ Limited liability company. Enter the tax classification (C=C corporation, S=S corporation, P=Partnership) ► Note: Check the appropriate box in the line above for the tax classification of the single-member owner. Do not check LLC if the LLC is classified as a single-member LLC that is disregarded from the owner unless the owner of the LLC is another LLC that is not disregarded from the owner for U.S. federal tax purposes. Otherwise, a single-member LLC that is disregarded from the owner should check the appropriate box for the tax classification of its owner. ☒ Other (see instructions) ►	4 Exemptions (codes apply only to certain entities, not individuals; see instructions on page 3): Exempt payee code (if any) _____ Exemption from FATCA reporting code (if any) _____ <i>(Applies to accounts maintained outside the U.S.)</i>	
5 Address (number, street, and apt. or suite no.) See instructions. 118 S Cage Blvd	Requester's name and address (optional) County of Hidalgo Community Service Agency	
6 City, state, and ZIP code Pharr Texas 78577		
7 List account number(s) here (optional)		

Part I Taxpayer Identification Number (TIN)

Enter your TIN in the appropriate box. The TIN provided must match the name given on line 1 to avoid backup withholding. For individuals, this is generally your social security number (SSN). However, for a resident alien, sole proprietor, or disregarded entity, see the instructions for Part I, later. For other entities, it is your employer identification number (EIN). If you do not have a number, see *How to get a TIN*, later.

Note: If the account is in more than one name, see the instructions for line 1. Also see *What Name and Number To Give the Requester* for guidelines on whose number to enter.

Social security number								
			-				-	
or								
Employer identification number								
7	4		-	6	0	0	1	8 7 5

Part II Certification

Under penalties of perjury, I certify that:

- The number shown on this form is my correct taxpayer identification number (or I am waiting for a number to be issued to me); and
- I am not subject to backup withholding because: (a) I am exempt from backup withholding, or (b) I have not been notified by the Internal Revenue Service (IRS) that I am subject to backup withholding as a result of a failure to report all interest or dividends, or (c) the IRS has notified me that I am no longer subject to backup withholding; and
- I am a U.S. citizen or other U.S. person (defined below); and
- The FATCA code(s) entered on this form (if any) indicating that I am exempt from FATCA reporting is correct.

Certification instructions. You must cross out item 2 above if you have been notified by the IRS that you are currently subject to backup withholding because you have failed to report all interest and dividends on your tax return. For real estate transactions, item 2 does not apply. For mortgage interest paid, acquisition or abandonment of secured property, cancellation of debt, contributions to an individual retirement arrangement (IRA), and generally, payments other than interest and dividends, you are not required to sign the certification, but you must provide your correct TIN. See the instructions for Part II, later.

Sign
Here

Signature of
U.S. person ►

Date ►

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Future developments. For the latest information about developments related to Form W-9 and its instructions, such as legislation enacted after they were published, go to www.irs.gov/FormW9.

Purpose of Form

An individual or entity (Form W-9 requester) who is required to file an information return with the IRS must obtain your correct taxpayer identification number (TIN) which may be your social security number (SSN), individual taxpayer identification number (ITIN), adoption taxpayer identification number (ATIN), or employer identification number (EIN), to report on an information return the amount paid to you, or other amount reportable on an information return. Examples of information returns include, but are not limited to, the following.

- Form 1099-INT (interest earned or paid)

- Form 1099-DIV (dividends, including those from stocks or mutual funds)
- Form 1099-MISC (various types of income, prizes, awards, or gross proceeds)
- Form 1099-B (stock or mutual fund sales and certain other transactions by brokers)
- Form 1099-S (proceeds from real estate transactions)
- Form 1099-K (merchant card and third party network transactions)
- Form 1098 (home mortgage interest), 1098-E (student loan interest), 1098-T (tuition)
- Form 1099-C (canceled debt)
- Form 1099-A (acquisition or abandonment of secured property)

Use Form W-9 only if you are a U.S. person (including a resident alien), to provide your correct TIN.

If you do not return Form W-9 to the requester with a TIN, you might be subject to backup withholding. See What is backup withholding, later.

CONTACT INFORMATION FORM

NAME OF COMPANY

118 S Cage Blvd

ADDRESS

956 402-4151 Ext 1801 Fax:(956)475-3460

TELEPHONE, EXTENSION AND FAX NUMBER

Joe Enriquez

CONTACT PERSON (S)

Telephone # for verification: (956)402-4151

Fax # for Consumption Histories: email: water@pharr-tx.gov

Payment Address: PO Box 1729 Pharr TX 78577

Fax # for Pledging: (956)475-3460

Email: water@pharr-tx.gov

Hours of Operation: Monday _ Friday 8am to 5pm Time Zone: Central

Comments:



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.E.

DATE SUBMITTED: February 26, 2021

MEETING DATE: March 15, 2021

FROM: Joel Robles, Assistant Police Chief

DEPARTMENT: Police

DIRECTOR: Andrew Harvey

Agenda Item: Consideration and action on Resolution authorizing the Pharr Police Department to submit a grant application to the Office of the Governor, Homeland Security Grants Division for the Local Border Star Program (LBSP 22) Project.

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Issue: Local Border Star Program is a Homeland Security Grant that allocates monies for enhanced patrol operations to secure the Texas / Mexico Border. The Pharr Police Department was allocated \$250,000.00 to use in overtime funds for additional resources to patrol the egress and ingress routes that lead to and from the Pharr International and to conduct neighborhood patrols to deter criminal activity surrounding narcotics, gangs, and human smuggling.

Fiscal Consideration: Staff recommends approval

Staff Recommendation: Staff recommends approval

Alternatives: Not approve the request

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Joel Robles
Andrew Harvey
Anali Alanis
Karla Saavedra
Patricia Rigney
City Management Office

Created/Initiated - 2/26/2021
Approved - 3/10/2021
Approved - 3/10/2021
Approved - 3/12/2021
Approved - 3/12/2021
Final Approval - 3/12/2021

RESOLUTION NO. R-2021 _____

**OFFICE OF THE GOVERNOR, HOMELAND SECURITY GRANTS DIVISION LOCAL
BORDER SECURITY PROGRAM (LBSP 2022)**

WHEREAS, The City of Pharr finds it in the best interest of the citizens of Pharr, that the Local Border Security Program (LBSP 22) Project be operated from 09/01/2021 thru 08/31/2022; and

WHEREAS, the purpose of the program is to sustain interagency law enforcement operations and enhance local law enforcement patrols to facilitate directed actions to deter and interdict border centric criminal activity.

WHEREAS, The City of Pharr City Commission agrees to provide applicable matching funds for the said project as required by the Office of the Governor Homeland Security Grants Division grant application; and

WHEREAS, The City of Pharr City Commission agrees that in the event of loss or misuse of the Homeland Security Grants Division funds, The City of Pharr City Commission assures that the funds will be returned to the Homeland Security Grants Division in full; and

WHEREAS, The City of Pharr City Commission designates City Manager as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

NOW THEREFORE, BE IT RESOLVED that The City of Pharr City Commission approves submission of the grant application for the Local Border Security Program (LBSP 22) Project to the Office of the Governor, Homeland Security Grants Division.

**PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR
TEXAS, THIS _DAY OF _____, 2021.**

Grant Number: [2991406](#)

CITY OF PHARR:

Ambrosio Hernandez, Mayor

ATTEST:

Hilda Pedraza, City Secretary

Certification

The State of Texas

County of Hidalgo

City of Pharr

I, Hilda Pedraza, duly appointed City Clerk of the City of Pharr, Texas, do hereby certify that the foregoing Constitutes a true and correctly copy of the original Resolution duly passed and adopted by the board of Commissioners of the City of Pharr, Texas, on the _____day of February 2021, ad.

(Resolution no. _____)

In witness whereof, I have hereunto subscribed my official Signature and impressed the seal of the City of Pharr, Texas, This the __day of _____ 2021, ad.

City of Pharr

Hilda Pedraza, City Clerk



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.F.

DATE SUBMITTED: February 26, 2021

MEETING DATE: March 15, 2021

FROM: Joel Robles, Assistant Police Chief

DEPARTMENT: Police

DIRECTOR: Andrew Harvey

Agenda Item: Consideration and action on Resolution authorizing the Pharr Police Department to submit a grant application to the Office of the Governor - Criminal Justice Division for Domestic Violence Coordinator Project.

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Issue: The Pharr Police Department seeks funding from the Office of the Governor - Criminal Justice Division for the continuance of the Domestic Violence Coordinator. The grant operational period is from 10/01/2021 thru 09/30/2022. The Domestic Violence Coordinator would oversee services for victims of family violence and coordinate with local partners to provide services for victims from Pharr.

Fiscal Consideration: Staff recommends approval

Staff Recommendation: Staff recommends approval

Alternatives: Not approve request

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Joel Robles
Andrew Harvey
Anali Alanis
Karla Saavedra
Patricia Rigney
City Management Office

Created/Initiated - 2/26/2021
Approved - 3/10/2021
Approved - 3/10/2021
Approved - 3/12/2021
Approved - 3/12/2021
Final Approval - 3/12/2021

RESOLUTION NO. R-2021-

**OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION (GENERAL VICTIMS
ASSISTANCE DIRECT SERVICES GRANT PROGRAM)**

WHEREAS, The City of Pharr finds it in the best interest of the citizens of Pharr, that the Domestic Violence Coordinator Project be operated from 10/01/2021 thru 09/30/2022; and

WHEREAS, The City of Pharr City Commission agrees to provide applicable matching funds for the said project as required by the Office of the Governor Criminal Justice Division grant application; and

WHEREAS, The City of Pharr City Commission agrees that in the event of loss or misuse of the Criminal Justice Division funds, The City of Pharr City Commission assures that the funds will be returned to the Criminal Justice Division in full; and

WHEREAS, The City of Pharr City Commission designates Chief of Police as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

NOW, THEREFORE, BE IT RESOLVED that the City of Pharr City Commission approves submission of the grant application for the Domestic Violence Coordinator Project to the Office of the Governor, Criminal Justice Division.

PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR TEXAS, THIS _____ DAY OF _____, 2021.

Grant Number: 2299410

CITY OF PHARR:

Ambrosio Hernandez, Mayor

ATTEST:

Hilda Pedraza, City Secretary

C e r t i f i c a t i o n

The State of Texas

County of Hidalgo

City of Pharr

I, Hilda Pedraza, duly appointed City Clerk of the City of Pharr, Texas, do hereby certify that the foregoing Constitutes a true and correctly copy of the original Resolution duly passed and adopted by the board of Commissioners of the City of Pharr, Texas, on the _____ day of January, 2021, ad.

(Resolution no. _____)

In witness whereof, I have hereunto subscribed my official Signature and impressed the seal of the City of Pharr, Texas, This the __ day of _____, 2021, ad.

City of Pharr

Hilda Pedraza, City Clerk



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.G.

DATE SUBMITTED: February 26, 2021

MEETING DATE: March 15, 2021

FROM: Joel Robles, Assistant Police Chief

DEPARTMENT: Police

DIRECTOR: Andrew Harvey

Agenda Item: Consideration and action on Resolution authorizing the Pharr Police Department to submit a grant application to the Office of the Governor - Criminal Justice Division for Crime Victim's Liaison Project.

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Issue: The Pharr Police Department seeks funding from the Office of the Governor - Criminal Justice Division for the continuance of the Crime Victim's Liaison Project. The grant operational period is from 10/01/2021 thru 09/30/2022. The Crime Victim's Liaison would oversee these services for victims of crime in the City of Pharr and coordinate with local partners to provide said services.

Fiscal Consideration: Approve Request

Staff Recommendation: Staff recommends approval

Alternatives: Not approve this project

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Joel Robles
Andrew Harvey
Anali Alanis
Karla Saavedra
Patricia Rigney
City Management Office

Created/Initiated - 2/26/2021
Approved - 3/10/2021
Approved - 3/10/2021
Approved - 3/11/2021
Approved - 3/12/2021
Final Approval - 3/12/2021

RESOLUTION NO. R-2021-

**OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION (GENERAL
VICITMS ASSISTANCE DIRECT SERVICES GRANT PROGRAM)**

WHEREAS, The City of Pharr finds it in the best interest of the citizens of Pharr, that the Human Trafficking Liaison Project be operated from 10/01/2021 thru 09/30/2022; and

WHEREAS, The City of Pharr City Commission agrees to provide applicable matching funds for the said project as required by the Office of the Governor Criminal Justice Division grant application; and

WHEREAS, The City of Pharr City Commission agrees that in the event of loss or misuse of the Criminal Justice Division funds, The City of Pharr City Commission assures that the funds will be returned to the Criminal Justice Division in full.

WHEREAS, The City of Pharr City Commission designates **Chief of Police** as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

NOW, THEREFORE, BE IT RESOLVED that the City of Pharr City Commission approves submission of the grant application for the **Crime Victims Liaison Project** to the Office of the Governor, Criminal Justice Division.

**PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF
PHARR TEXAS, THIS _____ DAY OF _____, 2021.**

Grant Number: 2987305

CITY OF PHARR:

Ambrosio Hernandez, Mayor

ATTEST:

Hilda Pedraza, City Secretary

Certification

The State of Texas

County of Hidalgo

City of Pharr

I, Hilda Pedraza, duly appointed City Clerk of the City of Pharr, Texas, do hereby certify that the foregoing Constitutes a true and correctly copy of the original Resolution duly passed and adopted by the board of Commissioners of the City of Pharr, Texas, on the _____day of January, 2021, ad.

(Resolution no._____)

In witness whereof, I have hereunto subscribed my official Signature and impressed the seal of the City of Pharr, Texas, This the __day of _____,2021, ad.

City of Pharr

Hilda Pedraza, City Clerk



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.H.

DATE SUBMITTED: February 26, 2021

MEETING DATE: March 15, 2021

FROM: Joel Robles, Assistant Police Chief

DEPARTMENT: Police

DIRECTOR: Andrew Harvey

Agenda Item: Consideration and action on Resolution authorizing the Pharr Police Department to submit a grant application to the Office of the Governor - Criminal Justice Division for Human Trafficking Liaison Project.

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Issue: The Pharr Police Department seeks funding from the Office of the Governor - Criminal Justice Division for the continuance of the Human Trafficking Liaison Project. The grant operational period is from 10/01/2021 thru 09/30/2022. The Human Trafficking Liaison would oversee services for victims of human trafficking and coordinate with local, state, and federal partners to provide services form victims in Pharr.

Fiscal Consideration: Staff recommends approval

Staff Recommendation: Staff requests approval

Alternatives: Not approve the request

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Joel Robles

Andrew Harvey

Anali Alanis

Karla Saavedra

Patricia Rigney

City Management Office

Created/Initiated - 2/26/2021

Approved - 3/10/2021

Approved - 3/10/2021

Approved - 3/10/2021

Approved - 3/10/2021

Final Approval - 3/12/2021

RESOLUTION NO. R-2021-

**OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION (GENERAL
VICITMS ASSISTANCE DIRECT SERVICES GRANT PROGRAM)**

WHEREAS, The City of Pharr finds it in the best interest of the citizens of Pharr, that the Human Trafficking Liaison Project be operated from 10/01/2021 thru 09/30/2022; and

WHEREAS, The City of Pharr City Commission agrees to provide applicable matching funds for the said project as required by the Office of the Governor Criminal Justice Division grant application; and

WHEREAS, The City of Pharr City Commission agrees that in the event of loss or misuse of the Criminal Justice Division funds, The City of Pharr City Commission assures that the funds will be returned to the Criminal Justice Division in full.

WHEREAS, The City of Pharr City Commission designates **Chief of Police** as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

NOW, THEREFORE, BE IT RESOLVED that the City of Pharr City Commission approves submission of the grant application for the **Human Trafficking Liaison Project** to the Office of the Governor, Criminal Justice Division.

**PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF
PHARR TEXAS, THIS _____ DAY OF _____, 2021.**

Grant Number: 2430510

CITY OF PHARR:

Ambrosio Hernandez, Mayor

ATTEST:

Hilda Pedraza, City Secretary

Certification

The State of Texas

County of Hidalgo

City of Pharr

I, Hilda Pedraza, duly appointed City Clerk of the City of Pharr, Texas, do hereby certify that the foregoing Constitutes a true and correctly copy of the original Resolution duly passed and adopted by the board of Commissioners of the City of Pharr, Texas, on the _____ day of January, 2021, ad.

(Resolution no. _____)

In witness whereof, I have hereunto subscribed my official Signature and impressed the seal of the City of Pharr, Texas, This the ____ day of _____ 2021, ad.

City of Pharr

Hilda Pedraza, City Clerk



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.I.

DATE SUBMITTED: February 26, 2021

MEETING DATE: March 15, 2021

FROM: Joel Robles, Assistant Police Chief

DEPARTMENT: Police

DIRECTOR: Andrew Harvey

Agenda Item: Consideration and action on Resolution authorizing the Pharr Police Department to submit a grant application to the Office of the Governor - Criminal Justice Division for the First Responder Mental Health & Wellness Program.

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Issue: The Pharr Police Department seeks funding from the Office of the Governor - Criminal Justice Division for the creation of the First Responder Mental Health & Wellness Program. The grant operational period is from 10/01/2021 thru 09/30/2022. The First Responder Mental Health & Wellness Program Coordinator would oversee services for Pharr Police Officers who participated in critical incidents. The First Responder Mental Health & Wellness Program would create two positions; a counselor / clinician and a program coordinator. The First Responder Mental Health & Wellness Program Coordinator will coordinate with local, state, and federal partners to provide services Pharr Police Officers.

Fiscal Consideration: Staff recommends approval

Staff Recommendation: Staff recommends approval

Alternatives: Not approve the request

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Joel Robles
Andrew Harvey
Anali Alanis
Karla Saavedra
Patricia Rigney
City Management Office

Created/Initiated - 2/26/2021
Approved - 3/10/2021
Approved - 3/10/2021
Approved - 3/11/2021
Approved - 3/12/2021
Final Approval - 3/12/2021

RESOLUTION NO. R-2021-

OFFICE OF THE GOVERNOR, CRIMINAL JUSTICE DIVISION (FY22 Victim Assistance, First Responder Mental Health Program)

WHEREAS, the proposed project will contribute directly to all city police officers and first responders to address direct and indirect trauma that occurs in their regular duties either as the result of the commission of crimes by other persons or in response to an emergency.

WHEREAS, The City of Pharr finds it in the best interest of the citizens of Pharr, that the **First Responder Mental Health and Wellness Program** be operated from 010/01/2021 thru 09/30/2022; and

WHEREAS, The City of Pharr City Commission agrees to provide applicable matching funds for the said project as required by the Office of the Governor Criminal Justice Division grant application; and

WHEREAS, The City of Pharr City Commission agrees that in the event of loss or misuse of the Criminal Justice Division funds, The City of Pharr City Commission assures that the funds will be returned to the Criminal Justice Division in full.

WHEREAS, The City of Pharr City Commission designates **Chief of Police** as the grantee's authorized official. The authorized official is given the power to apply for, accept, reject, alter or terminate the grant on behalf of the applicant agency.

NOW, THEREFORE, BE IT RESOLVED that the City of Pharr City Commission approves submission of the grant application for the **First Responder Mental Health and Wellness Program** to the Office of the Governor, Criminal Justice Division.

PASSED AND APPROVED BY THE BOARD OF COMMISSIONERS OF THE CITY OF PHARR TEXAS, THIS ____ DAY OF _____ 2021.

Grant Number:

CITY OF PHARR:

Ambrosio Hernandez, Mayor

ATTEST:

Hilda Pedraza, City Secretary

C e r t i f i c a t i o n

The State of Texas

County of Hidalgo

City of Pharr

I, Hilda Pedraza, duly appointed City Clerk of the City of Pharr, Texas, do hereby certify that the foregoing Constitutes a true and correctly copy of the original Resolution duly passed and adopted by the board of Commissioners of the City of Pharr, Texas, on the _____ day of _____, 2021, ad.

(Resolution no. _____)

In witness whereof, I have hereunto subscribed my official Signature and impressed the seal of the City of Pharr, Texas, This the __ day of January 2021, ad.

City of Pharr

Hilda Pedraza, City Clerk



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.J.

DATE SUBMITTED:

MEETING DATE: March 15, 2021

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR:

Agenda Item: Consideration and action, if any, on Development Services Cases:

Classification: Public Hearing

(* If closed session, City Attorney must review and approve.)

Issue:

Fiscal Consideration:

Staff Recommendation:

Alternatives:

Exclude Material from Public Packet? No

Reason:

ROUTING:

Hilda Pedraza
Karla Saavedra
Patricia Rigney
City Management Office

Created -



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.J.1.

DATE SUBMITTED: March 11, 2021

MEETING DATE: March 15, 2021

FROM: Carolina Herrera, Secretary

DEPARTMENT: Development Services

DIRECTOR: Melanie Cano

Agenda Item: Oscar Garza, representing Queenstown Park L.L.C., owner, has filed with the Planning and Zoning Commission a request for a Change of Zone from Agricultural and/or Open Space District (A-O) to Limited Industrial District (L-I). The property is legally described as being a 26.375-acre tract of land, more or less, out of Lot 352, Kelly-Pharr Subdivision, Pharr, Hidalgo County, Texas. The property is physically located within the 8200-8400 Block of South Veterans Boulevard. COZ#210110

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Issue: Oscar Garza, representing Queenstown Park L.L.C., owner, has filed with the Planning and Zoning Commission a request for a Change of Zone from Agricultural and/or Open Space District (A-O) to Limited Industrial District (L-I). COZ#210110

Fiscal Consideration: n/a

Staff Recommendation: Development Services is recommending denial of the request to re-zone from Agricultural and/or Open Space District (A-O) to Limited Industrial District (L-I) as the property is not consistent with the Future Land Use Plan. It is not compatible with adjacent and nearby uses and may have detrimental impact to the neighborhood character. The property does however meet area requirements and has adequate ingress and egress. If approved, the owner must comply with all City Ordinances and City Department requirements.

The Planning and Zoning Commission voted majority to deny the request for a change of zone Agricultural and/or Open Space District (A-O) to Limited Industrial District (L-I) subject to staff's recommendations.

Alternatives: n/a

Exclude Material from Public Packet? No

Reason: n/a

ROUTING:

Carolina Herrera
Melanie Cano

Created/Initiated - 3/11/2021
Approved - 3/11/2021

Patricia Rigney
City Management Office

Approved - 3/12/2021
Final Approval - 3/12/2021



STANDARDIZED RECOMMENDATION FORM

MEETING DATE: March 15, 2021

ROUTE TO BOARD:

☒ CITY COMMISSION AGENDA ITEM: COZ:#210110
☐ PLANNING & ZONING COMMISSION DATE SUBMITTED: January 29, 2021

1. Applicant: Oscar Garza, representing Queenstown Park L.L.C., owner.
2. Requested Action: Re-zoning request from Agricultural and/or Open Space District (A-O) to Limited Industrial District (L-I).
3. Nature / Intent of Request: In order to develop the area into three (3) industrial lots. One (1) which will be 100,980 sq. ft. industrial cold storage facility.

4. Routing to Staff:

A. Melanie Cano, Director


Initials

3/11/2021
Date

☐ Approval ☒ Denial

B. Planning Staff
Recommendations


Initials

3-11-2021
Date

☐ Approval ☒ Denial

C. Planning and Zoning
Commission

Initials

03/08/2021
Date

☐ Approval ☒ Denial

D. City Attorney

Initials

Date

☐ Approval ☐ Denial

E. City Manager

Initials

Date

☐ Approval ☐ Denial

MEMORANDUM

DATE: MONDAY, MARCH 15, 2021

TO: MAYOR AND CITY COMMISSION

FROM: DEVELOPMENT SERVICES

THROUGH: EDWARD WYLIE, INTERIM CITY MANAGER

SUBJECT: Re-zoning Request: From Agricultural and/or Open Space District (A-O) to Limited Industrial District (L-I): Being a 26.375-acre tract of land, more or less, out of Lot 352, Kelly-Pharr Subdivision, Pharr, Hidalgo County, Texas. The property is physically located within the 8200-8400 Block of South Veterans Boulevard.

Comprehensive zoning and rezoning regulations and ordinances should be adopted and designed to facilitate, as much as possible, the following items:

1. To lessen congestion;
2. Secure safety from fire, panic and other dangers;
3. To promote health and general welfare;
4. To provide adequate light and air;
5. To protect the overcrowding of land and abutting traffic ways;
6. Avoid undue concentration of population, and;
7. To facilitate the adequate provisions of transportation, water, sewage, schools, parks, and other public requirements as per Local Government Code, Sect. 211.004.

DESCRIPTION OF PROPERTY:

Oscar Garza, representing Queenstown Park L.L.C., owner, has filed with the Planning and Zoning Commission a request for a Change of Zone from Agricultural and/or Open Space District (A-O) to Limited Industrial District (L-I) develop the area into three (3) industrial lots. One (1) which will be 100,980 sq. ft. industrial cold storage facility.

The subject site is located on the west side of South Veterans Boulevard. It is physically located within the 8200-8400 Block of South Veterans Boulevard. The property is legally described as being a 26.375-acre tract of land, more or less, out of Lot 352, Kelly-Pharr Subdivision, Pharr, Hidalgo County, Texas.

The property fronts South Veterans Boulevard, a 100' minor arterial which runs north and south with a posted speed limit of 30-45 miles per hour as identified in the City of Pharr's Thoroughfare Plan.

The property is currently zoned Agricultural and/or Open Space District (A-O). The properties to the north, south and west are zoned Agricultural and/or Open Space District (A-O) and the City of Pharr limits lie to the east. There have been no other zoning requests within the general vicinity of the subject property since that time. The property is generally designated for single-family residential and commercial use in the Land Use Plan.

The Limited Industrial District is intended for industrial parks and larger, cleaner types of industries. The manufacturing uses should be conducted within a totally enclosed building. Any activities conducted outside should be screened and buffered, and no external effects such as excessive noise or odor should extend beyond the property lines. The sites for such uses are typically a minimum of two acres and average five to ten acres, with a significant amount of land dedicated to landscaping.

Nine (9) letters were mailed out to the surrounding property owners and a legal notice was published in the Advance News Journal. Staff received one (1) registration for public hearing in favor of the item.

Development Services is recommending **denial** of the request to re-zone from Agricultural and/or Open Space District (A-O) to Limited Industrial District (L-I) as the property is not consistent with the Future Land Use Plan. It is not compatible with adjacent and nearby uses and may have detrimental impact to the neighborhood character. The property does however meet area requirements and has adequate ingress and egress. If approved, the owner must comply with all City Ordinances and City Department requirements.

The Planning and Zoning Commission voted majority to deny the request for a change of zone from Agricultural and/or Open Space District (A-O) to Limited Industrial District (L-I) subject to staff's recommendations.

CITY COMMISSION OPTIONS:

- 1. Approve the rezoning request;**
- 2. Table the item for:**
 - a) consideration by the full board;**
 - b) additional information;**
 - c) additional time for applicant and adjacent property owners to meet;**
- 3. Disapprove the request.**



Pharr

Development Services



REQUEST FOR CHANGE OF ZONE & AMENDMENT TO LAND USE PLAN

Oscar Garza, representing Queenstown Park L.L.C., owner
APPLICANT

Agricultural and/or Open Space District (A-O)
CURRENT ZONE

Within the 8200-8400 Block of South Veterans Boulevard
ADDRESS

Limited Industrial District (L-I)

	YES	NO
1 Does the property meet the minimum area requirements for the proposed zone?	X	
2 Does the property have adequate ingress and egress?	X	
3 Will the change of zone be compatible with surrounding properties? (Zoning and Land Use)		X
4 Is the property located along a major thoroughfare?	X	
5 Will the property have adequate parking for the proposed use?	X	
6 Will the property have adequate landscaping as per City Ordinance?	X	
7 Will the zone change increase the volume of traffic?	X	
8 Will a buffer be required?	X	
9 Is the proposed change in line with the Future Land Use Plan?		X

STAFF RECOMMENDATIONS:

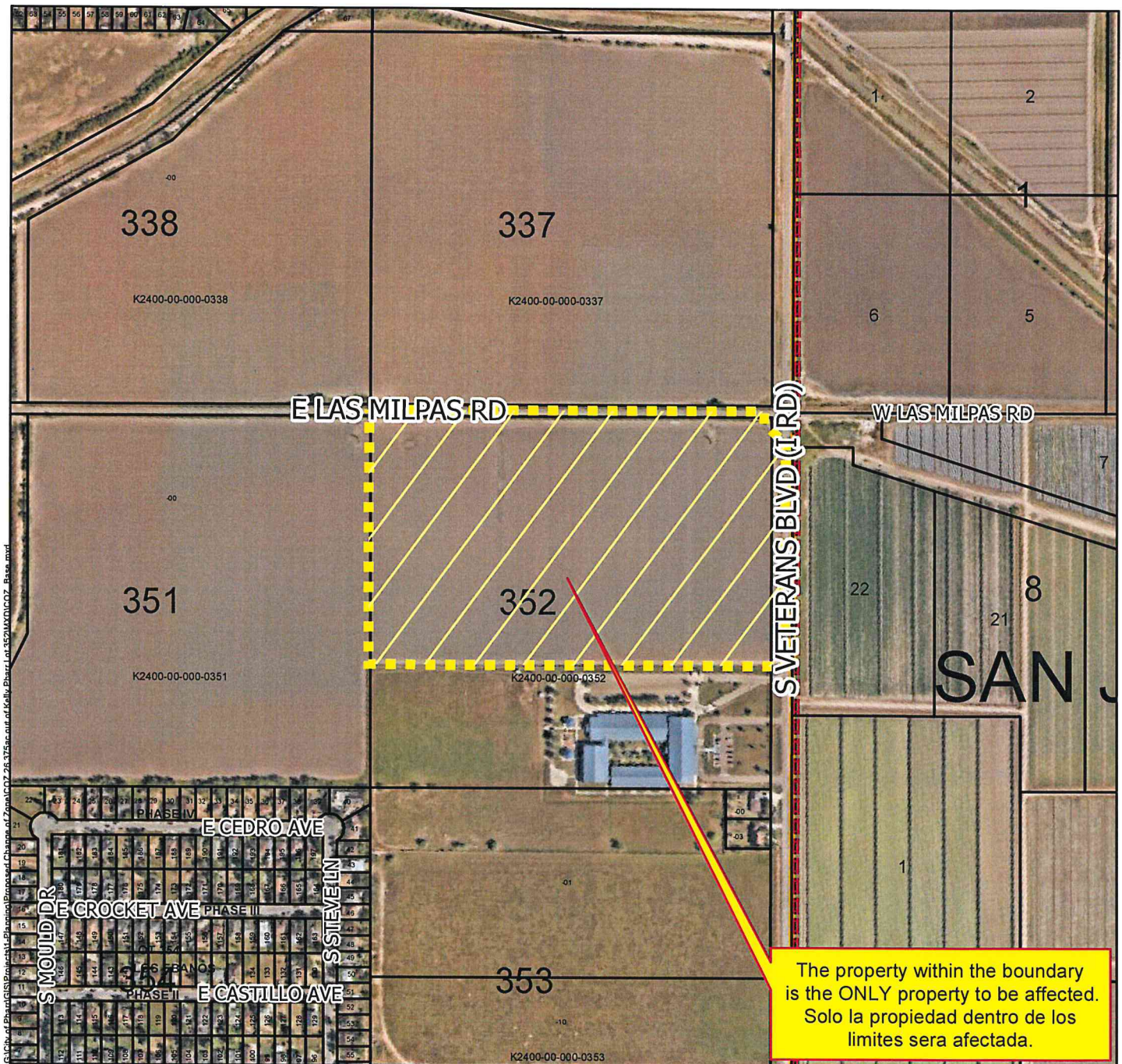
Denial

The property is not consistent with the Future Land Use Plan and it is not compatible with adjacent and nearby uses as which will have detrimental impact to the neighborhood character and adjacent school. West Las Milpas is not within the overweight corridor and not associated as a truck route within the City of Pharr which aids in accommodating the movement of overweight vehicles to legally transport cargo to distribution centers and industrial complexes. The property does however meet area requirements and has adequate ingress and egress. If approved, the owner must comply with all City Ordinances and City Department requirements.

Della Robles
PREPARED BY

February 23, 2021
DATE

Proposed Change of Zone
 KP Sub. 26.375 acres o/o Lot 352
 Queenstown Park LLC/ Joaquin Spamer

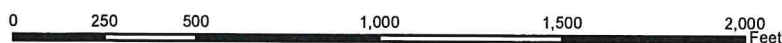


The property within the boundary
 is the **ONLY** property to be affected.
 Solo la propiedad dentro de los
 limites sera afectada.

- | | | |
|---------------------------------------|--------------------|--------------------------|
| Agricultural Open Space | Rail Road R.O.W | Neighborhood Commercial |
| Single Family | Government Owned | Office Professional |
| Single Family Small Lot | General Business | PSJA ISD |
| Residential Multi-Family | Business District | Hidalgo ISD |
| Residential Multi-Family High Density | Drainage Easement | Valley View ISD |
| Mobile Home | Heavy Commercial | Planned Unit Development |
| Townhouse | Heavy Industrial | |
| HUD Code | Limited Industrial | |

City of Pharr, Texas
 Engineering Department
 956.402.4242

Scale: 1 inch = 500 feet



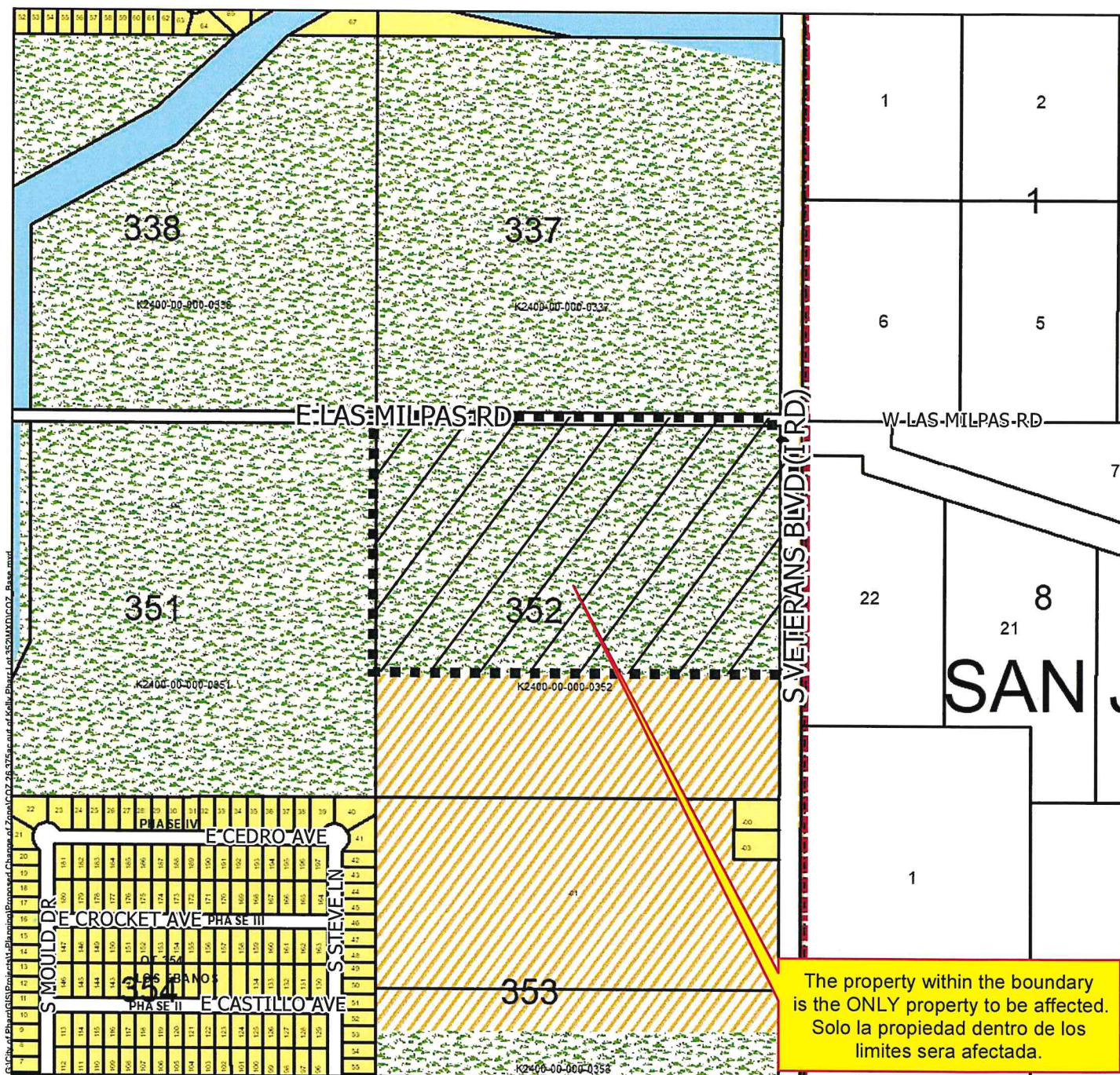
All information displayed on this map is subject
 to verification by field survey or by the agency
 responsible for maintaining the information.
 This map is intended for general information only.



Date: 2/8/2021



Pharr
Engineering



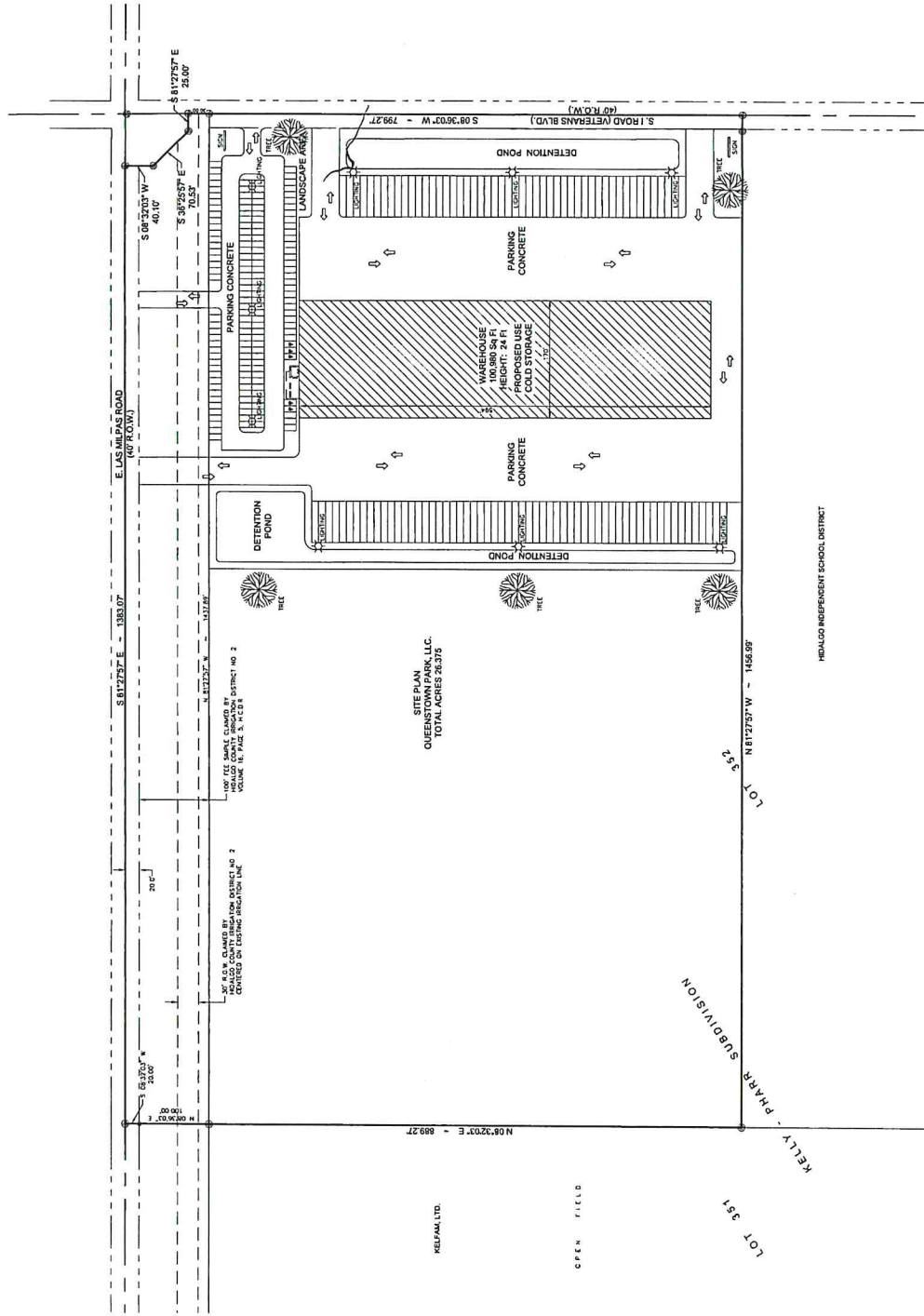
- | | | |
|---|--|--|
|  Agricultural Open Space |  Rail Road R.O.W |  Neighborhood Commercial |
|  Single Family |  Government Owned |  Office Professional |
|  Single Family Small Lot |  General Business |  PSJA ISD |
|  Residential Multi-Family |  Business District |  Hidalgo ISD |
|  Residential Multi-Family High Density |  Drainage Easement |  Valley View ISD |
|  Mobile Home |  Heavy Commercial |  Planned Unit Development |
|  Townhouse |  Heavy Industrial | |
|  HUD Code |  Limited Industrial | |

Scale: 1 inch = 500 feet



All information displayed on this map is subject to verification by field survey or by the agency responsible for maintaining the information. This map is intended for general information only.







AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.J.2.

DATE SUBMITTED: March 11, 2021

MEETING DATE: March 15, 2021

FROM: Carolina Herrera, Secretary

DEPARTMENT: Development Services

DIRECTOR: Melanie Cano

Agenda Item: TGO Dahlia 21, L.P. an affiliate of Texas Grey Oaks, L.L.C., representing ESE Properties, LTD, owners, has filed with the Planning and Zoning Commission a request for a Change of Zone from Office Professional District (O-P) to Residential Multi-Family High Density District (R-MFHD). The property is legally described as being a 4.77-acre tract of land, more or less, (includes access easement), out of Lot 187, Kelly Pharr Subdivision, Pharr, Hidalgo County, Texas. The property is physically located within the 400-600 Block of West Sam Houston Avenue. **COZ#210212**

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Issue: TGO Dahlia 21, L.P. an affiliate of Texas Grey Oaks, L.L.C., representing ESE Properties, LTD, owners, has filed with the Planning and Zoning Commission a request for a Change of Zone from Office Professional District (O-P) to Residential Multi-Family High Density District (R-MFHD).

COZ#210212

Fiscal Consideration: n/a

Staff Recommendation: Development Services is recommending approval of the request to re-zone from Office Professional District (O-P) to Residential Multi-Family High Density District (R-MFHD) as the property meets area requirements and has adequate ingress and egress. The property is not currently compatible with the future land use plan; however, the zoning will allow for reasonable use of the property and granting the request results in equal treatment of similarly situated properties. If approved, the owner must comply with all City Ordinances and City Department requirements.

The Planning and Zoning Commission voted unanimously to approve the request for a change of zone Office Professional District (O-P) to Residential Multi-Family High Density District (R-MFHD) subject to staff's recommendations.

Alternatives: n/a

Exclude Material from Public Packet? No

Reason: n/a

ROUTING:

Carolina Herrera
Melanie Cano
Patricia Rigney
City Management Office

Created/Initiated - 3/11/2021
Approved - 3/11/2021
Approved - 3/12/2021
Final Approval - 3/12/2021



Pharr

Development Services



STANDARDIZED RECOMMENDATION FORM

MEETING DATE: March 15, 2021

ROUTE TO BOARD:

☒ CITY COMMISSION

AGENDA ITEM: COZ:#210212

☐ PLANNING & ZONING COMMISSION

DATE SUBMITTED: February 01, 2021

1. **Applicant:** TGO Dahlia 21, L.P. an affiliate of Texas Grey Oaks, L.L.C., representing ESE Properties, LTD, owners
2. **Requested Action:** Re-zoning request from Office Professional District (O-P) to Residential Multi-Family High Density District (R-MFHD).
3. **Nature / Intent of Request:** In order to develop and construct a total of 120 units for multi-family high density usage on said property.

4. **Routing to Staff:**

A. Melanie Cano, Director


Initials

3/11/2021
Date

☒ Approval ☐ Denial

B. Planning Staff
Recommendations


Initials

3-4-2021
Date

☒ Approval ☐ Denial

C. Planning and Zoning
Commission

Initials

03/08/2021
Date

☒ Approval ☐ Denial

D. City Attorney

Initials

Date

☐ Approval ☐ Denial

E. City Manager

Initials

Date

☐ Approval ☐ Denial



Pharr

Development Services



MEMORANDUM

DATE: MONDAY, MARCH 15, 2021

TO: PLANNING AND ZONING COMMISSION

FROM: DEVELOPMENT SERVICES

SUBJECT: Re-zoning Request: From Office Professional District (O-P) to Residential Multi-Family High Density District (R-MFHD): Being a 4.77-acre tract of land, more or less, (includes access easement), out of Lot 187, Kelly Pharr Subdivision, Pharr, Hidalgo County, Texas. The property is physically located within the 400-600 Block of West Sam Houston Avenue.

Comprehensive zoning and rezoning regulations and ordinances should be adopted and designed to facilitate, as much as possible, the following items:

1. To lessen congestion;
2. Secure safety from fire, panic and other dangers;
3. To promote health and general welfare;
4. To provide adequate light and air;
5. To protect the overcrowding of land and abutting traffic ways;
6. Avoid undue concentration of population, and;
7. To facilitate the adequate provisions of transportation, water, sewage, schools, parks, and other public requirements as per Local Government Code, Sect. 211.004.

DESCRIPTION OF PROPERTY:

TGO Dahlia 21, L.P. an affiliate of Texas Grey Oaks, L.L.C., representing ESE Properties, LTD, owners, has filed with the Planning and Zoning Commission a request for a Change of Zone from Office Professional District (O-P) to Residential Multi-Family High Density District (R-MFHD) in order to develop and construct a total of 120 units for multi-family high density usage on said property.

The subject site is located on the south side of West Sam Houston Avenue. It is physically located within the 400-600 Block of West Sam Houston Avenue. The property is legally described as being a 4.77-acre tract of land, more or less, (includes access easement), out of Lot 187, Kelly Pharr Subdivision, Pharr, Hidalgo County, Texas.

The property fronts West Sam Houston Avenue, an 80-foot major collector that runs east and west with a posted speed limit of 30 miles per hour as identified in the City of Pharr's Thoroughfare Plan.

The property is currently zoned Office and Professional District (O-P). On March 11, 2008, the property, and a portion of the property to the north was rezoned to Office and Professional District (O-P). The remaining property to the north is was zoned as Agricultural and/or Open Space District (A-O) on March 30, 1982, when the city adopted the current zoning ordinance we use today. The property to the west was rezoned to General Business District (C) [at front] and Residential Multifamily High-Density District (R-MFHD) [at back] on February 15, 2000. The property to the east was zoned as Single Family Residential District (R-1) and the property to the south was zoned as Agricultural and/or Open Space District (A-O) on March 30, 1982, when the city adopted the current zoning ordinance we use today. There have been no other rezoning requests within the general vicinity of the subject property. The property is generally designated for residential use in the Land Use Plan.

The Residential Multi-Family High Density District is established to provide adequate space and site diversification for medium to high density areas. This may be a zone for transitional areas developed for single-family usage, but because of the need for rehabilitation, or changes in the character of the neighborhood, are now deemed suitable for some multifamily development. This zone allows medium to high density developments, and should be located where additional requirements for streets, water and fire protection, wastewater, drainage and adequate open space shall be met. R-MFHD uses should not run traffic over long distances of single-family residential-sized streets or neighborhoods and should be located close to arterials or collectors capable of carrying the additional traffic. Multi-family developments are not a buffer between single-family and commercial uses and should be property buffered from nonresidential land uses and traffic, or from pollution and environmental hazards.

Fifteen (15) letters were mailed out to the surrounding property owners and a legal notice was published in the Advance News Journal. Staff received no response to the letters or the legal notice.

Development Services is recommending **approval** of the request to re-zone from Office Professional District (O-P) to Residential Multi-Family High Density District (R-MFHD) as the property meets area requirements and has adequate ingress and egress. The property is not currently compatible with the future land use plan; however, the zoning will allow for reasonable use of the property and granting the request results in equal treatment of similarly situated properties. If approved, the owner must comply with all City Ordinances and City Department requirements.

The Planning and Zoning Commission voted unanimously to approve the request for a change of zone Office Professional District (O-P) to Residential Multi-Family High Density District (R-MFHD) subject to staff's recommendations.

CITY COMMISSION OPTIONS:

- 1. Approve the rezoning request;**
- 2. Table the item for:**
 - a) consideration by the full board;**
 - b) additional information;**
 - c) additional time for applicant and adjacent property owners to meet;**
- 3. Disapprove the request.**



Pharr

Development Services



REQUEST FOR CHANGE OF ZONE & AMENDMENT TO LAND USE PLAN

**TGO Dahlia 21, L.P. an affiliate of Texas Grey Oaks, L.L.C.,
representing ESE Properties, LTD, owners**

APPLICANT

Within the 400-600 Block of West Sam Houston Avenue
ADDRESS

Office Professional District (O-P)

CURRENT ZONE

**Residential Multi-Family High Density
District (R-MFHD)**

	YES	NO
1 Does the property meet the minimum area requirements for the proposed zone?	X	
2 Does the property have adequate ingress and egress?	X	
3 Will the change of zone be compatible with surrounding properties? (Zoning and Land Use)	X	
4 Is the property located along a major thoroughfare?	X	
5 Will the property have adequate parking for the proposed use?	X	
6 Will the property have adequate landscaping as per City Ordinance?	X	
7 Will the zone change increase the volume of traffic?	X	
8 Will a buffer be required?	X	
9 Is the proposed change in line with the Future Land Use Plan?		X

STAFF RECOMMENDATIONS:

Approval

The property meets area requirements and has adequate ingress and egress. The property is not currently compatible with the future land use plan; however, the zoning will allow for reasonable use of the property and granting the request results in equal treatment of similarly situated properties. If approved, the owner must comply with all City Ordinances and City Department requirements.

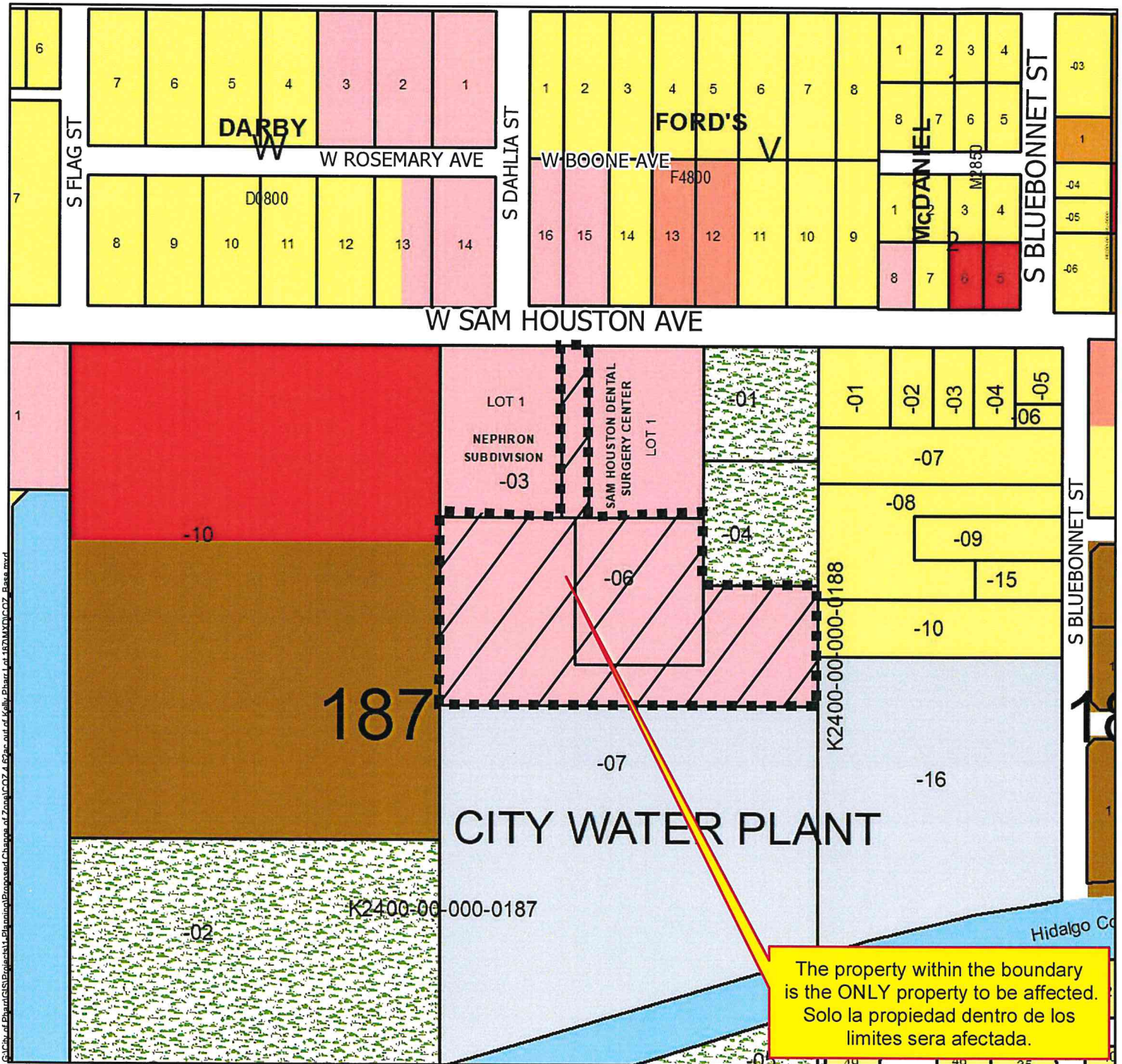
Della Robles
PREPARED BY

February 23, 2021
DATE

- All information displayed on this map is subject to verification by field survey or by the agency responsible for maintaining the information. This map is intended for general information only.



Date: 2/11/2021



- | | | |
|---------------------------------------|--------------------|--------------------------|
| Agricultural Open Space | Rail Road R.O.W | Neighborhood Commercial |
| Single Family | Government Owned | Office Professional |
| Single Family Small Lot | General Business | PSJA ISD |
| Residential Multi-Family | Business District | Hidalgo ISD |
| Residential Multi-Family High Density | Drainage Easement | Valley View ISD |
| Mobile Home | Heavy Commercial | Planned Unit Development |
| Townhouse | Heavy Industrial | |
| HUD Code | Limited Industrial | |



SITE PLAN AND ELEVATION OF PROPOSED
DEVELOPMENT



Typical Building

DAHLIA VILLAS
Mucasey & Associates, Architects
January 21, 2021

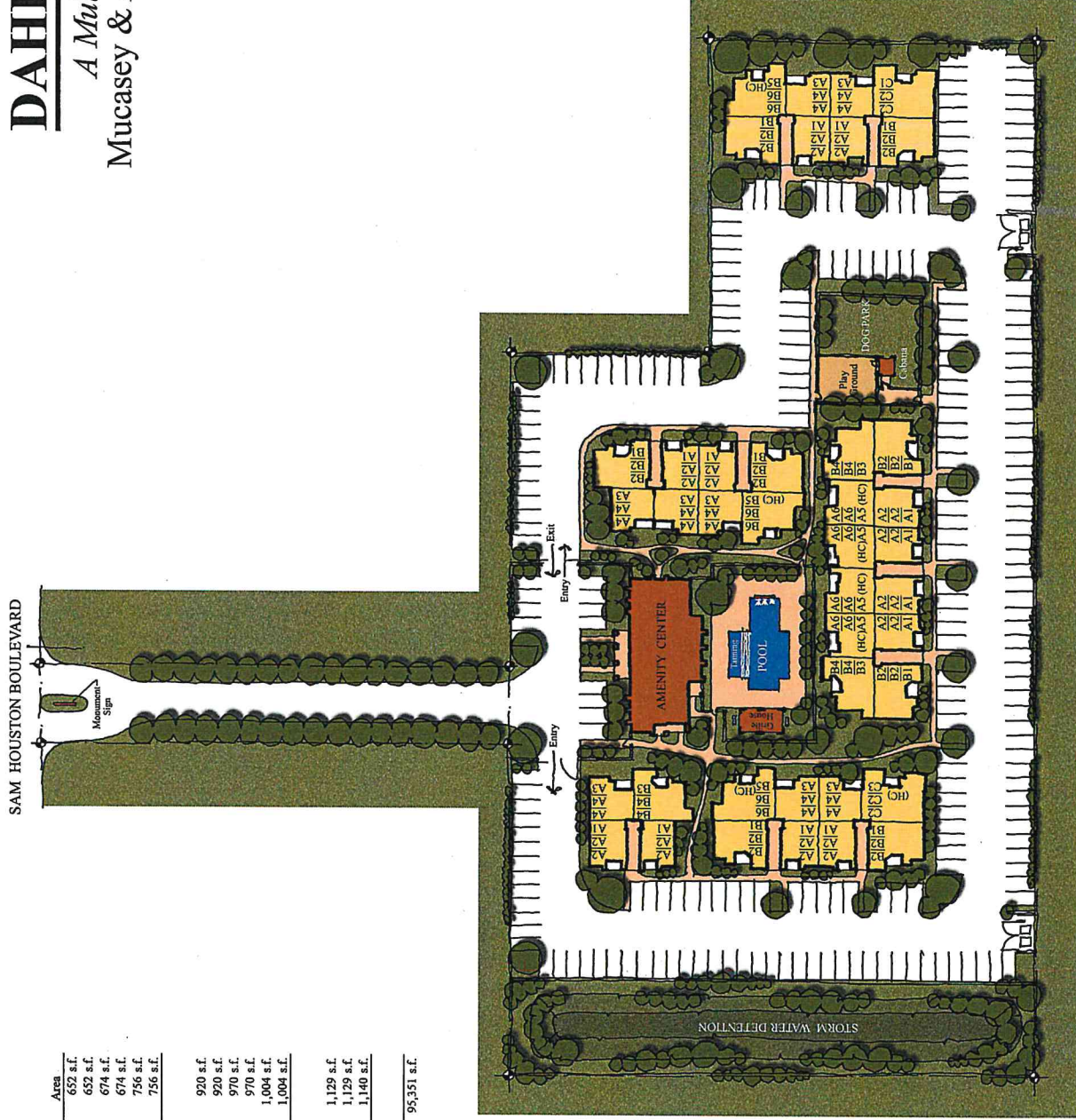
DAHLIA VILLAS

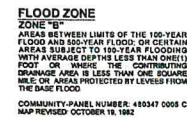
A Multi-Family Community
Mucasey & Associates, Architects
January 21, 2021

Project Summary

Apartments:

Type/Description	Qty	Area
A1 One Bedroom, 1 Bath	12	652 s.f.
A2 One Bedroom, 1 Bath	24	652 s.f.
A3 One Bedroom, 1 Bath	8	674 s.f.
A4 One Bedroom, 1 Bath	16	674 s.f.
A5 One Bedroom, 1 Bath (H.C.)	4	756 s.f.
A6 One Bedroom, 1 Bath	8	756 s.f.
Total One Bedroom Units	72 Units	
B1 Two Bedroom, 2 Bath	8	920 s.f.
B2 Two Bedroom, 2 Bath	16	920 s.f.
B3 Two Bedroom, 2 Bath	3	970 s.f.
B4 Two Bedroom, 2 Bath	6	970 s.f.
B5 Two Bedroom, 1 Bath (H.C.)	3	1,004 s.f.
B6 Two Bedroom, 1 Bath	6	1,004 s.f.
Total Two Bedroom Units	42 Units	
C1 Three Bedroom, 2 Bath	1	1,129 s.f.
C2 Three Bedroom, 2 Bath	4	1,129 s.f.
C3 Three Bedroom, 2 Bath (H.C.)	1	1,140 s.f.
Total Three Bedroom Units	6 Units	
Apartments Net Rentable Total	120 Units	95,351 s.f.





NOTES:
SURVEY IS VALID ONLY IF PRINT HAS ORIGINAL SEAL AND SIGNATURE OF SURVEYOR.

ALL BEARINGS AND DISTANCES ARE BASED ON GRID COORDINATES.

SURVEY WAS PREPARED WITH THE BENEFIT OF COMMITMENT GF No. CTH-COM-CTT20732385JK
EFFECTIVE DATE: NOVEMBER 8, 2020
ISSUED: NOVEMBER 23, 2020

EASEMENTS LISTED IN SCHEDULE B:
i.e. - STATUTORY RIGHTS, RULES, REGULATIONS, EASEMENTS AND
IN FAVOR OF HIDALGO COUNTY IRRIGATION DISTRICT No. 2
PURSUANT TO APPLICABLE SECTIONS OF THE TEXAS WATER CODE,
(LANKET)

10.1.- EASEMENTS AND RESERVATIONS AS SHOWN ACCORDING TO THE MAP OR PLAT THEREOF RECORDED IN VOLUME 3, PAGES 133-134, DEED RECORDS OF HIDALGO COUNTY, TEXAS, PLOTTED AND SHOWN HEREON.

10.g.- EASEMENTS AS CONTAINED IN DEED AND WATER CONTRACT DATED JANUARY 31, 1911, EXECUTED BY LOUISIANA RIO GRANDE CANAL CO. TO LOUISIANA RIO GRANDE SUGAR COMPANY, RECORDED IN VOLUME 19, PAGE 41, DEED RECORDS OF HIDALGO COUNTY, TEXAS. BLANKET IN NATURE

10.h- RIGHT OF WAY EASEMENT DATED DECEMBER 13, 1971,
EXECUTED BY HELEN M. WILSON AND LARI WILSON TO CITY OF
PHARR, RECORDED UNDER CLERK'S FILE No. 53598, VOLUME 1314,
PAGE 521, DEED RECORDS OF HIDALGO COUNTY, TEXAS. AFFECTS
SUBJECT TRACT, PLOTTED AND SHOWN HEREON.

101.- UTILITY EASEMENT DATED JANUARY 3, 2003, EXECUTED BY MIDSOUTH CONFERENCE OF THE EVANGELICAL COVENANT CHURCH, A TEXAS NON-PROFIT ORGANIZATION, f/w/a MIDSOUTH REGION OF THE EVANGELICAL COVENANT CHURCH TO CITY OF PHARR, RECORDED UNDER DOCUMENT No. 1155732, OFFICIAL RECORDS, HIDALGO COUNTY, TEXAS. DOES NOT AFFECT SUBJECT TRACT.

10.J.- EASEMENT AGREEMENT FOR ACCESS DATED NOVEMBER 15, 2012, EXECUTED BY ESE PROPERTIES, LTD., TO KRJCS, LLC, FILED UNDER CLERK'S FILE No. 2359949, OFFICIAL RECORDS OF HIDALGO COUNTY, TEXAS. PLOTTED AND SHOWN HEREON.

THE UNDERSIGNED HEREBY CERTIFIES THAT THIS SURVEY AS DESCRIBED HEREON, WAS MADE ON THE GROUND ON 01/22/2021 UNDER MY DIRECTION, THAT THE ONLY IMPROVEMENTS ON THE GROUND ARE AS SHOWN, THAT THERE ARE NO VISIBLE ENCROACHMENTS, VISIBLE OVERLAPPING, APPARENT CONFLICTS, OR VISIBLE EASEMENTS, EXCEPT AS SHOWN HEREON.

Fred L. Kurth 1-28-21
FRED L. KURTH, RPLS No. 4750 DATE:



PAGE 2 OF 2
DATE: 01/28/2021
JOB No. 21307
FILE NAME: 21307
DRAWN BY: J.CJJ,J.V.



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.J.3.

DATE SUBMITTED: March 11, 2021

MEETING DATE: March 15, 2021

FROM: Carolina Herrera, Secretary

DEPARTMENT: Development Services

DIRECTOR: Melanie Cano

Agenda Item: Marta's Bar is requesting renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a Business District (C-2). The property is legally described as being all of Lots 13-16, and the W10' out of Lot 12, Block 32, Pharr Original Townsite, Pharr, Hidalgo County, Texas. The property is physically located at 410 West State Street, Suite D. **CUP#160737**

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Issue: Marta's Bar is requesting renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a Business District (C-2). **CUP#160737**

Fiscal Consideration: n/a

Staff Recommendation: Development Services is recommending **approval** of the request for renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a Business District (C-2) subject to site and applicant being in compliance with all City Ordinances and City Department requirements.

Alternatives: n/a

Exclude Material from Public Packet? No

Reason: n/a

ROUTING:

Carolina Herrera
Melanie Cano
Patricia Rigney
City Management Office

Created/Initiated - 3/11/2021
Approved - 3/11/2021
Approved - 3/12/2021
Final Approval - 3/12/2021



Pharr



MAYOR Ambrosio Hernandez, MD

COMMISSIONERS Eleazar Guajardo | Roberto "Bobby" Carrillo | Ramiro Caballero, MD | Daniel Chavez | Ricardo Medina | Itza Flores

Executive Summary Letter

March 15, 2021

Conditional Use Permit for ABC –

Marta's Bar
CUP#160737

Background:

Marta's Bar is requesting renewal of the Conditional Use Permit and Late Hour Permit to allow the sale of alcoholic beverages for on-premise consumption. This request constitutes the 4rd renewal for Marta's Bar.

The property is located at 410 West State Street, Suite D. It is zoned Business District (C-2) and is in conformance with the Future Land Use Plan. All required inspections have been conducted and have passed.

Recommendations:

Staff recommends **approval** of the renewal of the Conditional Use Permit and Late Hour Permit to allow the sale of alcoholic beverage for on-premise consumption subject to the site and applicant being in compliance with all City Ordinances and City Department requirements.

P:\Admin\CUPs\ABC-Marta's Bar_S Alvarez_2016

MEMORANDUM

DATE: MARCH 15, 2021
TO: MAYOR AND CITY COMMISSION
FROM: MELANIE CANO, DIRECTOR OF DEVELOPMENT SERVICES
THROUGH: HILDA PEDRAZA, CITY MANAGER

SUBJECT: CONDITIONAL USE PERMIT AND LATE HOURS PERMIT **RENEWAL**
FOR ABC – FILE NO. **CUP#160737** (MARTA'S BAR)

GENERAL INFORMATION:

APPLICANT: Marta's Bar is requesting renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a Business District (C-2).

LEGAL DESCRIPTION: The property is legally described as being all of Lots 13-16, and the W10' out of Lot 12, Block 32, Pharr Original Townsite, Pharr, Hidalgo County, Texas.

LOCATION: The property is physically located at 410 West State Street, Suite D.

ZONING: The property is currently zoned Business District (C-2). The zoning to the North is Single-Family Residential District (R-1), General Business District (C) to the South and West, and Business District (C-2) to the East. The area is generally designated for commercial use in the Land Use Plan.

COMMENTS: **POLICE CHIEF:** Recommends approval of the Conditional Use Permit.

FIRE DEPARTMENT: Recommends approval of the Conditional Use Permit.

CODE DIVISION:

Recommends approval of
the Conditional Use Permit.

HEALTH DIVISION:

Recommends approval of
the Conditional Use Permit.

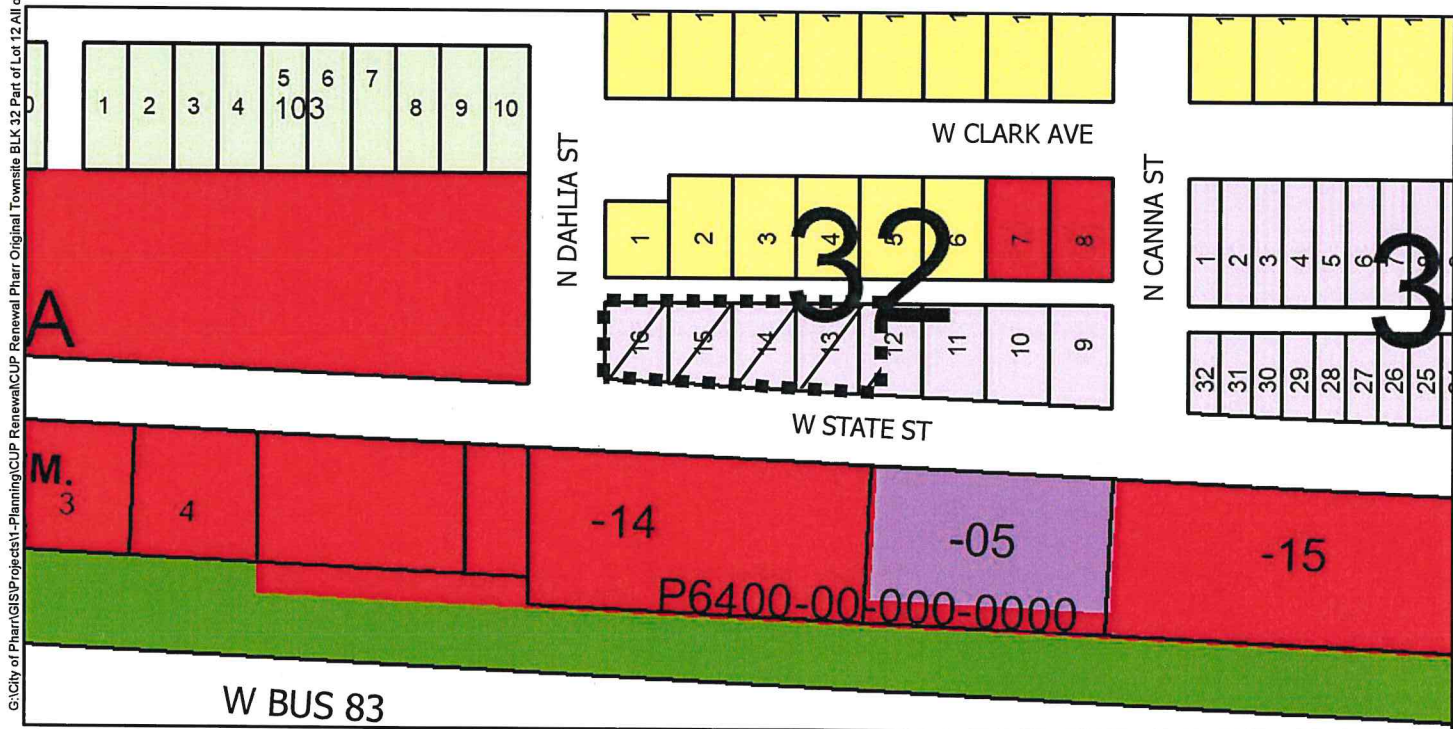
PLANNING DIVISION:

Recommends approval of
the Conditional Use Permit.

**DEVELOPMENT
SERVICES
RECOMMENDATION:**

Development Services is recommending **approval** of the request for renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a Business District (C-2) subject to site and applicant being in compliance with all City Ordinances and City Department requirements.

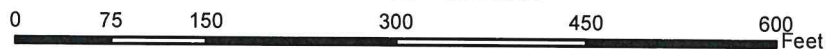
Conditional Use Permit Renewal
 Pharr Original Townsite BLK 32
 Part of Lot 12 All of 13-16
 Marta's Bar/ Senovia Alvarez



- | | | | | |
|-----------------------------|---------------------------|-------------------|-------------------------|--------------------------|
| Agricultural Open Space | High Density Multi-Family | Government Owned | Heavy Industrial | Hidalgo ISD |
| Single Family | Mobile Home | General Business | Limited Industrial | Valley View ISD |
| Single Family Small Lot | Townhouse | Business District | Neighborhood Commercial | Planned Unit Development |
| Two Family | HUD Code | Drainage Easement | Office Professional | |
| Medium Density Multi-Family | Rail Road R.O.W. | Heavy Commercial | PSJA ISD | |

City of Pharr, Texas
 Engineering Department
 956.702.5355

Scale: 1 inch = 150 feet



Date: 8/19/2020



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.J.4.

DATE SUBMITTED: March 11, 2021

MEETING DATE: March 15, 2021

FROM: Carolina Herrera, Secretary

DEPARTMENT: Development Services

DIRECTOR: Melanie Cano

Agenda Item: Shots Main Event, LLC, d/b/a Main Event Entertainment, is requesting renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C). The property is legally described as being a 1.34 acre tract of land more or less, out of Lot 4A, Replat of vacated Car-Mel Subdivision, vacated El Centro Mall No. 3 & 4 Subdivision, Pharr, Hidalgo County, Texas. The property's physical address is 500 North Jackson Road, Suite C. **CUP#140101**

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Issue: Shots Main Event, LLC, d/b/a Main Event Entertainment, is requesting renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C). **CUP#140101**

Fiscal Consideration: n/a

Staff Recommendation: Development Services is recommending **approval** of the renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C) subject to applicant and site being in compliance with all City Ordinances and City Department requirements.

Alternatives: n/a

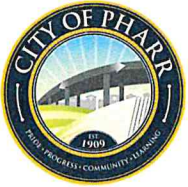
Exclude Material from Public Packet? No

Reason: n/a

ROUTING:

Carolina Herrera
Melanie Cano
Patricia Rigney
City Management Office

Created/Initiated - 3/11/2021
Approved - 3/11/2021
Approved - 3/12/2021
Final Approval - 3/12/2021



Pharr



MAYOR Ambrosio Hernandez, MD

COMMISSIONERS Eleazar Guajardo | Roberto "Bobby" Carrillo | Ramiro Caballero, MD | Daniel Chavez | Ricardo Medina | Itza Flores

Executive Summary Letter

March 15, 2021

Conditional Use Permit **Renewal** for ABC –

Shots Main Event, LLC
d/b/a Main Event Entertainment

Background:

Shots Main Event, LLC, d/b/a Main Event Entertainment, is requesting renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption. This request constitutes the 7th renewal for Main Event Entertainment.

The property is located at 500 North Jackson, Suite C. It is zoned General Business District (C) and is in conformance with the Future Land Use Plan. All required inspections have been conducted and have passed.

Recommendations:

Staff recommends **approval** for Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption.

P:\Admin\CUPs\ABC\ABC_SHOTS MAIN EVENT dba MAIN EVENT ENTERTAINMENT_2014.



MEMORANDUM

DATE: MONDAY, MARCH 15, 2021

TO: MAYOR AND CITY COMMISSION

FROM: MELANIE CANO, DIRECTOR OF DEVELOPMENT SERVICES

THROUGH: EDWARD WYLIE, INTERIM CITY MANAGER

SUBJECT: CONDITIONAL USE PERMIT & LATE HOURS PERMIT RENEWAL FOR ABC FILE NO. CUP#140101 (MAIN EVENT ENTERTAINMENT)
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GENERAL INFORMATION:

APPLICANT: Shots Main Event, LLC, d/b/a Main Event Entertainment, is requesting renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C).

LEGAL DESCRIPTION: The property is legally described as being a 1.34 acre tract of land more or less, out of Lot 4A, Replat of vacated Car-Mel Subdivision, vacated El Centro Mall No. 3 & 4 Subdivision, Pharr, Hidalgo County, Texas.

LOCATION: The property's physical address is 500 North Jackson Road, Suite C.

ZONING: The property is currently zoned General Business District (C). The surrounding area is zoned General Business District (C) to the north, south, east and Heavy Industrial District (H-I) to the west. The area is generally designated for commercial use in the Land Use Plan.

COMMENTS: **POLICE CHIEF:** Recommends approval of the Conditional Use Permit.

FIRE DEPARTMENT: Recommends approval of the Conditional Use Permit.

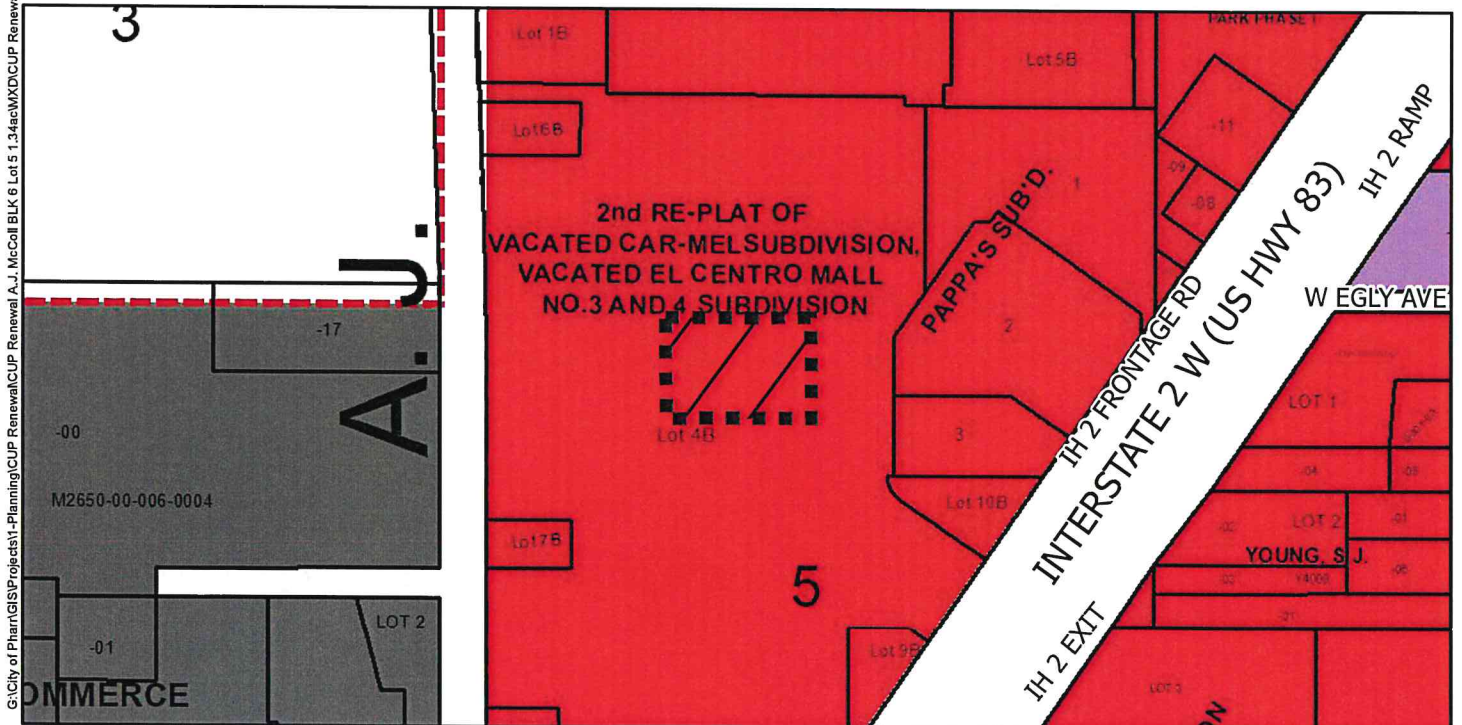
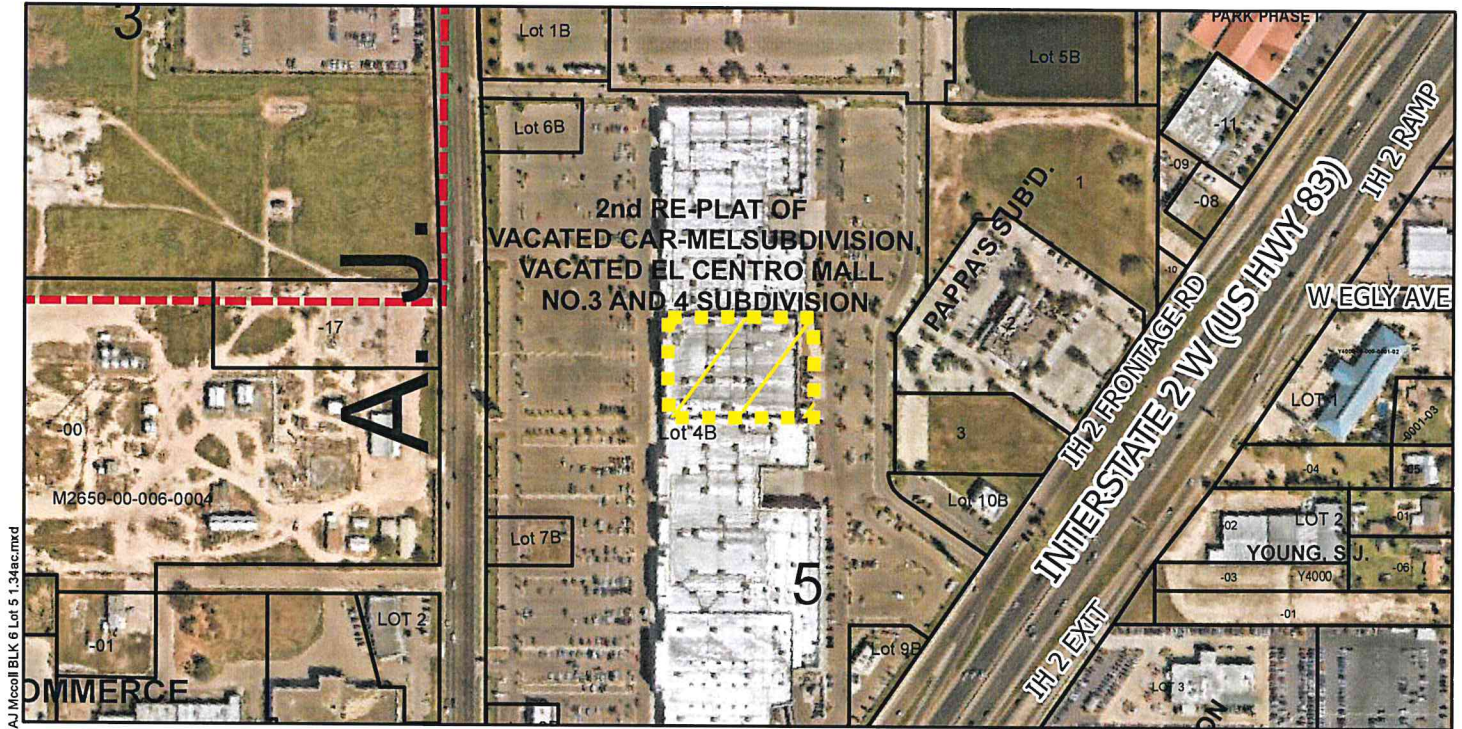
CODE COMPLIANCE DIVISION: Recommends approval of the Conditional Use Permit.

HEALTH DIVISION: Recommends approval of the Conditional Use Permit.

PLANNING DIVISION: Recommends approval of the Conditional Use Permit.

DEVELOPMENT SERVICES RECOMMENDATIONS: Development Services is recommending **approval** of the renewal of the Conditional Use Permit and Late Hours Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C) subject to applicant and site being in compliance with all City Ordinances and City Department requirements.

Conditional Use Permit Renewal
 1.34ac out of Lot 4A, Replat of vacated
 Car-Mel Subdivision, vacated El Centro Mall No.3&4 Subdivison
 Main Event Entertainment



- | | | | |
|---------------------------------------|-------------------|-------------------------|--------------------------|
| Agricultural Open Space | Townhouse | Drainage Easement | PSJA ISD |
| Single Family | HUD Code | Heavy Commercial | Hidalgo ISD |
| Single Family Small Lot | Rail Road R.O.W | Heavy Industrial | Valley View ISD |
| Residential Multi-Family | Government Owned | Limited Industrial | Planned Unit Development |
| Residential Multi-Family High Density | General Business | Neighborhood Commercial | |
| Mobile Home | Business District | Office Professional | |

City of Pharr, Texas
 Engineering Department
 956.702.5355

Scale: 1 inch = 400 feet



Date: 2/10/2021



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.J.5.

DATE SUBMITTED: March 11, 2021

MEETING DATE: March 15, 2021

FROM: Carolina Herrera, Secretary

DEPARTMENT: Development Services

DIRECTOR: Melanie Cano

Agenda Item: Cadena and Sons, L.L.C. d/b/a Tejas Restaurant and Sports Bar, is requesting renewal of the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C). The property is legally described as Lot 11, Maco Industrial Park Subdivision, Pharr, Hidalgo County, Texas. The property's physical address is 1308 Maco Drive.
CUP#161261

Classification: Consent

(* If closed session, City Attorney must review and approve.)

Issue: Cadena and Sons, L.L.C. d/b/a Tejas Restaurant and Sports Bar, is requesting renewal of the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C). **CUP#161261**

Fiscal Consideration: n/a

Staff Recommendation: Development Services is recommending **approval** of the renewal of the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C) subject to applicant and site being in compliance with all City Ordinances and City Department requirements.

Alternatives: n/a

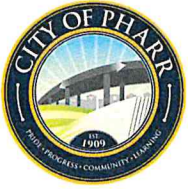
Exclude Material from Public Packet? No

Reason: n/a

ROUTING:

Carolina Herrera
Melanie Cano
Patricia Rigney
City Management Office

Created/Initiated - 3/11/2021
Approved - 3/11/2021
Approved - 3/12/2021
Final Approval - 3/12/2021



Pharr



MAYOR Ambrosio Hernandez, MD

COMMISSIONERS Eleazar Guajardo | Roberto "Bobby" Carrillo | Ramiro Caballero, MD | Daniel Chavez | Ricardo Medina | Itza Flores

Executive Summary Letter

March 15, 2021

Conditional Use Permit **Renewal** for ABC –

Tejas Restaurant

Background:

Cadena and Sons, LLC, d/b/a Tejas Restaurant, is requesting renewal of the Conditional Use Permit to allow the sale of alcoholic beverage for on-premise consumption. This request constitutes the 3rd renewal for Tejas Restaurant.

The property is located at 1308 Maco Dr. It is zoned General Business District (C) and is in conformance with the Future Land Use Plan. All required inspections have been conducted and have passed.

Recommendations:

Staff recommends **approval** of the renewal of the Conditional Use Permit to allow the sale of alcoholic beverage for on-premise consumption subject to the site and applicant being in compliance with all City Ordinances and City Department requirements.

P:\Admin\MY FILES\CUPs\ABC\ABC_A CADENA dba TEJAS RESTAURANT_1997



Pharr

Development Services



MEMORANDUM

DATE: MONDAY, MARCH 15, 2021

TO: MAYOR AND CITY COMMISSION

FROM: MELANIE CANO, DIRECTOR OF DEVELOPMENT SERVICES

THROUGH: EDWARD WYLIE, INTERIM CITY MANAGER

SUBJECT: CONDITIONAL USE PERMIT RENEWAL FOR ABC FILE NO. CUP#161261 (TEJAS RESTAURANT AND SPORTS BAR)

GENERAL INFORMATION:

APPLICANT: Cadena and Sons, L.L.C. d/b/a Tejas Restaurant and Sports Bar, is requesting renewal of the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C).

LEGAL DESCRIPTION: The property is legally described as Lot 11, Maco Industrial Park Subdivision, Pharr, Hidalgo County, Texas.

LOCATION: The property's physical address is 1308 Maco Drive.

ZONING: The property is currently zoned General Business District (C). The zoning to the north, south and west is General Business District (C) and city limits lie to the east. The area is generally designated for commercial use in the Land Use Plan.

COMMENTS:	POLICE CHIEF:	Recommends approval of the Conditional Use Permit.
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FIRE DEPARTMENT:	Recommends approval of the Conditional Use Permit.
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**CODE COMPLIANCE
DIVISION:**

Recommends approval of
the Conditional Use Permit.

HEALTH DIVISION:

Recommends approval of
the Conditional Use Permit.

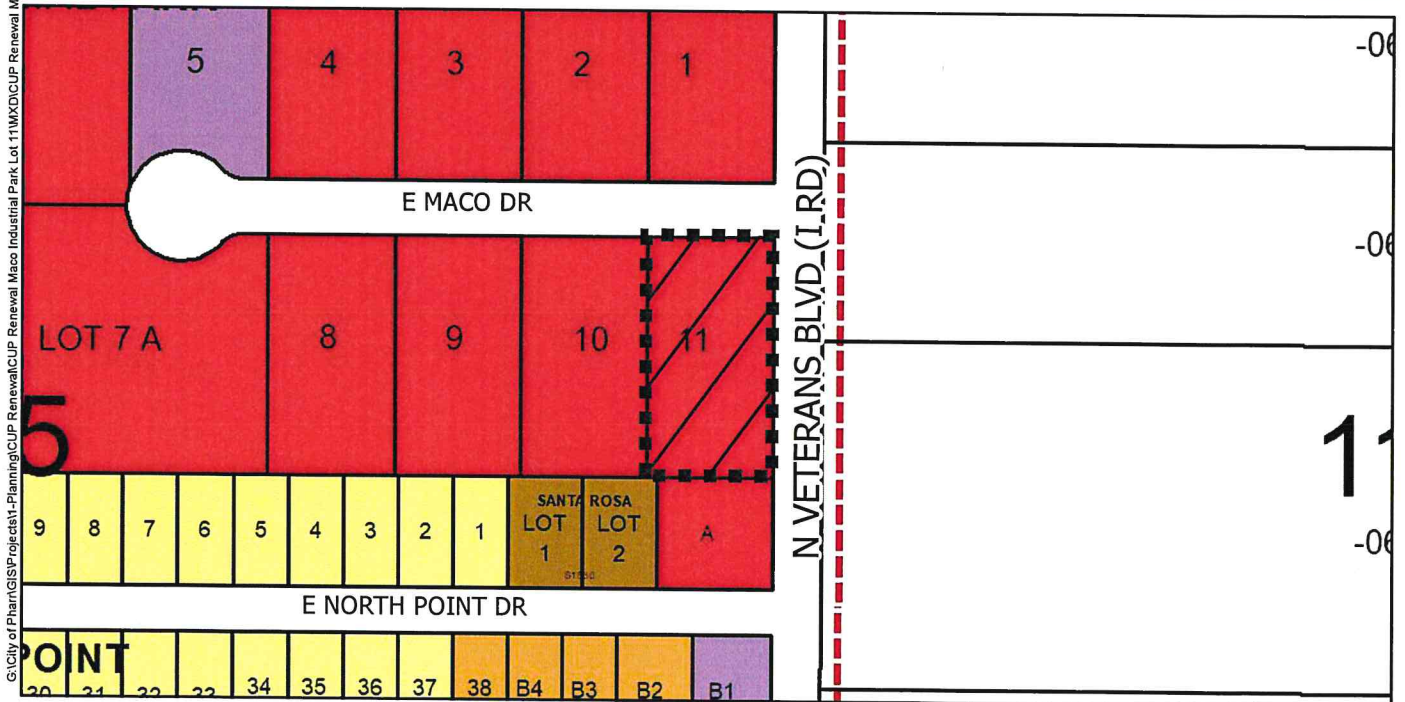
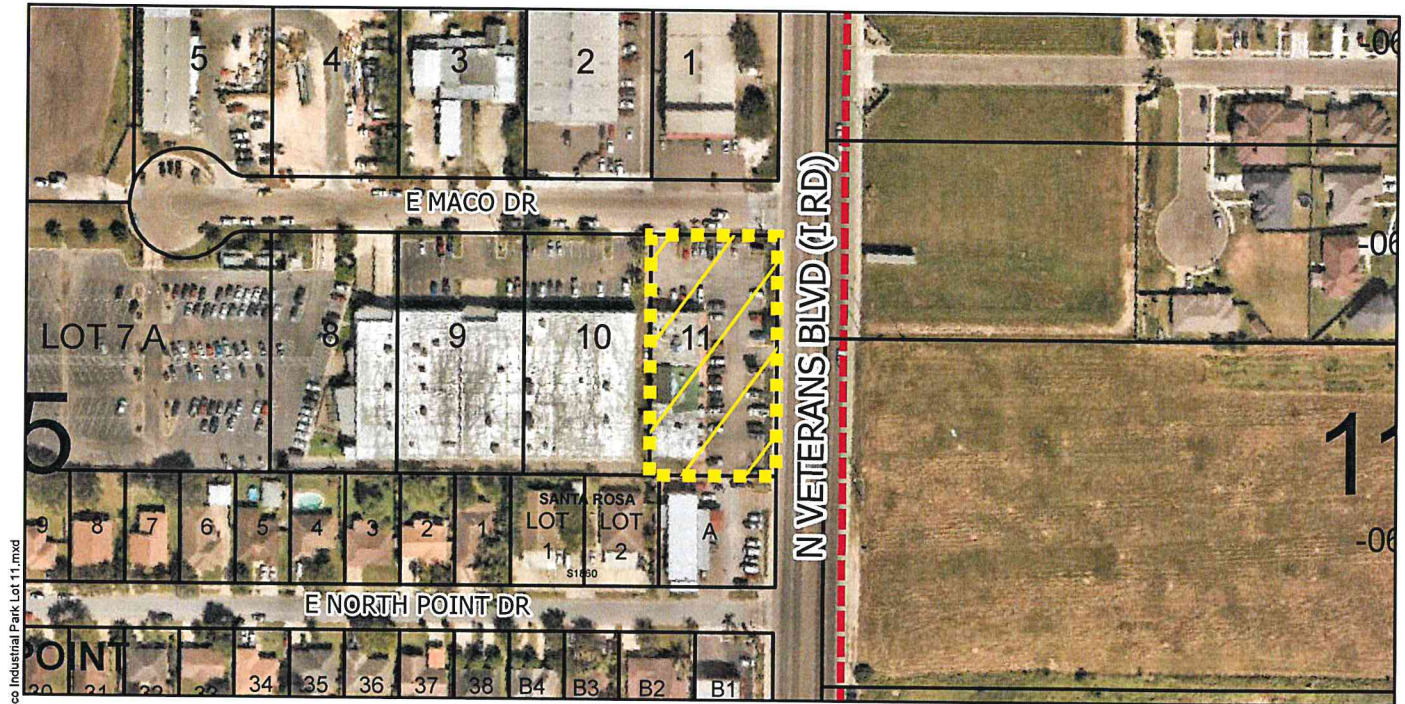
PLANNING DIVISION:

Recommends approval of
the Conditional Use Permit.

**DEVELOPMENT
SERVICES
RECOMMENDATIONS:**

Development Services is recommending **approval** of the renewal of the Conditional Use Permit to allow the sale of alcoholic beverages for on-premise consumption in a General Business District (C) subject to applicant and site being in compliance with all City Ordinances and City Department requirements.

Conditional Use Permit Renewal
 Maco Industrial Park Lot 11
 Tejas Restaurant /Cadena and Sons LLC



- | | | | |
|---------------------------------------|-------------------|-------------------------|--------------------------|
| Agricultural Open Space | Townhouse | Drainage Easement | PSJA ISD |
| Single Family | HUD Code | Heavy Commercial | Hidalgo ISD |
| Single Family Small Lot | Rail Road R.O.W | Heavy Industrial | Valley View ISD |
| Residential Multi-Family | Government Owned | Limited Industrial | Planned Unit Development |
| Residential Multi-Family High Density | General Business | Neighborhood Commercial | |
| Mobile Home | Business District | Office Professional | |

City of Pharr, Texas
 Engineering Department
 956.702.5355

Scale: 1 inch = 200 feet



Date: 3/11/2021



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.A.

DATE SUBMITTED: March 2, 2021

MEETING DATE: March 15, 2021

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR: Edward Wylie

Agenda Item: Consideration and action, if any, on Ordinance amending Ordinance No. O-2021-04 calling the City of Pharr General Municipal Election for May 1, 2021, for election of City Commissioners Places 2, 3, and 4 and designating Election Precincts and Polling Places. (Consideración y acción, enmendando Ordenanza No. O-2021-04 para ordenar la Elección Municipal General de la Ciudad de Pharr el 1 de mayo de 2021, para elegir Comisionados Lugares 2, 3, y 4, y la designación de Distritos Electorales y Centros de Votación) (**Adoption on 1st Reading**) **(TABLED)**

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Issue: Ordinance is being amended to update the Early Voting Clerk for the Municipal Election on May 1, 2021.

Fiscal Consideration: \$50,000.00

Staff Recommendation: Staff recommends approval.

Alternatives: No Alternatives

Exclude Material from Public Packet? No

Reason: Not Applicable

ROUTING:

Hilda Pedraza
Karla Saavedra
Patricia Rigney
City Management Office

Created/Initiated - 3/2/2021
Approved - 3/8/2021
Approved - 3/10/2021
Final Approval - 3/12/2021

ORDINANCE NO. O-2021-

AN ORDINANCE AMENDING ORDINANCE NO. O-2021-04 AUTHORIZING A GENERAL MUNICIPAL ELECTION TO BE HELD ON MAY 1, 2021, FOR THE PURPOSE OF ELECTING COMMISSIONER PLACE 2, COMMISSIONER PLACE 3, AND COMMISSIONER PLACE 4; DESIGNATING ELECTION PRECINCTS; APPOINTING ELECTION OFFICIALS; PROVIDING FOR NOTICE OF SAID ELECTION; PROVIDING FOR THE IVOTRONIC/EXPRESSVOTE VOTING SYSTEM; PROVIDING FOR EARLY VOTING; ESTABLISHING REGULAR BUSINESS HOURS OF THE CITY CLERK'S OFFICE ON THE FIRST AND FINAL DAYS OF EARLY VOTING BY PERSONAL APPEARANCE; AND REPEALING ALL ORDINANCES IN CONFLICT; DECLARING AN EMERGENCY; AND PROVIDING AN EFFECTIVE DATE

WHEREAS, The City of Pharr, Texas is a home rule municipal corporation in Hidalgo County, Texas; and

WHEREAS, Section 41.001(a)(1) of the Texas Election Code establishes the first Saturday of May 2021, as a uniform election day for the purposes of conducting a general election; and

WHEREAS, Section 3.004(a) (3) of the Texas Election Code provides that the governing body of a municipality shall be the authority to order a general election of electing municipal officers.

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

Section 1. That a General Municipal Election is hereby ordered to be held on the 1st day of May 2021, for the purpose of electing the following city officers:

Commissioner Place # 2

Commissioner Place # 3

Commissioner Place # 4

Section 2. The hours during which the polling places for each voting precinct are to be open on Election Day shall be from 7:00 o'clock a.m. to 7:00 o'clock p.m.

Section 3. The City Clerk is expressly authorized to obtain election supplies and equipment required by law and necessary to conduct said election.

Section 4. Ivotronic/Expressvote Voting System equipment shall be used for voting at the foregoing election precincts and electronic counting devices and equipment shall be used for counting the ballots at said election.

Section 5. Polling Places; Voting Precincts. The boundaries of each voting precinct and the polling place for each voting precinct for the Election are as follows:

Pharr City Polling Place 1 -

Boundaries:

Those portions of Hidalgo County election Precinct Nos. 61, 116 and 240 located within the City

Polling Place:

For Precinct Nos. 61, 116, and 240:
Nomad Shrine Club
1044 W. Nolana Loop
Pharr, Texas

Pharr City Polling Place 2-

Boundaries:

Those portions of Hidalgo County election Precinct Nos. 6, 35, and 147 located within the City

Polling Place:

For Precinct Nos. 6, 35, and 147:
Jose "Pepe" Salinas Recreation Center
1011 W. Kelly Ave.
Pharr, Texas

Pharr City Polling Place 3-

Boundaries:

Those portions of Hidalgo County election Precinct Nos. 60, and 115 located within the City

Polling Place:

For Precinct Nos. 60, and 115:
Plaza Sports Center
1101 E. Nolana Loop
Pharr, Texas

Pharr City Polling Place 4-

Boundaries:

Those portions of Hidalgo County
election Precinct Nos. 25 and 36
located within the City

Polling Place:

For Precinct Nos. 25, and 36:
Pharr City Hall
118 S. Cage Blvd.
Pharr, Texas

Pharr City Polling Place 5 -

Boundaries:

Those portions of Hidalgo County election
Precinct Nos. 5, 122, 137, 146, and 227
located within the City

Polling Place:

For Precinct Nos. 5, 122, 137, 146, and
227:

Development and Research Center
850 W. Dicker Road
Pharr, Texas

Section 6: Early Voting day, dates, hours and polling places: Early Voting shall commence on Monday, April 19, 2021 and terminate on Tuesday, April 27, 2021. The main polling place for early voting by personal appearance shall be at the Jose "Pepe" Salinas Recreation Center, 1011 W. Kelly, Pharr, Texas.

If the Deputy Early Voting Clerk or any clerk appointed hereby to assist the Early Voting Clerk is an employee of the City of Pharr, Texas, then such person shall serve as clerk without additional compensation unless the clerk is required to work on a day which is not a regular city workday or during hours which are not regular city workday hours. In this latter case, the clerk shall be compensated at the person's regular hourly rate for the hours worked that are not part of a regular city workday, properly adjusted for overtime or holiday pay, if applicable.

A temporary branch early voting polling place for early voting by personal appearance shall be at the Development and Research Center 850 W. Dicker Road, Pharr, Texas. Any voter who is entitled to vote an early voting ballot by personal appearance may do so at the temporary branch early voting polling place. Early voting shall be conducted in accordance with the Texas Election Code on the following days, dates and hours during the early voting period.

Day	Date	Hours
Monday	April 19, 2021	7:00 a.m. to 7:00 p.m.
Tuesday	April 20, 2021	8:00 a.m. to 6:00 p.m.
Wednesday	April 21, 2021	8:00 a.m. to 6:00 p.m.
Thursday	April 22, 2021	8:00 a.m. to 6:00 p.m.
Friday	April 23, 2021	8:00 a.m. to 6:00 p.m.
Saturday	April 24, 2021	8:00 a.m. to 5:00 p.m.
Sunday	April 25, 2021	CLOSED
Monday	April 26, 2021	8:00 a.m. to 6:00 p.m.
Tuesday	April 27, 2021	7:00 a.m. to 7:00 p.m.

Section 7: Early Voting Clerk; Application for Ballot Voted by Mail.

The mailing and physical address of the Early Voting Clerk for the Election where an application for a ballot to be voted by mail is to be submitted shall be as follows:

Early Voting Clerk
City of Pharr, Texas
118 S. Cage 4th Floor
P. O. Box 1729
Pharr, Texas 78577

Or request an application by phone at 956-402-4100; fax at 956-702-5313; or email hilda.pedraza@pharr-tx.gov or imelda.barrera@pharr-tx.gov .

Section 8: Notice of Election: Notice of the Election shall be given in the manner prescribed by the Texas Election Code.

Section 9: The election materials as outlined in Section 272.005, Texas Election Code, shall be printed in both English and Spanish for use at the polling places and for early voting for said election.

Section 10: Authorized to Execute: The Mayor is authorized to execute, and the City Clerk is authorized to attest this Election Order on behalf of the Board of City Commissioners. The Mayor is further authorized to do all other things legal and necessary in connection with the holding and consummation of the Election.

Section 11: Declaring an Emergency Clause: The importance of the subject matter hereof creates an emergency and an imperative public necessity requiring the suspension of the rule that Ordinance be read on three separate days, and such rule is hereby suspended and said requirement is dispensed with by a vote of not less than a majority of all the members of the Board of Commissioners. This Ordinance shall take effect and be in full force from and after its passage and approval.

PASSED AND APPROVED BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the **15th** day of **March**, 2021.

CITY OF PHARR

Ambrosio Hernandez, Mayor

ATTEST:

Hilda Pedraza, City Clerk



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.B.

DATE SUBMITTED: March 12, 2021

MEETING DATE: March 15, 2021

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR: Edward Wylie

Agenda Item: Consideration and action, if any, on Ordinance appointing Judges, Alternate Judges, and Early Voting Ballot Board Judge for the General Municipal Election to be held on Saturday, May 1, 2021. ***(Adoption on 1st Reading)***

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Issue: The ordinance will put into place the Judges, Alternate Judges, and Early Voting Ballot Board (mail ballots) for the upcoming Municipal Election on Saturday, May 1, 2021.

An individual appointed as a Judge **must** be a registered voter from the election precinct and the Alternate Judge must be a registered voter of the county/city where the election is being conducted. The recommended period to appoint Judges is March 8-19. By beginning this process early, will allow sufficient time to give notice to the judges, schedule training and if needed, make any necessary changes.

The individuals listed below have expressed interest in serving.

Pcts. 61, 116, and 240 - Nomad Shrine Club, 1044 W. Nolana Loop

Presiding Judge - Maria D. Martinez

Alternate Judge - Lydia Barrera

Pcts. 06, 35, and 147 - Jose "Pepe" Salinas Recreation Center, 1011 W. Kelly

Presiding Judge- Marilyn Junge

Alternate Judge - Sylvia McDonald

Pcts. 60 and 115 - Plaza Sports Center, 1101 E. Nolana Loop

Presiding Judge - Alicia Torres

Alternate Judge - Benjamin Flores

Pcts. 25 and 36 - Pharr City Hall, 118 S. Cage Blvd.

Presiding Judge - Olivia Valdez

Alternate Judge - Stanley Francis

Pcts. 05, 122, 137, 146 and 227

Presiding Judge - Mildred Escobedo

Alternate Judge - Denise Hansen

Early Voting Ballot Board Judge: Ruben Rosales, Jr.

Fiscal Consideration: \$23,000 estimated

Staff Recommendation: Staff recommends approval.

Alternatives: N/A

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Hilda Pedraza

Karla Saavedra

Patricia Rigney

City Management Office

Created/Initiated - 3/12/2021

Approved - 3/12/2021

Approved - 3/12/2021

Final Approval - 3/12/2021

ORDINANCE NO. O-2021-__

**ORDINANCE APPOINTING JUDGES AND ALTERNATE
JUDGES FOR THE GENERAL MUNICIPAL ELECTION
TO BE HELD ON SATURDAY, MAY 1, 2021**

WHEREAS, the Board of City Commissioners of the City of Pharr, Texas (the “City”) has ordered a general municipal election be held on Saturday, May 1, 2021 within and throughout the corporate limits of the City at which all residents, qualified electors of the District shall be entitled to vote for Commissioner Place 2, Commissioner Place 3, and Commissioner Place 4.

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

SECTION 1: Presiding and Alternate Election Judges: The presiding and alternate judges for each voting precinct established for the Election in the order calling the election, shall be appointed for one single election and runoff election if necessary, and shall be the following:

Election Precincts 61, 116, and 240	-	Nomad Shrine Club 1044 W. Nolana Loop
Presiding Judge	-	_____
Alternate Judge	-	_____
Election Precincts 06, 35, and 147	-	Jose “Pepe” Salinas Rec. Ctr. 1011 W. Kelly
Presiding Judge	-	_____
Alternate Judge	-	_____
Election Precincts 60 and 115	-	Plaza Sports Center 1101 E. Nolana Loop
Presiding Judge	-	_____
Alternate Judge	-	_____
Election Precincts 25 and 36 -		Pharr City Hall 118 S. Cage Blvd.
Presiding Judge	-	_____
Alternate Judge	-	_____

Election Precincts 05, 122 - Development & Research Center
137, 146, and 227 850 W. Dicker

Presiding Judge - _____

Alternate Judge - _____

SECTION 2: Appointment of Election Clerks: The Presiding Judge of each Voting precinct shall appoint not more than three (3) qualified election clerks to serve and assist in conducting the Election; provided that if the Presiding Judge actually serves as expected, the Alternate Judge shall be one of such clerks.

SECTION 3: Compensation for Services at Polling Place: The presiding judge, alternate judge, and each election clerk shall be compensated for services rendered, as follows:

Presiding Judge	\$14.00 per hour
Alternate Judge	\$13.00 per hour
Election Clerk	\$12.00 per hour

The cost of payroll for training of judges and clerks is \$10.00 per hour per person.

A judge or clerk may not be paid for more than one hour of work before the polls open. In a precinct in which voting machines are used, a judge or clerk may not be paid for more than two hours of work after the time for closing the polls or after the last voter has voted, whichever is later.

SECTION 4: Compensation for Delivering Election Records and Supplies: The election judge or clerk who delivers the precinct election records, keys to ballot boxes or other election equipment, and unused election supplies after an election is entitled to compensation for that service in an amount not to exceed \$25.00. If more than one election officer delivers the records, keys, and unused supplies, the presiding judge is entitled to compensation for that service in an amount not to exceed \$25.00. If more than one election officer delivers the records, keys, and unused supplies, the presiding judge shall determine how the amount fixed for the services is to be allocated among the officers.

SECTION 5: Early Voting Ballot Board Created: An early voting ballot board shall hereby be created to process early voting results from the territory served by the early voting clerk.

SECTION 6: Composition of Early Voting Ballot Board: The early voting ballot board consists of a presiding judge and two other members. The presiding judge of the ballot board shall be _____. The presiding judge shall appoint the two (2) other members to serve on the early voting ballot board.

SECTION 7: Eligibility for Board Membership: To be eligible for appointment to the early voting ballot board, a person must meet the requirements for eligibility for service as a presiding election judge, except that the appointee must be a qualified voter of the territory served by the early voting clerk and is not required to be a qualified voter of any other particular territory.

SECTION 8: Compensation of Early Voting Ballot Board Members: Members of the early voting ballot board shall be compensated at the same hourly rate as the presiding judge for the Election, for the hours actually worked, but not less than an amount equal to 10 hours work. A member of this board who also serves as a judge or clerk in the Election shall not be entitled to additional compensation for services in this board.

SECTION 9: Declaring an Emergency Clause: The importance of the subject matter hereof creates an emergency and an imperative public necessity requiring the suspension of the rule that Ordinance be read on three separate days, and such rule is hereby suspended and said requirement is dispensed with by a vote of not less than a majority of all the members of the Board of Commissioners. This Ordinance shall take effect and be in full force from and after its passage and approval.

**PASSED AND APPROVED BY THE BOARD OF CITY COMMISSIONERS OF
THE CITY OF PHARR, TEXAS** on this the 15th day of March, 2021.

CITY OF PHARR

AMBROSIO HERNANDEZ, MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.C.

DATE SUBMITTED: March 2, 2021

MEETING DATE: March 15, 2021

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Development Services

DIRECTOR: Melanie Cano

Agenda Item: Consideration and action, if any, on Ordinance amending Ordinance No. O-82-13 Appendix A, Zoning Ordinance. *(2nd Reading)*

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Issue: Development Services staff has given reasonable consideration in amending the zoning ordinance, more specifically to properly identify the character of the districts and to encourage the most appropriate use of land throughout the municipality. The proposed amendment to the Code of Ordinances, City of Pharr, Appendix A, Zoning, Article II by renaming Sec. 1.14 from (R-2) two family district to Residential - Multifamily District (R-MF) and combining Sec. 1.15 (R-3) medium-density multifamily residential district and Sec. 1.16 (R-4) high density multifamily residential district into one district known as Sec. 1.15 Residential - Multifamily District High Density (R-MFHD).

Fiscal Consideration: n/a

Staff Recommendation: Development Services recommends approval.

Alternatives: n/a

Exclude Material from Public Packet? No

Reason: n/a

ROUTING:

Hilda Pedraza
Melanie Cano
Roland Gomez
Patricia Rigney
City Management Office

Created/Initiated - 3/2/2021
Approved - 3/11/2021
Approved - 3/11/2021
Approved - 3/12/2021
Final Approval - 3/12/2021

ORDINANCE NO. O-2021-__

AN ORDINANCE AMENDING THE ZONING ORDINANCE (O-82-13) OF THE CITY OF PHARR, TEXAS, AS ENACTED ON THE 30TH DAY OF MARCH, 1982, ENTITLED "AN ORDINANCE ESTABLISHING COMPREHENSIVE ZONING REGULATIONS FOR THE CITY OF PHARR BY THE PROVIDING ZONING DISTRICTS, AN OFFICIAL ZONING MAP, BY AMENDING SEC. 1.13, R-2 TWO-FAMILY RESIDENTIAL DISTRICT AND SEC. 1.14, R.3 MEDIUM-DENSITY MULTI-FAMILY RESIDENTIAL DISTRICT AND SEC. 1.15 R-4 HIGH-DENSITY MULTI-FAMILY RESIDENTIAL DISTRICT; PROVIDING FOR A SAVING CLAUSE, A SEVERABILITY CLAUSE; AN ORDER OF PUBLICATION, AND AN EFFECTIVE DATE."

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

SECTION 1: That the Zoning Ordinance of the City of Pharr, Texas as enacted on the 30th day of March, 1982, be amended, and the zoning map of the City of Pharr, Texas, be amended and they are hereby amended, all to conform with the comprehensive zoning designation(s).

SECTION 2: The Code of Ordinances, City of Pharr, Appendix A, Zoning, Article II., Use Districts and Conditional Uses is hereby amended by renaming Sec. 1.14 and combining Sec. 1.15 and Sec. 1.16 into one section known as Sec. 1.15.

SECTION 3: The Code of Ordinances, City of Pharr, Appendix A, Zoning, Article II., Use Districts and Conditional Uses is hereby amended by reserving Sec. 1.16 – 1.17

SECTION 4: Appendix A, Zoning, Article II, Sec 1.14 R-2 two-family residential district shall be renamed to Residential Multi-Family (R-MF) and amended as follows:

~~Sec. 1.14. R-2 two-family residential district.~~

~~A. Purpose:~~

- ~~1. The two-family residential district is established to provide adequate space and site diversification for medium-density, duplex-type residential development with two dwelling units per lot, and almost twice the density of a typical single-family development, and to adjust the area requirements accordingly.~~
- ~~2. Duplex type development is a low- to medium-density use, and additional requirements for streets, water and fire protection, wastewater, drainage, and adequate open space shall be met before zoning to such use.~~
- ~~3. Duplex developments are not a buffer between single-family and commercial uses, and should be properly buffered from nonresidential uses, and protected from high volumes of nonsingle-family traffic, or from pollution and/or environmental hazards.~~

~~B. Permitted uses:~~

- ~~1. One single-family detached dwelling and accessory uses, except guesthouses on a lot. Structures must meet the requirements of the R-1 district.~~
- ~~2. One duplex on a lot.~~
- ~~3. Two attached units (townhouses) each on an individual lot meeting the requirements of the R-TH district.~~
- ~~4. One duplex (two units) condominium on a lot.~~
- ~~5. Parking lots for multifamily residential use.~~
- ~~6. Public and private directional signs, official signs, political signs, nameplates or real estate signs.~~
- ~~7. Church and other permitted institutions may display signs showing names, activities and services therein provided.~~
- ~~8. During construction of a building, one unilluminated sign advertising contractors or architects on such buildings, provided such sign is less than eight square feet in area, provided that signs shall recognize customary setback lines and be removed immediately after completion of such building.~~
- ~~9. Portable buildings or storage buildings used as an accessory to the residential use and not for living quarters.~~
- ~~10. Temporary real estate sales offices located on property being sold, or temporary on-site construction offices limited to the period of sale, construction or two years, whichever is less.~~
- ~~11. Nurseries, greenhouses, and gardens where the products are not to be sold.~~
- ~~12. Day care centers with less than six full-time children enrolled at any one time, except in townhouses.~~
- ~~13. Paved automobile parking areas which are necessary to the uses permitted in this district.~~

~~C. Conditional uses (require use permits, see article III):~~

- ~~1. Institutional, including day care centers with six children or more enrolled, or in townhouses.~~
- ~~2. Home occupations as defined in this ordinance.~~
- ~~3. Associated recreation and/or community clubs.~~
- ~~4. Guesthouses, or separate servants' quarters.~~
- ~~5. A mobile home on an unsubdivided tract of five acres or more.~~
- ~~6. Facilities for railroads, or those utilities holding a franchise under the city.~~
- ~~7. Paved parking facilities for nonresidential uses that are not allowed in this district, if properly screened, buffered, and landscaped.~~
- ~~8. Real estate sales offices and on-site construction offices for more than two years, or occupying mobile homes.~~

~~D. Prohibited uses:~~

- ~~1. Any building erected or land used for other than one or more of the preceding specified uses.~~

2. ~~The storage of equipment, material or vehicles, including abandoned vehicles, which are not necessary to the uses permitted in this district.~~
3. ~~On- and off-premises signs, portable signs, animated or illuminated signs.~~
4. ~~A driveway or crosswalk way, as distinct from a dedicated street, to provide access to premises in a commercial or industrial district.~~
5. ~~Any use of property that does not meet the required minimum lot size; front, side and rear yard dimension; and/or lot width; or exceeds the maximum height, building coverage, or density per gross acre as required.~~

~~E. Area requirements:~~

1. ~~Single-family detached units shall meet the area requirements of the R-1 district.~~
2. ~~Townhouses shall meet the area requirements of the R-TH district.~~
3. ~~Minimum lot area:~~
~~With sewer, 7,500 square feet. In areas without approved sewage treatment facilities, minimum lot size will be determined based on results of approved percolation tests.~~
4. ~~Maximum number of single-family detached dwelling units or residential structures per lot, one.~~
5. ~~Minimum lot frontage on a public street, 60 feet.~~
6. ~~Minimum lot depth, 100 feet.~~
7. ~~Minimum depth of front setback, 20 feet.~~
8. ~~Minimum depth of rear setback, 15 feet.~~
9. ~~Minimum width of side setback:~~
 - a. ~~Internal lot, five feet or ten percent of the lot width, not to exceed 15 feet, whichever is greater. ^[3]~~
 - b. ~~Side yard setback abutting street, ten feet.~~
10. ~~Minimum distance between buildings on the same lot or parcel of land, ten feet.~~
11. ~~Minimum distance from the public right-of-way to the entrance to a garage or enclosed carport, unless otherwise specified by the planning and zoning commission, 18 feet.~~
12. ~~Maximum building coverage as a percentage of lot area, 50 percent of lot area.~~
13. ~~Minimum amount of permanent landscaped open space, ten percent of lot area.~~
14. ~~Maximum height of structures, 36 feet ^[4] or 2½ stories.~~
15. ~~Minimum number of paved parking spaces required for:~~
 - 1) ~~Each residential dwelling unit, two spaces.~~
 - 2) ~~All other uses, see "Off-Street Parking," article IV.~~
16. ~~See article VII, sections 1.70 through 1.73, for further clarification, and exceptions and modifications.~~

~~(Ord. No. O-93-22, § 1, 8-17-93; Ord. No. O-2017-49, §§ 2-4, 11-20-17; Ord. No. O-2019-19, §§ 9, 10, 6-17-19)~~

Editor's note— See the editor's note to § 1.12.

Footnotes:

~~---(3)---~~

~~Townhouses separated by firewalls meeting the requirements of the building code may build to the property line where such structures abut.~~

~~---(4)---~~

~~Where a structure exceeds 25 feet in height, each unit without a firewall shall be set back one additional foot for each foot above 25 feet.~~

Section 1.14. – Residential Multi-Family District (R-MF)

A. [Purpose:] The Residential Multi-Family district is established for the following purposes:

1. To provide adequate space and site diversification for low to medium-density residential development where adequate streets and other community facilities are available for present and future needs.
2. To establish duplex-fourplex development as low-to medium-density use, and additional requirements for streets, water and fire protection, wastewater, drainage and adequate open space shall be met before zoning to such use.
3. To protect residential areas against pollution, environmental hazards, and other objectionable influences.
4. To protect residential areas, as far as possible, against heavy traffic.
5. To manage the density of population and protect against congestion by providing for off-street parking spaces and by requiring the provision of open space in residential areas in order to open areas for rest and recreation and to break the monotony of continuous building bulk, thus providing a more desirable environment for urban living.
6. To provide for privacy and access of light and air to windows, as far as possible, through controls over the spacing and height of buildings and other structures.
7. To promote the most desirable use of land and direction of building development not in conflict with the City's comprehensive plan; to promote stability of residential development; to protect the character of the district; to conserve the value of land and buildings; and to protect the city's tax base.

B. Permitted uses:

1. One single-family dwelling and accessory uses, except guesthouses on a lot. Structures must meet the requirements of the R-1 district.
2. One duplex, tri-plex or four-plex on a lot.
3. Two to four attached units (townhouses) each on an individual lot and which meet the requirements of the R-TH district.
4. One duplex, tri-plex or four-plex (two, three or four attached units) condominium on a lot.
5. Parking lots for multifamily residential use.

6. Public and private directional signs, official signs, political signs, nameplates or real estate signs.
7. Portable buildings or storage buildings used as an accessory to the residential use and not for living quarters.
8. Church and other permitted institutions may display signs showing names, activities and services therein provided.
9. During construction of a building, one unilluminated sign advertising contractors or architects on such buildings, provided such sign is less than eight square feet in area, provided that signs shall recognize customary setback lines and be removed immediately after completion of such building.
10. Temporary real estate sales offices located on property being sold, or temporary on-site construction offices limited to the period of sale, construction or two years, whichever is less.
11. Nurseries, greenhouses and gardens where the products are not to be sold.
12. Day care centers with less than six full-time children enrolled at any one time, except in townhouses.
13. Paved automobile parking areas which are necessary to the uses permitted in this district.

C. Conditional uses (require use permits, see article III):

1. Institutional, including day care centers with six children or more enrolled, or in townhouses.
2. Home occupations as defined in this ordinance.
3. Associated recreation or community clubs.
4. Guesthouses, garage apartments, or separate servant's quarters.
5. A mobile home on an unsubdivided tract of five acres or more.
6. Facilities for railroads or those utilities holding a franchise under the city.
7. Paved parking facilities for nonresidential uses that are not allowed in this district if properly screened, buffered and landscaped.

D. Prohibited uses:

1. Any building erected or land used for other than one or more of the preceding specified uses.
2. The storage of equipment, material or vehicles, including abandoned vehicles, which are not necessary to the uses permitted in this district.
3. On- and off-premises signs, portable signs, animated or illuminated signs.
4. A driveway or crosswalk way, as distinct from a dedicated street, to provide access to premises in a commercial or industrial district.
5. Any use of property that does not meet the required minimum lot size; front, side and rear yard dimension; and/or lot width; or exceeds the maximum height, building coverage or density per gross acre as required.

E. Area requirements:

1. Single-family detached units shall meet the area requirements of the R-1 district.
 2. Townhouses shall meet the area requirements of the R-TH district.
 3. Minimum lot area: ~~7,500 square feet~~
Duplex and Triplex Usage: 7,500 square feet
Fourplex Usage: 8,000 square feet
 4. Maximum number of multi-family residential structures per lot:
Duplex and Triplex Usage: One (1)
Fourplex Usage: Two (2)
 5. Minimum lot frontage on a public street: 60 feet
 6. Minimum lot depth: 100 feet.
 7. Minimum depth of front setback: 20 feet
 8. Minimum depth of rear setback: 10 feet or size of easement, whichever is greater.
 9. Minimum width of side setback:
 - (a) Internal lot: five feet or size of easement, whichever is greater, but not to exceed 15 feet.
 - (b) Corner lot or abutting a street: ten feet or size of easement, whichever is greater.
- *Townhouses separated by firewalls meeting the requirements of the building code may build to the property line where such structures abut.
10. Minimum distance between buildings on the same lot or parcel of land: 10 feet
 11. Minimum distance from the public right-of-way to the entrance to a garage or enclosed carport, unless otherwise specified by the planning and zoning commission: 18 feet.
 12. Maximum building coverage as a percentage of lot area: 50 percent of lot area.
 13. Minimum amount of permanent landscaped open space: 10 percent of lot area.
 14. Maximum height of structures: 36 feet or 2 ½ stories
- *Where a structure exceeds 25 feet in height, each unit without firewall shall be setback one additional foot for each foot above 25 feet.
15. Minimum number of paved parking spaces required for:
 - (a) Each residential dwelling unit: two spaces.
 - (b) All other uses: see off-street parking, Article IV.
 16. See article VII, sections 1.70 through 1.73, for further clarification, and exceptions and modifications.

SECTION 5: Appendix A, Zoning, Article II, Sec 1.15 R-3 medium-density multifamily residential district and Sec. 1.16 R-4 high-density multifamily residential district shall be

combined and renamed to Residential-Multi Family High Density R – MFHD and amended as follows:

Sec. 1.15. ~~R-3 medium-density multifamily residential district.~~

A. ~~Purpose:~~

- ~~1. The R-3 medium-density multifamily district is established to provide adequate space and site diversification for medium-density areas that are a mixture of single-family, duplex, and multifamily dwelling units of up to eight units per lot.~~
- ~~2. This is a zone for transitional areas developed for single-family usage, but because of the need for rehabilitation, or changes in the character of the neighborhood, are now deemed suitable for some multifamily development.~~
- ~~3. The area requirements in this district are based on multifamily dwelling units being built on smaller, individual lots and needing to coexist with single-family residences. Only one building will be allowed per lot, and the setbacks will be similar to that of the single-family district.~~
- ~~4. This zone allows medium-density developments, and should be located where additional requirements for streets, water and fire protection, wastewater, drainage, and adequate open space are met. R-3 uses should not run traffic over long distances of single-family residential-sized streets, or through single-family neighborhoods, and should be located close to arterials or collectors capable of carrying the additional traffic.~~
- ~~5. Multifamily developments are not a buffer between single-family and commercial uses, and should be properly buffered from nonresidential land uses and traffic, or from pollution and/or environmental hazards.~~

B. ~~Permitted uses:~~

- ~~1. One single-family, detached dwelling per lot, except guesthouses. Structures must meet the area requirements of the R-1 district.~~
- ~~2. One building containing two to eight dwelling units. Duplexes must meet area requirements of the R-2 district.~~
- ~~3. Condominiums containing two to eight dwelling units.~~
- ~~4. One townhouse per lot. Structures must meet the area requirements of R-TH district.~~
- ~~5. Paved parking lots for multifamily residential use.~~
- ~~6. Public and private directional signs, official signs, political signs, nameplates or real estate signs.~~
- ~~7. Church and other permitted institutions' signs showing names, activities, and service therein provided.~~
- ~~8. During construction of a building, one unilluminated sign advertising contractors or architects on such buildings, provided such sign is less than eight square feet in area, provided that signs shall recognize customary setback lines and be removed immediately after completion of such building.~~
- ~~9. Portable buildings or storage buildings used as an accessory to the residential use and not for living quarters.~~
- ~~10. Temporary real estate sales offices located on property being sold, or temporary on-site construction offices, limited to the period of sale, construction, or two years, whichever is less.~~

- ~~11. Nurseries, greenhouses, and gardens where the products are not to be sold.~~
- ~~12. Day care centers with less than six children enrolled at any one time, except in townhouses.~~
- ~~13. Paved automobile parking areas which are necessary to the uses permitted in this district.~~
- ~~14. An accessory use customarily related to a principal use authorized in this district.~~

~~C. Conditional uses (require use permits, see article III):~~

- ~~1. Institutional, including day care centers with six children or more enrolled, or in townhouses.~~
- ~~2. Home occupations, as defined in this ordinance.~~
- ~~3. Associated recreation.~~
- ~~4. Guesthouses, or separate servants' quarters.~~
- ~~5. A mobile home on an unsubdivided tract of five acres or more.~~
- ~~6. Boardinghouses.~~
- ~~7. Facilities for railroads or those utilities holding a franchise under the City of Pharr.~~
- ~~8. Paved parking facilities for nonresidential uses.~~
- ~~9. Real estate sales offices and on-site construction offices for more than two years, or occupying mobile homes.~~

~~D. Prohibited uses:~~

- ~~1. Any building erected or land used for other than one or more of the preceding specified uses.~~
- ~~2. The storage of equipment, material or vehicles, including abandoned vehicles, which are not necessary to the uses permitted in this district.~~
- ~~3. On- and off-premises signs, portable signs, animated or illuminated signs.~~
- ~~4. A driveway or crosswalk way, as distinct from a dedicated street, to provide access to premises in a commercial or industrial district.~~
- ~~5. Any use of property that does not meet the required minimum lot size; front, side and rear yard dimension; and/or lot width; or exceeds the maximum height, building coverage or density per gross acre as required.~~

~~E. Area requirements:~~

- ~~1. Single-family dwelling units shall meet the requirements of the R-1 district. Only one single-family residential structure will be allowed per lot.~~
- ~~2. Townhouses shall meet the requirements of the R-TH district. Only one townhouse will be allowed per lot.~~
- ~~3. Duplexes shall meet the requirements of the R-2 district.~~
- ~~4. Minimum lot area:~~
 - ~~a. Single-family usage: 6,000 square feet.~~
 - ~~b. Duplex and tri-plex usage: 7,500 square feet.~~
 - ~~c. Four-plex usage: 8,000 square feet.~~

d. ~~Five thru eight apartments: 9,000 square feet.~~

5. ~~Maximum number of residential buildings per lot, one.~~

6. ~~Maximum number of dwelling units per lot:~~

a. ~~Zero, one or two-bedroom or efficiency dwelling units, 1,500 square feet of lot area per unit.~~

b. ~~Three or more bedroom dwelling units, 1,750 square feet of lot area per unit.~~

~~To determine the permitted number of dwelling units in the R-3 district, divide the area of the parcel in question by the "minimum lot area per dwelling unit." The resulting quotient is the maximum number of dwelling units permitted.~~

~~i.e.:~~

~~90' x 100' lot = 9,000 square feet.~~

~~9,000 square feet of lot area ÷ 1,500 square feet = 6 efficiency apartments.~~

~~The maximum number on a 9,000-square foot lot = 6 efficiencies.~~

~~9,000 square feet of lot area: 1,500 square feet = 6 efficiency apartments, 6 one-bedroom apartments, or 6 two-bedroom apartments.~~

~~9,000 square feet of lot area: 1,750 square feet = 5 three-bedroom units.~~

7. ~~Maximum density per acre:~~

a. ~~Zero, one or two-bedroom or efficiency dwelling units, 29 dwelling units per net acre.~~

b. ~~Three or more bedroom dwelling units, 24 dwelling units per net acre.~~

8. ~~Minimum lot frontage on a public street, 70 feet.~~

9. ~~Minimum lot depth, 100 feet.~~

10. ~~Minimum depth of front setback, 20 feet.~~

11. ~~Minimum depth of rear setback, ^[5] 15 feet.~~

12. ~~Minimum width of side setback:~~

a. ~~Internal lot, seven feet or ten percent of the lot width, whichever is greater.~~

b. ~~Side yard setback abutting street, 15 feet.~~

13. ~~Minimum distance between buildings on the same lot or parcel of land, 14 feet.~~

14. ~~Minimum distance from the public right-of-way to the entrance to a garage or enclosed carport, unless otherwise specified by the planning and zoning commission, 18 feet.~~

15. ~~Maximum building coverage as a percentage of lot area, 50 percent.~~

16. ~~Minimum amount of permanent, landscaped open space, ten percent.~~

17. ~~Maximum height of structures, 36 feet or 2½ stories.~~

18. ~~Minimum number of paved, striped, off-street parking spaces required for:~~

a. ~~Zero-bedroom or efficiency dwelling unit, 1.0 spaces per unit.~~

- b. ~~One-bedroom dwelling units, 1.5 spaces per unit.~~
- c. ~~Two-bedroom dwelling units, 1.75 spaces per unit.~~
- d. ~~Three or more bedroom dwelling units, 2.0 spaces per unit.~~
- e. ~~All other uses, see "Off-Street Parking," article IV.~~
- 19. ~~Lots with more than five dwelling units that have a side or rear contiguous to an R-1, R-TH, R-2 district must be separated by a buffer as herein defined.~~
- 20. ~~See article VII for modifications and exceptions.~~

(Ord. No. O-2004-10, § 1, 1-20-04; Ord. No. O-2017-49, §§ 2—4, 11-20-17; Ord. No. O-2019-19, §§ 11, 12, 6-17-19)

Editor's note— See the editor's note to § 1.12.

Footnotes:

~~—(5)—~~

~~Unenclosed carports may be built up to within five feet of any property line that abuts an alley in an R-3 district.~~

~~Sec. 1.16. — R-4 high-density multifamily residential district.~~

~~A. — Purpose:~~

- 1. ~~The R-4 high-density multifamily district is established to provide adequate space and site diversification for higher density apartment complexes, including high-rise apartments and complexes with a number of buildings on the same tract of land.~~
- 2. ~~This is a zone for areas that have large unbroken tracts of land suitable for development as large complexes. It is not intended for areas already subdivided into lots, and it is anticipated that developments in this zone will have to plat the property as a whole as part of the development process.~~
- 3. ~~Traditional area requirements are inappropriate for this district, so setbacks from lot lines are minimal and there are no restrictions as to the number of residential buildings that may be placed on a lot. Height limitations are also relaxed, except when abutting single-family uses. More reliance is placed on square footage per dwelling unit, lot coverage, open space and parking ratios to control density, thereby allowing more flexibility in the design of such projects.~~
- 4. ~~This zone allows higher density developments and should be located where internal streets are wider than single-family sized streets, and where there is increased water capacity, fire protection, wastewater and drainage capacity. Adequate open space should be within walking distance (approximately one-fourth mile). Areas should not be zoned to this usage unless they are located on or close to arterials or collectors capable of carrying the additional traffic they will generate. The traffic generated by such uses should not travel through lower density residential areas.~~
- 5. ~~Higher density multifamily developments are not a buffer between single-family and commercial uses, and should be properly buffered from nonresidential uses, and protected from high volumes of nonresidential traffic, or from pollution and/or environmental hazards.~~

~~B. Permitted uses:~~

- ~~1. One single-family detached dwelling per lot, except guesthouses. Structures must meet the area requirements of the R-1 district.~~
- ~~2. One building containing two to eight dwelling units per lot. Duplexes must meet the area requirements of the R-2 district.~~
- ~~3. Apartments and condominiums.~~
- ~~4. One townhouse per lot. Structures must meet the area requirements of the R-TH district.~~
- ~~5. Paved parking lots for multifamily residential use, and other uses permitted in this district.~~
- ~~6. Public and private directional signs, official signs, political signs, nameplates or real estate signs.~~
- ~~7. Church and other permitted institutions' signs showing names, activities and services therein provided.~~
- ~~8. During construction of a building, one unilluminated sign advertising contractors or architects on such buildings, provided such sign is less than eight square feet in area, provided that signs shall recognize customary setback lines and be removed immediately after completion of such building.~~
- ~~9. Portable buildings or storage buildings used as an accessory to the residential use and not for living quarters.~~
- ~~10. Temporary real estate sales offices located on property being sold, or temporary on-site construction offices limited to the period of sale, construction or two years, whichever is less.~~
- ~~11. Nurseries, greenhouses, and gardens where the products are not to be sold.~~
- ~~12. Day care centers with less than six children enrolled at any one time, except in townhouses.~~
- ~~13. An accessory use customarily related to a principal use authorized in this district.~~

~~C. Conditional uses (require use permits, see article III):~~

- ~~1. Institutional, including day care centers, with six children or more enrolled, or in townhouses.~~
- ~~2. Home occupations as defined in this ordinance.~~
- ~~3. Associated recreation and/or community clubs.~~
- ~~4. Guesthouses, or separate servants' quarters.~~
- ~~5. A mobile home on an unsubdivided tract of five acres or more.~~
- ~~6. Facilities for railroads or those utilities holding a franchise under the city.~~
- ~~7. Paved parking facilities for nonresidential uses.~~
- ~~8. One zero lot line or patio home per lot.~~
- ~~9. Real estate sales offices and on-site construction offices for more than two years, or occupying mobile homes.~~

~~D. Prohibited uses:~~

- ~~1. Any building erected or land used for other than one or more of the preceding specified uses.~~

2. ~~The storage of equipment, material or vehicles, including abandoned vehicles which are not necessary to the uses permitted in this district.~~
3. ~~On- and off-premises signs, portable signs, animated or illuminated signs.~~
4. ~~A driveway or crosswalk way, as distinct from a dedicated street, to provide access to premises in a commercial or industrial district.~~
5. ~~Any use of property that does not meet the required minimum lot size; front, side and rear yard dimension; and/or lot width; or exceeds the maximum height, building coverage or density per gross acre as required.~~

~~E. Area requirements:~~

1. ~~Single-family dwelling units shall meet the area requirements of the R-1 district. Only one single-family residential structure will be allowed per lot.~~
2. ~~Townhouses shall meet the area requirements of the R-TH district. Only one townhouse will be allowed per lot.~~
3. ~~Minimum lot area, 18,000 square feet. All lots in this district must have approved wastewater disposal systems.~~
4. ~~Maximum number of dwelling units per lot:~~
 - a. ~~Zero-bedroom or efficiency dwelling units, 1,000 square feet of lot area per unit.~~
 - b. ~~One-bedroom dwelling units, 1,250 square feet of lot per unit.~~
 - c. ~~Two-bedroom dwelling units, 1,500 square feet of lot per unit.~~
 - d. ~~Three- or more bedroom dwelling units, 1,750 square feet of lot area per unit.~~

~~To determine the permitted number of dwelling units in the R-4 district, divide the area of the parcel in question by the "minimum lot area per dwelling unit." The resulting quotient is the maximum number of dwelling units permitted.~~

~~i.e.:~~

~~150' x 120' lot = 18,000 square feet.~~

~~18,000 square feet of lot area ÷ 1,000 square feet = 18 efficiency apartments.~~

~~The maximum number on an 18,000-square foot lot = 18 efficiencies.~~

~~18,000 square feet of lot area ÷ 1,250 square feet = 14 one-bedroom apartments.~~

~~18,000 square feet of lot area ÷ 1,500 square feet = 12 two-bedroom apartments.~~

~~18,000 square feet of lot area ÷ 1,750 square feet = 10 three-bedroom apartments.~~

5. ~~Maximum density per acre: ^[6]~~
 - a. ~~Zero-bedroom or efficiency dwelling units, 43 dwelling units per net acre.~~
 - b. ~~One-bedroom dwelling units, 34 dwelling units per net acre.~~
 - c. ~~Two-bedroom dwelling units, 29 dwelling units per net acre.~~
 - d. ~~Three- or more bedroom dwelling units, 24 dwelling units per net acre.~~
6. ~~Minimum lot frontage on a public street, 70 feet.~~

7. ~~Minimum lot depth, 100 feet.~~
8. ~~Minimum depth of front setback, 20 feet.~~
9. ~~Minimum depth of rear setback, ¹⁷ 15 feet.~~
10. ~~Minimum width of side setback:~~
 - a. ~~Internal lot, seven feet or ten percent of lot width, whichever is greater, but not to exceed 15 feet unless the property owner voluntarily wants to have more.~~
 - b. ~~Side yard setback abutting street, 15 feet.~~
11. ~~Minimum distance between buildings on the same lot or parcel of land, 12 feet and an additional one foot for every two feet in height above 35 feet of either structure.~~
12. ~~Minimum distance from the public right-of-way to the entrance to a garage or enclosed carport, unless otherwise specified by the planning and zoning commission, 18 feet.~~
13. ~~Maximum building coverage as a percentage of lot area, 50 percent.~~
14. ~~Minimum amount of permanent, landscaped open space, ten percent.~~
15. ~~Maximum height of structures, where a structure exceeds 36 feet in height, it shall be set back one additional foot for every two feet above 36 feet.~~
16. ~~Minimum number of paved, striped off-street parking spaces required for:~~
 - a. ~~Zero-bedroom or efficiency dwelling unit, 1.0 space per unit.~~
 - b. ~~One-bedroom dwelling units, 1.5 spaces per unit.~~
 - c. ~~Two-bedroom dwelling units, 1.75 spaces per unit.~~
 - d. ~~Three- or more bedroom dwelling units, 2.0 spaces per unit.~~
 - e. ~~All other uses, see "Off-Street Parking," article IV.~~
17. ~~Lots with more than five dwelling units that have a side or rear contiguous to an R-1, R-TH, R-2 district, must be separated by a buffer as herein defined. Must also meet the requirements of article V.~~
18. ~~See article VII for modifications and exceptions.~~

F. ~~Required conditions:~~

1. ~~Any owner, builder, or developer of a multiple-family, condominium or townhouse dwelling complex of eight units or more on a single lot or parcel or eight or more single-family townhouse attached units, shall submit to the planning and zoning commission for a review, the site and building plan for the proposed development. The contents of this site plan shall contain drawings to scale to indicate as needed:~~
 - a. ~~Location of all structures proposed and existing on the subject property and within 20 feet on adjoining property;~~
 - b. ~~Landscaping and/or fencing of yards and setback areas and proposed changes;~~
 - c. ~~Design of ingress and egress;~~
 - d. ~~Off-street parking and loading facilities;~~
 - e. ~~Height of all structures;~~
 - f. ~~Proposed uses; and~~
 - g. ~~Location and types of all signs, including lighting and heights.~~

2. ~~The purpose of the site plan review is:~~
 - a. ~~To ensure compliance with the zoning ordinance, while allowing for design flexibility;~~
 - b. ~~To assist in the orderly and harmonious development of the city;~~
 - c. ~~To protect adjacent uses for obstructions to light, air, and visibility;~~
 - d. ~~To provide protection from fire;~~
 - e. ~~To avoid undue concentrations of population and overcrowding of land; and~~
 - f. ~~To facilitate the adequate provision of transportation, water, sewage, draining and other public requirements.~~
3. ~~The planning and zoning commission shall approve an application for a multiple-family dwelling complex if the proposed development meets all the minimum standards established in this ordinance and other applicable ordinances, and if the commission finds that the proposed development will not be detrimental to the health, safety, or welfare of the surrounding neighborhood or its occupants, or be substantially or permanently injurious to neighboring property. It shall disapprove or conditionally approve any application which fails to meet the above criteria or is in conflict with the comprehensive plan or the adopted growth policies of the city.~~
4. ~~The site plan shall be submitted to the director of planning or his duly authorized representative ten working days prior to the submission to the planning and zoning commission for review. The director of planning or his designee shall review these plans as quickly as possible, but in no case shall he delay submission beyond one planning and zoning commission meeting.~~
5. ~~Appeals of the decision of the planning and zoning commission shall be in accordance with section 1.92, article XII.~~

~~(Ord. No. O-2017-49, §§ 2-4, 11-20-17; Ord. No. O-2019-19, §§ 13, 14, 6-17-19)~~

Editor's note— See the editor's note to § 1.12.

Footnotes:

~~---(6)---~~

~~For densities exceeding the maximum in this zone, a PUD, planned unit development, zoning will have to be obtained.~~

~~---(7)---~~

~~Unenclosed carports may be built up to within five feet of any property line that abuts an alley in an R-4 district.~~

Section 1.15. – Residential Multi-Family High Density (R-MFHD)

A. Purpose:

1. The R-MFHD multifamily district is established to provide adequate space and site diversification for medium to high density areas.
2. To manage the density of population and protect against congestion by providing for off-street parking spaces and by requiring the provision of open space in residential areas

in order to open areas for rest and recreation and to break the monotony of continuous building bulk, thus providing a more desirable environment for urban living.

3. This may be a zone for transitional areas developed for single-family usage, but because of the need for rehabilitation, or changes in the character of the neighborhood, are now deemed suitable for some multifamily development.
4. This zone allows medium to high density developments, and should be located where additional requirements for streets, water and fire protection, wastewater, drainage, and adequate open space are met. R-MFHD uses should not run traffic over long distances of single-family residential-sized streets, or through single-family neighborhoods, and should be located close to arterials or collectors capable of carrying the additional traffic.
5. Multifamily developments are not a buffer between single-family and commercial uses and should be properly buffered from nonresidential land uses and traffic, or from pollution and/or environmental hazards.

B. Permitted uses:

1. One single-family dwelling per lot. Structures must meet the requirements of the R-1 district.
2. One duplex, tri-plex or four-plex per lot. Structures must meet requirements of the R-MF district.
3. Apartments.
4. Condominiums.
5. One townhouse per lot. Structures must meet the area requirements of R-TH district.
6. Paved parking lots for multifamily residential use.
7. Public and private directional signs, official signs, political signs, nameplates or real estate signs.
8. Church and other permitted institutions' signs showing names, activities, and service therein provided.
9. During construction of a building, one unilluminated sign advertising contractors or architects on such buildings, provided such sign is less than eight square feet in area, provided that signs shall recognize customary setback lines and be removed immediately after completion of such building.
10. Portable buildings or storage buildings used as an accessory to the residential use and not for living quarters.
11. Temporary real estate sales offices located on property being sold, or temporary on-site construction offices, limited to the period of sale, construction, or two years, whichever is less.
12. Nurseries, greenhouses, and gardens where the products are not to be sold.
13. Day care centers with less than six children enrolled at any one time, except in townhouses.
14. Paved automobile parking areas which are necessary to the uses permitted in this district.
15. An accessory use customarily related to a principal use authorized in this district.

C. Conditional uses (require use permits, see article III):

1. Institutional, including day care centers with six children or more enrolled, or in townhouses
2. Home occupations as defined in this ordinance.
3. Associated recreation.
4. Guesthouses.
5. A mobile home on an unsubdivided tract five acres or more.
6. Boardinghouses.
7. Facilities for railroads or those utilities holding a franchise under the City of Pharr
8. Pave parking facilities for nonresidential uses.
9. Real estate sales offices or on-site construction offices for more than two years or occupying mobile homes.

D. Prohibited uses:

1. Any building erected or land used for other than one or more of the preceding specified uses.
2. The storage of equipment, material or vehicles, including abandoned vehicles, which are not necessary to the uses permitted in this district.
3. On- and off-premises signs, portable signs, animated or illuminated signs.
4. Any use of property that does not meet the required minimum lot size; front, side and rear yard dimension; and/or lot width; or exceeds the maximum height, building coverage or density per gross acre as required.

E. Area requirements:

1. Single-family dwelling units shall meet the requirements of the R-1 district. Only one single-family residential structure will be allowed per lot.
2. Townhouses shall meet the requirements of the R-TH district. Only one townhouse will be allowed per lot.
3. Duplex, Tri-Plex or Four-Plex shall meet the requirements of the R-MF district
4. Minimum lot area:
5 or more residential dwelling units: 9,000 square feet
5. Maximum number of dwelling units per lot:
 - (a) Zero-bedroom or efficiency dwelling units: 1,000 square feet of lot area per unit.
 - (b) One-bedroom dwelling units: 1,250 square feet of lot area per unit.
 - (c) Two-bedroom dwelling units: 1,500 square feet of lot area per unit.
 - (d) Three- or more bedroom dwelling units: 1,750 square feet of lot area per unit.

To determine the permitted number of dwelling units in the R-3 district, divide the area of the parcel in question by the "minimum lot area per dwelling unit." The resulting quotient is the maximum number of dwelling units permitted.

i.e.: 90 feet × 100 feet lot = 9,000 feet.

9,000 square feet of lot area ÷ 1,000 square feet = 9 efficiency apartments. The maximum number on 9,000 square foot lot = 9 efficiencies.

9,000 square feet of lot area ÷ 1,250 square feet = 7 one-bedroom apartments.

9,000 square feet of lot area ÷ 1,500 square feet = 6 two-bedroom apartments.

9,000 square feet of lot area ÷ 1,750 square feet = 5 three-bedroom apartments.

6. Minimum lot frontage on a public street: 70 feet.

7. Minimum lot depth: 100 feet.

8. Minimum depth of front setback: 20 feet.

9. Minimum depth of rear setback*: 15 feet or easement whichever is greater.

*Unenclosed carports may be built up to within five feet of any property line that abuts an alley.

10. Minimum width of side setback:

(a) Internal lot: 7 feet or 10% of lot width, but not to exceed 15 feet, unless voluntarily by owner

(b) Side yard setback abutting street, 15 feet

11. Distance between buildings on same lot: 12 feet and an additional one foot for every 2 feet in height above 36 feet of either structure.

12. Minimum distance from the public right-of-way to the entrance to a garage or enclosed carport, unless otherwise approved by the zoning board of adjustments: 18 feet.

13. Maximum building coverage as a percentage of lot area: 50 percent.

14. Minimum amount of permanent, landscaped open space: 10 percent.

15. Maximum height of structures: Where a structure exceeds 36 feet in height, it shall be set back one additional foot for every two feet above 36 feet.

16. Minimum number of paved parking spaces required for:

(a) Each residential dwelling unit: two spaces.

(b) All other uses: see off-street parking, Article IV

17. See article VII, sections 1.70 through 1.73, for further clarification, and exceptions and modifications.

F. Required conditions:

a. Any owner, builder, or developer of a multiple-family, condominium or townhouse dwelling complex of five units or more on a single lot or parcel, or five or more single-family townhouse attached units, shall submit to the planning and zoning commission for a review, the site and building plan for the proposed development. The contents of this site plan shall contain drawings to scale to indicate as needed:

(1) Location of all structures proposed and existing on the subject property and within 20 feet on adjoining property;

(2) Landscaping and/or fencing of yards and setback areas and proposed changes;

- (3) Design of ingress and egress;
 - (4) Off-street parking and loading facilities;
 - (5) Height of all structures;
 - (6) Proposed uses; and
 - (7) Location and types of all signs, including lighting and heights.
- b. The purpose of the site plan review is:
- (1) To ensure compliance with the zoning ordinance, while allowing for design flexibility;
 - (2) To assist in the orderly and harmonious development of the city;
 - (3) To protect adjacent uses from obstructions to light, air, and visibility;
 - (4) To provide protection from fire;
 - (5) To avoid undue concentrations of population and overcrowding of land; and
 - (6) To facilitate the adequate provision of transportation, water, sewage, drainage and other public requirements.
- c. The planning and zoning commission shall approve an application for a multiple-family dwelling complex if the proposed development meets all the minimum standards established in this ordinance and other applicable ordinances, and if the commission finds that the proposed development will not be detrimental to the health, safety, or welfare of the surrounding neighborhood or its occupants, or be substantially or permanently injurious to neighboring property. It shall disapprove or conditionally approve any application which fails to meet the above criteria or is in conflict with the comprehensive plan or the adopted growth policies of the city.
- d. The site plan shall be submitted to the city manager or his duly authorized representative ten working days prior to the submission to the planning and zoning commission for review. The city manager or his designee shall review these plans as quickly as possible, but in no case shall he delay submission beyond one planning and zoning commission meeting.
- e. Appeals of the decision of the planning and zoning commission shall be in accordance with section 1.24 of article V.

Sec. 1.16-1.17 [Reserved]

SECTION 6 – SEVERABILITY

If any part or parts of this Ordinance are found to be invalid or unconstitutional by a court having competent jurisdiction, then such invalidity or unconstitutionality shall not affect the remaining parts hereof and such remaining parts shall remain in full force and effect, and to that extent this Ordinance is considered severable.

SECTION 7 – SAVINGS CLAUSE

Except as hereby amended, any provisions of the code of ordinances or directives of the City of Pharr, Texas, not in conflict with this Ordinance shall remain in full force and effect, unimpaired hereby.

SECTION 8 – EFFECTIVE DATE; PUBLICATION

The Ordinance shall take effect 10 days and after its passage and approval on three (3) separate readings in accordance with Section 8, Article 3 of the Charter of the City of Pharr, Texas. Publication, if necessary, may also be in caption form as allowed under Section 9 of the Pharr City Charter.

SECTION 9 – REPEALING CLAUSE

All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed.

SECTION 10 – CUMULATIVE

This ordinance shall be cumulative of all ordinances of the City of Pharr, Texas, and of all laws of the State of Texas.

SECTION 11 – PROPER NOTICE AND MEETING

It is hereby officially found and determined that the meeting at which this Ordinance was passed was open to the public and that public notice of the time, place and purpose of said meeting was given as required by the Open Meetings Act, Chapter 551 of the Texas Government Code.

PASSED AND APPROVED ON THE FIRST READING BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the _____ day of _____, 2021.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK

PASSED AND APPROVED ON THE SECOND READING BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the _____ day of _____, 2021.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK

PASSED AND APPROVED ON THE THIRD READING BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the _____ day of _____, 2021.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.D.

DATE SUBMITTED: February 25, 2021

MEETING DATE: March 15, 2021

FROM: Beatriz Fuentes, HR Coordinator

DEPARTMENT: HR

DIRECTOR: Veronica Ramirez

Agenda Item: Consideration and action, if any, on Ordinance amending Ordinance O-2020-38 relating to the number of authorized civil service positions within the Fire and Police Departments. *(2nd Reading)*

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Issue: It is necessary for the Board of Commission to make amendments to Article IX, Firefighters and Police Officers Civil Service Ordinance relating to the number of authorized civil service position in certain specified ranks to better serve the needs of the citizens of the City.

Fiscal Consideration: Difference of \$10,500

Staff Recommendation: Staff recommends approval of updated Ordinance.

Alternatives: NA

Exclude Material from Public Packet? No

Reason: NA

ROUTING:

Beatriz Fuentes

Anali Alanis

Karla Saavedra

Patricia Rigney

City Management Office

Created/Initiated - 2/25/2021

Approved - 2/25/2021

Approved - 2/26/2021

Approved - 2/26/2021

Final Approval - 2/26/2021

ORDINANCE NO.

**AN ORDINANCE AMENDING THE CODE OF ORDINANCES NO. O- 2020-38 OF THE
CITY OF PHARR BY PROVIDING FOR AMENDMENT TO ARTICLE IX,
FIREFIGHTERS AND POLICE OFFICERS CIVIL SERVICE ORDINANCE BY
INCREASING THE AUTHORIZED POSITIONS IN THE DIFFERENT
CLASSIFICATIONS DECLARING ALL ORDINANCES IN CONFLICT NULL AND
VOID; DECLARING AN EMERGENCY; AND PROVIDING FOR AN EFFECTIVE
DATE**

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

SECTION 1: It is necessary for the Board of Commission to make amendments to Article IX, Firefighters and Police Officers Civil Service Ordinance relating to the number of authorized civil service position in certain specified ranks to better serve the needs of the citizens of the City.

SECTION 2: Therefore, the Code of Ordinance of the City of Pharr, Article IX, Firefighters and Police Officers Civil Service Ordinance is hereby amended to provide for the following modifications to the number of authorized and budgeted positions in the existing rank structure of the City Fire Department and City Police Department as follows:

1) an increase in the Police Department authorized strength, new total is as follows:

Police Department			
	Current Positions	Increase By	New Total
Police Officer	112	0	112
Sergeant	16	0	16
Lieutenant	7	0	7
Deputy Chief	2	0	2
Assistant Chief	1	0	1
Police Chief	1	0	1

2) an increase in the Fire Department authorized strength, new total is as follows:

Fire Department			
	Current Positions	Increase By	New Total
Firefighter	45	0	45
Engineer	18	1	19
Lieutenant/Asst. Fire Marshal	14	0	14
Deputy Chief/Fire Marshal	3	0	3
Assistant Chief	1	0	1
Fire Chief	1	0	1

- 3) any vacancies created are to be filled by civil service procedures. Deputy Chief positions within the Police Department shall be filled in accordance to Memorandum of Understanding executed on 09/18/2020.

SECTION 3: The foregoing modifications to the number of authorized positions are hereby made so as to better serve the interests of the department and public and in keeping with the fiscal and administrative efficiency of the City of Pharr, Texas.

SECTION 4: The foregoing modifications made to the number of authorized positions at the rank of Firefighter will be effective only **after** the new positions of Engineer and Lieutenant/Asst. Fire Marshal are filled.

SECTION 5: Provisions of any Ordinances in conflict herewith are hereby expressly repealed.

SECTION 6: Nothing in the Ordinance is intended to modify or create any additional statutory or contractual rights or obligations of the employees of the Fire or Police Departments.

SECTION 7: This Ordinance shall take effect upon receiving final approval by the governing body following three (3) readings of the Board of Commissioners.

PASSED AND APPROVED ON FIRST READING BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the _____ day of _____, 2021.

CITY OF PHARR

ATTEST:

Ambrosio "Amos" Hernandez, Mayor

Hilda Pedraza, City Clerk

PASSED AND APPROVED ON SECOND READING BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the _____ day of _____, 2021.

CITY OF PHARR

ATTEST:

Ambrosio “Amos” Hernandez, Mayor

Hilda Pedraza, City Clerk

PASSED AND APPROVED ON THIRD READING BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the _____ day of _____, 2021.

CITY OF PHARR

ATTEST:

Ambrosio “Amos” Hernandez, Mayor

Hilda Pedraza, City Clerk



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.E.

DATE SUBMITTED: March 9, 2021

MEETING DATE: March 15, 2021

FROM: Maria Rangel, Engineer in Training

DEPARTMENT: Engineering

DIRECTOR: Omar Anzaldua

Agenda Item: Consideration and action, if any, on Resolution executing an Advance Funding Agreement (AFA) with the Texas Department of Transportation (TxDOT) for I Road, from Rancho Blanco Road to Military Highway (US 281), CSJ 0921-02-363.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Issue: The proposed AFA with TxDOT is for the expansion of I Road from Javelina Drive (Rancho Blanco Road) to Military Highway (US 281). The AFA will require the City to pay a total estimated amount of \$168,869 to TxDOT for review and oversight services. In addition, the City is responsible for 100% of cost overruns.

Fiscal Consideration:

Initial Payment Due at AFA Approval: \$34,394

Payment Due Before Construction: \$134,475

Total Due: \$168,869

Staff Recommendation: Staff recommends approval of the Resolution executing an AFA with TxDOT for I Road, from Rancho Blanco Road to Military Highway, CSJ 0921-02-363.

Alternatives: No alternatives.

Exclude Material from Public Packet? No

Reason: No exclusion.

ROUTING:

Maria Rangel

Omar Anzaldua

Karla Saavedra

Patricia Rigney

City Management Office

Created/Initiated - 3/9/2021

Approved - 3/10/2021

Approved - 3/11/2021

Approved - 3/12/2021

Final Approval - 3/12/2021

RESOLUTION NO. R-2021-__

**ADVANCE FUNDING AGREEMENT
METROPOLITAN MOBILITY FUNDS OFF-SYSTEM
I ROAD, RANCHO BLANCO ROAD TO MILITARY HIGHWAY (US 281)
CSJ: 0921-02-363**

WHEREAS, federal law establishes federally funded programs for transportation improvements to implement its public purposes; and

WHEREAS, the Texas Transportation Code, Section 201.103 establishes that the State shall design, construct and operate a system of highways in cooperation with local governments, and Section 222.052 authorizes the Texas Transportation Commission to accept contributions from political subdivisions for development and construction of public roads and the state highway system within the political subdivision, and

WHEREAS, federal and state laws require local governments to meet certain contract standards relating to the management and administration of State and federal funds; and

WHEREAS, the Texas Transportation Commission passed Minute Order Number **115814** authorizing the State to undertake and complete a highway improvement or other transportation project generally described as **a reconstruction of I Road, from Rancho Blanco Road to Military Highway (US 281)**; and

WHEREAS, The City of Pharr wishes to enter into an Advance Funding Agreement with the State of Texas Department of Transportation for a Metropolitan Mobility Funds Project Off-System, I Road, from Rancho Blanco Road to Military Highway (US 281), CSJ: 0921-02-363; and

WHEREAS, The City of Pharr total estimated cost to the State will be **\$168,869** (*This is an estimate. The final amount of Local Government participation will be based on actual costs. The City of Pharr is also responsible for 100% of cost overruns.*) and authorizes initial payment in the amount of **\$34,394** to the Texas Department of Transportation Trust Fund.

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

The City of Pharr authorizes the Mayor to execute any and all documents necessary to effectuate said Advance Funding Agreement.

The City of Pharr authorizes the issuance of a check in the initial amount of **\$34,394** to the Texas Department of Transportation Trust Fund.

This resolution shall take effect immediately from and after its passage.

PASSED AND APPROVED this 15th day of March 2021, by the Board of Commissioners of the City of Pharr, Texas.

CITY OF PHARR

Ambrosio Hernandez, Mayor

ATTEST:

Hilda Pedraza, City Clerk

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STATE OF TEXAS §

COUNTY OF TRAVIS §

ADVANCE FUNDING AGREEMENT **For** **Metropolitan Mobility Funds** **Off-System**

THIS AGREEMENT (Agreement) is made by and between the State of Texas, acting by and through the **Texas Department of Transportation** called the "State", and the **City of Pharr**, acting by and through its duly authorized officials, called the "Local Government". The State and Local Government shall be collectively referred to as "the parties" hereinafter.

WITNESSETH

WHEREAS, federal law establishes federally funded programs for transportation improvements to implement its public purposes, and

WHEREAS, the Texas Transportation Code, Section 201.103 establishes that the State shall design, construct and operate a system of highways in cooperation with local governments, and Section 222.052 authorizes the Texas Transportation Commission to accept contributions from political subdivisions for development and construction of public roads and the state highway system within the political subdivision, and

WHEREAS, federal and state laws require local governments to meet certain contract standards relating to the management and administration of State and federal funds, and

WHEREAS, the Texas Transportation Commission has codified 43 TAC, Rules 15.50-15.56 that describe federal, state, and local responsibilities for cost participation in highway improvement and other transportation projects, and

WHEREAS, the Texas Transportation Commission passed Minute Order Number **115814** authorizing the State to undertake and complete a highway improvement or other transportation project generally described as **reconstruct a 2-lane roadway with shoulders on I Road, from Rancho Blanco Road to Military Highway (US 281)** . The portion of the project work covered by this Agreement is identified in the Agreement, Article 3, Scope of Work (Project), and

WHEREAS, the Governing Body of the Local Government has approved entering into this Agreement by resolution, ordinance, or commissioners court order dated **{Enter Date of Resolution}**, which is attached to and made a part of this Agreement as Attachment A, Resolution, Ordinance, or Commissioners Court Order (Attachment A). A map showing the Project location appears in

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Attachment B, Location Map Showing Project (Attachment B), which is attached to and made a part of this Agreement.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements of the parties, to be by them respectively kept and performed as set forth in this Agreement, it is agreed as follows:

AGREEMENT

1. Responsible Parties:

For the Project covered by this Agreement, the parties shall be responsible for the following work as stated in the article of the Agreement referenced in the table below:

1.	N/A	Utilities	Article 8
2.	Local Government	Environmental Assessment and Mitigation	Article 9
3.	Local Government	Architectural and Engineering Services	Article 11
4.	Local Government	Construction Responsibilities	Article 12
5.	N/A	Right of Way and Real Property	Article 14

2. Period of the Agreement

This Agreement becomes effective when signed by the last party whose signing makes the Agreement fully executed. This Agreement shall remain in effect until the Project is completed or unless terminated as provided below.

3. Scope of Work

The scope of work for the Project consists of reconstructing and widening of existing I Road from a 2-lane rural roadway to a 2-lane divided roadway with a continuous left turn lane and shoulders for an approximate length of 4 miles. Work will also include bridge reconstruction and/or widening, drainage facilities, traffic signals, pavement markings, and irrigation structures.

4. Project Sources and Uses of Funds

The total estimated cost of the Project is shown in Attachment C, Project Budget (Attachment C) which is attached to and made a part of this Agreement.

- A. If the Local Government will perform any work under this Agreement for which reimbursement will be provided by or through the State, the Local Government must complete training. If federal funds are being used, the training must be completed before federal spending authority is obligated. Training is complete when at least one individual who is working actively and directly on the Project successfully completes and receives a certificate for the course entitled "Local Government Project Procedures and Qualification for the Texas Department of Transportation" and retains qualification in accordance with applicable TxDOT procedures. Upon request, the Local

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Government shall provide the certificate of qualification to the State. The individual who receives the training certificate may be an employee of the Local Government or an employee of a firm that has been contracted by the Local Government to perform oversight of the Project. The State in its discretion may deny reimbursement if the Local Government has not continuously designated in writing a qualified individual to work actively on or to directly oversee the Project.

- B. The expected cash contributions from the federal government, the State, the Local Government, or other parties are shown in Attachment C. The State will pay for only those Project costs that have been approved by the Texas Transportation Commission. For projects with federal funds, the State and the federal government will not reimburse the Local Government for any work performed before the federal spending authority is formally obligated to the Project by the Federal Highway Administration (FHWA). After federal funds have been obligated, the State will send to the Local Government a copy of the formal documentation showing the obligation of funds including federal award information. The Local Government is responsible for 100% of the cost of any work performed under its direction or control before the federal spending authority is formally obligated.
- C. Attachment C shows, by major cost categories, the cost estimates and the party responsible for performing the work for each category. These categories may include but are not limited to: (1) costs of real property; (2) costs of utility work; (3) costs of environmental assessment and remediation; (4) cost of preliminary engineering and design; (5) cost of construction and construction management; and (6) any other local project costs.
- D. The State will be responsible for securing the federal and State share of the funding required for the development and construction of the local Project. If the Local Government is due funds for expenses incurred, these funds will be reimbursed to the Local Government on a cost basis.
- E. The Local Government will be responsible for all non-federal or non-State participation costs associated with the Project, unless otherwise provided for in this Agreement or approved otherwise in an amendment to this Agreement. For items of work subject to specified percentage funding, the Local Government shall only in those instances be responsible for all Project costs that are greater than the maximum State and federal participation specified in Attachment C and for overruns in excess of the amount specified in Attachment C to be paid by the Local Government.
- F. The budget in Attachment C will clearly state all items subject to fixed price funding, specified percentage funding, and the periodic payment schedule, when periodic payments have been approved by the State.
- G. When the Local Government bears the responsibility for paying cost overruns, the Local Government shall make payment to the State within thirty (30) days from the receipt of the State's written notification of additional funds being due.
- H. When fixed price funding is used, the Local Government is responsible for the fixed price amount specified in Attachment C. Fixed prices are not subject to adjustment unless (1) differing site conditions are encountered; (2) further definition of the Local Government's requested scope of work identifies greatly differing costs from those estimated; (3) work requested by the Local Government is determined to be ineligible

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- for federal participation; or (4) the adjustment is mutually agreed to by the State and the Local Government.
- I. Prior to the performance of any engineering review work by the State, the Local Government will pay to the State the amount specified in Attachment C. At a minimum, this amount shall equal the Local Government's funding share for the estimated cost of preliminary engineering performed or reviewed by the State for the Project. At least sixty (60) days prior to the date set for receipt of the construction bids, the Local Government shall remit its remaining financial share for the State's estimated construction oversight and construction cost.
 - J. The State will not execute the contract for the construction of the Project until the required funding has been made available by the Local Government in accordance with this Agreement.
 - K. Whenever funds are paid by the Local Government to the State under this Agreement, the Local Government shall remit a check or warrant made payable to the "Texas Department of Transportation" or may use the State's Automated Clearing House (ACH) system for electronic transfer of funds in accordance with instructions provided by TxDOT's Finance Division. The funds shall be deposited and managed by the State and may only be applied by the State to the Project.
 - L. The State will not pay interest on any funds provided by the Local Government.
 - M. If a waiver for the collection of indirect costs for a service project has been granted under 43 TAC §15.56, the State will not charge the Local Government for the indirect costs the State incurs on the Project, unless this Agreement is terminated at the request of the Local Government prior to completion of the Project.
 - N. If the Local Government is an Economically Disadvantaged County (EDC) and if the State has approved adjustments to the standard financing arrangement, this Agreement reflects those adjustments.
 - O. Where the Local Government is authorized to perform services under this Agreement and be reimbursed by the State, the Local Government is authorized to submit requests for reimbursement by submitting the original of an itemized invoice, in a form and containing all items required by the State, no more frequently than monthly and no later than ninety (90) days after costs are incurred. If the Local Government submits invoices more than ninety (90) days after the costs are incurred and if federal funding is reduced as a result, the State shall have no responsibility to reimburse the Local Government for those costs.
 - P. Upon completion of the Project, the State will perform a final accounting of the Project costs for all items of work with specified percentage funding. Any funds due by the Local Government, the State, or the federal government for these work items will be promptly paid by the owing party.
 - Q. The state auditor may conduct an audit or investigation of any entity receiving funds from the State directly under this Agreement or indirectly through a subcontract under this Agreement. Acceptance of funds directly under this Agreement or indirectly through a subcontract under this Agreement acts as acceptance of the authority of the state auditor, under the direction of the legislative audit committee, to conduct an audit or investigation in connection with those funds. An entity that is the subject of an audit

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or investigation must provide the state auditor with access to any information the state auditor considers relevant to the investigation or audit.

- R. Payment under this Agreement beyond the end of the current fiscal biennium is subject to availability of appropriated funds. If funds are not appropriated, this Agreement shall be terminated immediately with no liability to either party.

5. Termination of This Agreement

This Agreement shall remain in effect until the Project is completed and accepted by all parties, unless:

- A. The Agreement is terminated in writing with the mutual consent of the parties;
- B. The Agreement is terminated by one party because of a breach, in which case any costs incurred because of the breach shall be paid by the breaching party;
- C. The Local Government elects not to provide funding after the completion of preliminary engineering, specifications, and estimates (PS&E) and the Project does not proceed because of insufficient funds, in which case the Local Government agrees to reimburse the State for its reasonable actual costs incurred during the Project; or
- D. The Agreement is terminated by the State because the parties are not able to execute a mutually agreeable amendment when the costs for Local Government requested items increase significantly due to differing site conditions, determination that Local government requested work is ineligible for federal or state cost participation, or a more thorough definition of the Local Government's proposed work scope identifies greatly differing costs from those estimated. The State will reimburse Local Government remaining funds to the Local Government within ninety (90) days of termination; or
- E. The Project is inactive for thirty-six (36) consecutive months or longer and no expenditures have been charged against federal funds, in which case the State may in its discretion terminate this Agreement.

6. Amendments

Amendments to this Agreement due to changes in the character of the work, terms of the Agreement, or responsibilities of the parties relating to the Project may be enacted through a mutually agreed upon, written amendment.

7. Remedies

This Agreement shall not be considered as specifying the exclusive remedy for any agreement default, but all remedies existing at law and in equity may be availed of by either party to this Agreement and shall be cumulative.

8. Utilities

The party named in Article 1, Responsible Parties, under AGREEMENT shall be responsible for the adjustment, removal, or relocation of utility facilities in accordance with applicable state laws, regulations, rules, policies, and procedures, including any cost to the State of a delay resulting from the Local Government's failure to ensure that utility facilities are adjusted, removed, or relocated before the scheduled beginning of construction. The Local Government will not be reimbursed with federal or State funds for the cost of required utility work. The Local Government must obtain advance approval for any variance from established

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procedures. Before a construction contract is let, the Local Government shall provide, at the State's request, a certification stating that the Local Government has completed the adjustment of all utilities that must be adjusted before construction is commenced.

9. Environmental Assessment and Mitigation

Development of a transportation project must comply with the National Environmental Policy Act and the National Historic Preservation Act of 1966, which require environmental clearance of federal-aid projects. The party named in Article 1, Responsible Parties, under AGREEMENT is responsible for the following:

- A. The identification and assessment of any environmental problems associated with the development of a local project governed by this Agreement.
- B. The cost of any environmental problem's mitigation and remediation.
- C. Providing any public meetings or public hearings required for the environmental assessment process. Public hearings will not be held prior to the approval of the Project schematic.
- D. The preparation of the NEPA documents required for the environmental clearance of this Project.

If the Local Government is responsible for the environmental assessment and mitigation, before the advertisement for bids, the Local Government shall provide to the State written documentation from the appropriate regulatory agency or agencies that all environmental clearances have been obtained.

10. Compliance with Accessibility Standards

All parties to this Agreement shall ensure that the plans for and the construction of all projects subject to this Agreement are in compliance with standards issued or approved by the Texas Department of Licensing and Regulation (TDLR) as meeting or consistent with minimum accessibility requirements of the Americans with Disabilities Act (P.L. 101-336) (ADA).

11. Architectural and Engineering Services

The party named in Article 1, Responsible Parties, under AGREEMENT has responsibility for the performance of architectural and engineering services. The engineering plans shall be developed in accordance with the applicable State's *Standard Specifications for Construction and Maintenance of Highways, Streets and Bridges* and the special specifications and special provisions related to it. For projects on the State highway system, the design shall, at a minimum conform to applicable State manuals. For projects not on the State highway system, the design shall, at a minimum, conform to applicable American Association of State Highway and Transportation Officials (AASHTO) design standards.

In procuring professional services, the parties to this Agreement must comply with federal requirements cited in 23 CFR Part 172 if the Project is federally funded and with Texas Government Code 2254, Subchapter A, in all cases. Professional contracts for federally funded projects must conform to federal requirements, specifically including the provision for participation by Disadvantaged Business Enterprises (DBEs), ADA, and environmental matters. If the Local Government is the responsible party, the Local Government shall submit

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its procurement selection process for prior approval by the State. All professional services contracts must be reviewed and approved by the State prior to execution by the Local Government.

12. Construction Responsibilities

The party named in Article 1, Responsible Parties, under AGREEMENT is responsible for the following:

- A. Advertise for construction bids, issue bid proposals, receive and tabulate the bids, and award and administer the contract for construction of the Project. Administration of the contract includes the responsibility for construction engineering and for issuance of any change orders, supplemental agreements, amendments, or additional work orders that may become necessary subsequent to the award of the construction contract. In order to ensure federal funding eligibility, projects must be authorized by the State prior to advertising for construction.
- B. If the State is the responsible party, the State will use its approved contract letting and award procedures to let and award the construction contract.
- C. If the Local Government is the responsible party, the Local Government shall submit its contract letting and award procedures to the State for review and approval prior to letting.
- D. If the Local Government is the responsible party, the State must concur with the low bidder selection before the Local Government can enter into a contract with the vendor.
- E. If the Local Government is the responsible party, the State must review and approve change orders.
- F. Upon completion of the Project, the party responsible for constructing the Project will issue and sign a "Notification of Completion" acknowledging the Project's construction completion and submit certification(s) sealed by a professional engineer(s) licensed in the State of Texas.
- G. For federally funded contracts, the parties to this Agreement will comply with federal construction requirements cited in 23 CFR Part 635 and with requirements cited in 23 CFR Part 633, and shall include the latest version of Form "FHWA-1273" in the contract bidding documents. If force account work will be performed, a finding of cost effectiveness shall be made in compliance with 23 CFR 635, Subpart B.

13. Project Maintenance

The Local Government shall be responsible for maintenance of locally owned roads and locally owned facilities after completion of the work. The State shall be responsible for maintenance of the State highway system after completion of the work if the work was on the State highway system, unless otherwise provided for in existing maintenance agreements with the Local Government.

14. Right of Way and Real Property

The party named in Article 1, Responsible Parties, under AGREEMENT is responsible for the provision and acquisition of any needed right of way or real property.

The Local Government shall be responsible for the following:

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- A. Right of way and real property acquisition shall be the responsibility of the Local Government. Title to right of way and other related real property must be acceptable to the State before funds may be expended for the improvement of the right of way or real property.
- B. If the Local Government is the owner of any part of the Project site under this Agreement, the Local Government shall permit the State or its authorized representative access to occupy the site to perform all activities required to execute the work.
- C. All parties to this Agreement will comply with and assume the costs for compliance with all the requirements of Title II and Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, Title 42 U.S.C.A. Section 4601 et seq., including those provisions relating to incidental expenses incurred by the property owners in conveying the real property to the Local Government and benefits applicable to the relocation of any displaced person as defined in 49 CFR Section 24.2(g). Documentation to support such compliance must be maintained and made available to the State and its representatives for review and inspection.
- D. The Local Government shall assume all costs and perform necessary requirements to provide any necessary evidence of title or right of use in the name of the Local Government to the real property required for development of the Project. The evidence of title or rights shall be acceptable to the State, and be free and clear of all encroachments. The Local Government shall secure and provide easements and any needed rights of entry over any other land needed to develop the Project according to the approved Project plans. The Local Government shall be responsible for securing any additional real property required for completion of the Project.
- E. In the event real property is donated to the Local Government after the date of the State's authorization, the Local Government will provide all documentation to the State regarding fair market value of the acquired property. The State will review the Local Government's appraisal, determine the fair market value and credit that amount towards the Local Government's financial share. If donated property is to be used as a funding match, it may not be provided by the Local Government. The State will not reimburse the Local Government for any real property acquired before execution of this Agreement and the obligation of federal spending authority.
- F. The Local Government shall prepare real property maps, property descriptions, and other data as needed to properly describe the real property and submit them to the State for approval prior to the Local Government acquiring the real property. Tracings of the maps shall be retained by the Local Government for a permanent record.
- G. The Local Government agrees to make a determination of property values for each real property parcel by methods acceptable to the State and to submit to the State a tabulation of the values so determined, signed by the appropriate Local Government representative. The tabulations shall list the parcel numbers, ownership, acreage and recommended compensation. Compensation shall be shown in the component parts of land acquired, itemization of improvements acquired, damages (if any) and the amounts by which the total compensation will be reduced if the owner retains improvements. This tabulation shall be accompanied by an explanation to support the determined values, together with a copy of information or reports used in calculating all

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determined values. Expenses incurred by the Local Government in performing this work may be eligible for reimbursement after the Local Government has received written authorization by the State to proceed with determination of real property values. The State will review the data submitted and may base its reimbursement for parcel acquisitions on these values.

- H. Reimbursement for real property costs will be made to the Local Government for real property purchased in an amount not to exceed eighty percent (80%) of the cost of the real property purchased in accordance with the terms and provisions of this Agreement. Reimbursement will be in an amount not to exceed eighty percent (80%) of the State's predetermined value of each parcel, or the net cost of the parcel, whichever is less. In addition, reimbursement will be made to the Local Government for necessary payments to appraisers, expenses incurred in order to assure good title, and costs associated with the relocation of displaced persons and personal property as well as incidental expenses.
- I. If the Project requires the use of real property to which the Local Government will not hold title, a separate agreement between the owners of the real property and the Local Government must be executed prior to execution of this Agreement. The separate agreement must establish that the Project will be dedicated for public use for a period of not less than 10 (ten) years after completion. The separate agreement must define the responsibilities of the parties as to the use of the real property and operation and maintenance of the Project after completion. The separate agreement must be approved by the State prior to its execution. A copy of the executed agreement shall be provided to the State.

15. Insurance

If this Agreement authorizes the Local Government or its contractor to perform any work on State right of way, before beginning work, the entity performing the work shall provide the State with a fully executed copy of the State's Form 1560 Certificate of Insurance verifying the existence of coverage in the amounts and types specified on the Certificate of Insurance for all persons and entities working on State right of way. This coverage shall be maintained until all work on the State right of way is complete. If coverage is not maintained, all work on State right of way shall cease immediately, and the State may recover damages and all costs of completing the work.

16. Notices

All notices to either party shall be delivered personally or sent by certified or U.S. mail, postage prepaid, addressed to that party at the following address:

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Local Government:	State:
City of Pharr ATTN: Mayor 118 S. Cage Blvd. Pharr, Texas 78577	Texas Department of Transportation ATTN: Director of Contract Services 125 E. 11 th Street Austin, TX 78701

All notices shall be deemed given on the date delivered in person or deposited in the mail, unless otherwise provided by this Agreement. Either party may change the above address by sending written notice of the change to the other party. Either party may request in writing that notices shall be delivered personally or by certified U.S. mail, and that request shall be carried out by the other party.

17. Legal Construction

If one or more of the provisions contained in this Agreement shall for any reason be held invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions and this Agreement shall be construed as if it did not contain the invalid, illegal, or unenforceable provision.

18. Responsibilities of the Parties

The State and the Local Government agree that neither party is an agent, servant, or employee of the other party, and each party agrees it is responsible for its individual acts and deeds as well as the acts and deeds of its contractors, employees, representatives, and agents.

19. Ownership of Documents

Upon completion or termination of this Agreement, all documents prepared by the State shall remain the property of the State. All data and information prepared under this Agreement shall be made available to the State without restriction or limitation on their further use. All documents produced or approved or otherwise created by the Local Government shall be transmitted to the State, in the format directed by the State, on a monthly basis or as required by the State. The originals shall remain the property of the Local Government.

20. Compliance with Laws

The parties to this Agreement shall comply with all federal, state, and local laws, statutes, ordinances, rules and regulations, and the orders and decrees of any courts or administrative bodies or tribunals in any manner affecting the performance of this Agreement. When required, the Local Government shall furnish the State with satisfactory proof of this compliance.

21. Sole Agreement

This Agreement constitutes the sole and only agreement between the parties and supersedes any prior understandings or written or oral agreements respecting the Agreement's subject matter.

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22. Cost Principles

In order to be reimbursed with federal funds, the parties shall comply with the cost principles established in 2 CFR 200 that specify that all reimbursed costs are allowable, reasonable, and allocable to the Project.

23. Procurement and Property Management Standards

The parties to this Agreement shall adhere to the procurement and property management standards established in 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, and to the Texas Uniform Grant Management Standards. The State must pre-approve the Local Government's procurement procedures for purchases to be eligible for state or federal funds.

24. Inspection of Books and Records

The parties to this Agreement shall maintain all books, documents, papers, accounting records, and other documentation relating to costs incurred under this Agreement and shall make such materials available to the State, the Local Government, and, if federally funded, the FHWA and the U.S. Office of the Inspector General or their duly authorized representatives for review and inspection at its office during the Agreement period and for seven (7) years from the date of final reimbursement by FHWA under this Agreement or until any impending litigation or claims are resolved. Additionally, the State, the Local Government, and the FHWA and their duly authorized representatives shall have access to all the governmental records that are directly applicable to this Agreement for the purpose of making audits, examinations, excerpts, and transcriptions.

25. Civil Rights Compliance

The parties to this Agreement are responsible for the following:

- A. Compliance with Regulations: Both parties will comply with the Acts and the Regulations relative to Nondiscrimination in Federally-assisted programs of the U.S. Department of Transportation (USDOT), the Federal Highway Administration (FHWA), as they may be amended from time to time, which are herein incorporated by reference and made part of this Agreement.
- B. Nondiscrimination: The Local Government, with regard to the work performed by it during the Agreement, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The Local Government will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the Agreement covers any activity, project, or program set forth in Appendix B of 49 CFR Part 21.
- C. Solicitations for Subcontracts, Including Procurement of Materials and Equipment: In all solicitations either by competitive bidding or negotiation made by the Local Government for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier will be notified by the Local Government of the Local Government's obligations under this

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Agreement and the Acts and Regulations relative to Nondiscrimination on the grounds of race, color, or national origin.

- D. Information and Reports: The Local Government will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto, and will permit access to its books, records, accounts, other sources of information, and facilities as may be determined by the State or the FHWA to be pertinent to ascertain compliance with such Acts, Regulations or directives. Where any information required of the Local Government is in the exclusive possession of another who fails or refuses to furnish this information, the Local Government will so certify to the State or the FHWA, as appropriate, and will set forth what efforts it has made to obtain the information.
- E. Sanctions for Noncompliance: In the event of the Local Government's noncompliance with the Nondiscrimination provisions of this Agreement, the State will impose such contract sanctions as it or the FHWA may determine to be appropriate, including, but not limited to:
1. withholding of payments to the Local Government under the Agreement until the Local Government complies and/or
 2. cancelling, terminating, or suspending of the Agreement, in whole or in part.
- F. Incorporation of Provisions: The Local Government will include the provisions of paragraphs (A) through (F) in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The Local Government will take such action with respect to any subcontract or procurement as the State or the FHWA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the Local Government becomes involved in, or is threatened with, litigation with a subcontractor or supplier because of such direction, the Local Government may request the State to enter into such litigation to protect the interests of the State. In addition, the Local Government may request the United States to enter into such litigation to protect the interests of the United States.

26. Pertinent Non-Discrimination Authorities

During the performance of this Agreement, each party, for itself, its assignees, and successors in interest agree to comply with the following nondiscrimination statutes and authorities; including but not limited to:

- A. Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d et seq., 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 CFR Part 21.
- B. The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of federal or federal-aid programs and projects).
- C. Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 et seq.), as amended, (prohibits discrimination on the basis of sex).
- D. Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 et seq.) as amended, (prohibits discrimination on the basis of disability); and 49 CFR Part 27.
- E. The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 et seq.), (prohibits discrimination on the basis of age).

TxDOT:		Federal Highway Administration:	
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- F. Airport and Airway Improvement Act of 1982, (49 U.S.C. Chapter 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex).
- G. The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the federal-aid recipients, subrecipients and contractors, whether such programs or activities are federally funded or not).
- H. Titles II and III of the Americans with Disabilities Act, which prohibits discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131-12189) as implemented by Department of Transportation regulations at 49 C.F.R. parts 37 and 38.
- I. The Federal Aviation Administration’s Nondiscrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex).
- J. Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations.
- K. Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, the parties must take reasonable steps to ensure that LEP persons have meaningful access to the programs (70 Fed. Reg. at 74087 to 74100).
- L. Title IX of the Education Amendments of 1972, as amended, which prohibits the parties from discriminating because of sex in education programs or activities (20 U.S.C. 1681 et seq.).

27. **Disadvantaged Business Enterprise (DBE) Program Requirements**

If federal funds are used:

- A. The parties shall comply with the Disadvantaged Business Enterprise Program requirements established in 49 CFR Part 26.
- B. The Local Government shall adopt, in its totality, the State’s federally approved DBE program.
- C. The Local Government shall incorporate into its contracts with subproviders an appropriate DBE goal consistent with the State’s DBE guidelines and in consideration of the local market, project size, and nature of the goods or services to be acquired. The Local Government shall submit its proposed scope of services and quantity estimates to the State to allow the State to establish a DBE goal for each Local Government contract with a subprovider. The Local Government shall be responsible for documenting its actions.
- D. The Local Government shall follow all other parts of the State’s DBE program referenced in TxDOT Form 2395, Memorandum of Understanding Regarding the

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Adoption of the Texas Department of Transportation's Federally-Approved Disadvantaged Business Enterprise by Entity, and attachments found at web address http://ftp.dot.state.tx.us/pub/txdot-info/bop/dbe/mou/mou_attachments.pdf.

- E. The Local Government shall not discriminate on the basis of race, color, national origin, or sex in the award and performance of any U.S. Department of Transportation (DOT)-assisted contract or in the administration of its DBE program or the requirements of 49 CFR Part 26. The Local Government shall take all necessary and reasonable steps under 49 CFR Part 26 to ensure non-discrimination in award and administration of DOT-assisted contracts. The State's DBE program, as required by 49 CFR Part 26 and as approved by DOT, is incorporated by reference in this Agreement. Implementation of this program is a legal obligation and failure to carry out its terms shall be treated as a violation of this Agreement. Upon notification to the Local Government of its failure to carry out its approved program, the State may impose sanctions as provided for under 49 CFR Part 26 and may, in appropriate cases, refer the matter for enforcement under 18 U.S.C. 1001 and the Program Fraud Civil Remedies Act of 1986 (31 U.S.C. 3801 et seq.).
- F. Each contract the Local Government signs with a contractor (and each subcontract the prime contractor signs with a sub-contractor) must include the following assurance: *The contractor, sub-recipient, or sub-contractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT-assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this Agreement, which may result in the termination of this Agreement or such other remedy as the recipient deems appropriate.*

28. Debarment Certifications

If federal funds are used, the parties are prohibited from making any award at any tier to any party that is debarred or suspended or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549, "Debarment and Suspension." By executing this Agreement, the Local Government certifies that it and its principals are not currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549 and further certifies that it will not do business with any party, to include principals, that is currently debarred, suspended, or otherwise excluded from or ineligible for participation in Federal Assistance Programs under Executive Order 12549. The parties to this Agreement shall require any party to a subcontract or purchase order awarded under this Agreement to certify its eligibility to receive federal funds and, when requested by the State, to furnish a copy of the certification.

If state funds are used, the parties are prohibited from making any award to any party that is debarred under the Texas Administrative Code, Title 34, Part 1, Chapter 20, Subchapter G, Rule §20.585 and the Texas Administrative Code, Title 43, Part 1, Chapter 9, Subchapter G.

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29. Lobbying Certification

If federal funds are used, in executing this Agreement, each signatory certifies to the best of that signatory's knowledge and belief, that:

- A. No federal appropriated funds have been paid or will be paid by or on behalf of the parties to any person for influencing or attempting to influence an officer or employee of any federal agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any federal contract, the making of any federal grant, the making of any federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any federal contract, grant, loan, or cooperative agreement.
- B. If any funds other than federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with federal contracts, grants, loans, or cooperative agreements, the signatory for the Local Government shall complete and submit the Federal Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions.
- C. The parties shall require that the language of this certification shall be included in the award documents for all sub-awards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and all sub-recipients shall certify and disclose accordingly. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Title 31 U.S.C. §1352. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

30. Federal Funding Accountability and Transparency Act Requirements

If federal funds are used, the following requirements apply:

- A. Any recipient of funds under this Agreement agrees to comply with the Federal Funding Accountability and Transparency Act (FFATA) and implementing regulations at 2 CFR Part 170, including Appendix A. This Agreement is subject to the following award terms: <http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22705.pdf> and <http://www.gpo.gov/fdsys/pkg/FR-2010-09-14/pdf/2010-22706.pdf>.
- B. The Local Government agrees that it shall:
 1. Obtain and provide to the State a System for Award Management (SAM) number (Federal Acquisition Regulation, Part 4, Sub-part 4.11) if this award provides more than \$25,000 in federal funding. The SAM number may be obtained by visiting the SAM website whose address is: <https://www.sam.gov/portal/public/SAM/>
 2. Obtain and provide to the State a Data Universal Numbering System (DUNS) number, a unique nine-character number that allows federal government to track the distribution of federal money. The DUNS may be requested free of charge for all businesses and entities required to do so by visiting the Dun & Bradstreet (D&B) on-line registration website <http://fedgov.dnb.com/webform>; and
 3. Report the total compensation and names of its top five executives to the State if:

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- i. More than 80% of annual gross revenues are from the federal government, and those revenues are greater than \$25,000,000; and
- ii. The compensation information is not already available through reporting to the U.S. Securities and Exchange Commission.

31. Single Audit Report

If federal funds are used:

- A. The parties shall comply with the single audit report requirements stipulated in 2 CFR 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards.
- B. If threshold expenditures of \$750,000 or more are met during the fiscal year, the Local Government must submit a Single Audit Report and Management Letter (if applicable) to TxDOT's Compliance Division, 125 East 11th Street, Austin, TX 78701 or contact TxDOT's Compliance Division by email at singleaudits@txdot.gov.
- C. If expenditures are less than the threshold during the Local Government's fiscal year, the Local Government must submit a statement to TxDOT's Compliance Division as follows: "We did not meet the \$ _____ expenditure threshold and therefore, are not required to have a single audit performed for FY _____."
- D. For each year the Project remains open for federal funding expenditures, the Local Government will be responsible for filing a report or statement as described above. The required annual filing shall extend throughout the life of the Agreement, unless otherwise amended or the Project has been formally closed out and no charges have been incurred within the current fiscal year.

32. Signatory Warranty

Each signatory warrants that the signatory has necessary authority to execute this Agreement on behalf of the entity represented.

Each party is signing this Agreement on the date stated under that party's signature.

THE STATE OF TEXAS

THE LOCAL GOVERNMENT

Signature

Kenneth Stewart

Typed or Printed Name

Director of Contract Services

Typed or Printed Title

Date

Signature

Typed or Printed Name

Typed or Printed Title

Date

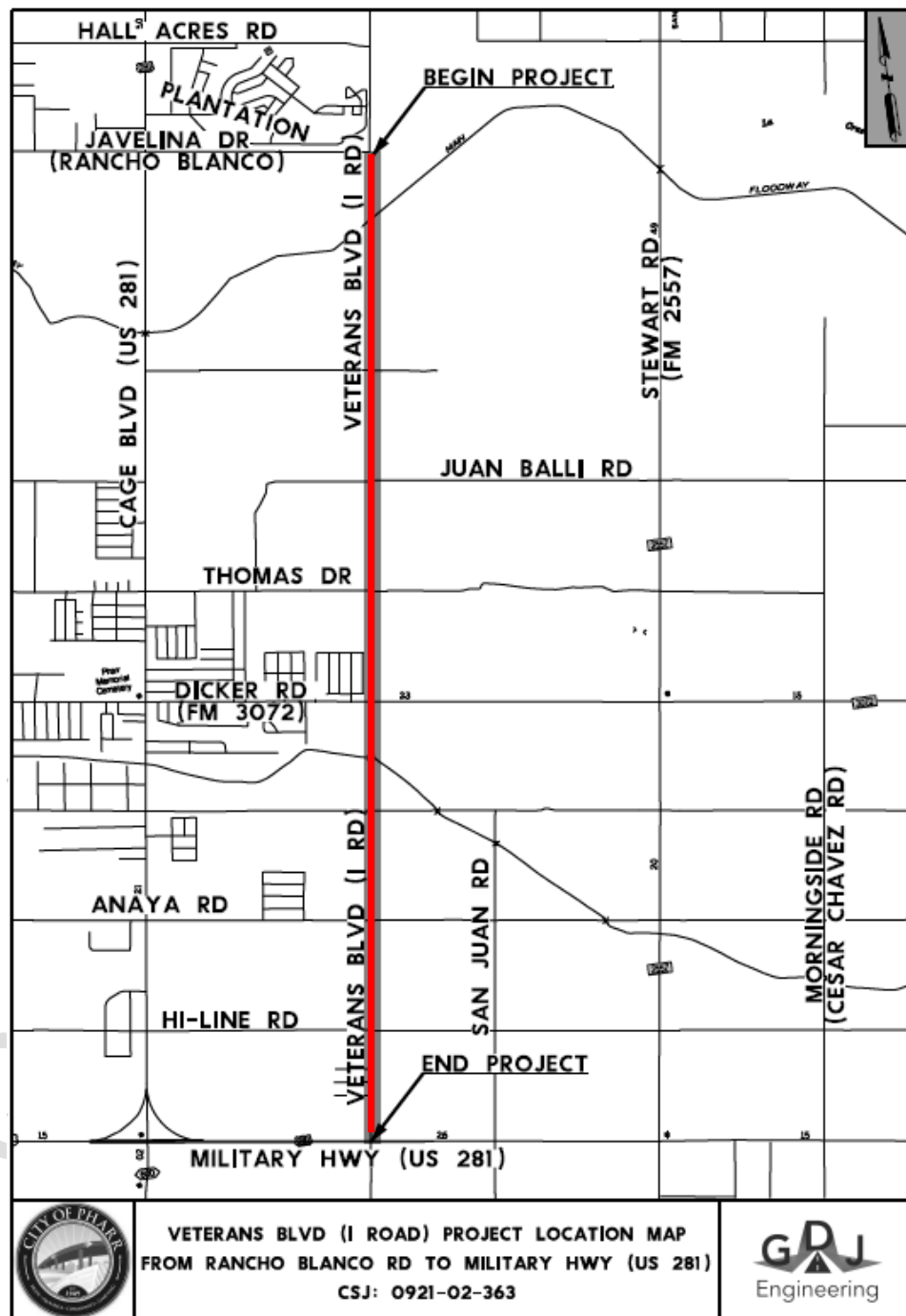
TxDOT:		Federal Highway Administration:	
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ATTACHMENT A
RESOLUTION, ORDINANCE, OR COMMISSIONERS COURT ORDER

FOR REVIEW ONLY

TxDOT:		Federal Highway Administration:	
CSJ #	0921-02-363	CFDA No.	20.205
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ATTACHMENT B LOCATION MAP SHOWING PROJECT



TxDOT:		Federal Highway Administration:	
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ATTACHMENT C PROJECT BUDGET

Preliminary Engineering, Environmental, Construction Engineering, and all Direct State Costs are allocated based on 100% Local Government funding. Construction costs shall be allocated based on 80% Federal funding, 12% State funding, and 8% Local Government funding, until the Federal funding reaches the maximum obligated amount. The Local Government will be responsible for 100% of all project cost overruns.

Description	Total Estimated Cost	Federal Participation		State Participation			Local Participation		
		%	Cost	% Before EDC Adj.	% After EDC Adj.	Cost After EDC Adj.	% Before EDC Adj.	% After EDC Adj.	Cost After EDC Adj.
Preliminary Engineering (by LG)	\$338,206	0%	\$0	0%	0%	\$0	100%	100%	\$338,206
Environmental (by LG)	\$235,025	0%	\$0	0%	0%	\$0	100%	100%	\$235,025
Construction (Cat. 7)	\$11,698,586	80%	\$9,358,869	0%	12%	\$1,403,830	20%	8%	\$935,887
Construction Engineering (by LG)	\$526,436	0%	\$0.00	0%	0%	\$0	100%	100%	\$526,436
Subtotal	\$12,798,253		\$9,358,869			\$1,403,830			\$2,035,554
Engineer. Direct State Costs	\$20,636	0%	\$0	0%	0%	\$0	100%	100%	\$20,636
Environmental Direct State Costs	\$10,318	0%	\$0	0%	0%	\$0	100%	100%	\$10,318
ROW Direct State Costs	\$1,720	0%	\$0	0%	0%	\$0	100%	100%	\$1,720
Utilities Direct State Costs	\$1,720	0%	\$0	0%	0%	\$0	100%	100%	\$1,720
Construction Direct State Costs (State review and oversight of Construction Engineering) 100% LG	\$134,475	0%	\$0	0%	0%	\$0	100%	100%	\$134,475
Indirect State Costs	\$578,481	0%	\$0	100%	100%	\$578,481	0%	0%	\$0
Subtotal	\$747,350		\$0			\$578,481			\$168,869
TOTAL	\$13,545,603		\$9,358,869			\$1,982,311			\$2,204,423

Initial payment by the Local Government to the State:	\$34,394
Payment by the Local Government to the State before construction:	\$134,475
Estimated total payment by the Local Government to the State:	\$168,869



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.F.

DATE SUBMITTED: March 10, 2021

MEETING DATE: March 15, 2021

FROM: Sonia Cantu, CDBG Secretary

DEPARTMENT: GMCD

DIRECTOR: Cynthia Garza

Agenda Item: Consideration and action, if any, on Resolution authorizing Affordable Homes of South Texas Inc. to administer a CARES Act Rental and Mortgage Assistance Program, for the City of Pharr.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Issue: CARES Act Rental and Mortgage Assistance Program.

Fiscal Consideration: n/a

Staff Recommendation: Staff recommends Affordable Homes of South Texas Inc. to administer the CARES Act Rental & Mortgage Program

Alternatives: n/a

Exclude Material from Public Packet? No

Reason: n/a

ROUTING:

Sonia Cantu
Anali Alanis
Karla Saavedra
Patricia Rigney
City Management Office

Created/Initiated - 3/10/2021
Approved - 3/12/2021
New - 1/1/1900

RESOLUTION NO. _____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF PHARR, TEXAS AUTHORIZING AFFORDABLE HOMES OF SOUTH TEXAS, INC. TO ADMINISTER AN EMERGENCY RENTAL ASSISTANCE PROGRAM AND AN EMERGENCY MORTGAGE ASSISTANCE PROGRAM FOR THE CITY OF PHARR.

WHEREAS, the City of Pharr (the "City") is a home rule municipality duly organized and existing under the laws of the State of Texas; and

WHEREAS, Affordable Homes of South Texas, Inc. (the "AHSTI") is a Texas Non-profit entity that assists low- and moderate-income residents in the corporation's service area with affordable housing and is duly organized and existing under the laws of the State of Texas; and

WHEREAS, AHSTI is a community-based Non-profit entity whose mission statement is dedicated to enhancing the quality of life by providing affordable housing and related services to eligible families; and

WHEREAS, AHSTI has evolved to become the largest Community Housing Development Organization (CHDO) in the South Texas region; and

WHEREAS, AHSTI as a HUD-Approved Counseling Agency has been awarded \$335,145 in Coronavirus Aid & Relief, Economic Security (CARES) Act – Round 3 funding from the City of Pharr to administer two separate emergency assistance programs for the Pharr residents; and

WHEREAS, AHSTI will utilize \$150,000 in CARES Act Round 3 funding to administer an Emergency Rental Assistance Program and \$185,145 in CARES Act Round 3 funding to administer an Emergency Mortgage Assistance Program for the City of Pharr; and

WHEREAS, AHSTI will ensure that all qualifying Pharr residents receiving CARES ACT – Round 3 emergency assistance are in compliance for the purpose to prevent, prepare for and respond to the coronavirus; and

WHEREAS, AHSTI will administer the City of Pharr's the Emergency Rental Assistance Program and the Emergency Mortgage Assistance Program for the benefit of the Pharr residents, principally, the low-to-moderate income individuals; and

WHEREAS, AHSTI will represent the City of Pharr in its best capacity with the Pharr applicants; and

WHEREAS, AHSTI proposes to assist up to (40) Pharr residents with the Emergency Rental Assistance Program and up to (40) Pharr residents with the Emergency Mortgage Assistance Program.

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

SECTION 1. That the City Council hereby finds and determines that the foregoing recitals are true and correct and are incorporated for all purposes to this Resolution.

SECTION 2. That the City Council approves that Affordable Homes of South Texas, Inc. administers the Emergency Rental Assistance Program and the Emergency Mortgage Assistance Program for the City of Pharr.

SECTION 3. That the City Council approves the CARES Act Round 3 award for both emergency assistance programs in the total amount of \$335,145 to Affordable Homes of South Texas, Inc.

PASSED AND APPROVED this _____ day of _____, 2021, by the
Board of Commissioners of the City of Pharr, Texas.

CITY OF PHARR

Ambrosio Hernandez, Mayor

ATTEST:

Hilda Pedraza, City Clerk



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 7.A.

DATE SUBMITTED: March 10, 2021

MEETING DATE: March 15, 2021

FROM: Omar Anzaldua, City Engineer

DEPARTMENT: Engineering

DIRECTOR: Omar Anzaldua

Agenda Item: Consideration and action, if any, on Change Order No. 2 in the amount of \$114,00.00 of the Annual Supply Contract for the City Wide Ditch Excavation Hauling Services Project with Saenz Brothers Construction, LLC

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Issue: During the widening of the ditches various outfall structures required modifications due to the widening of the various ditches. Project No. 1920-60-582-S033-171

Fiscal Consideration: Change Order No. 2 is in the amount of \$114,000

Staff Recommendation: Staff recommends approval of Change Order No. 2 in the amount of \$144,000

Alternatives: N/A

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Omar Anzaldua
Omar Anzaldua
Ignacio Amezcua
Patricia Rigney
Karla Saavedra
City Management Office

Created/Initiated - 3/10/2021
Approved - 3/11/2021
Approved - 3/11/2021
Approved - 3/12/2021
Approved - 3/12/2021
Final Approval - 3/12/2021



CHANGE ORDER

Contractor: Saenz Brothers Construction

Change Order No.: 2

Project: Annual Supply Contract for the City Wide Ditch
Excavation Hauling Services
Project # 1920-60-582-S033-171

Date: 3/8/2021

Notice to Proceed Date: 10-Aug-20

Change Order Amount: \$ 114,000.00

You are directed to make the following changes in the Contract Documents:

Description	Qty	Unit Price	Total
Concrete Rip Rap for Field Drains Ditch #8	8	\$3,500.00	\$28,000.00
Concrete Canasta Ditch #8	1	\$13,500.00	\$13,500.00
Concrete Canasta Ditch #3	2	\$13,500.00	\$27,000.00
Concrete Field Drains Ditch #3	13	\$3,500.00	\$45,500.00
Total			\$114,000.00

Reason for Change Order:

Drainage Structures modifications were not included in the original bid design

	Contract Price	Contract Time(Calendar Days)
Original Contract:	\$ 2,472,500.00	Original Completion Date: 22-Dec-20
Previous Change Order: (+/-)	\$ -	Previous Change Order: (+/-) 55
This Change Order: (+/-)	\$ 114,000.00	This Change Order (+/-): 14
Revised Contract Amount:	\$ 2,586,500.00	Revised Completion Date: 1-Mar-21

It is agreed by the Contractor that this Change Order includes any and all costs associated with or resulting from change(s) ordered herein, including all impact, delays, and acceleration costs. Other than the dollar amount and time allowance listed above, there shall be no further time or dollar compensation as a result of this Change Order.

THIS DOCUMENT SHALL BECOME AN AMMENDMENT TO THE CONTRACT AND ALL STIPULATIONS AND COVENANTS OF THE CONTRACT SHALL APPLY HERETO.

Accepted:

Contractor	Authorized Signature	Date
Recommended:		
Project Engineer/Architect	Authorized Signature	Date
Omar Anzaldúa Jr., PE, CFM, PMP, CCM		
City Engineer	Authorized Signature	Date
Approved:		
Ed Wylie		
Interim City Manager	Authorized Signature	Date



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 7.B.

DATE SUBMITTED: March 5, 2021

MEETING DATE: March 15, 2021

FROM: Joel Robles, Assistant Police Chief

DEPARTMENT: Police

DIRECTOR: Andrew Harvey

Agenda Item: Submission of 2020 Racial Profiling Report.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Issue: In order to be in compliance with Texas Occupations Code 1701.164 which specifies that TCOLE collect incident-based data in accordance with the Code of Criminal Procedures Article 2.131 - 2.138. The Pharr Police Department submits it's 2020 Racial Profiling Report for review by the governing body.

Fiscal Consideration: N/A

Staff Recommendation: Presentation only

Alternatives: Not approve report

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Joel Robles

Andrew Harvey

Anali Alanis

Patricia Rigney

City Management Office

Created/Initiated - 3/5/2021

Approved - 3/11/2021

Approved - 3/12/2021

New - 1/1/1900

Racial Profiling Report | Full

Agency Name: PHARR POLICE DEPT.

Reporting Date: 02/25/2021

TCOLE Agency Number: 215213

Chief Administrator: ANDREW HARVEY JR

Agency Contact Information:

Phone: (956) 787-8546

Email: andy.harvey@pd.pharr-tx.gov

Mailing Address:

Chief of Police

1900 SOUTH CAGE

PHARR, TX 78577-3942

This Agency filed a full report

PHARR POLICE DEPT. has adopted a detailed written policy on racial profiling. Our policy:

- 1) clearly defines acts constituting racial profiling;
- 2) strictly prohibits peace officers employed by the PHARR POLICE DEPT. from engaging in racial profiling;
- 3) implements a process by which an individual may file a complaint with the PHARR POLICE DEPT. if the individual believes that a peace officer employed by the PHARR POLICE DEPT. has engaged in racial profiling with respect to the individual;
- 4) provides public education relating to the agency's complaint process;
- 5) requires appropriate corrective action to be taken against a peace officer employed by the PHARR POLICE DEPT. who, after an investigation, is shown to have engaged in racial profiling in violation of the PHARR POLICE DEPT. policy;
- 6) requires collection of information relating to motor vehicle stops in which a warning or citation is issued and to arrests made as a result of those stops, including information relating to:
 - a. the race or ethnicity of the individual detained;
 - b. whether a search was conducted and, if so, whether the individual detained consented to the search;
 - c. whether the peace officer knew the race or ethnicity of the individual detained before detaining that individual;
 - d. whether the peace officer used physical force that resulted in bodily injury during the stop;
 - e. the location of the stop;
 - f. the reason for the stop.
- 7) requires the chief administrator of the agency, regardless of whether the administrator is elected, employed, or appointed, to submit an annual report of the information collected under Subdivision (6) to:
 - a. the Commission on Law Enforcement; and
 - b. the governing body of each county or municipality served by the agency, if the agency is an agency of a county, municipality, or other political subdivision of the state.

The PHARR POLICE DEPT. has satisfied the statutory data audit requirements as prescribed in Article 2.133(c),

Code of Criminal Procedure during the reporting period.

Executed by: Alma De La Cerda
Admin. Asst.

Date: 02/25/2021

Total stops: 13731

Street address or approximate location of the stop

City street	13060
US highway	348
County road	125
State highway	39
Private property or other	159

Was race or ethnicity known prior to stop?

Yes	310
No	13421

Race / Ethnicity

Alaska Native / American Indian	37
Asian / Pacific Islander	27
Black	103
White	3638
Hispanic / Latino	9926

Gender

Female	5210
Alaska Native / American Indian	9
Asian / Pacific Islander	9
Black	18
White	1491
Hispanic / Latino	3
Male	8521
Alaska Native / American Indian	28
Asian / Pacific Islander	18
Black	85
White	2147
Hispanic / Latino	6243

Reason for stop?

Violation of law	416
Alaska Native / American Indian	2
Asian / Pacific Islander	1
Black	6
White	246

Hispanic / Latino	161
Preexisting knowledge	115
Alaska Native / American Indian	3
Asian / Pacific Islander	0
Black	0
White	47
Hispanic / Latino	65
Moving traffic violation	12182
Alaska Native / American Indian	26
Asian / Pacific Islander	23
Black	88
White	3142
Hispanic / Latino	8903
Vehicle traffic violation	1018
Alaska Native / American Indian	6
Asian / Pacific Islander	3
Black	9
White	203
Hispanic / Latino	797
Was a search conducted?	
Yes	305
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	6
White	18
Hispanic / Latino	281
No	13426
Alaska Native / American Indian	37
Asian / Pacific Islander	27
Black	97
White	3620
Hispanic / Latino	9645
Reason for Search?	
Consent	138
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	6

Hispanic / Latino	132		
Contraband	29		
Alaska Native / American Indian	0		
Asian / Pacific Islander	0		
Black	3		
White	3		
Hispanic / Latino	23		
Probable	108		
Alaska Native / American Indian	0		
Asian / Pacific Islander	0		
Black	3		
White	6		
Hispanic / Latino	99		
Inventory	11		
Alaska Native / American Indian	0		
Asian / Pacific Islander	0		
Black	0		
White	0		
Hispanic / Latino	11		
Incident to arrest	19		
Alaska Native / American Indian	0		
Asian / Pacific Islander	0		
Black	0		
White	3		
Hispanic / Latino	16		
Was Contraband discovered?			
Yes	183	Did the finding result in arrest?	
		(total should equal previous column)	
Alaska Native / American Indian	0	Yes 0	No 0
Asian / Pacific Islander	0	Yes 0	No 0
Black	5	Yes 0	No 1
White	15	Yes 0	No 5
Hispanic / Latino	163	Yes 7	No 83
No	122		
Alaska Native / American Indian	0		
Asian / Pacific Islander	0		
Black	1		
White	3		
Hispanic / Latino	118		

Description of contraband

Drugs	141
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	5
White	8
Hispanic / Latino	128
Weapons	4
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	1
Hispanic / Latino	3
Currency	2
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	0
Hispanic / Latino	2
Alcohol	30
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	2
Hispanic / Latino	28
Stolen property	1
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	0
Hispanic / Latino	1
Other	15
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	4
Hispanic / Latino	11

Result of the stop

Verbal warning	1577
-----------------------	-------------

Alaska Native / American Indian	4
Asian / Pacific Islander	3
Black	16
White	211
Hispanic / Latino	1343
Written warning	9242
Alaska Native / American Indian	31
Asian / Pacific Islander	21
Black	76
White	2663
Hispanic / Latino	6451
Citation	2774
Alaska Native / American Indian	2
Asian / Pacific Islander	3
Black	9
White	757
Hispanic / Latino	2003
Written warning and arrest	69
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	2
White	3
Hispanic / Latino	64
Citation and arrest	44
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	2
Hispanic / Latino	42
Arrest	25
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	2
Hispanic / Latino	23
Arrest based on	
Violation of Penal Code	97
Alaska Native / American Indian	0
Asian / Pacific Islander	0

Black	2
White	4
Hispanic / Latino	91
Violation of Traffic Law	4
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	1
Hispanic / Latino	3
Violation of City Ordinance	1
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	0
Hispanic / Latino	1
Outstanding Warrant	36
Alaska Native / American Indian	0
Asian / Pacific Islander	0
Black	0
White	2
Hispanic / Latino	34

Was physical force resulting in bodily injury used during stop?

Yes	65
Alaska Native / American Indian	1
Asian / Pacific Islander	0
Black	1
White	18
Hispanic / Latino	45
No	13666
Alaska Native / American Indian	36
Asian / Pacific Islander	27
Black	102
White	3620
Hispanic / Latino	9881

Number of complaints of racial profiling

Total	0
Resulted in disciplinary action	0
Did not result in disciplinary action	0

Submitted electronically to the



The Texas Commission on Law Enforcement



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 7.C.

DATE SUBMITTED: March 12, 2021

MEETING DATE: March 15, 2021

FROM: Karla Saavedra, Finance Director

DEPARTMENT: Finance

DIRECTOR: Karla Saavedra

Agenda Item: Consideration and action, if any, accepting the City of Pharr Audited Financial Statements for FY 2019-2020.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Issue: City undergoes a financial and internal control external audit as required by state law. The report presented is for FY 2019-2020 with an **unmodified opinion (clean opinion)**, meaning that is the Auditor's opinion that the City Financial Statements and component units are presented fairly, in all materials aspects and no material weaknesses were identified.

Fiscal Consideration: N/A

Staff Recommendation: approve

Alternatives: n/a

Exclude Material from Public Packet? No

Reason: n/a

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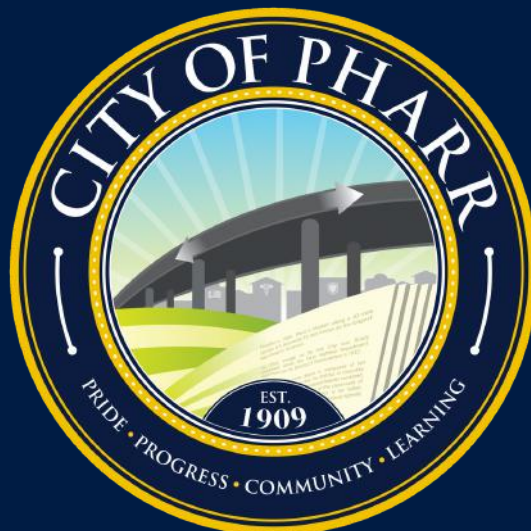
Karla Saavedra
Karla Saavedra
Patricia Rigney
City Management Office

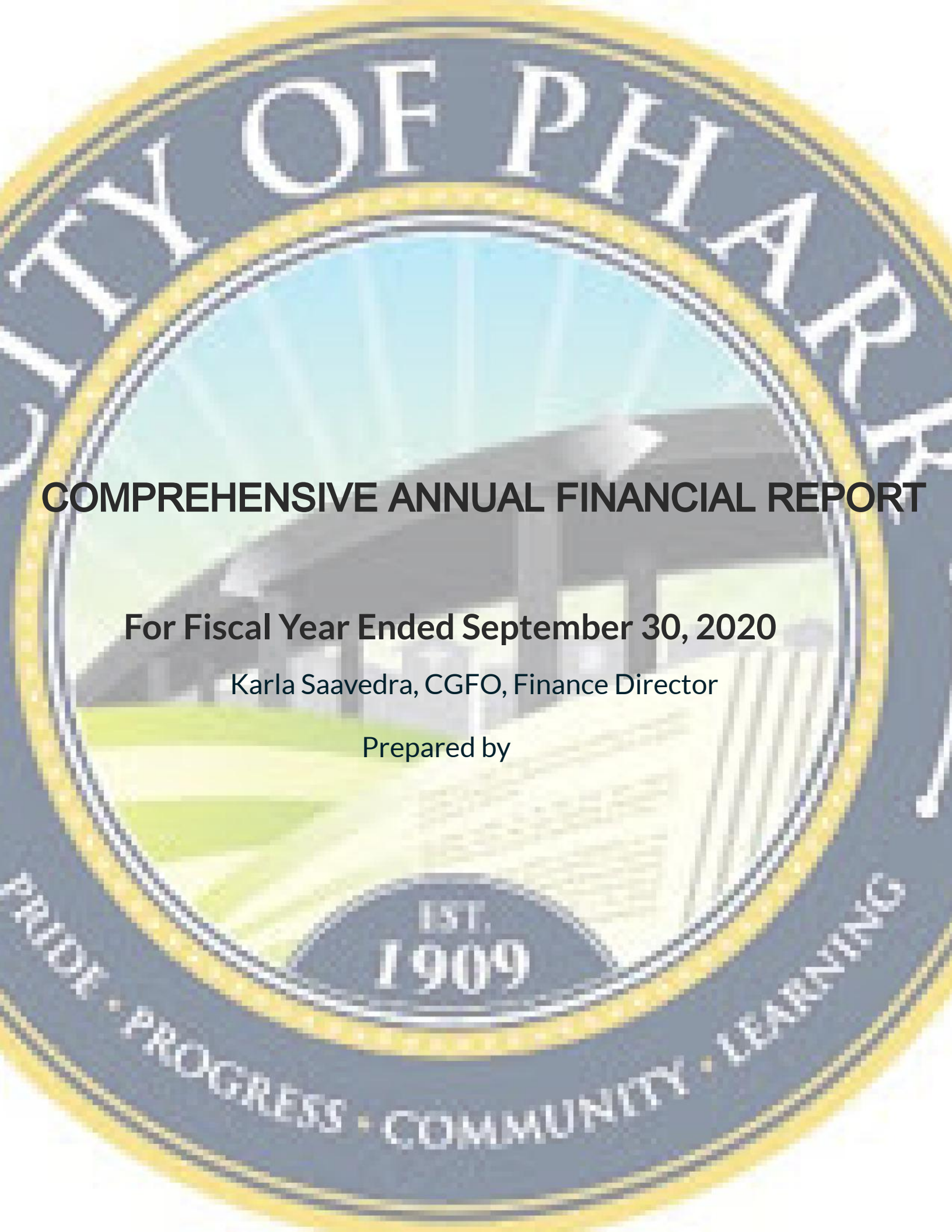
Created/Initiated - 3/12/2021
Approved - 3/12/2021
New - 1/1/1900

COMPREHENSIVE
ANNUAL FINANCIAL
REPORT

For the Fiscal Year Ended
September 30, 2020

TEAM
PHARR





COMPREHENSIVE ANNUAL FINANCIAL REPORT

For Fiscal Year Ended September 30, 2020

Karla Saavedra, CGFO, Finance Director

Prepared by

CITY OF PHARR, TX
COMPREHENSIVE ANNUAL FINANCIAL
REPORT YEAR ENDED SEPTEMBER 30, 2020

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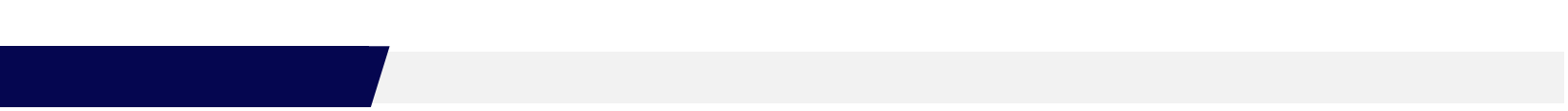
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STATISTICAL SECTION

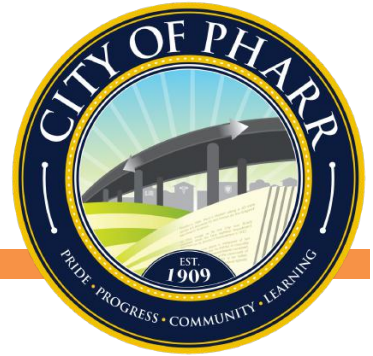
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INTRODUCTORY SECTION

City of Pharr



March 15, 2021

Citizens of Pharr
Honorable Mayor
Members of the City Commission
City of Pharr, Texas
Pharr, Texas 78577

To the Honorable Mayor, Members of the City Commission, and Citizens of the City of Pharr, Texas: The Finance Department and the City Manager's Office are pleased to submit the Comprehensive Annual Financial Report for the City of Pharr, Texas for the fiscal year ended September 30, 2020. State law requires that the City publish, within six months of the close of each fiscal year, a complete set of audited financial statements. This report is published to fulfill that requirement.

Management assumes full responsibility for the completeness and reliability of the information contained in this report, based upon a comprehensive framework of internal control that it has established for this purpose. To provide a reasonable basis for making these representations, management of the City has established a comprehensive internal control framework that is designed both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City's financial statements in conformity with Generally Accepted Accounting Principles (GAAP). Because the cost of internal control should not exceed anticipated benefits, the objective is to provide reasonable, rather than absolute, assurance that the financial statements are free of any material misstatements.

Oscar R. Gonzalez, CPA and Associates, P.L.L.C. have issued an unmodified ("clean") opinion on the City of Pharr's financial statements for the year ended September 30, 2020. The independent auditor's report is located at the front of the financial section of this report.

The auditors' report on the basic financial statements and required supplementary information as well as the individual fund statements and schedules are included in the financial section of this report. The auditors' report on internal controls and compliance with applicable laws and regulations can be found in the single audit section of this report.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditors' report and provides a narrative introduction, overview and analysis of the basic financial statements. MD&A complement this letter of transmittal and should be read in conjunction with it.

On November 10, 2008 via ordinance O-2008-49, the Pharr Economic Development Corporation (PEDC) was approved by citizen vote and ratified by the City Commission to receive ½ percent (the City receives 1 ½ percent) of sales tax. City management has included PEDC in its financial reports as a blended component unit since the City appoints all board members, can remove board members at will, and must approve PEDC's budget and plan of work. The City is also a guarantor for debt that is collateralized by PEDC funds. City management has also included the Pharr Housing Finance Corporation (PHFC), the PHFC Jackson Place apartments and the Pharr Tax Increment Reinvestment Zone (TIRZ) No. 1 and 2 in its financial statements as component units.

More information concerning the PEDC, PHFC, Jackson Apartments and TIRZ No. 1 and No. 2 are in the Notes to Financial Statements.

PROFILE OF THE GOVERNMENT

Located on lands originally known in the 1600's as the Seno Mejicano, the City of Pharr was founded in 1909. During a period of great social and economic transition in the Rio Grande Valley. In 1909, John C. Kelly, Henry N. Pharr, W.E Cage, and R.E Briggs formed the Pharr Townsite Company, platting and registering the new town. Kelly donated lots in the original plat for early churches, including the Methodist, Baptist, Catholic, Episcopal, and Presbyterian denominations. Pharr schools began in 1911, and the community later joined with San Juan and Alamo to create the Pharr-San Juan-and Alamo School District. The City founders were also involved with the Louisiana - Rio Grande Canal Co., organized in 1910 to furnish irrigation and domestic water to 40,000 acres in the Pharr area by means of a Rio Grande Pumping Plant. The water system led the economy to shift from ranching to crop production, and the Railroad, which came through the area in 1905 made it possible to ship the produce around the country. Amidst the explosive growth caused by the introduction of irrigation, the coming of the railroad, and the Mexican Revolution, the City incorporated in 1916, and became a hub for the confluence of Tejano, Anglo and Mejicano influences in the region.

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

Pharr, served by two state highways and the St. Louis, Brownsville and Mexico Railway Company, became a hub and a natural shipping center for the transportation and produce industries. By the early 1950's, Pharr was home to 22 processing and shipping businesses including the Valley Fruit and Vegetable Company, the largest packing facility in the world. Pharr is situated along a 43-mile corridor, U.S Business 83, once known as the longest Main Street in America. The City's image as the Hub City was firmly established when the Texas Highway Department chose Pharr as its District 21 Headquarters in 1932. The 13,869 Sq mile district is composed of ten counties and is larger than the District of Columbia, Delaware, Connecticut and Massachusetts combined. Since the early days, Pharr sat at the cross-roads of the two most important highways in the Valley: Highways 4 and 66, known today as Memorial Highway U.S 281 (US i69) and U.S Business 83 (US i2) respectively. They intersect Pharr's historical Main Street District and are the basis for Hidalgo County's historical trails, making Pharr the region's historical hub as well. Pharr serves as one of the most important ports of entry for the US-Mexico border. It handles both commercial and passenger operated vehicles and crosses about a hundred and seventy-five thousand vehicles a month.

The municipal government provided by the Charter of the City of Pharr is known as the Board of Commissioners – City Manager Form of Government. The Board of Commissioners consists of a Mayor and six (6) Commissioners which 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.

All powers of the City are exercised in the manner prescribed by the City Charter, or, if the manner be not prescribed, then in such manner as may be prescribed by ordinance, the State Constitution, or by the statutes of the State of Texas. The Mayor and the other members of the Board of Commissioners are elected by the City at large for a term of four (4) years.

The City provides a full range of services. Some of these services include police and fire protection; sanitation service; maintenance of streets and infrastructure; and recreational activities. In addition, the City provides water and wastewater services, a system of municipal parks, and a golf course.

ECONOMIC CONDITION AND OUTLOOK



Pharr is strategically located in the middle of the Rio Grande Valley of South Texas, only minutes from the Mexico border. It is strategically located to reap the benefits of explosive growth in commerce and trade. The Pharr area offers a top-quality workforce on both sides of the border. Many visitors enjoy the diversity of Pharr's culture, business and people with its variety and retail outlets, residential neighborhoods and cultural events – Pharr's rich heritage is unwavering. The spirit of tradition and a strong sense of community are flourishing in Pharr.

Over the last 10 years, Pharr has experienced unprecedented growth and economic development, and increase of roughly 40% in sales tax collections. Its population has steadily increased to almost 90,000 people. The housing industry is still increasing, businesses continue to look at Pharr, and the Pharr-Reynosa International Bridge commercial traffic is continuing to increase.

The sales tax base is growing and is expected to continue to have a positive outcome in the upcoming year, thereby potentially creating more jobs. The economic future looks bright for Pharr despite the Economic Impact that COVID-19 had in our area.

The City of Pharr did not experience loss in Sales Tax Revenue mainly due to the fact that our Top Sales Tax contributors are construction related and transportation; industries that were not as affected as retail and entertainment.

For the Fiscal Year 2020-2021 a few of the upcoming projects include:

- * Major commercial development projects in the Pharr Town Center including restaurants
- * A new Natatorium to bring swimming competitions
- * A new Nursing School Facility
- * Increase in industrial warehouses
- * Increase in residential development to keep raising appraised value
- * Additional Infrastructure upgrades of the Pharr International Bridge

According to the Texas Workforce Commission, Pharr's unemployment rate as of September 30, 2020 was 8.3% due to COVID-19 and as of December 2020 (latest per TWC), the rate fell to 7.2%.

MAJOR INITIATIVES

The City Commission and staff have identified several initiatives to address significant issues in our community. The budget for the upcoming fiscal year reflects these goals. These programs are briefly described below:

Major tax activity: Well-managed economic growth is vital to any city. It increases the tax base and thereby allows improved services to be provided to the citizens.

- **Property Tax:** Tax year 2020, which will be in effect during next fiscal year, is expected to have at least 8% growth in tax appraisal values. In Tax Year 2021 (FY 2021-2022) and forward is when City of Pharr is expecting to have its assessed property values increase even more due to economic development growth expected to happen this coming FY 2020-2021.
- **Sales Tax:** Sales tax revenue is used by the City as an economic indicator. This FY 2019-2020 the City experienced a 2% growth in collections compared to FY 2018-2019 and remained an average of No. 4 in growth compared to neighboring cities in the Rio Grande Valley. For this FY 2020-2021 the City budgeted a 4% projected growth.
- **Hotel/Motel Tax:** Hotel/Motel tax revenue may only be used to increase tourism opportunities, hopefully benefiting the hotel/motel industry within the city. This FY 2019-2020, City approved an ordinance to defer penalties and interest for those Hotels which collections were affected by COVID-19. Collections experienced an approximate 10% Decrease compared to last year and are expected to remain constant for the FY 2020-2021.

Public Safety: Ensuring that the public safety personnel have the tools that they need to ensure the safety of the City is always a priority to the Commissioner's and management.

The Police Department along with the Bridge administrators collectively with federal border security organizations continue to operate a southbound inspection station. The purpose is to slow the flow of stolen vehicles and weapons into Mexico.

International Bridge Infrastructure: The bridge capital projects expenditures for the upcoming fiscal year are budgeted at \$19 million. There are two goals of these projects; 1) to allow Pharr to be the regional international trade center, and 2) to minimize the wait-times for commercial traffic, thereby allowing Pharr to continue being the most efficient commercial bridge in south Texas.

International Trade: The City of Pharr owns an international bridge that allows the City to have a generous revenue source as a direct result of the North American Free Trade Agreement (NAFTA). It has four Industrial Parks and 25 cold storage facilities. Most of the bridge revenue is from commercial trucks. The City's International Bridge has grown capping off the year with the number one ranking as produce trading partner of Mexico beating out last year's leader Nogales, Arizona. Pharr continues to break import-export records, crossing 60 percent of all fresh produce coming from Mexico. Pharr is the leading bridge for produce such as avocados and berries.

FINANCIAL INFORMATION

Budgetary Controls: The City of Pharr maintains a system of budgetary controls, the objective of which is to ensure compliance with the legal provisions of the annual appropriated budget approved by the City Commission. The adopted Annual Budget is the basic budget document. It governs all expenditures within a certain fiscal year, which runs from October 1 to September 30. 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. Furthermore, the Charter requires that the budgeted expenditures for governmental funds not exceed estimated resources and requires that public hearings be held prior to the adoption of the budget. Directors are expected to review their budgets on a monthly basis. The Finance Director will periodically review the budget and inform the Director and/or management of its status. A complete summary of significant accounting policies and budgetary principles is presented in the notes to the financial statements.

Fund Accounting: In accordance with generally accepted accounting principles, the City of Pharr uses a fund accounting system. Fund accounting is designed to ensure that public monies are spent for their intended purpose. Numerous funds are necessary due to legal, financial or operating constraints. Each fund is a separate fiscal entity with a self-balancing set of accounting books. In the financial section of the comprehensive annual financial report, each fund type used by the City of Pharr is defined immediately prior to that fund's financial statements.

FINANCIAL INFORMATION

Fund Accounting: In accordance with generally accepted accounting principles, the City of Pharr uses a fund accounting system. Fund accounting is designed to ensure that public monies are spent for their intended purpose. Numerous funds are necessary due to legal, financial or operating constraints. Each fund is a separate fiscal entity with a self-balancing set of accounting books. In the financial section of the comprehensive annual financial report, each fund type used by the City of Pharr is defined immediately prior to that fund's financial statements.

General Fund Balance Policy: The fiscal policy as it relates to General Fund's reserve/contingency account states: the City shall strive to maintain the General Fund undesignated/unreserved fund balance at 90 days of the current year's budget appropriation for operations and maintenance, which is defined as the total budget less capital outlay purchases, debt service, incentives and the annual transfers from the General Fund to the other funds.

For fiscal year 2019-2020, the **General Fund** committed to contingency and unreserved balance totaled \$26,165,394 and the required minimum (per Fund Balance policy) was \$12,288,635 (rounded).

	FY 17.18	FY 18.19	FY 19.20
Unassigned Fund Balance and Cash on Hand	\$21,211,700	\$21,018,685	\$26,165,394
Recommened Days of Fund Balance	90	90	90
Actuals Days of Fund Balance	166	164	202
Unassigned Fund Balance and Contingency	\$13,201,000	\$10,582,878	\$12,288,635
	103	83	90

Utility Fund Retained Earnings Policy: an operating reserve will be established and maintained at 120 days of the current year's original budget appropriation for operation and maintenance, which is defined as the total budget less debt service and capital project expenditures. Utility Contingency Balance as of **September 30, 2020 is: \$3,500,707.**

The Bridge Fund Retained Earnings Policy: a contingency account will be equal to the annual operating cost (expenses minus long-term debt and minus non-operating General Fund transfers) plus one year of the highest long-term debt service payment (principal and interest). Bridge Contingency Balance as of **September 30, 2020 is \$5,431,330.**

These balances provides an adequate protection againts unforeseen occurrences and significantly decreased the likelihood of the City entering the short-term debt market to pay for current operating expenditures. The City's General Fund is fiscally stable.

Debt Administration and Rating: State law does not provide a debt limit for the issuance of debt, however, by custom; a practical economic debt limit of 5% of the assessed valuation is used. General obligation bonds are backed by the full faith and credit of the City of Pharr and are used to finance permanent public improvements. In September of 2018, the city's ratings were upgraded by the first time in the last 10 years by S& P.

S & P AA-

Moody's Aa3

Cash Management: All City operating funds are held in interest-bearing demand accounts in the depository bank. This money is protected by insurance from the Federal Deposit Insurance Corporation and by collateral interests in the depository's investment securities that are pledged against the City's deposits.

Cash not required for operations is invested according to the City's written investment policy. The policy emphasizes safety and liquidity in investing public funds. As of September 30, 2020, 99% of City's funds were available within one day. Investments consisted mainly in 2 CD's this Fiscal Year due to concerns of cash flows due to Covid-19; investments amount were deposited back into depository account.

Risk Management: The City continues to put high emphasis on safety concerns to lower workers' compensation claims. Risk management, particularly workers' compensation, is coordinated through the Human Resources Department. Insurance is provided by Texas Municipal League for general and asset insurance management.

LONG-TERM FINANCIAL PLANNING

The City of Pharr has been planning for the next 30 years in the form of expading the city limits and expanding bridge infrastruture in order to make it the heart of import and export. City has been issuing certificates of obligations in order to invest in these projects.

The Pharr International Bridge continues to break import/export records, making the land port of entry a forced to be reckoned with as the 3rd largest commercial land crossing within Mexico.

OTHER INFORMATION AWARDS

The Texas State Comptroller issued a new Transparency program that recognizes local governments for going above and beyond in their transparency efforts through Transparency Stars.

The City of Pharr was awarded the Traditional Finances Star this past fiscal year and it was the first City in the Valley to receive it. In FY 2017-2018, the City received for the first time the Debt Obligations Transparency award and has maintained it since then.

The Government Finance Officers Association of the United States and Canada (GFOA) has awarded the City a Certificate of Achievement for Excellence in Financial Reporting for its Comprehensive Annual Financial Report (CAFR) for the year ended September 30, 2018, City submitted application for award as every year for FY ended September 30, 2019 but GFOA has delayed process due to pandemic .

The Certificate of Achievement is a prestigious national award recognizing conformance with the highest standards for preparation of state and local government financial reports. In order to be awarded a Certificate of Achievement, a government unit published an easily readable and efficiently organized comprehensive annual financial report, whose contents conform to program standards. Such CAFR must satisfy both generally accepted accounting principles and applicable legal requirements. A Certificate of Achievement is valid for a period of only one year. The City has received the Certificate of Achievement for the last eight consecutive years. We believe our current report continues to conform to the Certificate of Achievement program requirements, and we are submitting it to GFOA to determine its eligibility for another certificate. The City also received the GFOA's Distinguished Budget Presentation Award for its annual budget dated October 1, 2019. This was the City's 11th consecutive budget award from GFOA. In order to qualify for the Distinguished Budget Presentation Award, the City's budget document is judged on proficiency in several categories including policy documentation, financial planning, an operations guide, and a communication device.

The budget for October 1, 2020 has been submitted for review and we are pending notification of an award.

ACKNOWLEDGMENTS: The preparation of this report on a timely basis could not have been accomplished without the efficient and dedication services of the entire staff of the Finance Department. Appreciation is expressed to City employees throughout the organization, especially those employees who were instrumental in the successful completion of this report. We would like to thank the members of the City Commission for their interest and support in planning and guiding the financial operation of the City in a responsible and progressive manner.

Respectfully Submitted,

Karla Saavedra, CGFO
Finance Director



City of Pharr, TX



ELECTED OFFICIALS



Ambrosio "Amos" Hernandez, MD
Mayor



Eleazar Guajardo
Commissioner Place 1



Roberto "Bobby" Carrillo
Commissioner Place 2



Ramiro Caballero, MD
Commissioner Place 3



Daniel Chavez
Commissioner Place 4



Ricardo Medina
Commissioner Place 5



Itza Flores
Commissioner Place 6



City of Pharr, TX



EXECUTIVE MANAGEMENT



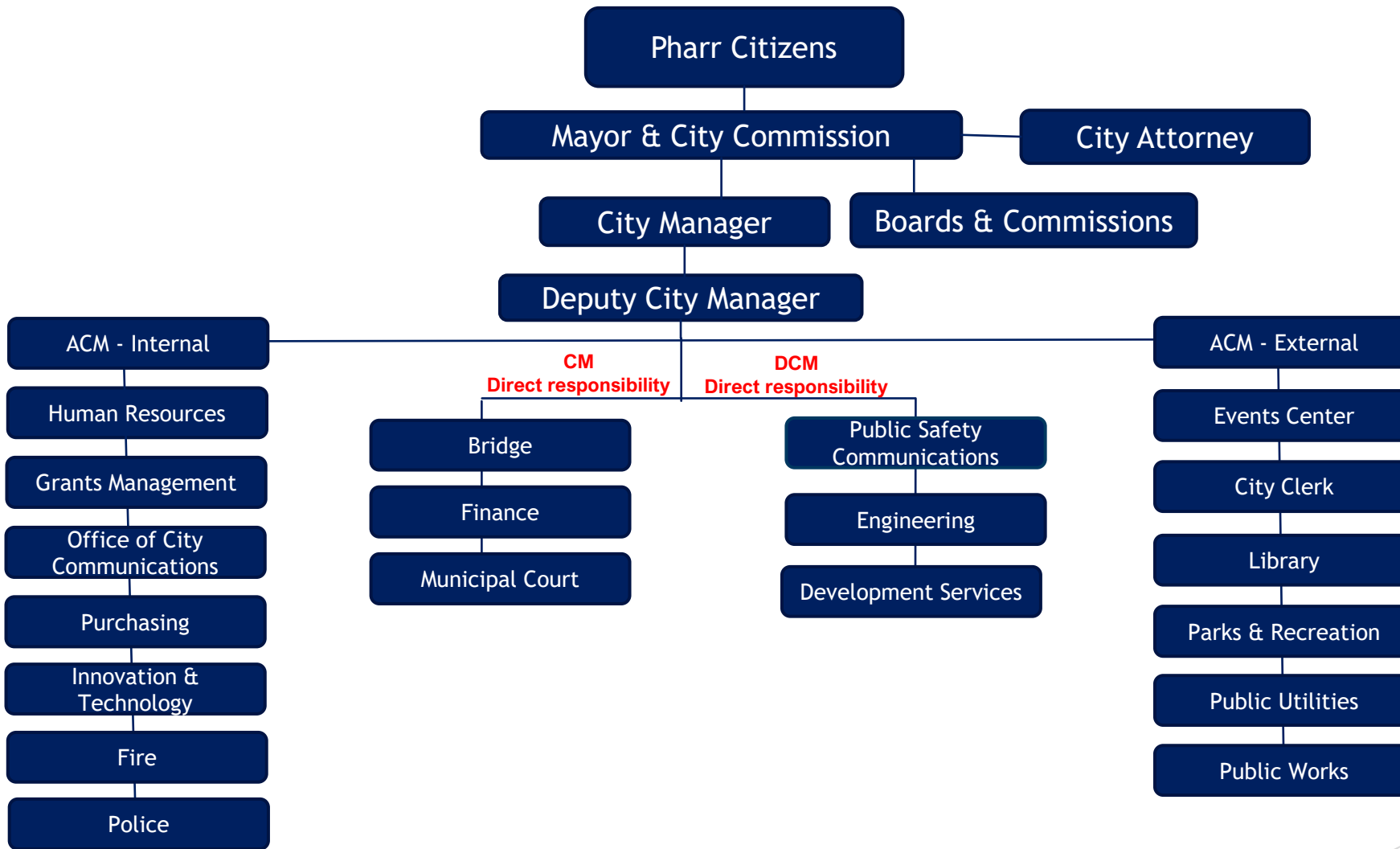
Ed Wylie
City Manager/EMC



Hilda Pedraza, TRMC, CMC
City Clerk/Asst. City Manager



Anali Alanis
Asst. City Manager



Department Directors



Karla Saavedra, CGFO
Finance Director



Luis Bazan
Bridge Director



Danny Ramirez
Communications Director/Dep. EMC



Jose J. Pena, CGCIO
IT & Media Director



Melanie Cano
Development Services Director



Raul Garza
CDBG Director



Pilar Rodriguez
Int. Public Works Director



Sergio Alaniz
Parks & Rec Director



Ignacio Amezcua
Purchasing Director



Adolfo Garcia
Library Director



Omar Anzaldúa Jr. PE, CFM
City Engineer



Leonardo Perez
Fire Chief



Criselda Flores
Presiding Judge



Veronica Ramirez, MBA
HR Director

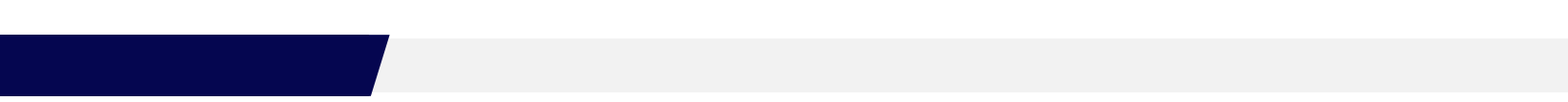


Andrew Harvey Jr.
Chief of Police



Ruben Rosales
Public Utilities Director

FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT



Oscar R. González, CPA
&
Associates, P.L.L.C.
Certified Public Accountants
208 W. Ferguson Unit #1 • Pharr, Texas 78577
Tel: (956) 787-9909 • Fax: (956) 787-3067
Email: org110n@aol.com

Oscar R. González
Melissa González

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of City Council
City of Pharr, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Pharr, Texas, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Pharr, Texas's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Pharr, Texas, as of September 30, 2020, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis the schedules of funding progress, schedule of changes in net pension liability and related ratios, and schedule of contributions, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Information

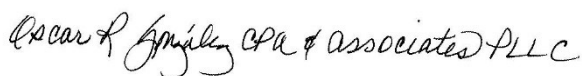
Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Pharr, Texas's basic financial statements. The introductory section, combining and individual nonmajor fund financial statements, the schedule of revenues, expenditures, and changes in fund balance – budget and actual for the general fund and the schedule of revenues, expenditures, and changes in fund balance – budget and actual for Pharr Economic Development Corporation II, Inc., and statistical section, are presented for purposes of additional analysis and are not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements, the schedule of revenues, expenditures, and changes in fund balance – budget and actual for the general fund and the schedule of revenues, expenditures, changes in fund balance – budget and actual for Pharr Economic Development Corporation II, Inc. are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements, the schedule of revenues, expenditures, and changes in fund balance – budget and actual for the general fund, and the schedule of revenues, expenditures, and changes in fund balance – budget and actual for Pharr Economic Development Corporation II, Inc. are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

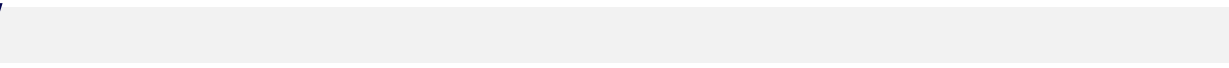
Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 11, 2021, on our consideration of the City of Pharr, Texas's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City of Pharr, Texas's internal control over financial reporting and compliance.



Oscar R. Gonzalez, CPA & Associates, PLLC
Certified Public Accountants

Pharr, Texas
March 11, 2021



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, 2020.

FINANCIAL HIGHLIGHTS

- ✚ The assets of the City's governmental activities exceeded its liabilities at the close of the most recent fiscal year by over \$129.69 million (net position). Of this amount, \$9.57 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. This is an increase of 5.78 million in unrestricted net position. The increase is mainly due to grants the city has received and the completion of several capital projects.
- ✚ The assets of the City's business-type activities exceeded its liabilities at the close of the most recent fiscal year by over \$133.7 million (net position). Of this amount, over \$16.7 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. Overall proprietary funds experienced an increase of \$6.16 million mainly due to better fiscal management and increased collections in Bridge Revenues and the increase on water billing.
- ✚ The General Fund assets exceeded its liabilities by over \$29 million (fund balance). Of this amount, \$4.23 million (unassigned fund balance) may be used to meet the General Fund's ongoing obligations. This is a decrease from last years of \$30 thousand.

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 of 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 in addition to 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.

The Statement of Net Position presents information on all the City's assets and liabilities as well as 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 useful indicator of whether the financial position of the City 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 giving 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).

Management's Discussion and Analysis

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

The government-wide financial statements include not only the City itself (known as the primary government), but also legally separate component units for which the City is financially accountable: the Pharr Economic Development Corporation II (blended component unit) and the Pharr Public Facilities Corporation No. 1 (blended component unit) and The Greater Pharr Chamber of Commerce (blended component unit).

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. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All the funds of the City can be divided into four categories: governmental funds, proprietary funds, fiduciary funds, and discretely presented component units.

Governmental Funds

Governmental funds are used to account for essentially 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, as well as on balances of resources that can be spent available at the end of the fiscal year. Such information may be useful 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 useful 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 funds Balance Sheet and the governmental funds 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 II, CIP) and eleven nonmajor governmental funds. Information for the major funds is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances. Data from the nonmajor governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor funds is provided in the form of 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.

Management's Discussion and Analysis

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 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.

Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary funds financial statements provide separate information for the water and wastewater operations and its bridge toll 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 in the form of combining statements elsewhere in this report.

The City adopts an annual appropriated budget for the Utility, Event Center, Bridge, Golf, 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 that is essential to a full 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.

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 over time as a useful indicator of a government's financial position. In the case of the City, assets exceeded liabilities by over \$263.42 million at the close of the fiscal year.

Management's Discussion and Analysis

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	
	2020	2019	2020	2019	2020	2019
Assets						
Current and other assets	\$ 94.07	\$ 78.18	\$ 58.25	\$ 22.55	\$152.32	\$100.73
Capital assets	154.13	137.74	149.92	145.82	304.05	283.56
Total assets	248.20	215.92	208.17	168.37	456.37	384.29
Deferred Outflow of Resources						
Deferred outflows	5.06	7.85	0.19	0.23	5.25	8.08
Total deferred outflow of resources	5.06	7.85	0.19	0.23	5.25	8.08
Total Assets and Deferred Outflow of Resources	253.26	223.77	208.36	168.60	461.62	392.37
Liabilities						
Current and other liabilities	19.36	18.47	7.61	6.70	26.97	25.17
Long-term Liabilities	96.77	87.46	67.03	39.49	163.80	126.95
Total liabilities	116.13	105.93	74.64	46.19	190.77	152.12
Deferred Inflow of Resources						
Deferred inflows	7.64	3.19	-	-	7.64	3.19
Total deferred inflows of resources	7.64	3.19	-	-	7.64	3.19
Total Liabilities and Deferred Inflow of Resources	123.77	109.12	74.64	46.19	198.41	155.31
Net Position						
Net Invested in capital assets, net of related debt	76.80	79.38	74.49	103.80	151.29	183.18
Restricted	43.12	31.49	42.50	8.05	85.62	39.54
Unrestricted	9.77	3.78	16.73	10.57	26.51	14.35
Total net position	\$129.69	\$114.65	\$133.72	\$122.42	\$263.42	\$237.07

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 \$263.21 at September 30, 2020 results from several factors. The most significant items include certain long-term liabilities that do not require current funding such as net pension liabilities of \$6.68 million as of September 30, 2020, and other unfunded long-term liabilities which include compensated absences.

By far the largest portion of the City's net position (\$151.30) reflects its Net Invested in Capital Assets (e.g., land buildings, machinery, and equipment), less any related debt used to acquire those assets that is 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 is reported 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, (\$85.61) million represents resources that are subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$26.30 million) may be used to meet the government's ongoing obligations to citizens and creditors.

At the end of the current fiscal year, the City can report positive balances in all three categories of net assets for the government. The same situation held true for the prior fiscal year.

Governmental Activities

Governmental activities increase the City's net position by \$13.34 million. The key changes this fiscal year along with element of this increase is described as follows:

-  Transfers from Bridge excess cash.
-  Investment in Capital Projects.
-  Cares Act grant for Covid-19 Relief.

Management's Discussion and Analysis

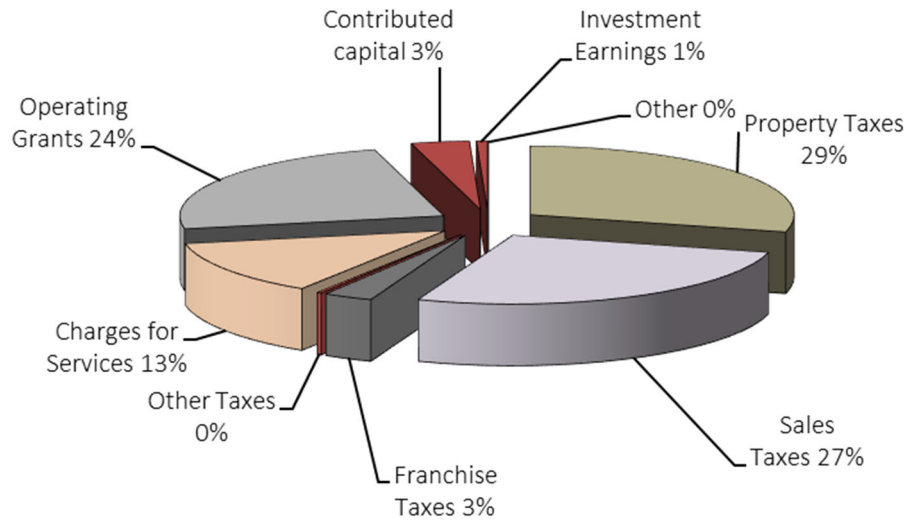
The City's condensed Changes in Net Position along with last fiscal year's numbers are presented for comparison in the following table below:

City of Pharr's Changes in Net Position						
Table 2 – Dollars in Millions	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
Revenues						
Program Revenues:						
Charges for services	\$ 10.62	\$ 9.31	\$ 31.49	\$ 30.29	\$ 42.11	\$ 39.60
Operating grants and contributions	19.65	4.03	4.99	-	24.64	4.03
Capital grants and contributions	3.50	2.22	0.60	1.91	4.10	4.13
General Revenues:						
Property tax	23.97	20.75	-	-	23.97	20.75
Sales tax	22.08	21.66	-	-	22.08	21.66
Other taxes	2.48	2.53	-	-	2.48	2.53
Other	0.26	0.74	0.93	0.29	1.19	1.03
Total Revenues	82.56	61.24	38.01	32.49	120.57	93.73
Expenses:						
General governmental	22.69	13.20	-	-	22.69	13.20
Public safety	20.61	26.57	-	-	20.61	26.57
Streets	5.15	5.24	-	-	5.15	5.24
Health and welfare	3.04	3.08	-	-	3.04	3.08
Culture and recreation	13.96	7.42	-	-	13.96	7.42
Economic Development	5.30	4.42	-	-	5.30	4.42
Interest of debt service	2.98	2.97	1.43	-	4.41	2.97
Issuance Cost	-	-	0.26	-	0.26	-
Utility	-	-	14.24	13.59	14.24	13.59
Pharr Event Center	-	-	0.68	0.83	0.68	0.83
Toll bridge	-	-	4.12	4.11	4.12	4.11
Tierra Del Sol Golf Course	-	-	1.46	1.53	1.46	1.53
Total Expenses	73.73	62.90	22.19	20.06	95.92	82.96
Excess of revenues over expenses	8.83	(1.66)	15.82	12.43	24.65	10.77
Transfers	4.51	8.35	(4.51)	(8.35)	-	-
Net change in net position	13.34	6.69	11.31	4.08	24.65	10.77
Net position - beginning	114.65	111.56	122.42	119.21	237.07	230.77
Prior period adjustment (a)	1.50	(3.60)	(0.01)	(0.87)	1.49	(4.47)
Net position - ending	<u>\$129.49</u>	<u>\$114.65</u>	<u>\$133.72</u>	<u>\$122.42</u>	<u>\$263.21</u>	<u>\$237.07</u>

Management's Discussion and Analysis

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

Revenues by Source – Governmental Activities



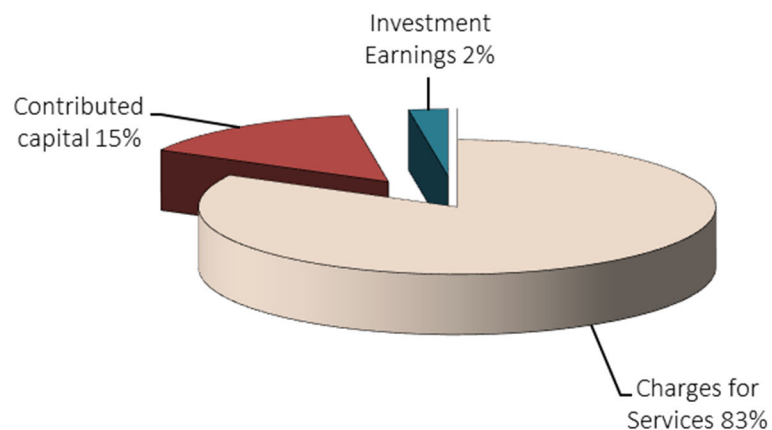
Business-Type Activities

Business-type activities increase the City's net position by \$11.30 million. One of the key changes this fiscal year for this increase was:

- Investment on utility capital projects
- Increase in water services.
- Less transfers to General fund.

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

Revenues by Source – Business-Type Activities



Management's Discussion and Analysis

GENERAL FUND BUDGETARY HIGHLIGHTS

The General Fund's net change in fund balance show a favorable increase of \$7.9 million because we move payroll funds from general fund to the cares act fund that will be reimburse by Hidalgo County. The operating revenues were \$707 thousand more than budget. The main reason for this increase was due to sales tax collections greater by \$.29 million, franchise tax also increases by \$.62 million. Expenditures were \$9.8 million less than budget since cares act grant approved to reimburse essential employees' payroll for several months.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City of Pharr's Capital assets for its governmental and business-type activities amounts to \$304.05 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 \$20.5 million or 7.2%.

City of Pharr's Capital Assets (Net of Depreciation)						
Table 3- Dollars in million	Governmental Activities		Business-Type Activities		Total	
	2020	2019	2020	2019	2020	2019
	\$	\$	\$	\$	\$	\$
Water rights	-	-	3.45	3.45	3.45	3.45
Land	19.68	17.58	6.90	3.41	26.58	20.99
Building and system improvements	28.55	27.02	13.47	14.19	42.02	41.21
Other improvements	46.32	11.15	8.04	2.55	54.36	13.70
Machinery and equipment	8.30	7.64	5.04	4.57	13.34	12.21
Infrastructure	29.05	31.14	102.91	106.94	131.96	138.08
Construction in progress	22.23	43.19	10.11	10.69	32.34	53.88
	<u>\$ 154.13</u>	<u>\$ 137.72</u>	<u>\$ 149.92</u>	<u>\$ 145.80</u>	<u>\$ 304.05</u>	<u>\$ 283.52</u>

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*.

Management's Discussion and Analysis

Long-Term Debt

At the end of the current fiscal year, the City had total contractually obligated long-term debt of \$154.20 million. The details of the change in debt from last fiscal year are as indicated:

Table 4 - Dollars in millions (not including unamortized activit

	<u>2020</u>	<u>2019</u>	<u>Change</u>
Governmental			
Bonds	\$ 1.43	\$ 5.03	\$ (3.60)
Certificates of obligation	68.97	47.50	21.47
Capital leases	6.35	6.46	(0.11)
Notes	<u>7.93</u>	<u>9.87</u>	<u>(1.94)</u>
	84.68	68.86	15.82
 Business-Type			
Bonds	65.61	40.26	25.35
Capital leases	<u>3.91</u>	<u>3.24</u>	<u>0.67</u>
	69.52	43.50	26.02
 Total	 <u><u>\$ 154.20</u></u>	 <u><u>\$ 112.36</u></u>	 <u><u>\$ 41.84</u></u>

Long-term debt for the Governmental activities increases by \$15 million. This increase was due to the new capital equipment and the issue for new bonds for capital projects. This fiscal year the city issued a new bond in the amount of \$25 million for the city's natatorium.

Long-term debt for the Business-Type activities increases by \$26 million. This increase was for two new bonds for \$18 million and \$13 million for utility capital improvements and projects.

Additional information on the City's long-term debt can be found in the Notes to the Financial Statements in this report 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 in accordance with the provisions of the Statement.

Management's Discussion and Analysis

Table 5 provides the City's key pension statistics related to the TMRS plan as of and for the fiscal year ended September 30, 2020:

City of Pharr's Key Pensions Statistics

Table 5-(Dollars in millions)

Net Pension Liability	\$	6.68
Pension Expense	\$	2.92

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.

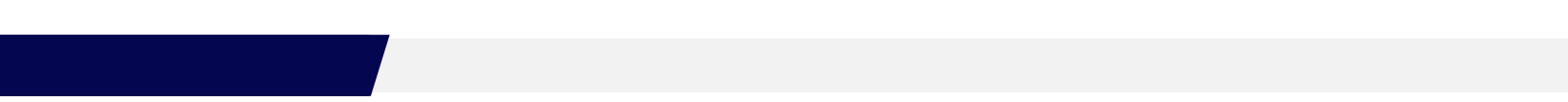
ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- Due to the current pandemic covid-19, city has been impacted in recreation and fines fees revenues, but on the other hand our sales tax, which is our second largest tax revenue source was not significantly affected in fact it showed a 2% growth from last year.
- The continuous growth of the Pharr Town Center will help increase jobs and sales taxes, during these hard times.
- Series 2020A and 2020B will bring a huge improvement in the city's water and sewer system that way Pharr can provide a better quality of life for their citizens.
- New infrastructure Bridge Projects 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.





BASIC FINANCIAL STATEMENTS

CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	Primary Government				
	Governmental	Business-Type		Discrete	
	Activities	Activities	Total	Component Units	Total
<u>ASSETS</u>					
Current assets:					
Cash	\$ 36,631,171	\$ 6,913,799	\$ 43,544,969	\$ 1,871,594	\$ 45,416,563
Receivables (net of allowance for uncollectible)	32,856,943	3,959,679	36,816,623	25,065	36,841,687
Prepaid items	213,466	-	213,466	-	213,466
Internal balances	346,929	(346,929)	-	-	-
Inventories	1,703,319	220,207	1,923,526	-	1,923,526
Land available for sale	2,410,012	-	2,410,012	-	2,410,012
Restricted assets:					
Cash	17,589,572	-	17,589,572	2,567,163	20,156,735
Cash with Fiscal Agent	2,059,532	47,510,974	49,570,507	-	49,570,507
Intergovernmental receivable	264,094	-	264,094	-	264,094
Total current assets	94,075,037	58,257,731	152,332,769	4,463,822	156,796,590
Capital assets					
Water Rights (nondepreciable)	-	3,450,000	3,450,000	-	3,450,000
Land (nondepreciable)	19,676,658	6,897,338	26,573,996	1,500,000	28,073,996
Buildings (net of acc. depreciation)	28,553,401	13,472,030	42,025,430	24,735,721	66,761,151
Improvements other than buildings (net of acc. depreciation)	46,316,868	8,048,255	54,365,123	-	54,365,123
Machinery and equipment (net of acc. depreciation)	8,295,010	5,039,658	13,334,668	84,685	13,419,353
Infrastructure (net of acc. depreciation)	29,053,672	102,903,883	131,957,555	-	131,957,555
Construction in progress (nondepreciable)	22,234,539	10,111,076	32,345,615	-	32,345,615
Total capital assets	154,130,148	149,922,241	304,052,387	26,320,406	330,372,793
Total noncurrent assets	154,130,148	149,922,241	304,052,387	26,320,406	330,372,793
Total assets	248,205,185	208,179,972	456,385,156	30,784,228	487,169,384
<u>DEFERRED OUTFLOW OF RESOURCES</u>					
Other Post Employee Benefits	137,497	-	137,497	-	137,497
Unamortized loss on refunding of debt	48,780	195,484	244,264	-	244,264
Pension-TMRS	5,020,666	-	5,020,666	-	5,020,666
Total deferred outflow of resources	5,206,943	195,484	5,402,427	-	5,402,427
<u>LIABILITIES</u>					
Current liabilities payable:					
Accounts payable and other current liabilities	5,522,459	1,658,336	7,180,795	6,122,469	13,303,264
Escrows	3,367,156	241,064	3,608,219	-	3,608,219
Current portion debt payable	10,475,154	5,713,015	16,188,169	627,931	16,816,100
Total current liabilities	19,364,769	7,612,415	26,977,183	6,750,400	33,727,583
Noncurrent liabilities:					
Other post employment benefit	1,384,039	-	1,384,039	-	1,384,039
Net Pension Liability	6,683,755	-	6,683,755	-	6,683,755
Due in more than one year, net	88,704,265	67,035,163	155,739,428	32,269,429	188,008,857
Total noncurrent liabilities	96,772,059	67,035,163	163,807,222	32,269,429	196,076,651
Total liabilities	116,136,829	74,647,577	190,784,405	39,019,828	229,804,234
<u>DEFERRED INFLOW OF RESOURCES</u>					
Pension-Actual Contributions vs Assumptions	7,575,656	-	7,575,656	-	7,575,656
	7,575,656	-	7,575,656	-	7,575,656
<u>NET POSITION</u>					
Net Invested in capital assets	76,805,452	74,496,933	151,302,384	(6,576,953)	144,725,431
Restricted for:					
Debt service	1,110,591	4,791,960	5,902,551	-	5,902,551
Capital projects	24,888,102	37,238,753	62,126,854	-	62,126,854
Economic development	11,108,686	-	11,108,686	-	11,108,686
Tourism	1,951,675	464,631	2,416,306	-	2,416,306
Public safety	1,259,665	-	1,259,665	-	1,259,665
Paving and Drainage	729,792	-	729,792	-	729,792
General Government	2,069,413	-	2,069,413	-	2,069,413
Unrestricted	9,776,269	16,735,602	26,511,872	(1,658,648)	24,853,224
Total net position	\$ 129,699,643	\$ 133,727,879	\$ 263,427,522	\$ (8,235,601)	\$ 255,191,921

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, 2020**

Functions/Programs	Net (Expense) Revenue and Changes in Net Position								
	Program Revenues				Primary Government			Discrete Component Unit	Total
	Expenses	Charges for Service	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-Type Activities	Total		
Primary government:									
Governmental activities:									
General government	\$ 22,680,455	\$ 1,399,507	\$ 10,829,134	\$ -	\$ (10,451,814)		\$ (10,451,814)	-	(10,451,814)
Public safety	20,473,046	3,729,167	1,563,346	-	(15,180,533)		(15,180,533)	-	(15,180,533)
Highways and streets	5,140,807	1,781,993	-	7,259,645	3,900,830		3,900,830	-	3,900,830
Health and welfare	3,019,425	4,225,801	-	-	1,206,376		1,206,376	-	1,206,376
Culture and recreation	13,952,484	318,641	-	-	(13,633,843)		(13,633,843)	-	(13,633,843)
Economic development	5,302,619	2,115,532	-	-	(3,187,087)		(3,187,087)	-	(3,187,087)
Interest on long-term debt	2,957,666	-	-	-	(2,957,666)		(2,957,666)	-	(2,957,666)
Total governmental activities	<u>73,526,502</u>	<u>13,570,641</u>	<u>12,392,480</u>	<u>7,259,645</u>	<u>(40,303,737)</u>		<u>(40,303,737)</u>	<u>-</u>	<u>(40,303,737)</u>
Business-type activities:									
Utility	15,184,755	16,208,278	4,992,506	595,939		6,611,968	6,611,968		6,611,968
Pharr Event Center	684,919	252,452	-	-		(432,468)	(432,468)		(432,468)
Toll Bridge	4,220,584	14,595,374	-	-		10,374,790	10,374,790		10,374,790
Tierra Del Sol Golf Course	1,466,249	796,373	-	-		(649,876)	(649,876)		(649,876)
Total business-type activities	<u>21,556,507</u>	<u>31,852,477</u>	<u>4,992,506</u>	<u>595,939</u>		<u>15,904,415</u>	<u>15,904,415</u>		<u>15,904,415</u>
Total primary government	<u>\$ 95,083,010</u>	<u>\$ 45,423,118</u>	<u>\$ 17,384,985</u>	<u>\$ 7,855,584</u>	<u>\$ (40,303,737)</u>	<u>\$ 15,904,415</u>	<u>\$ (24,399,322)</u>	<u>-</u>	<u>(24,399,322)</u>
Component unit:									
PHFC Jackson Apartments	-	-	-	-				7,000	7,000
Depreciation Expense	-	-	-	-				1,208,921	
PFH	-	-	-	-				1,237,848	1,237,848
Debt Interest and Issuance Cost	<u>\$ -</u>	<u>\$ -</u>	<u>-</u>	<u>-</u>				<u>1,622,113</u>	<u>1,622,113</u>
								4,075,882	4,075,882
<u>General revenues:</u>									
Property taxes					23,976,404	-	23,976,404	-	23,976,404
Sales taxes					22,086,728	-	22,086,728	-	22,086,728
Franchise taxes					2,486,997	-	2,486,997	-	2,486,997
Rent Revenue					-	-	-	2,489,926	2,489,926
Contributions					300,161	-	300,161	-	300,161
Other taxes					235,128		235,128	-	235,128
Investment earnings					255,782	171,034	426,816	5,538	432,354
Other					-	17,365	17,365	178,410	195,775
Cost of Issuance					-	(269,780)	(269,780)		(269,780)
Transfers					4,509,382	(4,509,382)	-	-	-
Total general revenues and transfers					<u>53,850,583</u>	<u>(4,590,763)</u>	<u>49,259,819</u>	<u>2,673,873</u>	<u>51,933,694</u>
Change in net position					13,546,847	11,313,652	24,860,499	(1,402,009)	23,458,490
Net position - beginning					114,652,764	122,423,797	237,076,561	(6,833,592)	230,242,969
Prior period adjustment					1,500,032	(9,570)	1,490,462	-	1,490,462
Net position - ending					<u>\$ 129,699,643</u>	<u>\$ 133,727,879</u>	<u>\$ 263,427,522</u>	<u>\$ (8,235,601)</u>	<u>\$ 255,191,921</u>

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

**CITY OF PHARR, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020**

		General	Pharr Economic Development Corporation, Inc.	General Capital Improvements	Non-Major Governmental	Total Governmental
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>						
Cash	\$	21,927,781	\$ 5,678,768	\$ 7,073,580	\$ 1,885,139	\$ 36,565,269
Receivables (net of allowance for uncollectible):						
Property taxes		1,859,644	-	-	339,166	2,198,811
Warrants		5,839,427	-	-	-	5,839,427
Sales tax		2,922,829	974,276	-	-	3,897,105
Notes		-	923,365	-	54,619	977,984
Accounts		1,040,650	-	-	177,243	1,217,893
Intergovernmental		-	-	4,468,173	-	4,468,173
Other		6,406,606	43,967	-	7,806,978	14,257,551
Prepaid Items		104,280	109,186	-		213,466
Inventories		1,641,902	-	-	-	1,641,902
Land Available for Sale		-	2,410,012	-	-	2,410,012
Due from other funds		1,151,379	-	1,005,331	5,000	2,161,710
Restricted assets:			-	-		
Cash		-	603,847	16,985,725	-	17,589,572
Cash with Fiscal Agent		2,059,532	-	-	-	2,059,532
Intergovernmental receivable		-	-	-	264,094	264,094
Total assets	\$	<u>44,954,031</u>	<u>\$ 10,743,422</u>	<u>\$ 29,532,809</u>	<u>10,532,239</u>	<u>\$ 95,762,500</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>						
Liabilities:						
Accounts payable	\$	3,053,405	\$ 126,798	\$ 834,276	81,653	\$ 4,096,131
Accrued liabilities		762,689	-	-	-	762,689
Due to other funds		1,005,331	44,894	-	735,295	1,785,520
Escrow accounts		2,342,461	7,359	1,014,817	2,519	3,367,156
Unearned revenue		-	-	-	155,996	155,996
Total liabilities		<u>7,163,886</u>	<u>179,051</u>	<u>1,849,093</u>	<u>975,463</u>	<u>10,167,492</u>
Deferred Inflows of Resources:						
Deferred property tax		1,859,644	-	-	339,166	2,198,811
Deferred accounts		1,040,657	-	-	177,243	1,217,900
Deferred warrants		5,839,427	-	-	-	5,839,427
Deferred notes		-	923,365	-	54,619	977,984
Total deferred inflow of resources		<u>8,739,729</u>	<u>923,365</u>	<u>-</u>	<u>571,028</u>	<u>10,234,122</u>

Fund balances:		<u>General</u>	<u>Economic Development Corporation 4B</u>	<u>General Capital Improvements</u>	<u>Non-Major Governmental</u>	<u>Total Governmental</u>
Nonspendable:						
	Inventory	1,641,902	2,410,012	-	-	4,051,915
	Noncurrent advances	5,060,299	-	-	9,881	5,070,180
Restricted:						
	Debt service	-	-	-	931,379	931,379
	Street paving and drainage	-	-	-	729,792	729,792
	Tourism	-	-	-	1,951,675	1,951,675
	Public safety	-	-	-	1,249,784	1,249,784
	Parkland	-	-	-	217,531	217,531
	Community development	-	-	-	470,032	470,032
	Economic development	-	7,230,994	-	3,425,675	10,656,668
Committed:						
	Contingency	12,288,635	-	-	-	12,288,635
Assigned:						
	General government	3,762,435	-	-	-	3,762,435
	Capital outlay	2,059,532	-	27,683,716	-	29,743,248
Unassigned:						
		4,237,613	-	-	-	4,237,613
Total fund balances		<u>29,050,416</u>	<u>9,641,006</u>	<u>27,683,716</u>	<u>8,985,748</u>	<u>75,360,887</u>
Total liabilities, deferred inflows of resources and fund balances		\$ <u>44,954,031</u>	\$ <u>10,743,422</u>	\$ <u>29,532,809</u>	<u>10,532,239</u>	\$ <u>95,762,500</u>

CITY OF PHARR, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2020

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

Total fund balances - governmental funds balance sheet		\$	75,360,886
(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	258,092,384	
	Accumulated depreciation	<u>(104,298,320)</u>	153,794,064
(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	<u>363,933</u>	363,933
(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	(7,287,971)	
	Long-term	(75,532,348)	
	Capital leases		
	Current	(1,784,348)	
	Long-term	(4,571,345)	
	Unamortized loss -Deferred outflow	48,780	
	Unamortized debt activity	<u>(4,389,403)</u>	(93,516,635)
(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	2,751,800	
	Allowance	<u>(552,989)</u>	2,198,811
(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	920,558	
	Paving	177,245	
	Library	57,745	
	Alarm permits	<u>62,354</u>	1,217,902
(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	159,952	
	Notes	<u>18,014</u>	(177,966)

CITY OF PHARR, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2020- Continued

(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	(1,393,368)	
		Long-term	<u>(4,480,104)</u>	(5,873,473)
(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	13,217,413	
		Allowance	<u>(7,377,986)</u>	5,839,427
(9)	Employers that participate in defined contribution OPEB plans are required to recognize OPEB liability for unpaid required contributions	OPEB Liability - Prior Years	137,494	
		This fiscal year contribution	(1,384,039)	
		This fiscal year trust fund contribution	<u>-</u>	(1,246,545)
(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.		<u>977,984</u>	977,984
(11)	Deferred Outflow Pension Contributions		5,020,666	
	Deferred Inflow		(7,575,655)	
	Net Pension Liability		<u>(6,683,755)</u>	
				(9,238,744)
	Net position of governmental activities - statement of net position		\$	129,699,644

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, 2020

	General	Pharr Economic Development Corporation, Inc.	General Capital Improvements	Non-Major Governmental	Total Governmental
REVENUES					
Taxes:					
Property	\$ 18,068,992	\$ -	\$ -	\$ 5,902,873	\$ 23,971,866
Sales	16,125,380	5,375,127	-	586,222	22,086,728
Franchise	2,486,997	-	-	-	2,486,997
Other	235,128	-	-	-	235,128
Licenses and permits	966,406	-	-	-	966,406
Intergovernmental	81,812	-	7,259,645	12,310,667	19,652,125
Fees and charges:					
Sanitation	2,881,591	-	-	-	2,881,591
Brush	1,138,767	-	-	-	1,138,767
Other	887,002	-	-	1,316,649	2,203,651
Fines	549,623	-	-	-	549,623
Interest income	124,729	90,493	-	40,559	255,781
Other	866,873	2,048,871	-	29,249	2,944,993
Total revenues	<u>44,413,300</u>	<u>7,514,491</u>	<u>7,259,645</u>	<u>20,186,219</u>	<u>79,373,654</u>
EXPENDITURES					
Current:					
General government	10,590,622	-	1,183,083	10,281,539	22,055,243
Public safety	18,985,516	-	145,201	1,395,844	20,526,562
Highways and streets	3,956,320	-	6,355,163	25,439	10,336,921
Health and welfare	2,823,141	-	-	-	2,823,141
Culture and recreation	6,206,905	-	18,636,137	6,399	24,849,442
Economic development	2,222,660	2,057,630	-	200,626	4,480,916
Debt service:					
Principal	1,799,881	2,021,753	983,727	5,492,924	10,298,286
Interest	110,906	246,919	224,389	2,775,067	3,357,281
Total expenditures	<u>46,695,952</u>	<u>4,326,302</u>	<u>27,527,700</u>	<u>20,177,837</u>	<u>98,727,792</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(2,282,652)</u>	<u>3,188,189</u>	<u>(20,268,055)</u>	<u>8,381</u>	<u>(19,354,138)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	8,426,200	-	4,074,802	3,805,374	16,306,376
Transfers (out)	(3,906,292)	(1,487,500)	(4,730,000)	(1,673,202)	(11,796,994)
Issuance of debt	1,945,500	-	25,000,000	-	26,945,500
Total other financing sources and uses	<u>6,465,408</u>	<u>(1,487,500)</u>	<u>24,344,802</u>	<u>2,132,172</u>	<u>31,454,882</u>
Net change in fund balance	4,182,756	1,700,689	4,076,747	2,140,554	12,100,744
Fund balance - beginning	24,847,477	7,174,797	23,225,587	6,541,290	61,789,151
Prior period adjustment	20,183	765,520	381,382	303,904	1,470,989
Fund balance - ending	<u>\$ 29,050,416</u>	<u>\$ 9,641,006</u>	<u>\$ 27,683,716</u>	<u>\$ 8,985,748</u>	<u>\$ 75,360,886</u>

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

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, 2020

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

	Net change in fund balances - total governmental funds		\$	12,100,745
(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 Depreciation expense	21,815,634 (5,911,700)	15,903,934
(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 Contributed capital - streets	70,397 229,764	300,161
(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 Certificate of Obligation proceeds Lease/Notes Tax Notes Principal Paid Bond Principal Paid Loan Principal Paid Unamortized debt activity	(1,945,500) (25,000,000) 2,352,417 979,116 4,945,000 2,021,753 334,687	(16,312,527)
(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	- 4,540	4,540
(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 Paving Library Alarm Fees	168,300 22,842 2,223 12,078	205,443

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, 2020

(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	(177,966)	
		Prior year accrual	242,895	
				64,929
(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	(5,573,473)	
		Prior year	5,359,060	
				(214,412)
(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	(3,159,634)	
		Current Year Warrant A/R	5,839,166	
				2,679,532
(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	(1,384,039)	
		Trust fund contributions	1,276,503	
				(107,536)
(10)	Loans issued to outside entities for Economic development are considered expenses governmental funds but not in the statement of activities.		(735,806)	
				(735,806)
(11)	GASB 68 recognition on Pension Expense requires an adjustment to reflect in Statement of Activities		\$ (342,155)	\$ (342,155)
	Rounding difference			(1)
	Change in net position of governmental activities		\$	<u>13,546,847</u>

CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2020

Business-type Enterprise Funds							Governmental Activities - Internal Service Fund
	Utility	Pharr Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total		
<u>ASSETS</u>							
Current assets:							
Cash	\$ 158,347	\$ 267,103	\$ 5,795,478	\$ 692,870	\$ 6,913,799	\$ 65,901	
Receivables (net of allowance for uncollectible):							
Accounts	3,486,944	269,410	186,166	17,159	3,959,679	-	
Inventories	194,185	5,636	-	20,387	220,207	61,416	
Restricted assets:							
Cash	45,626,621	-	420,779	-	46,047,400	-	
Cash with Fiscal Agent	-	-	1,439,213	24,362	1,463,575	-	
Total current assets	49,466,097	542,149	7,841,636	754,778	58,604,660	127,317	
Capital assets							
Water Rights (nondepreciable)	3,450,000	-	-	-	3,450,000	-	
Land (nondepreciable)	4,293,127	785,224	819,645	999,342	6,897,338	-	
Buildings (net of acc. depreciation)	9,757,492	2,211,760	1,214,536	288,242	13,472,030	336,083	
Improvements other than buildings (net of acc. depreciation)	6,198,149	79,636	112,182	1,658,287	8,048,255	-	
Machinery and equipment (net of acc. depreciation)	2,447,940	15,158	2,376,574	199,986	5,039,658	-	
Infrastructure (net of acc. depreciation)	91,709,022	-	11,187,024	7,838	102,903,883	-	
Construction in progress (nondepreciable)	3,965,890	-	6,145,186	-	10,111,076	-	
Total capital assets	121,821,620	3,091,778	21,855,146	3,153,695	149,922,241	336,083	
Total noncurrent assets	121,821,620	3,091,778	21,855,146	3,153,695	149,922,241	336,083	
Total assets	171,287,717	3,633,928	29,696,783	3,908,473	208,526,900	463,400	
<u>DEFERRED OUTFLOW OF RESOURCES</u>							
Unamortized loss on refunding of debt	195,486	-	-	-	195,486	-	
Total deferred outflow of resources	195,486	-	-	-	195,486	-	

Business-type Enterprise Funds						Governmental Activities - Internal Service Fund
	Utility	Boggus Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total	
LIABILITIES						
Current liabilities payable:						
Accounts payable	678,870	7,313	389,768	29,015	1,104,966	29,676
Accrued liabilities						
Due to other funds	178,869	47,511	62,775	57,774	346,929	29,260
Unearned revenue	-	4,067	5,500	43,478	53,045	-
Total current liabilities payable	857,738	58,891	458,043	130,266	1,504,939	58,935
Current liabilities payable from restricted assets:						
Customer deposits payable	500,326	-	-	-	500,326	-
Escrow payable	241,064	-	-	-	241,064	-
Matured accrued compensation	123,696	4,657	48,281	16,583	193,217	9,467
Matured capital lease	275,597	-	857,824	55,377	1,188,798	-
Matured bonds/notes, net	3,661,000	-	670,000	-	4,331,000	-
Total current liabilities payable from restricted assets	4,801,682	4,657	1,576,105	71,961	6,454,405	9,466
Total current liabilities	5,659,420	63,548	2,034,148	202,227	7,959,344	68,401
Noncurrent liabilities:						
Accrued compensation	371,088	13,970	144,844	49,751	579,653	28,400
Capital lease payable	950,312	-	1,612,909	159,020	2,722,240	2,665
Bonds/notes principal payable	62,955,429	-	777,841	-	63,733,270	-
Total noncurrent liabilities	64,276,829	13,970	2,535,593	208,770	67,035,163	31,064
Total liabilities	69,936,249	77,519	4,569,742	410,997	74,994,506	99,466
NET POSITION						
Invested in capital assets, net of related debt	50,529,283	3,091,778	17,936,574	2,939,298	74,496,933	336,084
Restricted for:						
Debt service	4,371,181	-	420,779	-	4,791,960	-
Capital projects	37,214,391	-	-	24,362	37,238,753	-
Tourism	-	464,631	-	-	464,631	-
Unrestricted	9,432,098	-	6,769,689	533,816	16,735,603	27,850
Total net position	\$ 101,546,953	\$ 3,556,410	25,127,042	\$ 3,497,476	\$ 133,727,880	\$ 363,934

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, 2020

	Business-type Enterprise Funds					Governmental Activities - Internal Service Fund
	Utility	Pharr Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total	
Operating revenues:						
Charges for sales and services:						
Water sales	\$ 8,860,079	\$ -	\$ -	\$ -	\$ 8,860,079	\$ -
Sewer service	6,965,740	-	-	-	6,965,740	-
Tap fees	327,162	-	-	-	327,162	-
Toll fees	-	-	14,367,657	-	14,367,657	-
Golf services	-	-	-	723,745	723,745	-
Event Center	-	252,452	-	-	252,452	-
Other	55,297	-	227,718	72,628	355,642	751,738
Total operating revenues	<u>16,208,278</u>	<u>252,452</u>	<u>14,595,374</u>	<u>796,373</u>	<u>31,852,477</u>	<u>751,738</u>
Operating expenses:						
Personnel services	3,804,667	358,340	1,303,035	771,059	6,237,101	210,577
Supplies and Materials	1,675,938	106,405	156,958	150,941	2,090,242	-
Contractual Services	3,617,580	129,129	1,843,434	303,379	5,893,523	525,719
Depreciation	5,141,912	91,046	820,228	214,034	6,267,219	15,252
Total operating expenses	<u>14,240,096</u>	<u>684,919</u>	<u>4,123,655</u>	<u>1,439,413</u>	<u>20,488,083</u>	<u>751,548</u>
Operating income (loss)	<u>1,968,183</u>	<u>(432,468)</u>	<u>10,471,719</u>	<u>(643,040)</u>	<u>11,364,394</u>	<u>189</u>
Nonoperating revenues (expenses):						
Investment earnings	111,065	1,157	48,897	9,915	171,034	-
Interest expense	(1,308,483)	-	(119,521)	(6,837)	(1,434,841)	(189)
Amortization expense	363,824	-	22,592	-	386,416	-
Intergovernmental	4,880,421	-	112,085	-	4,992,506	-
Other	17,365	-	-	-	17,365	-
Issuance cost	(269,780)	-	-	-	(269,780)	-
Total nonoperating revenues (expenses)	<u>3,794,412</u>	<u>1,157</u>	<u>64,053</u>	<u>3,079</u>	<u>3,862,701</u>	<u>(189)</u>
Income before contributions and transfers	<u>5,762,595</u>	<u>(431,311)</u>	<u>10,535,772</u>	<u>(639,961)</u>	<u>15,227,095</u>	<u>-</u>
Transfers in	2,810,000	393,481	1,920,000	530,637	5,654,118	-
Transfers (out)	(571,400)	-	(9,592,100)	-	(10,163,500)	-
Capital contributions	595,939	-	-	-	595,939	-
	<u>2,834,539</u>	<u>393,481</u>	<u>(7,672,100)</u>	<u>530,637</u>	<u>(3,913,443)</u>	<u>-</u>
Changes in Net Position	<u>8,597,134</u>	<u>(37,830)</u>	<u>2,863,672</u>	<u>(109,324)</u>	<u>11,313,652</u>	<u>-</u>
Total net position - beginning	92,980,419	3,610,509	22,226,069	3,606,800	122,423,797	363,553
Prior period adjustment	(30,600)	(16,269)	37,299	-	(9,570)	380
Total net position - ending	<u>\$ 101,546,953</u>	<u>\$ 3,556,410</u>	<u>25,127,040</u>	<u>\$ 3,497,476</u>	<u>\$ 133,727,879</u>	<u>\$ 363,934</u>

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

CITY OF PHARR, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Business-type Enterprise Funds					Governmental Activities - Internal Service Fund
	Utility	Pharr Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total	
CASH FLOWS FROM OPERATING ACTIVITIES						
Receipts from customers	\$ 15,438,768	\$ 217,029	\$ 14,181,964	\$ 793,446	\$ 30,631,207	\$ 751,738
Payments to suppliers	(1,678,573)	(107,579)	(156,958)	(145,526)	(2,088,636)	(6,183)
Payments to employees	(3,771,379)	(400,089)	(1,301,638)	(791,504)	(6,264,610)	(214,541)
Payments for contractual services	(3,400,177)	(137,613)	(1,971,336)	(298,514)	(5,807,640)	(511,974)
Payments (to)/from others	62,154	-	227,718	-	289,872	-
Net cash flow (to)/from operating activities	<u>6,650,793</u>	<u>(428,252)</u>	<u>10,979,750</u>	<u>(442,098)</u>	<u>16,760,193</u>	<u>19,040</u>
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES						
Receipts from grants					-	-
Advances (to)/from other funds	160,652	40,751	47,506	51,089	299,998	7,692
Transfers in from other funds	2,810,000	393,481	1,920,000	530,637	5,654,118	-
Transfers out to other funds	(571,400)	-	(9,592,100)	-	(10,163,500)	-
Net cash provided/(used) by noncapital and related financing activities	<u>2,399,252</u>	<u>434,232</u>	<u>(7,624,594)</u>	<u>581,726</u>	<u>(4,209,384)</u>	<u>7,692</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES						
Bond/Lease Proceeds					-	-
Acquisition and construction of capital assets	(7,290,627)	-	(2,955,765)	(34,140)	(10,280,532)	-
Principal paid on long-term debt	28,200,531	-	321,714	(54,030)	28,468,215	(7,930)
Interest paid on long-term debt	(1,308,483)	-	(119,521)	(6,837)	(1,434,841)	(189)
Other	318,006	(16,271)	62,195	(1)	363,927	-
Net cash provided/(used) by capital and related financing activities	<u>19,919,427</u>	<u>(16,271)</u>	<u>(2,691,377)</u>	<u>(95,008)</u>	<u>17,116,769</u>	<u>(8,119)</u>
CASH FLOWS FROM INVESTING ACTIVITIES						
Interest income received	111,065	1,158	48,897	9,915	171,035	-
Net cash provided/(used) by investing activities	<u>111,065</u>	<u>1,158</u>	<u>48,897</u>	<u>9,915</u>	<u>171,035</u>	<u>-</u>
NON CASH INVESTING/FINANCING ACTIVITIES						
Capital Contributions	595,939	-	-	-	595,939	-
Noncash provided/(used) by investing/financing	<u>595,939</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>595,939</u>	<u>-</u>
Net increase/(decrease) in cash	29,676,476	(9,133)	712,676	54,535	30,434,554	18,613
Cash beginning of fiscal year	11,497,849	276,237	6,833,514	662,075	19,269,675	46,909
Cash end of fiscal year	<u>\$ 41,174,325</u>	<u>\$ 267,104</u>	<u>7,546,190</u>	<u>\$ 716,610</u>	<u>\$ 49,704,229</u>	<u>\$ 65,522</u>

	Business-type Enterprise Funds					Governmental Activities - Internal Service Fund
	Utility	Pharr Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total	
Reconciliation of operating income to net cash provided (used) by operating activities:						
Operating income (loss)	\$ 1,968,182	(432,469)	10,471,721	(643,040)	\$ 11,364,394	\$ 189
Adjustments to reconcile operating income to net cash provided (used) by operating activities:						
Depreciation	5,141,912	91,046	820,228	214,034	6,267,220	15,252
(Increase) Decrease in Accounts and Other Receivables, net	(707,138)	(5,056)	(137,680)	645	(849,229)	-
(Increase) Decrease in Inventories	(2,636)	(1,174)	-	5,414	1,604	-
(Increase) Decrease in Other Assets		-	-		-	-
Increase (Decrease) in Accounts Payable	217,403	(8,484)	(127,903)	4,865	85,881	7,562
Increase (Decrease) in Accrued Compensation	33,287	(41,750)	1,397	(20,445)	(27,511)	(3,964)
Increase (Decrease) in Deferred/Escrow Revenue	6,857	(30,368)	(48,013)	(3,571)	(75,095)	-
Increase (Decrease) in Customer Deposits	(7,076)	-	-	-	(7,076)	-
Increase (Decrease) in Other Liabilities	-	-	-		-	-
Total adjustments	<u>4,682,609</u>	<u>4,214</u>	<u>508,029</u>	<u>200,942</u>	<u>5,395,799</u>	<u>18,850</u>
Net cash provided (used) by operating activities	\$ <u>6,650,793</u>	\$ <u>(428,252)</u>	<u>10,979,750</u>	\$ <u>(442,098)</u>	\$ <u>16,760,193</u>	\$ <u>19,039</u>

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

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.

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

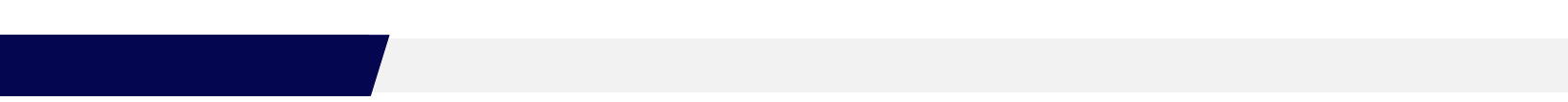
PHFC-Jackson Place Apartments: is a separate entity created for the purpose of holding liability to construct an apartment complex.

CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

	Pharr Housing Finance Corporation	PHFC Jackson Place Apartments	Total
<u>ASSETS</u>			
Current assets:			
Cash	\$ 115	\$ 1,871,479	\$ 1,871,594
Receivables (net of allowance for uncollectible)	-	25,065	25,065
NonCurrent assets:			
Restricted assets:			
Cash	-	2,567,163	2,567,163
Total current assets	<u>115</u>	<u>4,463,707</u>	<u>4,463,822</u>
Capital assets			
Land (nondepreciable)	-	1,500,000	1,500,000
Machinery and Equipment	-	84,685	84,685
Construction in progress (nondepreciable)	-	24,735,721	24,735,721
Total capital assets	<u>-</u>	<u>26,320,406</u>	<u>26,320,406</u>
Total assets	<u>115</u>	<u>30,784,113</u>	<u>30,784,228</u>
<u>LIABILITIES</u>			
Current liabilities payable:			
Current portion debt payable	-	627,931	627,930.72
Accounts payable and other current liabilities	866,792	5,255,677	6,122,469
Unearned revenue	-	-	-
Total current liabilities payable	<u>866,792</u>	<u>5,883,608</u>	<u>6,750,400</u>
Noncurrent liabilities:			
Due in more than one year, net	-	32,269,429	32,269,429
Total non current liabilities	<u>866,792</u>	<u>38,153,037</u>	<u>39,019,828</u>
Total liabilities			
<u>NET POSITION</u>			
Net Invested in capital assets	-	(6,576,953)	(6,576,953)
Unrestricted	(866,677)	(791,971)	(1,658,648)
Total net position	<u>\$ (866,677)</u>	<u>\$ (7,368,924)</u>	<u>\$ (8,235,601)</u>

CITY OF PHARR, TEXAS
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Functions/Programs	Expenses	Program Revenues		Net (Expenses) Revenues and Changes in Net Position
		Charges for Service	Operating Grants and Contributions	Component Unit
Component Unit				
Pharr Housing Finance Corporation	7,000	-	-	(7,000)
PHFC Jackson Place Apartments	1,237,848	-	-	(1,237,848)
Depreciation Expense	1,208,921	-	-	(1,208,921)
Debt Interest and Issuance Cost	1,622,113	-	-	(1,622,113)
Total component unit	<u>\$ 4,075,883</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (4,075,883)</u>
Total component unit	\$ <u>4,075,883</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>(4,075,883)</u>
General revenues:				
				2,489,926
Rental Revenue				5,538
Investment earnings				178,410
Other				<u>2,673,873</u>
Total general revenues and transfers				<u>(1,402,009)</u>
Change in net position				(6,833,592)
Net position - beginning				-
Prior Period Adjustment				<u>(8,235,601)</u>
Net position - ending			\$	<u>(8,235,601)</u>



NOTES TO THE FINANCIAL STATEMENTS

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Statement

The City of Pharr, Texas (City) 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 the same or substantially the same as the City Commission or the component unit provides services entirely to the City. These component units' funds are blended into those of the City's by appropriate activity type to compose the primary government presentation.

The City has three blended component units, the Pharr Economic Development Corporation (PEDC) II, Inc., Tax Increment Reinvestment Zone No. 1, and Tax Increment Reinvestment Zone No. 2. Information for these component units is stated below:

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

B. Financial Reporting Entity- (continued)

Pharr Economic Development Corporation II, Inc. – (PEDC) is a nonprofit industrial development corporation organized for the same purpose as the PEDC 4a but with the legal authority to use sales tax funds for a wider range of projects. 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.

The reason it is a blended component unit is because City commission can appoint and remove individuals to PEDC board, City management is responsible for oversees and approved financial operations and decisions. Separate financial statements issued by the PEDC can be obtained by request at the following address: *PEDC- 1215 South Cage Blvd. Pharr, TX 78577.*

The Greater Pharr Chamber of Commerce is a nonprofit corporation created on April 16, 2018 for the purpose of creating environment in which business can succeed and thrive, also to promote economic development by creating and promoting community events to increase tourism in the City of Pharr.

It is considering a blended component union because its funded by PEDC for more than 60 percent of their budget. Separate financial statements issued by the Chamber of Commerce can be obtained by request at 1215 South Cage Blvd, Pharr, Texas 78577.

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, whose three of its board members consists of the same members of the City Commission. 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 1st, 2051 or the date 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 also payments and disbursements need to be approved by 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, whose three of its board members consists of the same members of the City Commission. 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 1st, 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 city manager.

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 subscribe to the accounting policies and procedures of the primary government.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

B. Financial Reporting Entity- (continued)

Pharr Housing Finance Corporation-On November 2015, the Pharr Housing Finance Corporation (PHFC) was created for the purpose of carrying out the purposes of the Texas Housing Finance Corporations Act, Chapter 394, Texas Local Government Code, by providing a means of financing the cost of residential ownership and development that will 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 conterminous 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 same fiscal year as City of Pharr.

PHFC Jackson Place Apartments-On November 2015, PHFC Jackson Place Apartments Corporation was created for the purpose of holding liability to construct an apartment complex located on the corner of Jackson and Sioux Rd. in Pharr, Texas to meet the purpose of the Texas Housing Finance Corporation Act mentioned above. The City Manager is the designated official to act as the Executive Director of the corporation. PHFC Jackson Place Apartments is considered a Discrete Component Unit based on the criteria established by GASB Statement No. 61 and due to its economic independence to City.

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 the 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.

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.

SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

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 assets 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.
- *Pharr Economic Development Corporation, Inc.*– is a nonprofit industrial development corporation organized for the purpose of promoting, assisting, and enhancing economic development activities for the City. Although this fund does not meet the size criteria for major fund categorization, the City is including it as a major fund because it is believed that this fund is particularly important to financial statement users due to of public interest.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

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.
- *Event Center* – accounts for event venue to host concerts to attract tourism to the City of Pharr.
- *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. 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 are 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.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

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 for 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 interfund 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 are valued at their fair market value on the date donated. 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 consist 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)

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

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. Exempt employees can also 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 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.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES - (continued)

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, 2020.

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 assets are available, the City typically first applies restricted resources, as appropriate opportunities arise, but reserves the right to selectively defer the use thereof to a future project or replacement equipment acquisition. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to have been spent first out of assigned, then unassigned, and finally committed funds.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

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 are to obtain taxpayers' comments, are set by the Board of Commissioners at the time the budget is submitted to that body. The Board of Commissioners may add to, subtract from, or change appropriations, but may not change the form of the proposed budget.

Any changes must be within the revenue and reserves estimated as available by the City Manager. Prior to September 25 of each year, the budget is legally enacted through the passage of an ordinance.

The appropriated budget is prepared by fund, 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, 2020, the City of Pharr Commissioners approved two (2) Budget Amendments with a net effect of \$3,783,700 in expenditures over revenues which was available in bank account.

B. Excess of General Fund Expenditures over Appropriations

None

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
None

Action Taken
Not applicable

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - (continued)

E. Deficit Fund Equity/Net Position

The discretely component unit PHFC- Jackson Place Apartments shows a deficit in net position due to low occupancy and 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. The PPA amounts and the reason are as follows:

<u>Purpose of Prior Period Adjustment</u>	<u>Amount</u>	<u>Total</u>
Governmental Funds:		
<u>General Fund:</u>		
To adjust prior year payables	\$ 101,357	
To correct prior year receivables	<u>(81,175)</u>	
		<u>\$ 20,182</u>
<u>General CIP:</u>		
To correct prior year receivables	2,715,129	
To adjust prior year payables	<u>(2,333,747)</u>	
		<u>381,382</u>
<u>PEDC:</u>		
To correct prior year void checks	520	
To correct prior year land purchases	<u>765,000</u>	
		<u>765,520</u>
<u>Other:</u>		
To adjust prior receivables	303,289	
To adjust prior year checks	<u>615</u>	
Total Governmental Fund Adjustment		<u>303,904</u>
		<u>1,470,989</u>
Government-Wide Adjustments		
To adjust Prior Long-Term Debt	(171,530)	
To adjust Prior City Garage adjustment	380	
To adjust Prior Year Depreciation Expense	<u>200,193</u>	
		<u>\$ 29,043</u>
Total Prior Period Adjustment		<u><u>\$ 1,500,032</u></u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

II. STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY - (continued)

F. Prior Period Adjustment-(continued)

<u>Purpose of Prior Period Adjustment</u>	<u>Amount</u>	<u>Total</u>
Proprietary Funds:		
<u>Enterprise Fund: Utility Fund:</u>		
To adjust prior Depreciation expense	\$ 22,800	
To adjust prior year Payables	<u>\$ (32,370)</u>	
		<u>\$ (9,570)</u>
Total Proprietary Fund Adjustment		<u><u>\$ (9,570)</u></u>

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

A. Deposits and Investments

1. Deposits

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, 2020, the carrying amount of all the City's bank deposits was \$75,338,584. The City has one depository account: Lone Star National Bank (LSNB).

<u>LSNB Depository Account-City of Pharr</u>	Balance September 30, 2020
Insured	\$ 250,000
Security collateral issued by pledging bank's trust department in the City's name	91,619,440
(Over-insured)/over-collateralized	<u>(16,530,856)</u>
Total Deposits	<u><u>\$ 75,338,584</u></u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS-(continued)

A. Deposits and Investments-(continued)

1. Deposits -(continued)

	Balance
<u>LSNB Depository Account-PEDC</u>	<u>September 30, 2020</u>
Insured	\$ 250,000
Security collateral issued by pledging bank's trust department in the City's name	5,770,968
(Over-insured)/over-collateralized	(526,694)
Total Deposits	<u>\$ 5,494,274</u>

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, 2020, 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**
- b. The market value of securities pledged as of the date of the highest combined balance on deposit was **\$118,319,735.**
- c. The highest combined balances of cash accounts amounted to **\$108,550,215** and occurred during **March 2020.**
- d. The total amount of FDIC coverage at the time of the largest combined balance was \$250,000 during September 2020.

Restricted cash is defined as the cash balances restricted by the funder for a specific purpose. Cash with fiscal agents was **\$49,570,507** on September 30, 2020, was covered by collateral held in the fiscal agents' trust departments, but not in 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. Bancorp and Texas Regional Bank are the city's fiscal agents.

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 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.

Due to the extremely low interest rates, the City had not engaged in any investments other than savings accounts in LSNB before FY 2015-2016, however due the expiration of contract and change in rates, City started to diversify and invested a certain portion of its Contingency cash balance set aside into TexPool and CD's in Lone Star National Bank.

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS- (continued)

2. Investments – (continued)

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.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS- (continued)

2. Investments – (continued)

The City of Pharr Investment activity as of September 30, 2020 was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Market Value</u>
Texpool Investments	\$ 4,105,505	\$ 1,037,793	\$ 5,000,000	\$ 143,298	\$ 143,298
LSNB-CD	300,000	-	-	300,000	300,000
LSNB-CD	300,000	-	-	300,000	300,000
Total	<u>\$ 4,705,505</u>	<u>\$ 1,037,793</u>	<u>\$ 5,000,000</u>	<u>\$ 743,298</u>	<u>\$ 443,298</u>

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

Receivables for the City on September 30, 2020, were as follows:

	Governmental Activities			Business-Type Activities				
	General	Other	Total	Utility	Event Center	Bridge	Golf	Total
Property taxes	\$ 2,335,219	\$ 416,581	\$ 2,751,800	\$ -	\$ -	\$ -	\$ -	\$ -
Warrants	13,217,413	-	13,217,413	-	-	-	-	-
Sales Tax	2,922,829	974,276	3,897,105	-	-	-	-	-
Notes	-	977,984	977,984	-	-	-	-	-
Accounts	1,176,396	179,928	1,356,324	3,543,641	-	186,166	17,159	3,746,967
Intergovernmental	-	4,468,173	4,468,173	-	-	-	-	-
Cares Grant	-	7,681,548	7,681,548	-	-	-	-	-
Jackson Place Apts	5,060,299	-	5,060,299	-	-	-	-	-
Other	1,346,307	169,394	1,515,701	-	269,410	-	-	269,410
Gross receivables	26,058,462	14,867,884	40,926,347	3,543,641	269,410	186,166	17,159	4,016,377
Less; allowance for uncollectible	(7,989,305)	(80,099)	(8,069,404)	(56,697)	-	-	-	(56,697)
Net total receivable	\$ 18,069,158	\$ 14,787,784	\$ 32,856,943	\$ 3,486,944	\$ 269,410	\$ 186,166	\$ 17,159	\$ 3,959,679

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

B-1. Notes Receivable –(continued)

Notes Receivables for the Pharr Economic Development Corporation on September 30, 2020, were as follows:

Note	Outstanding Balance As of 10/1/2019	Increases	Decreases	Outstanding Balance As of 9/30/2020
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.	\$ 16,735	\$ -	\$ 1,787	\$ 14,948
Moonbeans Coffee, 04/01/15, for the amount of \$117,122.99 at an interest rate of 4.00% with maturity on August 01, 2019.	92,889	-	-	92,889
Stormy Colors, 07/01/2015, for the amount of \$40,000 at an interest rate of 5.00% with maturity on 08/01/2017	40,000	-	-	40,000
American Star, 03/22/2016, for the amount of \$15,000 at an interest rate of 5.00% with maturity on April 01, 2020.	2,712	-	2,712	-
Pharr Bridge Investment, 02/11/2016, for the amount of \$900,000 at an interest rate of 4.00% with maturity on March 28, 2021	185,698	-	109,294	76,404
Apri Investments, 06/20/2016, for the amount of \$700,000 at an interest rate of 5.00% with maturity on June 20, 2021	514,809	-	514,809	-
Rositas Taste of the Valley, 02/06/2017, for the amount of \$62,000 at an interest rate of 5% with maturity on February 06, 2022.	34,985	-	7,260	27,725
Trancasa, 02/15/18, for the amount of \$600,000 at an interest rate of 6.00% with maturity on March 15, 2026.	569,021	-	88,448	480,573
Big River Brewery, 05/27/2018, for the amount of \$180,000 at an interest rate of 6.00% with maturity on April 27, 2021.	202,322	-	11,496	190,826
Totals	<u>\$ 1,659,171</u>	<u>\$ -</u>	<u>\$ 735,806</u>	<u>\$ 923,365</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

C. Payables

Payables for the City on September 30, 2020, were as follows:

Governmental Activities		Business-Type Activities					
	Governmental	Utility	Event Center	Bridge	Golf	Business-Type Total	Total
Vendors	\$ 3,907,360	\$ 1,055,176	\$ 11,380	\$ 280,427	\$ 72,493	\$ 1,419,476	\$ 5,326,836
Salaries & benefits	762,689	-	-	-	-	-	762,689
Retainage fees	552,410	124,020	-	-	-	124,020	676,430
Accrued interest	-	-	-	114,841	-	114,841	114,841
Intergovernmental	-	-	-	-	-	-	-
Contingent Liability	300,000	-	-	-	-	-	300,000
Total payables	\$ 5,522,459	\$ 1,179,196	\$ 11,380	\$ 395,268	\$ 72,493	\$ 1,658,337	\$ 7,180,796

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	\$ 152,550
Police	112,262
Media	22,979
Fire	320,057
Library	58,944
Public Works	359,083
Recreation	6,232
Subdivision and Improvements	886,963
Other	423,391
	<u>\$ 2,342,461</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

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 assets/balance sheets for governmental and enterprise funds. The interfund balances are operational and short-term in nature. Interfund balances on September 30, 2020 consisted of the following:

General Fund		PURPOSE
DUE FROM:		
Governmental Funds:		
Assets Sharing	\$ 4,170	To advance funds for expenditures
City Garage	29,261	To advance funds for expenditures
CDBG	560,445	To advance funds for expenditures
Grant Fund	160,088	To advance funds for expenditures
Chamber	5,592	To advance funds for expenditures
PEDC	44,894	To advance funds for expenditures
Utility	178,869	To advance funds for payroll expenditures
Event Center	47,511	To advance funds for payroll expenditures
Bridge	62,775	To advance funds for payroll expenditures
Golf	57,774	To advance funds for payroll expenditures
General Fund	1,151,379	
Contingency	1,005,331	To advance funds for expenditures
Co Series 2018	1,005,331	
Hotel	5,000	To advance funds for expenditures
Chamber	5,000	
Grand Total	\$ 2,161,710	

F. Capital Assets

Capital asset activity for the year ended September 30, 2020 was as follows:

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

F. Capital Assets

	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
Primary Government					
Governmental Activities:					
<i>Capital assets, not being depreciated:</i>					
Land and right of way	\$ 12,727,272	\$ 2,091,280	\$ -	\$ -	\$ 14,818,552
Construction in Progress	43,190,651	23,294,089	44,250,202	-	22,234,539
Total capital assets, not being depreciated	55,917,924	25,385,369	44,250,202	-	37,053,091
<i>Capital assets, being depreciated:</i>					
Buildings	41,001,737	2,438,360	-	(6)	43,440,091
Machinery and equipment	30,117,654	1,984,202	-	785	32,102,641
Improvements other than buildings	14,944,836	35,679,986	-	-	50,624,822
Infrastructure	88,948,641	300,161	-	-	89,248,802
Total capital assets, being depreciated	175,012,868	40,402,709	-	779	215,416,356
Less accumulated depreciation for:					
Buildings	14,289,639	882,196	-	-	15,171,835
Machinery and equipment	22,483,603	1,971,788	-	(586,072)	23,869,320
Improvements other than buildings	4,880,018	549,316	-	52,096	5,481,430
Infrastructure	57,808,384	2,386,748	-	-	60,195,132
Total accumulated depreciation	99,461,643	5,790,048	-	(533,975)	104,717,717
Total capital assets, being depreciated, net	75,551,225	34,612,661	-	534,754	110,698,639
Component Unit-Blended PEDC					
<i>Capital assets, not being depreciated:</i>					
Land and right of way	\$ 4,858,106	\$ -	\$ -	\$ -	\$ 4,858,106
Total capital assets, not being depreciated	4,858,106	-	-	-	4,858,106
<i>Capital assets, being depreciated:</i>					
Buildings	747,170	-	-	-	747,170
Improvement other than buildings	1,458,521	182,135	-	-	1,640,656
Machinery and equipment	144,340	-	-	-	144,340
Total capital assets, being depreciated	2,350,031	182,135	-	-	2,532,166
Less Accumulated Depreciation					
Buildings	433,935	28,089	-	-	462,024
Improvement other than buildings	370,796	96,384	-	-	467,180
Machinery and equipment	130,923	6,270	-	(24,070)	113,123
Total Accumulated Depreciation	935,654	130,743	-	(24,070)	1,042,327
Total Capital assets, being depreciated, net	1,414,377	51,392	-	24,070	1,489,839
Component Unit- Chamber					
<i>Capital assets, not being depreciated:</i>					
Land and right of way	\$ -	\$ -	\$ -	\$ -	\$ -
Total capital assets, not being depreciated	-	-	-	-	-
<i>Capital assets, being depreciated:</i>					
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	-	5,377	-	-	5,377
Total Accumulated Depreciation	-	5,377	-	-	5,377
Total Capital assets, being depreciated, net	-	30,471	-	-	30,471
Governmental activities capital assets, net	\$ 137,741,634	\$ 60,079,893	\$ 44,250,202	\$ 558,824	\$ 154,130,147

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

F. Capital Assets

Business-Type Activities:	Beginning Balance	Increases	Decreases	Adjustments	Ending Balance
<i>Capital assets, not being depreciated:</i>					
Water Rights	\$ 3,450,000	\$ -	\$ -	\$ -	\$ 3,450,000
Land and right of way	3,418,448	3,456,090	-	22,800	6,897,338
Construction in Progress	10,691,079	5,099,707	5,756,712	77,000	10,111,074
Total capital assets, not being depreciated	17,559,527	8,555,797	5,756,712	99,800	20,458,412
<i>Capital assets, being depreciated:</i>					
Buildings	32,502,500	-	-	-	32,502,500
Machinery and equipment	18,825,872	1,080,025	-	(5)	19,905,892
Improvements other than buildings	6,116,794	5,785,002	-	-	11,901,796
Infrastructure	154,323,008	499,435	-	96,499	154,918,942
Total capital assets, being depreciated	211,768,174	7,364,462	-	96,494	219,229,130
Less accumulated depreciation for:					
Buildings	18,303,876	726,596	-	(5)	19,030,467
Machinery and equipment	14,255,608	645,255	-	(34,629)	14,866,234
Improvements other than buildings	3,563,922	289,619	-	-	3,853,541
Infrastructure	47,374,684	4,662,734	-	(22,354)	52,015,064
Total accumulated depreciation	83,498,090	6,324,204	-	(56,989)	89,765,305
Total capital assets, being depreciated, net	128,270,084	1,040,258	-	153,482	129,463,824
Business-Type activities capital assets, net	145,829,611	9,596,055	5,756,712	253,282	149,922,241
Total Primary Government	\$ 283,571,245	\$ 69,675,948	\$ 50,006,914	\$ 812,106	\$ 304,052,387
Component Unit-Discretely PHFC					
<i>PHFC Capital assets, not being depreciated:</i>					
Land and right of way	1,500,000	-	-	-	1,500,000
Construction in progress	-	-	-	-	-
Total capital assets, not being depreciated	1,500,000	-	-	-	1,500,000
<i>PHFC Capital assets, being depreciated:</i>					
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	588,946	1,177,891	-	-	1,766,837
Improvement other than buildings	-	-	-	-	-
Machinery and equipment	37,971	31,030	-	-	69,001
Total Accumulated Depreciation	626,917	1,208,921	-	-	1,835,838
Total Capital assets, being depreciated, net	26,029,324	(1,208,921)	-	-	24,820,403
Component Unit-Blended capital assets, net	33,801,807	(1,157,529)	-	-	26,320,406
City-Wide capital assets, net	\$ 317,373,052	\$ 68,518,419	\$ 50,006,914	\$ 812,106	\$ 330,372,793

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations

The following schedule summarizes the changes in long-term debt during the year ended September 30, 2020:

	Beginning Balance	Additions	Retirements	Adjustments	Ending Balance	Due Within One Year
Governmental Activities						
Refunding Bonds Payable	\$ 2,790,000	\$ -	\$ 1,360,000	\$ -	\$ 1,430,000	\$ 1,430,000
Certificates of Obligation	47,560,000	25,000,000	3,585,000	-	68,975,000	1,890,000
Unamortized Premium/(Discount)	4,772,870	-	383,467	-	4,389,403	383,467
Capital Leases	6,467,609	1,945,500	2,057,415	-	6,355,694	1,784,349
Capital Leases-Garage	10,603	-	7,929	-	2,674	2,674
CDBG Section 108 Note Payable	3,540,000	-	295,000	-	3,245,000	295,000
Tax Notes Series 2017	5,667,897	-	983,727	(1,004)	4,683,166	1,026,449
LSNB Note Payable-City	6,331,756	-	2,021,753	177,145	4,487,148	2,646,522
Other Post Employment Benefits	1,098,814	285,221	-	-	1,384,035	-
Accrued Compensated Absences-PEDC	117,745	73,323	84,528	-	106,540	26,635
Accrued Compensated Absences	5,229,627	2,844,457	2,618,840	11,688	5,466,932	1,366,733
Accrued Compensated Absences -Garage	53,518	17,694	21,658	(11,688)	37,866	9,467
Net Pension Liability-GASB 68	13,505,239	-	6,821,484	-	6,683,755	-
Total Governmental Activities	\$ 97,145,678	\$ 30,166,195	\$ 20,240,801	\$ 176,141	\$ 107,247,213	\$ 10,861,296

Deferred Outflow/Inflow of Resources

Unamortized Gain/(loss) on Refunding	\$ (97,560)	\$ -	\$ (48,780)	\$ -	\$ (48,780)	\$ (48,780)
	\$ (97,560)	\$ -	\$ (48,780)	\$ -	\$ (48,780)	\$ (48,780)

Business-Type

Revenue Bonds Payable	\$ 21,318,000	\$ 32,030,000	\$ 1,745,000	\$ -	\$ 51,603,000	\$ 2,186,000
Refunding Revenue Bonds Payable	16,070,000	-	2,060,000	-	14,010,000	2,145,000
Unamortized Premium/(Discount)	2,877,181	-	430,521	-	2,446,660	\$430,521
Capital Leases	3,248,825	1,750,000	1,087,787	-	3,911,038	1,188,800
Accrued Compensated Absences	800,379	503,374	530,882	-	\$777,480	193,218
Total Business-Type Activities	\$ 44,314,385	\$ 34,283,374	\$ 5,854,190	\$ -	\$ 72,748,178	\$ 6,143,539

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

Long-term bonded and revenue supported obligations outstanding on September 30, 2020 is comprised of the following:

	Original	Series	Type	Name	Payment	Installments		Interest Rates		Payment	Current				
	Issuance				Installments	Lowest	Highest	Lowest	Highest			Through	Balance		
Governmental Activities	\$	9,120,000	2015B	Refunding Bonds	GO	Annual	\$	905,000	\$	1,535,000	3.75%	5.00%	8/15/2021	\$	1,430,000
	Subtotal-Refunding Bonds													\$	1,430,000
	\$	7,625,000	2012	Certificate of Obligation	CO	Annual	\$	295,000	\$	535,000	0.60%	4.98%	8/15/2032	\$	4,075,000
	\$	14,290,000	2016	Certificate of Obligation	CO	Annual	\$	190,000	\$	1,035,000	1.13%	3.60%	2/15/2036	\$	13,710,000
	\$	17,240,000	2017	Certificate of Obligation	CO	Annual	\$	355,000	\$	2,640,000	1.45%	2.79%	8/15/2031	\$	13,885,000
	\$	16,440,000	2018	Certificate of Obligation	CO	Annual	\$	70,000	\$	1,440,000	2.08%	3.52%	8/15/2038	\$	14,930,000
	\$	25,000,000	2020	Certificate of Obligation	CO	Annual	\$	890,000	\$	2,625,000	3.00%	3.00%	8/15/2039	\$	22,375,000
	Subtotal-Certificate of Obligation													\$	68,975,000
	\$	7,300,000	2017	Tax Notes	TN	Monthly	\$	941,000	\$	1,167,000	4.25%	4.25%	12/1/2024	\$	4,683,166
	Subtotal-Tax Notes													\$	4,683,166
	\$	5,600,000	2017	HUD Section 108 Loan	HUD 108	Annual	\$	294,000	\$	295,000	1.28%	1.73%	8/15/2031	\$	3,245,000
	Subtotal-Section 108 Laon													\$	3,245,000
Governmental Total													\$	78,333,166	
Governmental Total													\$	78,333,166	
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	\$	6,915,000
	\$	10,000,000	2007B	Revenue Bonds-NADBANK	WW & SS	Annual	\$	385,000	\$	685,000	3.75%	3.75%	9/1/2027	\$	4,320,000
	\$	8,725,000	2013	Revenue Bonds-DWSFR	WW & SS	Annual	\$	255,000	\$	400,000	0.00%	2.71%	91/1/2042	\$	6,940,000
	\$	1,762,000	2015	Revenue Bonds-DWSFR	WW & SS	Annual	\$	72,000	\$	117,000	0.59%	4.10%	9/1/2035	\$	1,398,000
	\$	18,150,000	2020A	Revenue Bonds-CWSFR	WW & SS	Annual	\$	115,000	\$	780,000	0.03%	0.22%	9/1/2049	\$	18,150,000
	\$	13,880,000	2020B	Revenue Bonds-CWSFR	WW & SS	Annual	\$	115,000	\$	590,000	0.04%	0.32%	9/1/2049	\$	13,880,000
	Subtotal-Revenue Bonds													\$	51,603,000
	\$	9,755,000	2005A	Refunding Bonds	CT & IBR	Annual	\$	510,000	\$	740,000	3.63%	4.50%	8/15/2022	\$	1,375,000
	\$	18,000,000	2017	Refunding Bonds	WW & SS	Annual	\$	1,220,000	\$	2,160,000	3.29%	3.62%	8/15/2028	\$	12,635,000
	Subtotal-Refunding Bonds													\$	14,010,000
Business-Type Total													\$	65,613,000	

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

1. Bonds Payable

Debt service requirements of bonds payable on September 30, 2020 are as follows:

Year Ended September 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2021	\$ 3,320,000	\$ 2,933,207	\$ 6,253,207	\$ 4,331,000	\$ 1,237,692	\$ 5,568,692
2022	4,011,563	2,787,465	6,799,028	4,518,000	1,103,052	5,621,052
2023	4,338,660	2,180,319	6,518,979	3,925,000	967,876	4,892,876
2024	4,482,708	2,036,155	6,518,863	4,056,000	832,862	4,888,862
2025-2030	23,160,385	7,991,613	31,151,998	18,319,000	2,087,089	20,406,089
2031-2035	20,835,000	4,647,950	25,482,950	8,879,000	661,414	9,540,414
2036-2049	10,256,683	1,158,350	11,415,033	21,585,000	556,842	22,141,842
	<u>\$ 70,405,000</u>	<u>\$ 23,735,058</u>	<u>\$ 94,140,058</u>	<u>\$ 65,613,000</u>	<u>\$ 7,446,826</u>	<u>\$ 73,059,826</u>

2. Tax Notes Payable

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Total
2021	\$ 1,026,449	\$ 181,667	\$ 1,245,353
2022	1,071,563	136,553	1,233,907
2023	1,118,660	89,456	1,233,907
2024	1,167,708	40,408	1,221,438
2025	298,786	2,150	300,936
	<u>\$ 4,683,166</u>	<u>\$ 450,234</u>	<u>\$ 5,235,541</u>

3. Notes Payable

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Total
2021	\$ 2,941,522	\$ 377,334	\$ 3,318,856
2022	2,766,283	91,627	2,857,910
2023	295,000	83,662	378,662
2024	295,000	75,078	370,078
2025-2030	1,433,344	271,429	1,704,773
	<u>\$ 7,731,149</u>	<u>\$ 899,130</u>	<u>\$ 8,630,279</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

4. Capital Leases Payable

Capital leases payable on September 30, 2020 is comprised of the following issues:

Capital Leases	Governmental	Business-Type	Total
\$480,000 lease payable; due in monthly installments of \$6,114, including interest, through May 12, 2022; interest at 1.93%. All funds used to purchase Machinery & Equipment.	\$ 120,231	\$ -	\$ 120,231
\$2,097,840 lease payable, due in monthly installments of \$26,558 including interest, through January 2021; interest at 1.75% General Fund and City Garage equipment purchased.	105,844	-	105,844
\$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	1,726,040	-	1,726,040
\$260,814 lease payable; due in semi-annual installments of \$27,412 including interest, through May 1, 2021; interest at 1.83%. All funds used to purchase Police Units	54,080	-	54,080
\$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	113,620	-	113,620
\$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	614,091	-	614,091
\$3,219,500 lease payable; due in monthly installments of \$56,269 including interest, through February 15, 2022; interest at 2%. All funds used to purchase General, Bridge and Golf Fund equipment	319,024	623,699	942,723
\$732,500 lease payable; due in quartely installments of \$63,117 including interest, through October 15, 2022; interest 2.45% All funds used to purchase IT and HR equipment.	62,732	-	62,732.00
\$482,200 lease payable; due in quartely installments of \$25,638 including interest, through October 15, 2022; interest 2.62% All fund used to purchase Parks and Bridge equipment.	205,284	18,064	223,348
\$2,897,100 lease payable, due in quartely 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.	274,079	1,538,784	1,812,863

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

4. Capital Leases Payable

Capital Leases	Governmental	Business-Type	Total
\$955,000 lease payable, due in quarterly installments of \$27,489 including interest, 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.	617,351	97,279	714,630
\$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.	-	123,000	123,000
\$619,000 lease payable, due in quarterly installments of \$53,700 including interest, through December 15 2021; interest 2.96% All funds used to purchase Police vehicles and new Human Resources software	262,268	-	262,268
\$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.	132,396	7,944	140,340
\$318,000 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.	93,979	11,461	105,440
\$3,695,500 lease payable, due in quarterly intallments of \$193,031 including interest, through December 6, 2024; interest 2.37% All funds used to purchase general fund equipment and bridge office expansion.	1,657,350	1,490,806	3,148,156
	<u>\$ 6,358,369</u>	<u>\$ 3,911,037</u>	<u>\$ 10,269,406</u>

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, 2020 are as follows:

Year Ended	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
September 30,						
2021	\$ 1,787,023	\$ 157,392	\$ 1,944,415	\$ 1,188,800	\$ 80,240	\$ 1,269,040
2022	1,287,068	119,467	1,406,534	947,367	43,092	990,459
2023	956,083	84,882	1,040,965	779,083	35,722	814,805
2024	732,719	59,244	791,963	480,844	24,101	504,945
2025	619,211	41,527	660,738	109,365	6,894	116,259
2026-2028	976,266	56,652	1,032,918	405,578	2,512	408,090
	<u>\$ 6,358,369</u>	<u>\$ 519,164</u>	<u>\$ 6,877,534</u>	<u>\$ 3,911,037</u>	<u>\$ 192,561</u>	<u>\$ 4,103,599</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

5. Notes Payable

Long-term notes payable outstanding on September 30, 2020 is comprised of the following:

Original Issuance	Issuer	Name	Payment Installments	Installments		Interest Rates		Payment Through	Current Balance
				Lowest	Highest	Lowest	Highest		
\$5,600,000	Housing and Urban Development	CDBG HUD Section 108	Annual	\$ 294,000	\$ 295,000	0.49%	1.73%	8/1/2031	\$ 3,245,000
								Subtotal-City of Pharr Governmental	\$ 3,245,000
\$5,000,000	LoneStar National Bank	LSNB-Line of Credit	Annual	\$ -	\$5,000,000	3.50%	3.50%		\$ 1,722,467
\$9,913,006	LoneStar National Bank	LSNB-Jackson Development	Annual	\$ 669,100	\$ 669,100	4.50%	4.50%	11/15/2021	\$ 2,763,682
								Subtotal-PEDC	\$ 4,486,149
								Governmental Total	\$ 7,731,149

Debt service requirements of notes payable on September 30, 2020 are as follows:

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Total
2021	\$ 2,941,522	\$ 377,334	\$ 3,318,856
2022	2,766,283	91,627	2,857,910
2023	295,000	83,662	378,662
2024	295,000	75,078	370,078
2025-2030	1,433,344	271,429	1,704,773
	<u>\$ 7,731,149</u>	<u>\$ 899,130</u>	<u>\$ 8,630,279</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

G. Long-Term Obligations – (continued)

6. Debt Disclosure and Currently Defeased Debt

The City has entered a continuing disclosure undertaking to provide Annual Reports and Material Events Notices to the State Information Depository of Texas, which is the Municipal Advisory Commission. This information is required under SEC Rule 15c2-12 to enable investors to analyze the financial condition and operations of the City. In 2005, 2008 and 2011 the City defeased certain outstanding general obligation, certificates of obligation, and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments of the old bonds. Accordingly, the trust accounts for the defeased bonds and are not included in the City's financial statements. On September 30, 2018, the following outstanding bonds are considered defeased:

General Obligation Bonds			
Interest rates:	5.00% - 5.53%		
Series	2003		\$ 4,470,000
Waterworks & Sewer System Revenue Bonds			
Interest rates:	4.15% - 6.74%		
Series	1996	through 1998a	1,073,000
Bonds legally defeased			<u><u>\$ 5,543,000</u></u>

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, 2020, the owning fund of the liability is as follows:

<u>Owning Fund of Liability</u>	<u>Amount</u>
General	\$ 5,456,590
PEDC 4B	106,540
Community Development	10,342
Garage	37,866
Utility	494,783
Event Center	18,627
Bridge	193,126
Golf	66,334
	<u><u>\$ 6,384,208</u></u>

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, 2020, there was no liability of arbitrage that would have been owed to the federal government.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

H. Interfund Transfers

The City reports interfund transfers between many of its funds. Interfund transfers for the year ended September 30, 2020, consisted of the following:

	TRANSFER FROM Governmental Funds							
	General	PEDC	Hotel/ Motel	Grants	CIP	Paving & Drainage	CDBG	Total Governmental
General	\$ -	\$ 275,000	\$ 30,000				\$ 235,510	\$ 540,510
Capital Projects	2,500,000		196,050	87,342		1,061,600	-	3,844,992
Chamber	35,848	150,000	62,700				-	248,548
PEDC 4B								
Community Development	120,226						-	120,226
Debt Service	298,925	1,062,500					-	1,361,425
Total governmental	2,954,999	1,487,500	288,750	87,342	-	1,061,600	235,510	6,115,701
Utility	-		-	-	2,810,000	-	-	2,810,000
Bridge CIP					1,920,000		-	1,920,000
Golf	530,637				-		-	530,637
Total enterprise	951,293	-	-	-	4,730,000	-	-	5,681,293
Total	\$ 3,906,292	\$ 1,487,500	\$ 288,750	\$ 87,342	\$ 4,730,000	\$ 1,061,600	\$ 235,510	\$ 11,796,994

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 CIP for 1st floor renovations.
- The Transfer from general fund to PEDC is to pay debt service related to loan with LSNB for the Jackson Development AKA Costco.
- The transfer from General Fund to Chamber to cover for Chamber's new vehicle need it for operations.
- The Transfer from General Fund to debt service is to cover for debt service payment of associated with Envirolite city-wide project.

PEDC:

- The transfer from PEDC to general fund is to pay for the management administrative fee per inter-local agreement.
- The transfer from PEDC to Debt Service is to cover for Certificates of Obligation 2012 and part of 2015B.
- The transfer from PEDC to Chamber base on contract between the two entities.

Other:

- The transfer from CDBG to capital projects is to reimburse expenses related to Jones Box Park.
- The transfer from Hotel Funds to PEDC is to reimburse for tourism manager position.
- The transfer from Hotel Funds to Chamber to cover for initial expenses.
- The transfer from Paving & Drainage to CIP is to cover for a portion of debt service payment for Tax Notes 2017.
- The transfer from CIP bonds proceeds to Utility and Bridge funds to cover for capital projects.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

H. Interfund Transfers - (continued)

	TRANSFER FROM Enterprise Funds			
	Utility	Bridge	Total Enterprise	Grand Total
General	\$ 571,400	\$ 7,293,783	\$ 7,865,183	\$ 8,405,693
Capital Projects	-	1,304,342	1,304,342	5,149,334
Chamber	-	-	-	-
PEDC 4B	-	-	-	248,548
Community Development	-	-	-	120,226
Grants	-	-	-	-
Seized Assets	-	-	-	-
Hotel/Motel	-	-	-	-
Parkland Dedication	-	-	-	-
Debt Service	-	1,021,150	1,021,150	2,382,575
Total governmental	571,400	9,619,275	10,190,675	16,306,376
Utility	-	-	-	2,810,000
Bridge CIP	-	-	-	1,920,000
Golf	-	-	-	530,637
Total enterprise	-	-	-	5,681,293
Total	\$ 571,400	\$ 9,619,275	\$ 10,190,675	\$ 21,987,669

Enterprise Funds:

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

Purpose	FY 19/20
GF Operations	\$ 4,179,383
Golf Operations	572,100
Help Support Tax Debt	2,042,300
UTRGV Incentive	500,000
Total	\$ 7,293,783

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS - (continued)

I. Restricted Assets

The balances of restricted asset as of September 30, 2020 are as follows:

Governmental Funds

Capital Outlay	\$ 2,059,532
Capital Improvement Projects	17,589,572
Grant Receivables	<u>264,094</u>
Total restricted assets-governmental funds	19,913,197

Business-Type Funds

Capital financing-Utility	45,626,621
Capital financing-Bridge	1,439,213
Capital financing-Golf	24,362
Debt reserves-Bridge	<u>420,779</u>
Total restricted assets-business-type funds	<u>\$ 47,510,976</u>

Total restricted assets **\$ 67,424,173**

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 a 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

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

1. Health Care Coverage

As of January 2018, the City transitioned from fully funded to self/partially funded. 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

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.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

2. Post-Retirement Health Care Benefits

- 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 one-year ranges 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.

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 State 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 Comprehensive Annual Financial Report (CAFR) 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.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

C. Pension Plan

2. Benefits Provided

	Plan Year 2019	Plan Year 2020
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, 2019 valuation and measurement date, the following employees were covered by the benefits terms:

2019

Membership*

Number of

Inactives Employees currently receiving benefits	190
Inactives Employees entitled but not yet receiving benefits	44
Active Employees	<u>613</u>
Total	<u><u>847</u></u>

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 8.14% in calendar years for both; 2018 and 2019.

The City's contributions to TMRS for the year ended September 30, 2020 were \$4,642,463.

	<u>2020</u>	<u>2019</u>	<u>2018</u>
Annual Pension Cost:			
Annual Required Contribution	\$ 4,642,463	\$ 4,242,054	\$ 4,281,490
Contributions Made	<u>4,642,463</u>	<u>4,242,054</u>	<u>4,281,490</u>
Net Pension Obligation	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

C. Pension Plan

4. Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2019, 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, 2019 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.

Actuarial assumptions used in the 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, in order 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 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 current 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.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

4. Net Pension Liability-(continued)

Changes in Net Pension Liability

On September 30, 2020, the City reported a liability of **\$6,821,482.**

The Net Pension Liability is based on an actuarial valuation performed as of December 31, 2019 and a measurement date of December 31, 2019; 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, 2019. 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.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

4. Net Pension Liability-(continued)

Changes in Net Pension Liability-(continued)

The change in the City's net pension liability for TMRS pension for the fiscal year ended September 30, 2020 is as follows:

A. Total pension liability

1. Service Cost	\$ 3,734,670
2. Interest (on the Total Pension Liability)	5,838,306
3. Change in benefit terms including substantively automatic status	-
4. Difference between expected and actual experience	(204,752)
5. Change in assumptions	(213,606)
6. Benefit payments, including refunds of employee contributions	(3,858,744)
7. Net change in total pension liability	\$ 5,295,874
8. Total pension liability-beginning	86,555,461
9. Total pension liability-ending	<u><u>\$ 91,851,335</u></u>

B. Plan fiduciary net position

1. Contributions-employeeer	\$ 2,442,368
2. Contributions-employeeer	2,167,600
3. Net investment income	11,294,135
4. Benefit payment, including refunds of employees contributions	(3,858,744)
5. Administrative Expense	(63,813)
6. Other	(1,917)
7. Net change in plan fiduciary net position	\$ 11,979,629
8. Plan fiduciary net position-beginning	73,050,224
9. Plan fiduciary net position-ending	<u><u>\$ 85,029,853</u></u>

C. Net pension liability/(assets) (Item A.9 - Item B.9)	<u><u>\$ 6,821,482</u></u>
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D. Plan fiduciary net position as a percentage of the total pension liability (Item B.9 / Item A.9)	92.57%
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E. Covered-employee payroll	\$ 30,363,171
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F. Net pension liability/(asset) as a percentage of covered employee payroll	22.47%
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City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

4. Net Pension Liability-(continued)

Sensitivity of the Net Position liability changes in 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%
\$20,556,625	\$6,821,482	\$ (4,424,311)

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.tmr.com.

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

For the year ended September 30, 2020, the City recognized a pension expense of **\$2,922,249.**

SCHEDULE OF PENSION EXPENSE

1. Total Service Cost	\$ 3,734,670
2. Interest on the Pension Liability	5,838,306
3. Changes in Current Period Benefits Including Substantively Automatic Status	-
4. Employees Contributions (Reduction of Expense)	(2,167,600)
5. Projected Earning on Plan Investment (Reduction of Expense)	(4,930,890)
6. Administrative Expense	63,813
7. Other Changes in Fiduciary Net Position	1,917
8. Recognition of Current Year Outflow (Inflow) of Resources-Liabilities	(66,406)
9. Recognition of Current Year Outflow (Inflow) of Resources-Assets	(1,272,649)
10. Amortization of Prior Year Outflows (Inflows) of Resources-Liabilities	352,173
11. Amortization of Prior Year Outflows (Inflow) of Resources-Assets	1,368,915
12. Total Pension Expense (Income)	<u><u>\$ 2,922,249</u></u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

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

On September 30, 2020, the city reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Recognition Period (or amortization yrs.)	Total (Inflow) or Outflow or Resources	2019 Recognized in current pension expense	Deferred (Inflow)/Outflow in future expense
<u>Due to Liabilities:</u>				
Difference in expected and actual experience actuarial (gains) or losses	6.36	\$ (204,752)	\$ (32,500)	\$ (172,252)
Difference in assumption changes actuarial (gains) or losses	6.36	\$ (213,606)	<u>\$ (33,906)</u>	<u>\$ (179,700)</u>
			<u>\$ (66,406)</u>	\$ (351,952)
<u>Due to Assets:</u>				
Difference in projected and actual earnings on pension plan investments actuarial (gains) or losses	5.00	\$ (6,363,244)	\$ (1,272,649)	\$ (5,090,595)
			<u>\$ (1,272,649)</u>	\$ (5,090,595)
<u>Total:</u>				<u>\$ (5,442,547)</u>

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		As of September 2020
2020	\$ (455,524)	Deferred Outflows	\$ 5,020,666
2021	(695,216)	Deferred Inflows	<u>(7,575,655)</u>
2022	66,110		<u>\$ (2,554,989)</u>
2023	(1,370,899)		
2024	(79,538)		
Thereafter	(19,922)		
Total	<u>\$ (2,554,989)</u>		

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

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 postemployment 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.

In the year of implementation, the employer should make a prior period adjustment for the total OPEB liability as of the 12/31/2016 measurement date (provided) and record a deferred outflow of resources for contributions recorded by the city (retiree portion of SDB rate only) from December 31, 2016 to its prior fiscal year end. TMRS has elected to not calculate other deferrals as of the December 31, 2017 measurement date.

The total OPEB liability shown in this report is based on an actuarial valuation performed as of December 31, 2017 and a measurement date of December 31, 2018; as such, no roll-forward is required.

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)
2020	0.13%	0.03%
2019	0.13%	0.03%
2018	0.13%	0.03%

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

3. OPEB Liability

The Other Post-Employment benefits (OPEB) was measured as of December 31, 2018, 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 in the December 31, 2019 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%

*The discount rate was based on the Fidelity Index's "20-Year Municipal GO AA Index" rate as of December 31, 2019

The change in the City's OPEB for City of Pharr for the fiscal year ended September 30, 2020 is as follows:

	<u>2019</u>
Membership*	
Number of	
Inactives Employees currently receiving benefits	190
Inactives Employees entitled but not yet receiving benefits	44
Active Employees	<u>613</u>
Total	847

Covered Payroll	\$ 30,363,171
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Changes in the Total OPEB Liability

Total OPEB Liability - Beginning of year	1,098,818
Changes for the Year	
Service Cost	60,726
Interest on Total OPEB Liability	41,724
Changes of Benefits terms	-
Difference between expected and actual experience	(45,154)
Changes in assumptions or other inputs	237,034
Benefit Payments**	<u>(9,109)</u>
Net Changes	<u>285,221</u>
Total OPEB Liability-end of Year	<u>\$ 1,384,039</u>

Total OPEB Liability as a percentage of Covered Payroll	4.56%
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City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

Sensitivity of the Net Position liability changes in discount rate

	1% Decrease 1.71%	Current Discount Rate 2.75%	1% Increase 3.75%
Total OPEB liability	\$1,691,969	\$1,384,039	\$1,145,113

4. OPEB Expense

For the year ended September 30, 2020, the City recognized OPEB expense of **\$124,725.**

OPEB Expense

Service cost	\$ 60,726
Interest on total OPEB liability	41,724
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	(10,229)
Changes in assumption or other inputs*	32,504
Total OPEB expense	<u><u>\$ 124,725</u></u>

* 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, 2020, the city reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Recognition Period (or amortization yrs.)	Total (Inflow) or Outflow or Resources	2019 Recognized in current OPEB expense	Deferred (Inflow)/Outflow in future expense
<u>Due to Liabilities:</u>				
Difference in expected and actual experience actuarial (gains) or losses	7.6000	\$ (45,154)	\$ (5,941)	\$ (39,213)
Difference in assumption changes actuarial (gains) or losses	7.6000	\$ 237,034	31,189	205,845
Contributions made subsequent to measurement date				
Total (excluding city provided contributions made subsequent to measurement date)				<u><u>\$ 166,632</u></u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

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	\$ 22,275
2021	22,275
2022	22,275
2023	22,275
2024	17,820
Thereafter	30,577
Total	\$ 137,497

In Fiscal year 2011-2012, the City entered into a contractual agreement with First Southwest Advisory Services, Inc. (FSWA). for the administration and maintenance of cash and other assets from the City's contributions for Other Post-Employment Benefits in the form of an irrevocable trust to fund for its long-term obligation to its participants and to comply with GASB Statement No. 45.

FSWA is registered as an investment advisor with the Securities and Exchange Commission ("SEC") pursuant to the Investment Advisers Act of 1940 and acknowledges that it is a fiduciary with respect to the Trust. FSWA will notify Employer if at any time during the term of this Agreement if it is not registered or if its registration is suspended or restricted.

The balance of the trust on September 30, 2019 was \$2,441,322.64.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

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. The amounts of expenditures which might be disallowed by the grantor agencies cannot be determined at this time; however, management believes such amounts, if any, would be immaterial.

2. Litigation

The City is a defendant in various lawsuits. It is the opinion of the City's legal counsel and management there are no potential unasserted claim as of September 30, 2020.

3. Construction Commitments

The City has entered various significant construction commitments that are currently underway. As of September 30, 2020, they are as follows:

Business-Type:				
	Balance 10/1/2019	Additions	Completions	Balance 9/30/2020
<u>UTILITY</u>				
Hike & Bike Reallocation	\$ 249,761	\$ 9,882		\$ 259,643
Rehab LBJ Water Tower	367,112	-	367,112	-
Waste Water Treatment Clarifier	1,873,389	197,867	2,071,256	-
Lift Station N. 25	3,168,410	-	3,168,410	-
Relocation W & SW	425,085	-	-	425,085
Manhole & Lift Station Rehabilitation	61,650	-	61,650	-
Lift Station N. 1	33,692	274	33,966	-
Moore Road Sewer Improvements	856,705	215,972	-	1,072,677
Oxidation Ditches - Sewer Plant	132,517	359,734		492,251
Waterline 16"	141,915	361,051		502,966
South Water Trans	47,122	7,196	54,318	-
Lift Station Elimination	144,300	167,650		311,950
South Region Interception	-	194,000		194,000
West Ridge Water Improvements	-	301,522		301,522
Water Transmition Mains	-	396,250		396,250
Raw Water Reservoir	-	9,545		9,545
Total Utility	7,501,659	2,220,942	5,756,712	3,965,889
<u>BRIDGE</u>				
Bridge Expansion	-	\$ 1,168,949	-	1,168,949
Bridge Office Expansion	593,887	867,753	-	1,461,640
FY 15 DAP	1,042,576	5,825	-	1,048,401
FY 16 DAP	1,552,958	913,238	-	2,466,196
Total Bridge	\$ 3,189,421	\$ 2,955,765	\$ -	\$ 6,145,186
Total Business-Type:	\$ 10,691,079	\$ 5,176,707	\$ 5,756,712	\$ 10,111,075

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

E. Commitments

3. Construction Commitments

Governmental:				
	Balance 10/1/2019	Additions	Completions	Balance 9/30/2020
<u>ADMINISTRATION</u>				
City Hall Renovations	-	877,947	-	877,947
Total Administration	-	877,947	-	877,947
<u>PARKS</u>				
Civic Center Renovation	3,610,170	1,554,354	5,164,524	-
Newcombe	1,336,138	2,356,241	3,692,378	-
Dr. Long Park	1,820,642	335,744	2,156,386	-
Jones Box Park	762,650	239,596	-	1,002,246
Nature Park	2,697,513	286,363	2,983,876	-
Witten Park & Pharr Sports Complex Light Poles	300,600	-	300,600	-
Aquatic Park Renovations	171,940	25,610	197,550	-
Arnold Elementary Park	3,047,470	222,806	3,270,276	-
Victor Garcia Skate Park	322,013	3,312	325,325	-
North Side Aquatic Facility	2,311,048	11,681,900	-	13,992,948
Poles for Sport Light	140,660	102,867	243,527	-
Parks Safety Project	144,363	129,202	273,565	-
Universal Park	82,908	-	82,908	-
Total Parks	16,748,115	16,397,729	18,690,915	14,995,194
<u>STREETS</u>				
North Cana	-	46,788	-	46,788
Ditch Widening	-	559,152	-	559,152
Anaya Road	329,887	-	-	329,887
Hi-Line	752,048	207,361	-	959,409
Owassa Road	3,255,593	-	-	3,255,593
Bike Path Stripping	294,413	-	-	294,413
4 Year Repaving Program	11,917,878	4,596,803	16,514,681	-
PSJA Tri-City Pedestrian	191,119	206,949	-	398,068
Moore Road	393,834	-	393,834	-
Railroad Crossing Replanking	230,817	-	-	230,817
West Las Milpas Road	759,209	-	759,209	-
Thomas Road	274,712	-	274,712	-
Downtown Lighting	109,567	-	109,567	-
Veterans Road	202,614	-	202,614	-
St. Jude Parking	312,723	28,571	341,294	-
Jackson Right Turn Lane	163,169	-	163,169	-
Total Streets	19,187,582	5,645,624	18,759,080	6,074,127
<u>LIBRARY</u>				
North Side Facility	-	287,271	-	287,271
Total Streets	-	287,271	-	287,271
<u>PUBLIC SAFETY</u>				
Communication Center	4,835,369	39,202	4,874,571	-
South Fire Station No. 4	2,298,520	139,840	2,438,360	-
North Fire Station No. 1	121,067	-	121,067	-
Total Public Safety	7,254,956	179,042	7,433,998	-
Total Governmental	\$ 43,190,653	\$ 22,222,395	\$ 44,883,993	\$ 22,234,539
Grand Total	\$ 49,899,969	\$ 26,204,158	\$ 44,883,993	\$ 32,345,613

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

4. Economic Development Commitments

The PEDC, TIRZ, and the City have the following outstanding commitments as of September 30, 2020:

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.

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. Appraisal of land will be done every two years, which began in the September 30, 2013 fiscal year.

The summary land transactions are stated on the following table:

Project/Land	NRV Recorded 9.30.2019	Added/ (Removed)	Adjustment	Gain/(Loss) on Appraised Value	NRV Recorded 9.30.2020
Jackson Development Project	\$ 1,240,000	\$ -	\$ -	\$ -	\$ 1,240,000
Produce Park	1,834,500	(971,000)	(443,488)	-	420,012
Water Resvoir Commercial Portion	-	750,000	-	-	750,000
Total	\$ 3,074,500	\$ (221,000)	\$ (443,488)	\$ -	\$ 2,410,012

G. Related Party

None

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

H. New Accounting Principles

In fiscal year 2018, the City implemented GASB 75 which is summarized as follows:

The scope of this Statement addresses accounting and financial reporting for OPEB that is provided to the employees of state and local governmental employers. This Statement establishes standards for recognizing and measuring liabilities, deferred outflows of resources, deferred inflows of resources, and expense/expenditures. For defined benefit OPEB, this Statement identifies the methods and assumptions that are required to be used to project benefit payments, discount projected benefit payments to their actuarial present value, and attribute that present value to periods of employee service. Note disclosure and required supplementary information requirements about defined benefit OPEB also are addressed.

The following pronouncements were also issued by GASB but not applicable to City of Pharr as of September 30, 2020.

- GASB Statement No. 83, Certain Asset Retirement Obligations
- GASB Statement No. 84, Fiduciary Activities
- GASB Statement No. 85, Omnibus 2017
- GASB Statement No. 86, Certain Debt Extinguishment Issues
- GASB Statement No. 87, Leases

- a. Statement No. 83 addresses accounting and financial reporting for certain asset retirement obligations (AROs). An ARO is a legally enforceable liability associated with the retirement of a tangible capital asset. A government that has legal obligations to perform future asset retirement activities related to its tangible capital assets should recognize a liability based on the guidance in this Statement.

This Statement establishes criteria for determining the timing and pattern of recognition of a liability and a corresponding deferred outflow of resources for AROs. This Statement requires that recognition occur when the liability is both incurred and reasonably estimable. The determination of when the liability is both incurred and reasonably estimable. The determination of when the liability is incurred should be based on the occurrence of external laws, regulations, contracts, or court judgments, together with the occurrence of an internal event that obligates a government to perform asset retirement activities. Laws and regulations may require governments to take specific actions to retire certain tangible capital assets at the end of the useful lives of those capital assets, such as decommissioning nuclear reactors and dismantling and removing sewage treatment plants. Other obligations to retire tangible capital assets may arise from contracts or court judgments. Internal obligating events include the occurrence of contamination, placing into operation a tangible capital asset that is required to be retired, abandoning a tangible capital asset before it is placed into operation, or acquiring a tangible capital asset that has an existing ARO.

This Statement also requires disclosure of information about the nature of a government's AROs, the methods and assumptions used for the estimates of the liabilities, and the estimated remaining useful life of the associated tangible capital assets. If an ARO (or portions thereof) has been incurred by a government but is not yet recognized because it is not reasonably estimable, the government is required to disclose that fact and the reasons therefor. This Statement requires similar disclosures for a government's minority shares of ARO.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2018. Earlier application is encouraged.

- b. Statement No. 84 objective is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

IV. OTHER INFORMATION - (continued)

I. New Accounting Principles-(continued)

This Statement describes four fiduciary funds that should be reported, if applicable: (1) pension (and other employee benefit) trust funds, (2) investment trust funds, (3) private-purpose trust funds, and (4) custodial funds. Custodial funds generally should report fiduciary activities that are not held in a trust or equivalent arrangement that meets specific criteria. This Statement also provides for recognition of a liability to the beneficiaries in a fiduciary fund when an event has occurred that compels the government to disburse fiduciary resources. Events that compel a government to disburse fiduciary resources occur when a demand for the resources has been made or when no further action, approval, or condition is required to be taken or met by the beneficiary to release the assets. The requirements of this Statement are effective for reporting periods beginning after December 15, 2018. Earlier application is encouraged.

- c. Statement No. 85 addresses practice issues that have been identified during implementation and application of certain GASB Statements. This Statement addresses a variety of topics including issues related to blending component units, goodwill, fair value measurement and application, and postemployment benefits (pension and other postemployment benefits [OPEB]).

The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged.

- d. Statement No. 86 objective is to improve consistency in accounting and financial reporting for in-substance defeasance of debt by providing guidance for transactions in which cash and other monetary assets acquired with only existing resources-resources other than the proceeds of refunding debt-are placed in an irrevocable trust for the sole purpose of extinguishing debt. This Statement also improves accounting and financial reporting for prepaid insurance on debt that is extinguished and notes to financial statements for debt that is defeased in substance.

Governments that defease debt using only existing resources should provide a general description of the transaction in the notes to financial statements in the period of the defeasance. In all periods following an in-substance defeasance of debt using only existing resources, the amount of that debt that remains outstanding at period-end should be disclosed.

For governments that extinguish debt, whether through a legal extinguishment or through an in-substance defeasance, this Statement requires that any remaining prepaid insurance related to the extinguished debt be included in the net carrying amount of that debt for the purpose of calculating the difference between the reacquisition price and the net carrying amount of the debt.

The requirements of this Statement are effective for reporting periods beginning after June 15, 2017. Earlier application is encouraged.

- e. Statement No. 87 objective is to better meet the information needs of financial statement users by improving accounting and financial reporting for leases by governments. This Statement increases the usefulness of governments' financial statements by requiring recognition of certain lease assets and liabilities for leases that previously were classified as operating leases and recognized as inflows of resources or outflows of resources based on the payment provisions of the contract. It establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities.

The requirements of this Statements are effective for reporting periods beginning after December 15, 2019.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2020

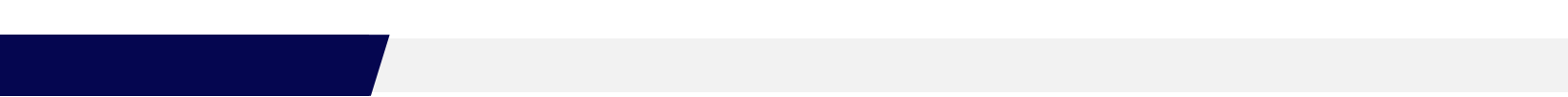
IV. OTHER INFORMATION - (continued)

J. Subsequent Events

To reporting subsequent events, management has considered events occurring through March 15th, 2020 the date the report was available to be issued, and the following are to be disclosed:

- A Budget amendment was taken to City Commission and approved in January 2021 with a net effect in the General Fund of \$1.6M to cover for Christmas Bonus and salaries increases.
- In January 2021, the City of Pharr awarded Banc of America for the leasing of \$1.78 million in capital outlay for fiscal year 20-21.
- The City purchase the Golazo building for \$1,125,218 this is going to be use for parks and recreations activities.
- The City purchase Land for \$850,000 for economic development purposes.
- After September 30, 2020, the city has received five reimbursements, from Hidalgo County for the Cares Act Covid-19 relief.

<u>Date</u>	<u>Description</u>	<u>Amount</u>
10/06/2020	Cares Act ICA 20 % Advance PMT	\$ 1,803,754
12/22/2020	Cares ACT Payment CAT 3-PHA-005	377,402
01/12/2021	Cares ACT Payment CAT 3-PHA-013	1,226,478
02/09/2021	Cares ACT CAT 3 9/20-PHA-014	1,313,900
02/23/2021	Cares ACT CAT 3 9/20-PHA-014	619,819
		<u>\$ 5,341,353</u>



REQUIRED SUPPLEMENTARY INFORMATION

**CITY OF PHARR, TEXAS
POST EMPLOYMENT BENEFIT PLAN
RETIREE HEALTH INSURANCE BENEFIT PLAN
SCHEDULE OF FUNDING PROGRESS (unaudited)**

Actuarial Valuation Date	Actuarial Value of Plan Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded Ratio (a/b)	Excess of Assets Over/ (Unfunded) AAL (a-b)	Covered Payroll (c)	Unfunded AAL as Percentage of Covered Payroll ((b-a)/c)
12/31/10	\$ 41,686,353	\$ 46,768,782	89.1%	\$ 5,082,429	\$ 17,770,636	28.6%
12/31/11	\$ 45,864,221	\$ 49,965,141	91.8%	\$ 4,100,920	\$ 19,519,197	21.0%
12/31/12	\$ 49,962,459	\$ 53,717,387	93.0%	\$ 3,754,928	\$ 20,588,476	18.2%
12/31/13	\$ 54,346,139	\$ 61,820,357	87.9%	\$ 7,474,218	\$ 21,980,889	34.0%
12/31/14	\$ 58,982,997	\$ 65,909,395	89.5%	\$ 6,926,398	\$ 23,264,509	29.8%
12/31/15	\$ 62,699,607	\$ 72,524,993	86.5%	\$ 9,825,386	\$ 24,723,154	39.7%
12/31/16	\$ 66,621,323	\$ 76,673,830	86.9%	\$ 10,052,507	\$ 26,122,943	38.5%
12/31/17	\$ 71,679,826	\$ 81,486,304	88.0%	\$ 9,806,478	\$ 27,718,603	35.4%
12/31/18	\$ 76,682,758	\$ 86,555,461	88.6%	\$ 9,872,703	\$ 29,862,376	33.1%
12/31/2019	\$ 82,727,442	\$ 91,851,335	90.1%	\$ 9,123,913	\$ 31,228,717	29.2%

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

A Total Pension Liability	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
1 Total Service Cost	\$ 2,377,944	\$ 2,746,650	\$ 3,146,078	\$ 3,320,128	\$ 3,533,983	3,734,670	\$XXX	\$XXX	\$XXX	\$XXX
2 Interest on the Total Pension Liability	4,321,502	4,587,828	4,880,163	5,161,419	5,493,822	5,838,306	XXX	XXX	XXX	XXX
3 Current Period Benefit Changes	-	-	-	-	-	-	XXX	XXX	XXX	XXX
4 Difference between expected and actual experience	(63,247)	435,455	(278,776)	67,791	(231,976)	(204,752)	XXX	XXX	XXX	XXX
5 Changes of Assumptions	-	2,330,292	-	-	-	(213,606)	XXX	XXX	XXX	XXX
6 Benefit Payments, including refunds of employee contributions	(2,547,161)	(3,484,627)	(3,598,628)	(3,736,864)	(3,726,672)	(3,858,744)	XXX	XXX	XXX	XXX
7 Net change in total pension liability	\$ 4,089,038	\$ 6,615,598	\$ 4,148,837	\$ 4,812,474	\$ 5,069,157	\$ 5,295,874	\$XXX	\$XXX	\$XXX	\$XXX
8 Total pension liability-beginning	61,820,357	65,909,395	72,524,993	76,673,830	81,486,304	86,555,461	XXX	XXX	XXX	XXX
9 Total pension liability-ending	<u>\$ 65,909,395</u>	<u>\$ 72,524,993</u>	<u>\$ 76,673,830</u>	<u>\$ 81,486,304</u>	<u>\$ 86,555,461</u>	<u>\$ 91,851,335</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>
B Plan fiduciary net position										
1 Contributions-employer	\$ 1,570,743	\$ 1,649,708	\$ 1,683,200	2,174,506	2,312,486	2,442,368	\$XXX	\$XXX	\$XXX	\$XXX
2 Contributions-employee	1,578,431	1,702,972	1,800,699	1,903,877	2,021,401	2,167,600	XXX	XXX	XXX	XXX
3 Net Investment income	3,296,861	90,733	4,148,172	9,059,762	(2,238,218)	11,294,135	XXX	XXX	XXX	XXX
4 Benefit payments, including refunds of employee contributions	(2,547,161)	(3,484,627)	(3,598,628)	(3,736,864)	(3,726,672)	(3,858,744)	XXX	XXX	XXX	XXX
5 Administrative Expense	(34,419)	(55,265)	(46,857)	(46,957)	(43,261)	(63,813)	XXX	XXX	XXX	XXX
6 Other	(2,830)	(2,730)	(2,525)	(2,380)	(2,260)	(1,917)	XXX	XXX	XXX	XXX
7 Net change in plan fiduciary net position	\$ 3,861,625	\$ (99,209)	\$ 3,984,061	\$ 9,351,944	\$ (1,676,524)	11,979,629	\$XXX	\$XXX	\$XXX	\$XXX
8 Plan fiduciary net position-beginning	57,628,328	61,489,953	61,390,744	65,374,805	74,726,749	73,050,224	XXX	XXX	XXX	XXX
9 Plan fiduciary net position-ending	<u>\$ 61,489,953</u>	<u>\$ 61,390,744</u>	<u>\$ 65,374,805</u>	<u>\$ 74,726,749</u>	<u>\$ 73,050,225</u>	<u>\$ 85,029,853</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>
C Net Pension Liability (A9-B9)	<u>\$ 4,419,442</u>	<u>\$ 11,134,249</u>	<u>\$ 11,299,025</u>	<u>\$ 6,759,555</u>	<u>\$ 13,505,236</u>	<u>\$ 6,821,482</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>
D Plan fiduciary net position as a percentage of the total pension liability (B9/A9)	93.29%	84.65%	85.26%	91.70%	84.40%	92.57	XXX%	XXX%	XXX%	XXX%
E Covered-employee Payroll	\$ 22,531,464	\$ 24,328,166	\$ 25,724,265	\$ 27,417,409	\$ 28,848,841	\$ 30,363,171	\$XXX	\$XXX	\$XXX	\$XXX
F Net Pension liability as a percentage of covered employee payroll (C/E)	19.61%	45.77%	43.92%	24.65%	46.81%	22.47%	XXX%	XXX%	XXX%	XXX%

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.

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

	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Actuarially Determined Contribution	\$XXX	\$ 1,980,325	\$ 2,092,448	\$ 2,175,593	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Contributions in relation to the actuarially determined contribution	<u>XXX</u>	<u>\$ 1,715,919</u>	<u>\$ 2,005,126</u>	<u>\$ 2,236,749</u>	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>	<u>XXX</u>
Contribution deficiency (excess)	XXX	\$ 264,406	\$ 87,322	\$ (61,156)	XXX	XXX	XXX	XXX	XXX
Covered employee payroll	XXX	\$ 24,723,154	\$ 26,122,943	\$ 27,147,409	XXX	XXX	XXX	XXX	XXX
Contributions as a percentage of covered employee payroll	XXX%	6.94%	7.68%	8.24%	XXX%	XXX%	XXX%	XXX%	XXX%

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.

CITY OF PHARR, TEXAS
TEXAS MUNICIPAL RETIREMENT SYSTEM
SCHEDULE OF CHANGES IN OPEB LIABILITY AND RELATED RATIOS
LAST TEN YEARS

A Total Pension Liability	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026
1 Total OPEB Liability-beginning of year	\$ 948,524	\$ 1,123,132	\$ 1,098,818	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Changes for the year										
Service Cost	51,580	63,467	60,726	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Interest on Total OPEB Liability	36,675	38,083	41,724	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Changes in benefits terms	-	-	-	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Differences between expected and actual experience	-	(32,757)	(45,154)	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Changes in assumption or other inputs	94,497	(84,452)	237,034	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Benefit payments**	(8,144)	(8,655)	(9,109)	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Net Changes	<u>\$ 174,608</u>	<u>\$ (24,314)</u>	<u>\$ 285,221</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>	<u>\$XXX</u>
Total OPEB Liability-end of year	\$ 1,123,132	\$ 1,098,818	\$ 1,384,039	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX	\$XXX
Total OPEB Liability as a percentage of Covered Payroll	4.14%	3.81%	4.56%							

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, 2020

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Taxes:					
Property	\$	18,223,200	\$ 18,223,200	\$ 18,068,992	\$ (154,208)
Sales		16,327,400	15,827,400	16,125,380	297,980
Franchise		1,861,700	1,861,700	2,486,997	625,297
Other		240,000	240,000	235,128	(4,872)
Licenses and permits		706,800	776,800	966,406	189,606
Intergovernmental		383,600	383,600	81,812	(301,788)
Fees and charges:					
Sanitation		2,961,100	2,961,100	2,881,591	(79,509)
Brush		1,226,200	1,226,200	1,138,767	(87,433)
Other		1,210,600	694,600	887,002	192,402
Fines		867,400	558,400	549,623	(8,777)
Interest income		320,000	320,000	124,729	(195,271)
Other		199,200	633,200	866,873	233,673
Total revenues		<u>44,527,200</u>	<u>43,706,200</u>	<u>44,413,300</u>	<u>707,100</u>
EXPENDITURES					
Current:					
General government		12,658,100	12,970,100	10,590,622	2,379,478
Public safety		25,363,300	26,491,400	18,985,516	7,505,884
Highways and streets		3,878,200	3,973,400	3,956,320	17,080
Health and welfare		2,936,000	2,921,000	2,823,141	97,859
Culture and recreation		6,598,400	7,166,600	6,206,905	959,695
Economic Development		964,400	1,109,400	2,222,660	(1,113,260)
Debt service:					
Principal		1,734,900	1,733,700	1,799,881	(66,181)
Interest		131,900	133,100	110,906	22,194
Total expenditures		<u>54,265,200</u>	<u>56,498,700</u>	<u>46,695,952</u>	<u>9,802,748</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(9,738,000)</u>	<u>(12,792,500)</u>	<u>(2,282,652)</u>	<u>(9,095,647)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		9,920,800	9,621,800	8,426,200	(1,195,600)
Transfers (out)		(40,240,800)	(2,558,500)	(3,906,292)	(1,347,792)
Cost of Issuance		-	-	-	-
Issuance of debt		40,945,500	1,945,500	1,945,500	-
Premium		-	-	-	-
Total other financing sources and uses		<u>10,625,500</u>	<u>9,008,800</u>	<u>6,465,408</u>	<u>(2,543,392)</u>
Net change in fund balance		<u>887,500</u>	<u>(3,783,700)</u>	<u>4,182,756</u>	<u>(11,639,039)</u>
Fund balance - beginning		-	-	24,847,477	24,847,477
Prior period adjustment		-	-	20,183	20,183
Fund balance - ending	\$	<u>887,500</u>	<u>(3,783,700)</u>	<u>29,050,416</u>	<u>\$ 13,228,621</u>

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, 2020

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
REVENUES				Basis	Budget Basis
Taxes:					
Sales	\$	5,205,000	5,205,000	5,375,127	\$ 170,127
Interest income		135,000	135,000	90,493	(44,507)
Other		441,800	441,800	2,048,871	1,607,071
Total revenues		5,781,800	5,781,800	7,514,491	1,732,691
EXPENDITURES					
Current:					
Economic development		3,232,400	3,171,500	2,057,630	1,113,870
Debt service:		-	-	-	-
Principal		688,300	688,300	2,021,753	(1,333,453)
Interest		1,211,600	1,211,600	246,919	964,681
Total expenditures		5,132,300	5,071,400	4,326,302	745,098
Excess (deficiency) of revenues over (under) expenditures		649,500	710,400	3,188,189	987,593
OTHER FINANCING SOURCES (USES)					
Transfers in		-	-	-	-
Transfers (out)		(1,412,500)	(1,473,400)	(1,487,500)	(14,100)
Proceeds from sale of assets		-	-	-	-
Issuance of debt		813,000	813,000	-	(813,000)
Total other financing sources and uses		(599,500)	(660,400)	(1,487,500)	(827,100)
SPECIAL ITEMS					
Gain/(Loss) on land available for sale valuation		-	-	-	-
Total special items		-	-	-	-
Net change in fund balance		50,000	50,000	1,700,689	160,493
Fund balance - beginning		-	-	7,174,797	7,174,797
Prior period adjustment		-	-	765,520	765,520
Fund balance - ending	\$	50,000	\$ 50,000	\$ 9,641,006	\$ 8,100,810

COMBINING AND INDIVIDUAL FUND
INFORMATION AND OTHER SUPPLEMENTARY
INFORMATION

Non-Major Governmental Funds

Combining Financial Statements

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.

Special Revenue – This fund accounts for miscellaneous revenues for various purposes that are restricted from general use. Seven departments use this fund: Police, Fire, Court, Streets, Library, Planning & Zoning, and Non-Departmental.

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

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

CITY OF PHARR, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020

	Special Revenue Funds				
	Asset Sharing	Community Development	Greater Phar Chamber	Hotel/Motel	Parkland Dedication
<u>ASSETS AND DEFERRED OUTFLOWS</u>					
Cash	\$ 1,290,230	\$ 961,736	\$ 134,963	\$ 1,831,245	\$ 217,531
Receivables (net of allowance for uncollectible):					
Property taxes	-	-	-	-	-
Notes	-	54,619	-	-	-
Accounts	-	-	-	-	-
Other	-	-	-	125,430	-
Due from other funds	-	-	5,000	-	-
Restricted assets:					
Intergovernmental receivable	-	69,038	-	-	-
Total assets	<u>\$ 1,290,230</u>	<u>\$ 1,085,393</u>	<u>\$ 139,963</u>	<u>\$ 1,956,675</u>	<u>\$ 217,531</u>
<u>LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCE</u>					
Liabilities:					
Accounts payable	\$ 36,276	\$ 298	\$ 10,517	\$ -	\$ -
Due to other funds	4,170	560,445	5,593	5,000	-
Unearned revenue	-	-	-	-	-
Escrow Accounts	-	-	2,519	-	-
Total liabilities	<u>40,446</u>	<u>560,742</u>	<u>18,629</u>	<u>5,000</u>	<u>-</u>
Deferred Inflows of Resources:					
Deferred property tax	-	-	-	-	-
Deferred accounts	-	-	-	-	-
Deferred notes	-	54,619	-	-	-
Total deferred inflows	<u>-</u>	<u>54,619</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balances:					
Restricted:					
General Government	-	-	-	-	-
Debt service	-	-	-	-	-
Street paving and drainage	-	-	-	-	-
Tourism	-	-	-	1,951,675	-
Public safety	1,249,784	-	-	-	-
Parkland	-	-	-	-	217,531
Community development	-	470,032	-	-	-
Economic development	-	-	121,335	-	-
Assigned:					
Capital outlay	-	-	-	-	-
Total fund balances	<u>1,249,784</u>	<u>470,032</u>	<u>121,335</u>	<u>1,951,675</u>	<u>217,531</u>
Total liabilities and fund balances	<u>\$ 1,290,230</u>	<u>\$ 1,085,393</u>	<u>\$ 139,963</u>	<u>\$ 1,956,675</u>	<u>\$ 217,531</u>

CITY OF PHARR, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2020

Special Revenue Funds						Debt Service Fund	Total Nonmajor Governmental Funds
Paving & Drainage	Grants	Cares Act Grant	TIRZ No. 1	TIRZ No. 2	Total	Debt Service	
\$ 729,792	\$ 155,471	\$ (7,681,548)	\$ 1,651,408	\$ 1,652,932	\$ 943,760	\$ 941,379	\$ 1,885,139
-	-	-	-	-	-	-	-
-	-	-	-	-	54,619	339,166	339,166
177,243	-	-	-	-	177,243	-	54,619
-	-	7,681,548	-	-	7,806,978	-	177,243
-	-	-	-	-	5,000	-	7,806,978
-	-	-	-	-	-	-	5,000
-	195,055	-	-	-	264,094	-	264,094
<u>\$ 907,035</u>	<u>\$ 350,527</u>	<u>\$ -</u>	<u>\$ 1,651,408</u>	<u>\$ 1,652,932</u>	<u>\$ 9,251,693</u>	<u>\$ 1,280,546</u>	<u>\$ 10,532,239</u>
\$ -	\$ 24,562	\$ -	\$ -	\$ -	\$ 71,653	\$ 10,000	\$ 81,653
-	160,088	-	-	-	735,295	-	735,295
-	155,996	-	-	-	155,996	-	155,996
-	-	-	-	-	2,519	-	2,519
<u>-</u>	<u>340,646</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>965,463</u>	<u>10,000</u>	<u>975,463</u>
-	-	-	-	-	-	339,166	339,166
177,243	-	-	-	-	177,243	-	177,243
-	-	-	-	-	54,619	-	54,619
<u>177,243</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>231,862</u>	<u>339,166</u>	<u>571,028</u>
-	9,881	-	-	-	9,881	-	9,881
-	-	-	-	-	-	931,379	931,379
729,792	-	-	-	-	729,792	-	729,792
-	-	-	-	-	1,951,675	-	1,951,675
-	-	-	-	-	1,249,784	-	1,249,784
-	-	-	-	-	217,531	-	217,531
-	-	-	-	-	470,032	-	470,032
-	-	-	1,651,408	1,652,932	3,425,675	-	3,425,675
-	-	-	-	-	-	-	-
<u>729,792</u>	<u>9,881</u>	<u>-</u>	<u>1,651,408</u>	<u>1,652,932</u>	<u>8,054,369</u>	<u>931,379</u>	<u>8,985,748</u>
<u>\$ 907,035</u>	<u>\$ 350,527</u>	<u>\$ -</u>	<u>\$ 1,651,408</u>	<u>\$ 1,652,932</u>	<u>\$ 9,251,693</u>	<u>\$ 1,280,546</u>	<u>\$ 10,532,239</u>

CITY OF PHARR, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

		Special Revenue Funds				
		Asset Sharing	Community Development	Greater Pharr Chamber	Hotel/Motel	Parkland Dedication
REVENUES						
Taxes:						
Property		\$ -	\$ -	\$ -	\$ -	\$ -
Other		-	-	-	586,222	-
Intergovernmental		618,321	1,343,832	-	-	-
Fees and charges:						
Other		-	-	65,950	-	172,314
Interest income		9,944	3,425	1,052	-	1,590
Other		-	-	711	28,538	-
Total revenues		<u>628,265</u>	<u>1,347,257</u>	<u>67,713</u>	<u>614,760</u>	<u>173,903</u>
EXPENDITURES						
Current:						
General government		-	796,237	-	-	-
Public safety		622,854	7,000	-	-	-
Highways and streets		-	25,439	-	-	-
Culture and recreation		-	4,455	-	1,944	-
Economic development		-	-	200,626	-	-
Debt service:						
Principal		-	295,000	-	-	-
Interest		-	106,357	-	-	-
Total expenditures		<u>622,854</u>	<u>1,234,486</u>	<u>200,626</u>	<u>1,944</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures		<u>5,411</u>	<u>112,770</u>	<u>(132,913)</u>	<u>612,815</u>	<u>173,903</u>
OTHER FINANCING SOURCES (USES)						
Transfers in		-	120,226	254,248	-	-
Transfers (out)		-	(235,510)	-	(288,750)	-
Total other financing sources and uses		<u>-</u>	<u>(115,284)</u>	<u>254,248</u>	<u>(288,750)</u>	<u>-</u>
Net change in fund balances		5,411	(2,514)	121,335	324,065	173,903
Fund balance - beginning		1,243,757	472,546	-	1,627,610	43,627
Prior period adjustment		615	-	-	-	-
Fund balance - ending		<u>\$ 1,249,783</u>	<u>\$ 470,032</u>	<u>\$ 121,335</u>	<u>\$ 1,951,675</u>	<u>\$ 217,530</u>

CITY OF PHARR, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2020

Special Revenue Funds						Debt Service Fund	Total Nonmajor Governmental Funds
Paving & Drainage	Grants	Cares Act Grant	TIRZ No. 1	TIRZ No. 2	Total	Debt Service	
\$ -	\$ -	\$ -	\$ 552,772	\$ 610,446	\$ 1,163,218	\$ 4,739,655	\$ 5,902,873
-	-	-	-	-	586,222	-	586,222
-	863,213	9,485,302	-	-	12,310,667	-	12,310,667
-	-	-	-	-	-	-	-
1,078,385	-	-	-	-	1,316,649	-	1,316,649
12,836	-	-	6,383	5,330	40,559	-	40,559
-	-	-	-	-	29,249	-	29,249
<u>1,091,222</u>	<u>863,213</u>	<u>9,485,302</u>	<u>559,154</u>	<u>615,776</u>	<u>15,446,564</u>	<u>4,739,655</u>	<u>20,186,219</u>
-	-	9,485,302	-	-	10,281,539	-	10,281,539
-	765,990	-	-	-	1,395,844	-	1,395,844
-	-	-	-	-	25,439	-	25,439
-	-	-	-	-	6,399	-	6,399
-	-	-	-	-	200,626	-	200,626
-	-	-	-	-	295,000	5,197,924	5,492,924
-	-	-	-	-	106,357	2,668,711	2,775,067
<u>-</u>	<u>765,990</u>	<u>9,485,302</u>	<u>-</u>	<u>-</u>	<u>12,311,203</u>	<u>7,866,635</u>	<u>20,177,837</u>
<u>1,091,222</u>	<u>97,223</u>	<u>-</u>	<u>559,154</u>	<u>615,776</u>	<u>3,135,361</u>	<u>(3,126,980)</u>	<u>8,381</u>
-	-	-	-	-	374,474	3,714,000	4,088,474
<u>(1,061,600)</u>	<u>(87,342)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,673,202)</u>	<u>-</u>	<u>(1,673,202)</u>
<u>(1,061,600)</u>	<u>(87,342)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,298,729)</u>	<u>3,714,000</u>	<u>2,415,271</u>
29,621	9,881	-	559,154	615,776	1,836,633	303,920	2,140,554
700,170	-	-	937,410	888,711	5,913,831	627,459	6,541,290
-	-	-	154,844	148,445	303,904	-	303,904
<u>\$ 729,791</u>	<u>\$ 9,881</u>	<u>\$ -</u>	<u>\$ 1,651,408</u>	<u>\$ 1,652,932</u>	<u>\$ 8,054,368</u>	<u>\$ 931,379</u>	<u>\$ 8,985,747</u>

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.

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

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, 2020

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Taxes:					
Property					
	Current	\$ 17,168,200	\$ 17,168,200	\$ 16,982,096	\$ (186,104)
	Delinquent	600,000	600,000	661,094	61,094
	Penalty & interest	455,000	455,000	425,802	(29,198)
	Total property taxes	18,223,200	18,223,200	18,068,992	(154,208)
	Sales	16,327,400	15,827,400	16,125,380	297,980
	Franchise				
	Telephone	-	-	148,140	148,140
	Electric	1,766,700	1,766,700	1,852,192	85,492
	Cable	-	-	376,095	376,095
	Gas	95,000	95,000	110,571	15,571
	Total franchise taxes	1,861,700	1,861,700	2,486,997	625,297
	Other	240,000	240,000	235,128	(4,872)
	Total taxes	36,652,300	36,152,300	36,916,497	764,197
Licenses and permits					
	Building	430,000	430,000	530,999	100,999
	Vocational	88,000	88,000	108,738	20,738
	Other	188,800	258,800	326,669	67,869
	Total licenses & permits	706,800	776,800	966,406	189,606
Intergovernmental					
	Local school districts	283,600	283,600	70,619	(212,981)
	Other	100,000	100,000	11,193	(88,807)
	Total intergovernmental	383,600	383,600	81,812	(301,788)
Fees and charges:					
	Sanitation	2,961,100	2,961,100	2,881,591	(79,509)
	Brush	1,226,200	1,226,200	1,138,767	(87,433)
	Other	1,210,600	694,600	887,002	192,402
	Total fees & charges	5,397,900	4,881,900	4,907,359	25,459
Fines					
	Court	815,800	506,800	519,506	12,706
	Other	51,600	51,600	30,117	(21,483)
	Total fines	867,400	558,400	549,623	(8,777)
Interest income		320,000	320,000	124,729	(195,271)
Other		199,200	633,200	866,873	233,673
	Total revenues	\$ 44,527,200	\$ 43,706,200	44,413,300	\$ 707,100

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, 2020

EXPENDITURES		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
Current:					
General government					
City manager		2,389,400	2,556,200	1,084,346	1,471,854
Finance		738,100	748,600	608,397	140,203
Purchasing		299,800	309,300	158,317	150,983
IT		2,003,800	2,057,400	1,268,875	788,525
Media		431,700	438,100	207,622	230,478
Grants		276,800	280,300	129,964	150,336
Human Resources		677,500	683,900	445,644	238,256
Development Services		1,544,500	1,595,900	1,430,864	165,036
Engineering		772,100	779,500	628,047	151,453
Non-departmental		3,524,400	3,520,900	4,628,546	(1,107,646)
Total general government		12,658,100	12,970,100	10,590,622	2,379,478
Public safety					
Police		15,411,600	15,637,900	11,134,372	4,503,528
Court		618,800	789,000	517,480	271,520
Fire		7,498,200	8,154,600	5,771,650	2,382,950
Communications		1,834,700	1,909,900	1,562,014	347,886
Total public safety		25,363,300	26,491,400	18,985,516	7,505,884
Highways and streets		3,878,200	3,973,400	3,956,320	17,080
Health and welfare					
Sanitation		2,088,900	2,073,900	1,976,208	97,692
Brush		727,100	727,100	714,245	12,855
Animal control		120,000	120,000	132,688	(12,688)
Total health and welfare		2,936,000	2,921,000	2,823,141	97,859
Culture and recreation					
Library		1,638,300	1,644,000	1,434,371	209,629
Parks		4,960,100	5,522,600	4,772,534	750,066
Total culture and recreation		6,598,400	7,166,600	6,206,905	959,695
Economic Development		964,400.00	1,109,400.00	2,222,659.98	(1,113,260)
Debt service:					
Principal		1,734,900	1,733,700	1,799,881	(66,181)
Interest		131,900	133,100	110,906	22,194
		1,866,800	1,866,800	1,910,788	(43,988)
Total expenditures		54,265,200	56,498,700	46,695,952	9,802,748
Excess (deficiency) of revenues over (under) expenditures		(9,738,000)	(12,792,500)	(2,282,652)	(10,509,846)

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, 2020

OTHER FINANCING SOURCES (USES)	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
Transfers in				
CIP	576,000.00	576,000	571,400	(4,600)
Utility				-
Bridge	8,234,800	8,435,800	7,549,800	(886,000)
Hotel	60,000	60,000	30,000	(30,000)
Asset Sharing	500,000			-
PEDC	200,000	200,000	275,000	75,000
PHFC	350,000	350,000		(350,000)
Total transfers in	9,920,800	9,621,800	8,426,200	(1,195,600)
Transfers (out)				
Seized Assets	-	-	-	-
Community Development	-	(3,200.00)	(120,226)	117,026
Capital Improvement Project	(39,000,000.00)	(1,000,000.00)	(2,500,000)	1,500,000
Debt Service	(326,100.00)	(326,100.00)	(298,925)	27,175
City Garage	-	(5,300.00)	-	5,300
Utility	-	(247,100.00)	-	247,100
Event Center	(342,600.00)	(351,800.00)	(420,656)	(68,856)
Bridge	-	(25,000.00)	-	(25,000)
Golf	(572,100.00)	(600,000.00)	(530,637)	(69,363)
PEDC	-	-	(35,848)	35,848
Total transfers (out)	(40,240,800)	(2,558,500)	(3,906,292)	1,769,230
Cost of Issuance				-
Bond/loan proceeds	40,945,500	1,945,500	1,945,500	-
Premium	-	-	-	-
Total	40,945,500	1,945,500	1,945,500	-
Total other financing sources and uses	10,625,500	9,008,800	6,465,408	573,630
Net change in fund balance	887,500	(3,783,700)	4,182,756	(7,966,456)
Fund balance - beginning	-		24,847,477	24,847,477
Prior period adjustment	-	-	20,183	20,183
Fund balance - ending	\$ 887,500	\$ (3,783,700)	\$ 29,050,416	\$ 16,901,204

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, 2020

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
REVENUES				Basis	Budget Basis
Taxes:					
Intergovernmental		\$ 120,000	\$ 120,000	\$ 618,321	\$ 498,321
Interest income		20,000	20,000	9,944	(10,056)
	Total revenues	140,000	140,000	628,265	488,265
EXPENDITURES					
Current:					
Public safety		622,000	622,000	622,853	(853)
	Total expenditures	622,000	622,000	622,853	(853)
Excess (deficiency) of revenues over (under) expenditures		(482,000)	(482,000)	5,412	489,117
OTHER FINANCING SOURCES (USES)					
Transfers in		-	-	-	-
Transfers out		-	-	-	-
Bond/loan proceeds		-	-	-	-
	Total other financing sources and uses	-	-	-	-
Net change in fund balance		(482,000)	(482,000)	5,412	489,117
Fund balance - beginning		296,227	296,227	1,243,757	-
		-	-	615	-
Fund balance - ending		\$ (185,773)	\$ (185,773)	\$ 1,249,784	\$ 489,117

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, 2020

	Budgeted Amounts		Actual	Final
	Original	Final	Budget	Variance
			Basis	Budget Basis
REVENUES				
Intergovernmental	\$ 1,150,900	\$ 1,806,900	\$ 1,343,831	\$ (463,069)
Interest income	-	-	3,425	3,425
Other	-	-	-	-
Total revenues	1,150,900	1,806,900	1,347,256	(459,644)
EXPENDITURES				
Current:				
General government	728,000	1,487,200	796,237	690,963
Public Safety	17,000	17,000	7,000	10,000
Highways and streets	-	-	25,439	(25,439)
Culture and recreation	-	-	4,455	(4,455)
Debt service:				
Principal	295,000	295,000	295,000	-
Interest	110,900	110,900	106,357	4,544
Total expenditures	1,150,900	1,910,100	1,234,486	675,614
Excess (deficiency) of revenues over (under) expenditures	-	(103,200)	112,770	(1,135,258)
OTHER FINANCING SOURCES (USES)				
Transfers in	-	3,200	120,226	117,026
Transfers out	-	-	(235,510)	(235,510)
Bond/loan proceeds	-	-	-	-
Total other financing sources and uses	-	3,200	(115,284)	(118,484)
Net change in fund balance	-	(100,000)	(2,514)	(1,253,742)
Fund balance - beginning	514,277	514,277	472,546	-
Prior Year Adjustment	-	-	-	-
Fund balance - ending	\$ 514,277	414,277	470,032	\$ (1,253,742)

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, 2020

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
				Basis	Budget Basis
REVENUES					
Taxes:					
Other	\$	550,000	586,222	586,222	\$ -
Interest income		-	-	-	-
Other		-	-	28,538	28,538
Total revenues		<u>550,000</u>	<u>586,222</u>	<u>614,760</u>	<u>28,538</u>
EXPENDITURES					
Current:					
Culture and recreation		40,900	40,900	1,944	38,956
Total expenditures		<u>40,900</u>	<u>40,900</u>	<u>1,944</u>	<u>38,956</u>
Excess (deficiency) of revenues					
over (under) expenditures		<u>509,100</u>	<u>545,322</u>	<u>612,815</u>	<u>(10,418)</u>
OTHER FINANCING SOURCES (USES)					
Transfers out		<u>550,000</u>	<u>550,000</u>	<u>288,750</u>	<u>(261,250.00)</u>
Total other financing sources		<u>550,000</u>	<u>550,000</u>	<u>288,750</u>	<u>(261,250.00)</u>
and uses		<u>550,000</u>	<u>550,000</u>	<u>288,750</u>	<u>(261,250.00)</u>
Net change in fund balance		(40,900)	(4,678)	324,065	250,382
Fund balance - beginning		1,439,628	1,439,628	1,627,610	-
Prior period adjustment		-	-	-	-
Fund balance - ending	\$	<u>1,398,728</u>	<u>1,434,950</u>	<u>1,951,675</u>	<u>250,382</u>

CITY OF PHARR, TEXAS
PARKLAND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2020

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Fees and charges:					
Other		\$ 30,000	\$ 172,314	\$ 172,314	\$ -
Interest income		500	500	1,590	1,090
Total revenues		<u>30,500</u>	<u>172,814</u>	<u>173,903</u>	<u>1,090</u>
EXPENDITURES					
Current:					
Highways and streets		-	-	-	-
Total expenditures		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures		<u>30,500</u>	<u>172,814</u>	<u>173,903</u>	<u>1,090</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		-	-	-	-
Transfers out		-	-	-	-
Bond/loan proceeds		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total other financing sources and uses		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance		30,500	172,814	173,903	1,090
Fund balance - beginning		275,283	275,283	43,627	-
Fund balance - ending		<u>\$ 305,783</u>	<u>448,097</u>	<u>\$ 217,530</u>	<u>\$ 1,090</u>

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, 2020

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Taxes:					
Other	\$	1,074,400	1,074,400	1,078,383	\$ 3,983
Interest income		25,200	25,200	12,836	(12,364)
Total revenues		<u>1,099,600</u>	<u>1,099,600</u>	<u>1,091,220</u>	<u>(8,380)</u>
EXPENDITURES					
Highways and streets		-	-	-	-
Total expenditures		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues over (under) expenditures		<u>1,099,600</u>	<u>1,099,600</u>	<u>1,091,220</u>	<u>(8,380)</u>
OTHER FINANCING SOURCES (USES)					
Transfers out		(1,099,600)	(1,099,600)	(1,061,600)	38,000
Total other financing sources and uses		<u>(1,099,600)</u>	<u>(1,099,600)</u>	<u>(1,061,600)</u>	<u>38,000</u>
Net change in fund balance		-	-	29,619	29,619
Fund balance - beginning		<u>676,190</u>	<u>676,190</u>	<u>700,170</u>	<u>23,980</u>
Fund balance - ending	\$	<u>676,190</u>	<u>676,190</u>	<u>729,791</u>	<u>\$ 53,599</u>

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, 2020

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
				Basis	Budget Basis
REVENUES					
Intergovernmental	\$	767,300	962,500	863,213	\$ (99,287)
Total revenues		<u>767,300</u>	<u>962,500</u>	<u>863,213</u>	<u>(99,287)</u>
EXPENDITURES					
Current:					
Public safety		767,300	962,500	765,990	196,510
Health and welfare		-	-	-	-
Culture and recreation		-	-	-	-
Total expenditures		<u>767,300</u>	<u>962,500</u>	<u>765,990</u>	<u>196,510</u>
Excess (deficiency) of revenues					
over (under) expenditures		<u>-</u>	<u>-</u>	<u>97,223</u>	<u>97,223</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		-	-	-	-
(Transfers out)		<u>-</u>	<u>-</u>	<u>(87,342)</u>	<u>(87,342)</u>
Total other financing sources					
and uses		<u>-</u>	<u>-</u>	<u>(87,342)</u>	<u>(87,342)</u>
Net change in fund balance		<u>-</u>	<u>-</u>	<u>9,881</u>	<u>9,881</u>
Fund balance - beginning		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund balance - ending	\$	<u>-</u>	<u>-</u>	<u>9,881</u>	\$ <u>9,881</u>

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, 2020

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
REVENUES				Basis	Budget Basis
Taxes:					
Intergovernmental		\$ -	\$ -	\$ 7,259,645	\$ 7,259,645
	Total revenues	<u>-</u>	<u>-</u>	<u>7,259,645</u>	<u>7,259,645</u>
EXPENDITURES					
Current:					
General government		3,314,900	3,314,900	1,183,083	2,131,817
Public safety		-	-	145,201	(145,201)
Highways and streets		28,865,800	28,865,800	6,355,163	22,510,637
Culture and recreation		23,449,000	23,449,000	18,636,137	4,812,863
Debt Service					
Principal		982,700	982,700	983,727	(1,027)
Interest		<u>225,500</u>	<u>225,500</u>	<u>224,389</u>	<u>1,111</u>
	Total expenditures	<u>56,837,900</u>	<u>56,837,900</u>	<u>27,527,700</u>	<u>29,310,200</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(56,837,900)</u>	<u>(56,837,900)</u>	<u>(20,268,055)</u>	<u>(22,050,555)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		40,480,300	2,480,300	4,074,802	1,594,502
Transfers (out)		(500,000)	-	(4,730,000)	4,730,000
Proceeds from sale of assets		-	-	-	-
Issuance of debt		<u>15,000</u>	<u>25,015,000</u>	<u>25,000,000</u>	<u>15,000</u>
	Total other financing sources and uses	<u>39,995,300</u>	<u>27,495,300</u>	<u>24,344,802</u>	<u>6,339,502</u>
Net change in fund balance		<u>(16,842,600)</u>	<u>(29,342,600)</u>	<u>4,076,747</u>	<u>(15,711,053)</u>
Fund balance - beginning		-	-	23,225,587	23,225,587
Prior period adjustment		<u>-</u>	<u>-</u>	<u>381,382</u>	<u>381,382</u>
Fund balance - ending		\$ <u>(16,842,600)</u>	\$ <u>(29,342,600)</u>	\$ <u>27,683,716</u>	\$ <u>7,895,916</u>

CITY OF PHARR, TEXAS
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Final
	Original	Final	Budget	Variance
			Basis	Budget Basis
REVENUES				
Taxes:				
Current Taxes	\$ 3,993,100	\$ 3,993,100	\$ 4,506,799	\$ 513,699
Delinquent Taxes	80,000	80,000	91,853	11,853
Interest & Penalty	50,000	50,000	88,321	38,321
Interest Earn	86,200	86,200	52,683	(33,517)
Total revenues	<u>4,209,300</u>	<u>4,209,300</u>	<u>4,739,655</u>	<u>530,355</u>
EXPENDITURES				
Current:				
Interest Payment	2,368,900	2,368,900	2,668,711	(299,811)
Principal Payment	5,271,300	5,271,300	5,197,924	73,376
Total expenditures	<u>7,640,200</u>	<u>7,640,200</u>	<u>7,866,635</u>	<u>(226,435)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(3,430,900)</u>	<u>(3,430,900)</u>	<u>(3,126,979)</u>	<u>756,790</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	3,430,900	3,430,900	3,430,900	-
Transfers out	-	-	-	-
Total other financing sources and uses	<u>3,430,900</u>	<u>3,430,900</u>	<u>3,430,900</u>	<u>-</u>
Net change in fund balance	-	-	303,921	756,790
Fund balance - beginning	-	-	627,459	-
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 931,380</u>	<u>\$ 756,790</u>

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, 2020

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Taxes:					
	Property	\$ 578,400	\$ 578,000	\$ 552,772	\$ (25,228)
Interest Income		-	-	6,383	6,383
	Total revenues	<u>578,400</u>	<u>578,000</u>	<u>559,154</u>	<u>(18,846)</u>
EXPENDITURES					
Current:					
	General Government	-	-	-	-
	Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues					
over (under) expenditures		<u>578,400</u>	<u>578,000</u>	<u>559,154</u>	<u>(18,846)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		-	-	-	-
Transfers out		-	-	-	-
Bond/loan proceeds		-	-	-	-
	Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance		578,400	578,000	559,154	(18,846)
Fund balance - beginning		937,410	937,410	937,410	-
Prior Year Adjustment		-	-	154,844	154,844
Fund balance - ending		<u>\$ 1,515,810</u>	<u>\$ 1,515,410</u>	<u>\$ 1,651,408</u>	<u>\$ 135,999</u>

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, 2020

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Taxes:					
	Property	\$ 657,500	\$ 657,500	\$ 610,446	\$ (47,054)
Interest Income		-	-	5,330	5,330
	Total revenues	<u>657,500</u>	<u>657,500</u>	<u>615,776</u>	<u>(41,724)</u>
EXPENDITURES					
Current:					
	General Government	-	-	-	-
	Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues					
over (under) expenditures		<u>657,500</u>	<u>657,500</u>	<u>615,776</u>	<u>(41,724)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		-	-	-	-
Transfers out		-	-	-	-
Bond/loan proceeds		-	-	-	-
	Total other financing sources and uses	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net change in fund balance		657,500	657,500	615,776	(41,724)
Fund balance - beginning		888,711	888,711	888,711	-
Prior Year Adjustment		-	-	148,445	148,445
Fund balance - ending		<u>\$ 1,546,211</u>	<u>\$ 1,546,211</u>	<u>\$ 1,652,932</u>	<u>\$ 106,720</u>

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.

Event Center: is used to account for the City's event center. The Event Center serves as a promotional tourism attraction to the City.

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

CITY OF PHARR, 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, 2020

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Water Sales	\$ 8,895,000	8,895,000	8,860,079	\$ 34,921
Sewer Fees	6,467,700	6,467,700	6,965,740	(498,040)
Tap Fees	215,700	215,700	327,164	(111,464)
Other	140,100	140,100	55,297	84,803
Total operating revenues	<u>15,718,500</u>	<u>15,718,500</u>	<u>16,208,280</u>	<u>(489,780)</u>
OPERATING EXPENSES				
Personnel services	4,109,700	4,198,800	3,804,667	(394,133)
Supplies and Materials	1,542,300	1,592,300	1,675,938	83,638
Contractual Services	4,230,300	5,064,100	3,617,580	(1,446,520)
Depreciation	-	-	5,141,912	5,141,912
Total operating expenses	<u>9,882,300</u>	<u>10,855,200</u>	<u>14,240,096</u>	<u>3,384,896</u>
Operating income (loss)	<u>5,836,200</u>	<u>4,863,300</u>	<u>1,968,184</u>	<u>2,895,116</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	148,900	148,900	111,065	37,835
Interest expense	(1,307,000)	(1,307,000)	(1,308,483)	1,483
Amortization expense	-	-	363,824	(363,824)
Intergovernmental	-	-	4,880,421	(4,880,421)
Other	(39,108,200)	(39,108,200)	17,365	(39,125,565)
Issuance of Debt	30,000,000	30,000,000	-	30,000,000
Issuance cost	-	-	(269,780)	269,780
Total nonoperating revenues/				
(expenses)	<u>(10,266,300)</u>	<u>(10,266,300)</u>	<u>3,794,412</u>	<u>(14,060,712)</u>
Income before contributions				
and transfers	<u>(4,430,100)</u>	<u>(5,403,000)</u>	<u>5,762,596</u>	<u>11,165,596</u>
Transfers in	-	72,900	2,810,000	2,737,100
Transfers (out)	(567,400)	(567,400)	(571,400)	(4,000)
Capital Contributions	-	-	595,939	595,939
Changes in net position	<u>(4,997,500)</u>	<u>(5,897,500)</u>	<u>8,597,135</u>	<u>14,494,635</u>
Total net position - beginning	-	-	92,980,419	92,980,419
Prior period adjustment	-	-	(30,600)	(30,600)
Total net position - ending	\$ <u>(4,997,500)</u>	\$ <u>(5,897,500)</u>	\$ <u>101,546,954</u>	\$ <u>107,444,454</u>

CITY OF PHARR, TEXAS
EVENT CENTER
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Other	\$ 375,600	\$ 210,100	\$ 252,452	\$ 42,352
Total operating revenues	<u>375,600</u>	<u>210,100</u>	<u>252,452</u>	<u>42,352</u>
OPERATING EXPENSES				
Personnel services	401,100	380,700	358,340	22,360
Supplies and Materials	122,300	114,700	106,405	8,295
Contractual Services	153,500	153,500	129,129	24,371
Depreciation	-	-	91,046	(91,046)
Total operating expenses	<u>676,900</u>	<u>648,900</u>	<u>684,920</u>	<u>(36,020)</u>
Operating income (loss)	<u>(301,300)</u>	<u>(438,800)</u>	<u>(432,468)</u>	<u>6,332</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	-	-	1,157	1,157
Total nonoperating revenues/(expenses)				
Income before contributions and transfers	<u>(301,300)</u>	<u>(438,800)</u>	<u>(431,311)</u>	<u>7,489</u>
Transfers in	<u>342,600</u>	<u>351,800</u>	<u>393,481</u>	<u>41,681</u>
Changes in net position	41,300	(87,000)	(37,830)	49,170
Total net position - beginning	-	-	3,610,509	3,610,509
Prior period adjustment	-	-	(16,269)	(16,269)
Total net position - ending	<u>\$ 41,300</u>	<u>\$ (87,000)</u>	<u>\$ 3,556,410</u>	<u>\$ 3,643,410</u>

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, 2020

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Toll fees	\$ 14,853,900	\$ 14,853,900	\$ 14,367,657	\$ (486,243)
Other	249,200	249,200	227,718	(21,482)
Total operating revenues	<u>15,103,100</u>	<u>15,103,100</u>	<u>14,595,374</u>	<u>(507,726)</u>
OPERATING EXPENSES				
Personnel services	1,132,800	1,419,800	1,303,035	116,765
Supplies and Materials	276,000	256,000	156,958	99,042
Contractual Services	3,608,400	3,628,400	1,843,433	1,784,967
Depreciation	-	-	820,228	(820,228)
Total operating expenses	<u>5,017,200</u>	<u>5,304,200</u>	<u>4,123,654</u>	<u>1,180,546</u>
Operating income (loss)	<u>10,085,900</u>	<u>9,798,900</u>	<u>10,471,720</u>	<u>(672,820)</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	102,300	102,300	48,897	53,403
Interest expense	(141,800)	(141,800)	(119,521)	261,321
Amortization expense	-	-	22,592	22,592
Intergovernmental	-	-	112,085	112,085
Total nonoperating revenues/(expenses)	<u>(39,500)</u>	<u>(39,500)</u>	<u>64,053</u>	<u>(449,400)</u>
Income before contributions and transfers	<u>10,046,400</u>	<u>9,759,400</u>	<u>10,535,774</u>	<u>(776,374)</u>
Transfers in	-	25,000	1,920,000	1,895,000
Transfers (out)	(10,277,100)	(10,478,100)	(9,592,100)	886,000
Debt Proceeds	<u>(15,550,200)</u>	<u>(15,550,200)</u>	<u>-</u>	<u>(15,550,200)</u>
Changes in net position	<u>(15,780,900)</u>	<u>(16,243,900)</u>	<u>2,863,674</u>	<u>(13,545,574)</u>
Total net position - beginning	-	-	22,226,069	22,226,069
Prior period adjustment	-	-	37,299	37,299
Total net position - ending	<u>\$ (15,780,900)</u>	<u>\$ (16,243,900)</u>	<u>\$ 25,127,042</u>	<u>\$ 8,717,794</u>

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, 2020

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Golf Services	\$ 721,000	\$ 721,000	\$ 723,745	\$ (2,745)
Other	95,000	95,000	72,628	22,372
Total operating revenues	<u>816,000</u>	<u>816,000</u>	<u>796,373</u>	<u>19,627</u>
OPERATING EXPENSES				
Personnel services	862,100	893,000	771,059	121,941
Supplies and Materials	244,500	198,300	150,941	47,359
Contractual Services	165,000	211,200	303,379	(92,179)
Depreciation	-	-	214,034	(214,034)
Total operating expenses	<u>1,271,600</u>	<u>1,302,500</u>	<u>1,439,413</u>	<u>(136,913)</u>
Operating income (loss)	<u>(455,600)</u>	<u>(486,500)</u>	<u>(643,040)</u>	<u>156,540</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	11,800	11,800	9,915	1,885
Interest expense	<u>(128,300)</u>	<u>(128,300)</u>	<u>(6,837)</u>	<u>(121,463)</u>
Total nonoperating revenues/				
(expenses)	<u>(116,500)</u>	<u>(116,500)</u>	<u>3,079</u>	<u>(119,579)</u>
Income before contributions				
and transfers	<u>(572,100)</u>	<u>(603,000)</u>	<u>(639,961)</u>	<u>36,961</u>
Transfers in	<u>572,100</u>	<u>600,000</u>	<u>530,637</u>	<u>69,363</u>
Changes in net position	-	(3,000)	(109,324)	(106,324)
Total net position - beginning			3,606,800	3,606,800
Total net position - ending	\$ <u>-</u>	\$ <u>(3,000)</u>	\$ <u>3,497,476</u>	\$ <u>3,500,476</u>

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.

CITY OF PHARR, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2020

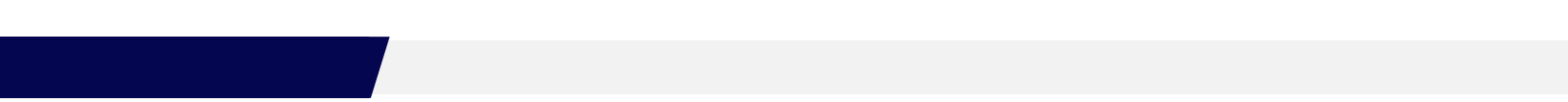
	<u>City Garage</u>
<u>ASSETS</u>	
Current assets:	
Cash	\$ 65,901
Inventories	61,416
Restricted assets:	
Cash with Fiscal Agent	-
Total current assets	<u>127,318</u>
Noncurrent assets:	
Capital assets (net of accumulated: depreciation):	
Buildings	336,083
Total capital assets, net of accumulated depreciation	<u>336,083</u>
Total noncurrent assets	<u>336,083</u>
Total assets	<u>463,401</u>
<u>LIABILITIES</u>	
Current liabilities:	
Accounts payable	29,676
Due to other funds	<u>29,260</u>
Total current liabilities	<u>58,937</u>
Current liabilities payable from restricted assets:	
Matured accrued compensation	9,467
Total current liabilities payable from restricted assets	<u>9,467</u>
Noncurrent liabilities:	
Accrued compensation	28,400
Capital lease payable	<u>2,665</u>
Total noncurrent liabilities	<u>31,065</u>
Total liabilities	<u>99,468</u>
<u>NET POSITION</u>	
Net assets:	
Invested in capital assets, net of related debt	336,083
Unrestricted	<u>27,850</u>
Total net position	<u>\$ 363,933</u>

CITY OF PHARR, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	City Garage
Operating revenues:	
Charges for sales and services:	751,738
Other	\$ -
Total operating revenues	<u>751,738</u>
Operating expenses:	
Personnel services	210,577
Contractual Services	525,719
Depreciation	15,252
Total operating expenses	<u>751,548</u>
Operating income (loss)	<u>189</u>
Nonoperating revenues (expenses):	
Interest expense	<u>(189)</u>
Total nonoperating revenues (expenses)	<u>(189)</u>
Income before contributions and transfers	<u>-</u>
Changes in net position	<u>-</u>
Total net position- beginning	363,553
Prior period adjustment	380
Total net position - ending	\$ <u><u>363,933</u></u>

CITY OF PHARR, TEXAS
INTERNAL SERVICE FUNDS
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2020

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Other	\$ 851,000	\$ 851,000	\$ 751,738	\$ (99,262)
Total operating revenues	<u>851,000</u>	<u>851,000</u>	<u>751,738</u>	<u>(99,262)</u>
OPERATING EXPENSES				
Personnel services	210,900	210,900	210,577	323
Supplies and Materials	20,500	20,500	6,183	14,317
Contractual Services	611,300	611,300	519,536	91,764
Depreciation	-	-	15,252	(15,252)
Total operating expenses	<u>842,700</u>	<u>842,700</u>	<u>751,548</u>	<u>91,152</u>
Operating income (loss)	<u>8,300</u>	<u>8,300</u>	<u>189</u>	<u>(190,414)</u>
NON OPERATING REVENUES/(EXPENSES):				
Interest expense	(200)	(200)	(189)	(11)
Total nonoperating revenues/	<u>(200)</u>	<u>(200)</u>	<u>(189)</u>	<u>(11)</u>
(expenses)				
Income before contributions				
and transfers	<u>8,100</u>	<u>8,100</u>	<u>-</u>	<u>(190,425)</u>
Changes in net position	<u>8,100</u>	<u>8,100</u>	<u>-</u>	<u>(190,425)</u>
Total net position - beginning	454,436	454,436	454,436	-
Prior period adjustment	-	-	-	-
Total net position - ending	<u>\$ 462,536</u>	<u>\$ 462,536</u>	<u>\$ 454,436</u>	<u>\$ (190,425)</u>



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. -138-

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax. -143-

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. -147-

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 -152-

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. -152-

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

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Governmental activities										
Net Invested in capital assets	\$ 36,205	\$ 36,205	\$ 39,362	\$ 64,274	\$ 62,451	\$ 69,610	\$ 76,686	\$ 72,654	\$ 79,387	\$ 76,805
Restricted	7,159	23,652	35,796	15,012	18,454	23,585	21,655	31,783	31,481	43,118
Unrestricted	16,463	18,274	8,032	8,951	1,170	2,224	5,954	7,129	3,784	9,776
Total governmental activities net position	<u>\$ 59,827</u>	<u>\$ 78,131</u>	<u>\$ 83,190</u>	<u>\$ 88,237</u>	<u>\$ 82,075</u>	<u>\$ 95,420</u>	<u>\$ 104,295</u>	<u>\$ 111,566</u>	<u>\$ 114,652</u>	<u>\$ 129,699</u>
Business-type activities										
Net Invested in capital assets	\$ 82,300	\$ 82,757	\$ 86,011	\$ 85,304	\$ 88,401	\$ 91,942	\$ 95,760	\$ 98,709	\$ 103,809	\$ 74,496
Restricted	10,195	8,529	21,394	18,996	19,603	16,647	13,158	10,459	8,044	42,496
Unrestricted	12,435	15,940	6,013	10,276	10,280	5,994	5,938	10,049	10,570	16,735
Total business-type activities net position	<u>\$ 104,930</u>	<u>\$ 107,226</u>	<u>\$ 113,418</u>	<u>\$ 114,576</u>	<u>\$ 118,283</u>	<u>\$ 114,583</u>	<u>\$ 114,855</u>	<u>\$ 119,217</u>	<u>\$ 122,423</u>	<u>\$ 133,727</u>
Primary government										
Net Invested in capital assets	\$ 118,505	\$ 118,962	\$ 125,374	\$ 149,577	\$ 150,852	\$ 161,552	\$ 172,445	\$ 171,363	\$ 183,197	\$ 151,302
Restricted	17,354	32,181	57,191	34,008	38,056	40,232	34,813	42,242	39,525	85,614
Unrestricted	28,898	34,214	14,044	19,227	11,450	8,218	11,892	17,178	14,534	26,511
Total primary government net position	<u>\$ 164,757</u>	<u>\$ 185,357</u>	<u>\$ 196,609</u>	<u>\$ 202,813</u>	<u>\$ 200,358</u>	<u>\$ 210,002</u>	<u>\$ 219,150</u>	<u>\$ 230,783</u>	<u>\$ 237,256</u>	<u>\$ 263,427</u>

City of Pharr, Texas
Changes in Net Position
Last Ten Fiscal Years¹
(Accrual Basis of Accounting)
(Amount expressed in thousands)

Expenses	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Governmental activities:										
General government	\$ 10,917	\$ 16,251	\$ 9,970	\$ 12,144	\$ 11,091	\$ 12,359	\$ 12,265	\$ 16,369	\$ 13,205	\$ 22,680
Public safety	21,546	22,427	22,700	21,355	20,581	20,175	25,261	23,813	26,572	20,473
Streets	3,757	4,490	5,330	4,903	7,826	7,834	8,748	1,481	5,242	5,140
Sanitation	2,749	2,699	1,880	2,867	2,636	1,518	647	3,014	3,080	3,019
Culture and recreation	3,239	4,133	4,306	6,155	5,530	5,790	5,358	5,607	7,420	13,952
Economic development	-	-	8,085	2,590	1,679	3,119	3,445	5,467	4,425	5,303
Debt service	736	1,293	1,926	1,800	1,629	1,182	1,810	2,192	2,973	2,958
Total governmental activities expenses	<u>42,944</u>	<u>51,293</u>	<u>54,196</u>	<u>51,814</u>	<u>50,973</u>	<u>51,978</u>	<u>57,535</u>	<u>57,943</u>	<u>62,917</u>	<u>73,525</u>
Business-type activities:										
Utility	10,382	11,829	12,241	13,619	14,069	13,981	14,908	13,319	13,582	15,184
Pharr Event Center	-	-	-	-	727	808	776	769	824	685
Toll Bridge	3,082	3,137	3,413	4,822	3,905	3,725	3,768	4,037	4,118	4,221
Tierra Del Sol Golf Course	1,236	1,110	1,279	1,394	1,428	1,338	1,337	1,415	1,536	1,446
Total business-type activities expenses	<u>14,700</u>	<u>16,076</u>	<u>16,933</u>	<u>19,836</u>	<u>20,128</u>	<u>19,851</u>	<u>20,788</u>	<u>19,540</u>	<u>20,060</u>	<u>21,536</u>
Total primary government expenses	<u>\$ 57,644</u>	<u>\$ 67,369</u>	<u>\$ 71,128</u>	<u>\$ 71,650</u>	<u>\$ 71,101</u>	<u>\$ 71,829</u>	<u>\$ 78,323</u>	<u>\$ 77,483</u>	<u>\$ 82,977</u>	<u>\$ 95,061</u>
Program Revenues										
Governmental activities:										
Charges for services:										
General government	1,962	\$ 2,014	\$ 1,980	\$ 1,646	\$ 1,431	\$ 2,074	\$ 1,989	\$ 4,210	\$ 3,712	\$ 1,949
Public Safety	1,184	1,180	1,210	1,355	1,607	2,953	2,576	-	447	3,180
Streets	782	807	878	859	1,008	1,026	1,048	472	512	1,782
Sanitation	3,560	3,585	3,658	3,825	3,924	4,018	4,079	4,095	4,248	4,226
Culture and recreation	257	665	579	1,629	582	409	436	390	391	318
Economic development	-	-	-	648	-	-	1,610	-	-	2,116
Debt service	-	-	-	-	-	-	-	-	-	-
Operating grants and contributions	3,451	6,221	9,493	3,132	2,568	3,289	3,784	1,014	-	12,392
Capital grants and contributions	25	59	1,111	1,435	1,477	222	59	2,170	1,911	7,259
Total governmental activities program revenues	<u>11,221</u>	<u>14,531</u>	<u>18,910</u>	<u>14,529</u>	<u>12,597</u>	<u>13,991</u>	<u>15,580</u>	<u>12,351</u>	<u>11,221</u>	<u>33,222</u>
Business-type activities:										
Charges for services:										
Utility	13,553	13,814	13,977	13,670	12,980	13,751	14,462	13,952	13,956	16,208
Boggus Ford Event Center	-	-	-	-	434	617	518	341	419	252
Toll Bridge	10,415	11,002	11,915	12,572	12,781	13,438	13,905	13,978	14,341	14,595
Tierra Del Sol Golf Course	812	776	597	786	781	810	876	801	796	796
Operating grants and contributions	-	17	314	-	-	1,812	-	-	-	-
Capital grants and contributions	548	316	1,686	919	3,339	842	2,300	2,776	1,911	5,589
Total business-type activities program revenues	<u>25,328</u>	<u>25,926</u>	<u>28,489</u>	<u>27,948</u>	<u>30,315</u>	<u>31,270</u>	<u>32,061</u>	<u>31,848</u>	<u>31,423</u>	<u>37,440</u>
Total primary government program revenues	<u>36,549</u>	<u>\$ 40,456</u>	<u>\$ 47,398</u>	<u>\$ 42,477</u>	<u>\$ 42,912</u>	<u>\$ 45,261</u>	<u>\$ 47,641</u>	<u>\$ 44,199</u>	<u>\$ 42,644</u>	<u>\$ 70,662</u>
Net (expense)/revenue										
Governmental activities	<u>(31,723)</u>	<u>\$ (36,762)</u>	<u>\$ (35,286)</u>	<u>\$ (37,286)</u>	<u>\$ (38,375)</u>	<u>\$ (37,987)</u>	<u>\$ (41,955)</u>	<u>\$ (45,592)</u>	<u>\$ (51,696)</u>	<u>\$ (40,303)</u>
Business-type activities	<u>10,628</u>	<u>9,850</u>	<u>11,556</u>	<u>8,112</u>	<u>10,186</u>	<u>11,419</u>	<u>11,273</u>	<u>12,308</u>	<u>11,363</u>	<u>15,904</u>
Total primary government net expense	<u>(21,095)</u>	<u>\$ (26,913)</u>	<u>\$ (23,730)</u>	<u>\$ (29,174)</u>	<u>\$ (28,189)</u>	<u>\$ (26,568)</u>	<u>\$ (30,681)</u>	<u>\$ (33,284)</u>	<u>\$ (40,333)</u>	<u>\$ (24,399)</u>
General Revenues and Other Changes in Net Assets										
Governmental activities:										
Taxes										
Property taxes	14,984	\$ 15,221	\$ 15,186	\$ 15,812	\$ 16,728	\$ 17,186	\$ 17,875	\$ 19,688	\$ 20,759	\$ 23,977

Sales taxes	11,838	12,801	13,079	14,557	16,311	16,781	17,082	19,376	21,668	22,087
Other Taxes	2,844	2,232	3,129	3,129	3,605	3,457	3,565	5,534	2,536	2,722
Investment earnings	440	415	473	401	314	89	241	417	562	255
Grants, Donations, and Miscellaneous	763	1,048	421	198	-	1,763	1,546	721	152	300
Transfers	7,214	6,702	6,317	7,682	10,758	11,300	11,175	8,445	8,354	4,509
Total governmental activities	<u>38,083</u>	<u>38,420</u>	<u>38,605</u>	<u>41,780</u>	<u>47,717</u>	<u>50,576</u>	<u>51,484</u>	<u>54,181</u>	<u>54,031</u>	<u>53,850</u>
Business-type activities:										
Investment earnings	795	705	848	848	486	67	112	259	283	171
Grants, Donations, and Miscellaneous	135	22	21	21	65	7	30	5	1	17
Water Relief Program	-	-	-	-	-	(3,750)	-	-	-	-
Cost of Issuance	-	-	-	-	-	-	-	-	-	(269)
Transfers	-	(6,702)	(6,466)	(7,849)	(11,020)	(11,683)	(11,175)	(8,445)	(8,354)	(4,509)
Total business-type activities	<u>930</u>	<u>(5,975)</u>	<u>(5,598)</u>	<u>(6,981)</u>	<u>(10,469)</u>	<u>(15,359)</u>	<u>(11,033)</u>	<u>(8,181)</u>	<u>(8,070)</u>	<u>(4,590)</u>
Total primary government	<u>39,013</u>	<u>\$ 32,445</u>	<u>\$ 33,008</u>	<u>\$ 34,799</u>	<u>\$ 37,248</u>	<u>\$ 35,217</u>	<u>\$ 40,451</u>	<u>\$ 46,000</u>	<u>\$ 45,961</u>	<u>\$ 49,260</u>
Change in Net Position										
Governmental activities	6,360	\$ 1,658	\$ 3,320	\$ 4,494	\$ 9,342	\$ 12,589	\$ 9,530	\$ 7,374	\$ 2,336	\$ 13,547
Business-type activities	<u>4,344</u>	<u>3,875</u>	<u>5,958</u>	<u>1,131</u>	<u>(283)</u>	<u>(3,940)</u>	<u>240</u>	<u>4,127</u>	<u>3,293</u>	<u>11,314</u>
Total primary government	<u>10,704</u>	<u>\$ 5,532</u>	<u>\$ 9,278</u>	<u>\$ 5,625</u>	<u>\$ 9,059</u>	<u>\$ 8,649</u>	<u>\$ 9,770</u>	<u>\$ 11,501</u>	<u>\$ 5,629</u>	<u>\$ 24,861</u>

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

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
General Fund										
Reserved, Nonspendable, Restricted	\$ 3,354	\$ 20,807	\$ 10,752	\$ 12,879	\$ 12,841	\$ 13,573	\$ 16,422	\$ 12,634	\$ 14,411	\$ 18,992
Unreserved, undesignated, unassigned	5,809	748	3,593	219	794	5,839	6,333	3,218	4,560	4,237
Designated, Committed, Assigned	8,054	9,046	-	-	-	-	-	8,010	5,876	5,821
Total general fund	<u>\$ 17,217</u>	<u>\$ 30,601</u>	<u>\$ 14,346</u>	<u>\$ 13,098</u>	<u>\$ 13,636</u>	<u>\$ 19,413</u>	<u>\$ 22,755</u>	<u>\$ 23,862</u>	<u>\$ 24,847</u>	<u>\$ 29,050</u>
 All other governmental funds										
Reserved, Nonspendable,	\$ -	\$ (1,611)	\$ 1,212	\$ 1,677	\$ 2,405	\$ 3,052	\$ 3,145	\$ 3,074	\$ 2,365	\$ 2,419
Restricted, reported in:				-						
Special revenue funds	387	1,339	-	-	-	-	-	4,066	5,913	4,618
Debt service fund	63	20	-	-	-	-	-	-	627	931
Economic Development fund	3,197	3,085	20,014	23,094	12,169	12,816	12,869	3,320	1,923	10,656
Unreserved, unassigned, reported in:										
Special revenue funds	(2,929)	-	-	-	-	-	-	-	-	-
Capital projects funds	-	-	11,747	8,349	10,459	23,198	15,690	24,965	23,229	27,686
Debt service funds	-	-	37	157	317	203	251	676	-	-
Economic Development	-	-	-	-	-	-	-	-	2,885	-
Assigned	1,943	17,392	-	-	-	-	-	-	-	-
Total all other governmental funds	<u>\$ 2,661</u>	<u>\$ 20,224</u>	<u>\$ 33,009</u>	<u>\$ 33,278</u>	<u>\$ 25,350</u>	<u>\$ 39,269</u>	<u>\$ 31,955</u>	<u>\$ 36,101</u>	<u>\$ 36,942</u>	<u>\$ 46,310</u>
 Total governmental fund balances	<u>\$ 19,878</u>	<u>\$ 50,825</u>	<u>\$ 47,355</u>	<u>\$ 46,376</u>	<u>\$ 38,986</u>	<u>\$ 58,681</u>	<u>\$ 54,709</u>	<u>\$ 59,963</u>	<u>\$ 61,789</u>	<u>\$ 75,360</u>

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

	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Revenues										
Taxes	\$ 29,814	\$ 31,391	\$ 31,504	\$ 33,978	\$ 36,550	\$ 37,335	\$ 38,434	\$ 44,716	\$ 44,983	\$ 48,780
Licenses and permits	762	664	818	762	681	734	657	722	808	966
Intergovernmental	3,451	6,221	9,521	4,468	2,964	3,289	3,784	1,015	4,037	19,652
Charges for services	5,010	5,525	5,778	6,326	5,933	6,048	6,332	6,718	6,374	6,224
Fines	914	977	936	1,086	1,178	1,309	1,641	1,068	798	550
Investment earnings	440	415	474	401	314	89	241	417	562	256
Miscellaneous	375	692	644	945	368	1,218	12,571	1,191	2,062	2,945
Total Revenues	40,766	45,885	49,675	47,966	47,988	50,023	63,661	55,847	59,624	79,373
Expenditures										
General government	14,398	13,336	10,337	11,933	10,784	11,498	11,037	16,384	12,218	22,055
Public safety	19,963	22,058	22,253	21,439	19,456	21,930	23,572	26,603	28,400	20,527
Highways and streets	4,404	7,401	7,056	5,012	8,412	11,107	13,846	8,764	8,696	10,337
Health and Welfare	2,555	2,654	2,371	2,758	2,808	2,694	2,408	2,853	2,857	2,823
Culture and recreation	6,010	5,524	12,999	6,346	4,867	5,439	7,926	12,253	19,032	24,849
Economic development	1,538	2,677	1,163	2,775	1,698	2,720	3,340	8,690	4,717	4,481
Debt service - Principal	1,635	2,588	9,339	7,811	7,994	15,162	17,161	12,046	8,622	10,298
Debt service - Interest	712	1,156	1,750	1,866	1,636	1,267	2,052	2,393	3,222	3,357
Total expenditures	51,215	57,393	67,269	59,940	57,655	71,817	81,342	89,986	87,764	98,727
Excess of revenues over (under) expenditures	(10,449)	(11,508)	(17,594)	(11,974)	(9,667)	(21,793)	(17,681)	(34,139)	(28,140)	(19,354)
Other financing sources (uses)										
Transfers in	11,615	42,210	34,633	19,662	21,849	35,719	20,787	37,389	33,431	16,305
Transfers out	(4,393)	(35,508)	(28,316)	(11,981)	(11,090)	(24,419)	(9,612)	(29,503)	(25,077)	(11,796)
Proceeds from sale of assets	805	120	551	198	(953)	642	-	-	-	-
Other Contributions	-	-	-	-	-	-	(9,900)	-	-	-
Issuance of debt	2,372	30,572	14,306	2,381	480	29,739	11,366	31,810	19,430	26,945
Total other financing sources (uses)	10,399	37,395	21,175	10,260	10,286	41,680	12,641	39,696	27,784	31,454
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	\$ (50)	\$ 25,887	\$ (2,790)	\$ (1,714)	\$ (7,010)	\$ 19,887	\$ (3,475)	\$ 5,201	\$ (356)	\$ 12,100
Debt service as a percentage of noncapital expenditures	4.8%	7.0%	19.7%	19.3%	20.1%	29.7%	30.9%	19.1%	15.6%	16.1%

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

<u>Fiscal Year Ended</u>	<u>Tax Year</u>	<u>Residential Property</u>	<u>Commercial Property</u>	<u>Industrial Property</u>	<u>Minerals</u>	<u>Other</u>	<u>Total Assessed</u>	<u>Less: Ag Loss &Tax Exempt Real Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value¹ as a Percentage of Actual Value</u>
2011	2010	\$ 1,903,835	\$ 561,456	\$ 14,999	\$ 16,865	\$ 265,722	\$ 2,762,876	\$ 591,022	\$ 2,171,854	\$ 0.68	\$ 2,171,854	127.21%
2012	2011	\$ 1,913,524	\$ 574,336	\$ 13,337	\$ 11,027	\$ 256,980	\$ 2,769,204	\$ 604,760	\$ 2,164,444	\$ 0.68	\$ 2,164,444	127.94%
2013	2012	\$ 1,978,273	\$ 591,866	\$ 12,310	\$ 11,038	\$ 265,359	\$ 2,858,847	\$ 662,530	\$ 2,196,317	\$ 0.68	\$ 2,196,317	130.17%
2014	2013	\$ 1,989,015	\$ 623,074	\$ 12,350	\$ 9,132	\$ 320,085	\$ 2,953,655	\$ 687,001	\$ 2,266,654	\$ 0.68	\$ 2,266,654	130.31%
2015	2014	\$ 2,130,562	\$ 665,903	\$ 12,239	\$ 6,201	\$ 316,074	\$ 3,130,979	\$ 753,721	\$ 2,377,258	\$ 0.68	\$ 2,377,258	131.71%
2016	2015	\$ 2,255,602	\$ 734,905	\$ 11,444	\$ 4,972	\$ 377,209	\$ 3,384,132	\$ 812,816	\$ 2,571,316	\$ 0.65	\$ 2,571,316	131.61%
2017	2016	\$ 2,302,343	\$ 826,519	\$ 11,971	\$ 3,175	\$ 374,763	\$ 3,518,771	\$ 827,461	\$ 2,691,310	\$ 0.65	\$ 2,691,310	130.75%
2018	2017	\$ 2,384,074	\$ 951,399	\$ 12,021	\$ 5,914	\$ 385,546	\$ 3,738,955	\$ 896,151	\$ 2,842,804	\$ 0.65	\$ 2,842,804	131.52%
2019	2018	\$ 2,561,140	\$ 1,001,555	\$ 11,949	\$ 4,586	\$ 415,996	\$ 3,995,226	\$ 808,535	\$ 3,186,691	\$ 0.65	\$ 3,186,691	125.37%
2020	2019	\$ 2,463,601	\$ 1,081,404	\$ 11,199	\$ 2,812	\$ 464,453	\$ 4,264,978	\$ 803,940	\$ 3,461,038	\$ 0.65	\$ 3,461,038	123.23%

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.

¹Includes tax-exempt property.

City of Pharr, Texas
Property Tax Rates¹ and Tax Levies
Direct and Overlapping² Governments
Last Ten Fiscal Years

Fiscal Year Ending	City of Pharr Tax Rate			Overlapping Tax Rates								
				Drainage District #1			Hidalgo County			P.S.J.A ISD		
	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total	Operating	Debt Service	Total
2011	\$ 0.60	\$ 0.078	\$ 0.68	\$ 0.04	\$ 0.03	\$ 0.07	\$ 0.52	\$ 0.07	\$ 0.59	\$ 1.17	\$ 0.19	\$ 1.36
2012	\$ 0.60	\$ 0.077	\$ 0.68	\$ 0.05	\$ 0.03	\$ 0.08	\$ 0.52	\$ 0.07	\$ 0.59	\$ 1.17	\$ 0.19	\$ 1.36
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

Fiscal Year Ending	Overlapping Tax Rates						Total Direct & Overlapping Rates
	South Texas ISD			South Texas College			
	Operating	Debt Service	Total	Operating	Debt Service	Total	
2011	\$ 0.05	\$ -	\$ 0.05	\$ 0.11	\$ 0.04	\$ 0.15	\$ 2.90
2012	\$ 0.05	\$ -	\$ 0.05	\$ 0.11	\$ 0.04	\$ 0.15	\$ 2.90
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

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

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

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

City of Pharr, Texas
Principal Property Taxpayers
Fiscal Year End 2020 and 2010
(amounts expressed in thousands)

Taxpayer	2020			2010		
	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total Taxable Assessed Value
PTC TX HOLDINGS LLC	\$ 47,059	1	1.36%	\$ -	-	0.00%
AEP TEXAS INC-27H	\$ 45,921	2	1.33%	\$ 5,777	15	0.27%
46TH STREET INVESTORS & PWIP LLC & ROWLAND ENTERPRISES	\$ 31,008	3	0.90%	\$ -	-	0.00%
HEB GOCERY COMPANY LP	\$ 23,628	4	0.68%	\$ -	-	0.00%
WILDER CORPORATION OF DELAWARE	\$ 18,850	5	0.54%	\$ 13,226	3	0.61%
PTC TX HOLDINGS LLC	\$ 15,500	6	0.45%	\$ -	-	0.00%
BISSELL SOUTHWEST DC LEASING LLC	\$ 15,342	7	0.44%	\$ -	-	0.00%
GEAR FOR SPORTS INC.	\$ 14,596	8	0.42%	\$ -	-	0.00%
TX PHARR CASA LLC	\$ 12,237	9	0.35%	\$ -	-	0.00%
FJRS INVESTMENTS LTD	\$ 11,922	10	0.34%	\$ 7,101	9	0.33%
RAPID TRANSPORT	\$ 11,448	11	0.33%	\$ -	-	0.00%
TOYOTA OF PHARR SCION OF PHARR	\$ 11,044	12	0.32%	\$ -	-	0.00%
COSTCO WHOLESALE CORP	\$ 10,819	13	0.31%	\$ -	-	0.00%
COSTCO WHOLESALE CORP	\$ 10,600	14	0.31%	\$ -	-	0.00%
RAY AUDIE E	\$ 10,305	15	0.30%	\$ -	-	0.00%
LCN ATH GULFPORT (MULTI) LLC	\$ 10,177	16	0.29%	\$ -	-	0.00%
AEP TEXAS CENTRAL COMPANY	\$ 9,902	17	0.29%	\$ 11,937	4	0.55%
CLARK KNAPP MOTOR CO LC	\$ 9,632	18	0.28%	\$ -	-	0.00%
PHARR BRIDGE INVESTMENTS COMPANY LP	\$ 9,498	19	0.27%	\$ -	-	0.00%
JPC CENTER LLC	\$ 9,427	20	0.27%	\$ -	-	0.00%
Totals	\$ 338,913		9.8%	\$ 38,041		1.8%
Assessed Taxable Value	\$ 3,461,038			\$ 2,171,854		

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
2011	2010	\$ 14,674	\$ 13,559	92.4%	\$ 706.32	\$ 14,265	97.2%
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%

*Tax Levy including modifications throughout the year

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

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

Fiscal Year	Governmental Activities					Business-Type Activities					Total Primary Government	Percentage of Personal Income ¹	Per Capita ¹
	General Obligation Bonds	Certificates of Obligation	Notes	Capital Leases	Utility & Toll Bridge Bonds/Notes	Capital Leases	Notes						
2011	\$ 15,750	\$ -	\$ -	\$ 2,738	\$ 58,415	\$ 952	\$ -	\$ 77,855	0.04%	\$ 1,106			
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	\$ 2,790	\$ 47,560	\$ 1,540	\$ 6,478	\$ 40,265	\$ 3,249	\$ -	\$ 101,882	0.04%	\$ 1,283			

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

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

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

<u>Fiscal Year</u>	<u>General Obligation Bonds</u>	<u>Percentage of Estimated Actual Taxable Value¹ of Property</u>	<u>Per Capita²</u>
2011	\$ 15,750	0.57%	\$ 223.7
2012	\$ 14,300	0.52%	\$ 197.2
2013	\$ 12,800	0.45%	\$ 176.5
2014	\$ 11,295	0.38%	\$ 154.4
2015	\$ 9,710	0.31%	\$ 132.8
2016	\$ 7,440	0.22%	\$ 97.2
2017	\$ 6,305	0.18%	\$ 81.5
2018	\$ 5,898	0.16%	\$ 74.2
2019	\$ 4,090	0.10%	\$ 51.3
2020	\$ 2,790	0.07%	\$ 35.1

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

¹See the Schedule of Assessed Value and Estimated Actual Value of Taxable Property for property value data.

² Population data can be found in the Schedule of Demographic and Economic Statistics

City of Pharr, Texas
Direct and Overlapping Governmental Activities Debt
As of September 30, 2020
(amounts expressed in thousands)

<u>Governmental Unit</u>	<u>Debt Outstanding</u>	<u>Estimated Percentage Applicable¹</u>	<u>Estimated Share of Overlapping Debt</u>
Debt repaid with property taxes:			
Hidalgo County	\$ 350,540	9.0%	\$ 31,669
Hidalgo Irrigation District #1	\$ 187,783	-	-
South Texas College	\$ 128,815	100.0%	\$ 128,791
South Texas ISD	\$ 3,360	-	-
Pharr, San Juan, Alamo Independent School District	\$ 298,530	14.6%	\$ 43,730
Overlapping debt			<u>\$ 204,190</u>
City of Pharr direct debt	\$ 186,277	100.0%	<u>\$ 186,277</u>
Total direct and overlapping debt			<u><u>\$ 390,467</u></u>

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

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

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

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

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Debt Limit	\$ 276,288	\$ 276,920	\$ 285,885	\$ 295,366	\$ 313,098	\$ 338,412	400,700	448,005	399,523	426,498
Total net debt applicable to limit	15,750	14,300	12,800	11,295	9,710	7,440	6,819	5,898	4,090	2,790
Legal debt margin	\$ 260,538	\$ 262,620	\$ 273,085	\$ 284,071	\$ 303,388	\$ 330,972	\$ 393,881	\$ 442,107	\$ 395,433	\$ 423,708
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%	0.7%

Assesed Value	\$ 3,461,038
Add Back: exempt property	803,940
Total Assessed Value	4,264,978
Debt Limit (10% of total assessed value)	426,498
Debt applocable to limit:	
General obligation bonds	<u>2,790</u>
Legal debt margin	<u>\$ 423,708</u>

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

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

	Water & Sewer Revenue Bonds										
Fiscal Year	Utility Sewer Charges and Other		Less: Operating Expenses		Net Available Revenue		Debt Service		Coverage		
							Principal	Interest			
2011	\$	13,553	\$	6,946	\$	6,607	\$	2,465	\$	1,670	1.60
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

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

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

Fiscal Year	Population¹	Median Household Income	Per Capita Personal Income	Median Age	Education Level in Years of Formal Schooling²	School Enrollment³	Unemployment Rate⁴
2011	70,400	28,000	11,420	27.1	58.1%	31,508	10.7%
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%

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

¹Population data from 2004 to 2007 taken from Planning/Zoning department. 2010 population estimate based on percentage increase of US Census Bureau totals for 2008 and 2009. 2011 population estimate based on percentage increase of US Census Bureau totals for 2009 and 2010. 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.

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

³School Enrollment data includes enrollment for Pharr San Juan and Alamo School District. (As of 12/26/2020)

⁴Unemployment rate as of September 2019. (Source: Workforce Solutions)

* Data Not Available

City of Pharr, Texas
Principal Employers
Fiscal Year Ending 2020 and 2011

2020			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment¹</u>
Pharr-San Juan-Alamo ISD	4,748	1	14.95%
City of Pharr	835	2	2.63%
Maximus	547	3	1.72%
Walmart	376	4	1.18%
Ticketmaster	365	5	1.15%
Atento	360	6	1.13%
VDP Healthcare	333	7	1.05%
HEB Food Stores	290	8	0.91%
Lacks	250	9	0.79%
Home Depot	225	10	0.71%
Total	8,329		26.40%

2011			
<u>Employer</u>	<u>Employees</u>	<u>Rank</u>	<u>Percentage of Total City Employment¹</u>
Pharr-San Juan - Alamo ISD	3,000	1	13.38%
Convergys	1,000	2	4.46%
Valley View ISD	700	3	3.12%
Ticketmaster	600	4	2.68%
VDP Healthcare	500	5	2.23%
City of Pharr	400	6	1.78%
Lack's Valley Stores Ltd	360	7	1.61%
Royal Freight	350	8	1.56%
HEB	300	9	1.34%
Atento Contact US Teleservices	245	10	1.09%
Total	7,455		33.24%

Source: Workforce Solutions Lower RGV

* Information was not tracked to provide stated information.

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

Budgeted Full-time Equivalent Employees as of September 30, 2020

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
GENERAL FUND										
City Manager	7.5	9.5	8.5	15.0	9.0	7.0	8.0	8.0	11.0	12.0
Finance	9.0	14.0	14.0	14.0	12.0	10.0	8.0	8.0	9.0	10.0
Police Department	172.0	174.5	176.5	186.5	178.5	183.0	169.0	169.0	168.0	172.0
Purchasing	0.0	0.0	0.0	0.0	0.0	0.0	2.0	2.0	2.0	4.0
Municipal Court	7.5	7.5	8.0	7.0	8.0	9.0	10.0	10.0	9.0	10.0
Fire Protection	74.0	73.0	78.0	82.0	80.0	80.0	80.0	80.0	83.0	76.0
Public works	49.0	49.0	49.0	48.0	50.0	63.0	53.0	53.0	50.0	47.0
Information Technology	2.5	2.0	5.0	10.0	12.5	19.5	13.5	13.5	14.0	14.5
Media	0.0	0.0	0.0	0.0	0.0	0.0	8.0	8.0	14.0	8.0
Municipal Library	22.5	22.5	23.5	25.0	23.5	27.5	27.5	27.5	30.0	28.0
Grants	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Parks & Recreation	64.3	68.1	62.1	56.8	112.6	31.0	54.0	54.0	53.0	79.0
Communication	0.0	0.0	0.0	0.0	0.0	6.0	23.0	23.0	25.0	27.0
Human Resources	0.0	0.0	0.0	0.0	4.0	6.0	8.0	8.0	7.0	9.0
Development Services	18.5	18.5	20.0	22.5	23.0	23.0	24.0	24.0	23.0	25.0
Engineer	0.0	4.0	5.5	4.5	6.5	7.5	8.5	8.5	7.0	9.5
Total General Fund	433.8	449.6	457.1	479.6	527.9	477.5	499.5	499.5	508.0	534.0
UTILITY FUND										
Administrative	9.0	9.0	9.0	9.0	9.0	9.0	10.0	10.0	10.0	10.0
Water Production	10.0	10.0	13.0	15.0	15.0	15.0	15.0	15.0	15.0	16.0
Water Distribution	24.0	26.5	27.0	30.5	30.5	28.5	32.5	32.5	30.0	36.5
Water Treatment Plant	13.0	17.0	18.0	19.0	19.0	19.0	19.0	19.0	15.0	19.0
Lift Station	1.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Utility Fund	57.0	62.5	67.0	73.5	73.5	71.5	76.5	76.5	70.0	81.5
INTERNAL SERVICE FUND										
Chief Mechanic	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Laborers	3.0	3.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0	4.0
Total Internal Svc Fund	4.0	4.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0	5.0
OTHER										
Director	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
Others	24.0	22.0	22.0	27.0	23.5	23.5	19.0	19.0	21.0	23.5
Total Int'l Bridge	25.0	23.0	23.0	28.0	24.5	24.5	20.0	20.0	22.0	24.5
OTHER										
CDBG	5.5	4.5	3.5	4.0	0.0	0.0	5.0	4.0	3.0	3.0
Golf Course	15.5	15.5	17.0	23.5	20.5	22.0	24.0	24.0	24.0	22.5
Events Center	0.0	6.4	8.0	17.5	18.5	4.0	4.0	4.0	5.0	12.0
Total Other	21.0	26.4	28.5	45.0	45.0	40.5	33.0	32.0	32.0	37.5
GRAND TOTAL	540.8	565.5	580.6	631.1	675.9	619.0	634.0	633.0	637.0	682.5

Source: City of Pharr Budget Reports

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

Function	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Police										
Physical arrests	3,395	3,477	2,197	3,573	2,423	1,805	2,150	3,215	1,596	1,205
Parking & Traffic Violations	10,742	9,654	12,607	12,893	19,628	13,684	12,543	13,523	11,636	12,131
Fire										
Number of calls answered	2,018	1,850	2,491	2,488	2,899	2,926	1,527	1,711	2,714	2,398
Inspections	1,842	2,620	2,263	2,942	2,184	2,675	2,197	2,273	631	1,628
Highways and streets										
Street resurfacing (miles)	9	7	6.44	7.31	1.41	10	8	8	8	6.38
Potholes repaired	4000	1500	545	1297	506	3089	3947	1801	1801	822
International Bridge										
Car Crossings	1,038,430	946,847	937,829	866,328	794,930	865,200	843,452	856,392	677,062	456,470
Truck Crossings	440,705	463,714	485,299	508,180	523,373	548,172	566,918	578,617	623,155	643,396
Culture and recreation										
Pharr Events Center	20	72	60	91	69	160	74	76	54	57
Other Community Center Events	329	703	442	unknown	unkown	382	41	unkown	unkown	unkown
Water										
New connections	428	304	372	256	303	447	425	420	340	696
Water mains breaks	768	~1365	~1625	~1642	~1726	1,410	1,107	1,107	739	739
Average daily consumption (millions of gallons)	6.6 MGD	7.0 MGD	6.9 MGD	7.1 MGD	6.46 MGD	6.7 MGD	5.4 MGD	7 MGD	7.34 MGD	7.34 MGD
Wastewater										
Average daily sewage treatment (thousands of gallons)	4.9 MGD	4.9MGD	4.8 MGD	5.1 MGD	5.2 MGD	4.9 MGD	4.8 MGD	4.57 MGD	4.97 MGD	4.97 MGD

Sources: Various City Departments

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

	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Public Safety										
Police:										
Stations	2	2	2	2	2	2	3	3	3	3
Patrol units	125	62	61	68	68	83	93	98	100	96
Fire stations	3	3	3	3	3	3	3	3	3	3
Highways and streets										
Streets (miles)	214	214	214	214	214	214	214	214	348	348
Streetlights	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown	unknown
Traffic signals	58	61	68	72	75	77	77	77	100	100
Culture and recreation										
Parks Acreage (Developed)	57	79	46	57	57	57	57	57	127	122
Swimming pools	-	-	1	1	1	1	1	1	1	1
Tennis courts	2	2	2	2	2	2	2	2	2	2
Community and Convention Centers	4	4	4	4	4	7	7	7	7	7
Water										
Water mains (miles)	325	~304	~304	~303	~304	~350.84	~356	~356	~351	355
Fire hydrants	1,946	~2,214	~2,214	~2,213	~2,214	~2,563	~2219	~2219	2,665	2,663
Maximum daily capacity (thousands of gallons)	10 MGD	10 MGD	10 MGD	19 MGD	20 MGD	20 MGD	19MGD	19MGD	19MGD	19MGD
Sewer										
Sanitary sewers (miles)	269	267	~267	~266	~267	~273.55	~280	~280	274	275
Storm sewers (miles)	97.2	Unknown	96.63	95.63	95.64	97.34	98	98	97	97
Maximum daily treatment capacity (thousands of gallons)	8 MGD	8 MGD	7.4 MGD	6.4 MGD	7.3 MGD	6.44 MGD	8 MGD	8 MGD	8 MGD	9.52MGD

Sources: Various City Departments

**AUDITOR'S REPORT ON INTERNAL CONTROL
OVER FINANCIAL REPORTING.**



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&
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Oscar R. González
Melissa González

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

To the Honorable Mayor and Members of City Council
City of Pharr, Texas

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, the blended component units, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the City of Pharr, Texas, as of and for the year ended September 30, 2020, and the related notes to the financial statements, which collectively comprise the City of Pharr, Texas's basic financial statements and have issued our report thereon dated March 11, 2021.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Pharr, Texas's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City of Pharr, Texas's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Pharr, Texas's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We did identify a certain deficiency in internal control, described in the accompanying schedule of findings and questioned costs that we consider to be to be a significant deficiency. It is item #2020-001.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Pharr, Texas's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards* and which are described in the accompanying schedule of findings and questioned costs.

City of Pharr, Texas's Response to Findings

City of Pharr, Texas's response to the finding identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Pharr, Texas's response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

A handwritten signature in cursive script that reads "Oscar R. Gonzalez CPA & Associates PLLC".

Oscar R. Gonzalez, CPA & Associates, PLLC
Certified Public Accountants

Pharr, Texas
March 11, 2021

City of Pharr, TX
Schedule of Prior Year Findings
Year Ended September 30, 2020

SUMMARY OF AUDITOR RESULTS – PRIOR FISCAL YEAR

Schedule Reference (2019-001) INTERNAL CONTROL OVER MANAGEMENT OF POLICIES AND PROCEDURES RELATING TO CREDIT CARDS

SIGNIFICANT DEFICIENCY

Criteria: Chapter 9 of the City’s Purchasing Manual establishes policies and procedures related to the use of credit cards. The manual stipulates that usage of the cards is for unforeseen non-routine or emergency purchases, travel related charges, meeting preparation purposes, and for use with vendors that do not accept purchase orders.

Condition: During the audit, we noted heavy monthly usage of the cards for purchases not deemed compliant with the criteria previously specified. Many of the purchases appeared routine in nature. Other issues encountered included; payment of taxes on purchases, payment of tips on meals, or no receipt at all.

Effect: Controls relating to routine purchases were not adhered to, since the purchases were made with credit cards instead of a purchase order. Additionally, historical information regarding vendor activity/transactions was not maintained in the accounting software during the year, since the credit card system oversteps the vendor payment system.

Cause: Departmental supervisory staff were not monitoring purchase activity to ensure that expenditures adhered to established policies and procedures as prescribed by the Purchasing Manual.

Recommendation: City management should implement steps for immediate compliance with Chapter 9 of the Purchasing Manual, in order to foster a stronger system of internal controls.

Current Status: Refer to current year findings

City of Pharr, TX
Schedule of Prior Year Findings
Year Ended September 30, 2020

SUMMARY OF AUDITOR RESULTS – PRIOR FISCAL YEAR

Schedule Reference (2019-001) INTERNAL CONTROL OVER MANAGEMENT OF POLICIES AND PROCEDURES RELATING TO CREDIT CARDS

SIGNIFICANT DEFICIENCY

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Cause: Departmental supervisory staff were not monitoring purchase activity to ensure that expenditures adhered to established policies and procedures as prescribed by the Purchasing Manual.

Recommendation: City management should implement steps for immediate compliance with Chapter 9 of the Purchasing Manual, in order to foster a stronger system of internal controls.

Current Status: Refer to current year findings

City of Pharr, TX
Schedule of Findings and Responses
Year Ended September 30, 2020

II. FINANCIAL STATEMENT FINDINGS

Schedule Reference (2020-001) INTERNAL CONTROL OVER MANAGEMENT OF POLICIES AND PROCEDURES RELATING TO CREDIT CARDS

SIGNIFICANT DEFICIENCY

Criteria: Chapter 9 of the City’s Purchasing Manual establishes policies and procedures related to the use of credit cards. The manual stipulates that usage of the cards is for unforeseen non-routine or emergency purchases, travel related charges, meeting preparation purposes, and for use with vendors that do not accept purchase orders.

Condition: During the audit, we noted ineffective controls for cardholder issuance as it relates to purchase allowability amounts and signature of cardholders documented. Through audit procedures, the listing of active cardholders provided by the Purchasing Director and Finance Department was not complete or accurate when compared to the cardholder listing provided by the banking institution. Furthermore, we note transactional limits for cardholders were not aligned with established policies and procedures set by the City of Pharr.

Through inspection of the Purchasing Manual and inquiry with the Purchasing Director, credit card purchases are authorized for:

- Unforeseen non-routine, charges that are considered an emergency need
- Travel related charges
- Meeting preparation purposes
- Vendors that do not accept PO’s

However, through inspection of the transactions and analytical procedures, the auditor noted ten (10) vendors comprised of 15% of the total expenses for the annual activity. The categories for the top vendors included grocery, hardware, electronics, and office supplies. The auditor concludes the number of transactions and total dollar amount for the vendors to be excessive of the definition of “unforeseen, non-routine” or purchase requirements of emergency needs. Chapter 6 – Emergency Purchases of the Purchasing Manual defines procedures dealing with emergency purchases, including verification qualifies as an emergency purchase as defined in State Law and Local Government Code defined in Chapters 252, 262, and 271.

Top Cardholders*

Cardholder	Annual Dollar Amount	Annual Transactions	Average Transaction Amount
Employee	\$ 101,842	250	\$407.37
Employee	\$ 98,642	384	\$256.88
Employee	\$ 96,589	190	\$508.36
Employee	\$ 95,549	201	\$475.37
Employee	\$ 89,573	586	\$152.85
Employee	\$ 88,657	305	\$290.68
Employee	\$ 86,993	346	\$251.42
Employee	\$ 84,629	288	\$293.85
Employee	\$ 76,647	278	\$275.71
Employee	\$ 75,154	301	\$249.68

Fifty-six (56) cardholders (of total one-hundred twenty-one (121) cardholders) had over 100 transactions; a sum of \$2,665,549* for the fiscal year end.

Total count of transactions for the fiscal year: 13,635
Total dollar amount for the fiscal year: \$3,362,280

Over 700 transactions with transaction dates occurring during the weekend (Saturday and Sunday)

*Transactional statistics in this section was derived after removal of utilities expenses paid with the credit card; payment of utility expenses is allowed through acquisition of a credit card program which provides reward program to the City of Pharr for recurring charges, such as utilities.

Effect: Controls relating to routine purchases were not adhered to, since the purchases were made with credit cards instead of a purchase order. Additionally, historical information regarding vendor activity/transactions was not maintained in the accounting software during the year, since the credit card system oversteps the vendor payment system. Currently, there is no requirement to inventory purchases made by each department to validate purchases made on behalf of the City of Pharr were adequate and maintained within the facilities. Without an inventory process for purchases made, cardholders are not held accountable to physical items purchases and expensed to their related departments. In the past, employees were encouraged the use of credit cards by employees to obtain reward benefits from the banking institution which has caused an excessive amount of purchases which are not emergency, unforeseen or non-routine transactions, as established by the City of Pharr's Purchasing Manual.

The risk that exists with an excessive amount of users includes cardholder's abusing the policy and utilizing the credit card purchase for minimal transactions. Through auditor analytics, it should be noted over three thousand (3,000) transactions have an absolute value of \$30 or less. As all transaction require proper accounting for presentation to the financial statements, the process for identifying business purpose, items purchased, department and fund balance to impact, etc. add pressure to the finance function as their duties are further increased in acquiring the required documentation.

Cause:

Cardholder/ Employees:

Employees have been encouraged by the previous purchasing manager to use of credit cards for purchases to receive reward benefits from the banking institution. Additionally, the ease of use of credit cards for routine transactions has allowed for circumvention of the City of Pharr's policies and procedure, questioning the conduct risk of employees respecting and abiding to set policies and procedures when management is not enforcing its mandate.

Recommendation: City Management should reconsider the intended purpose of utilizing credit cards throughout the City of Pharr. By re-defining the process utilization of credit cards for normal, usual transactions versus emergency purchases, City Management may relieve the departmental burden to the Finance department, lack of controls in the Purchasing department, and employee misconduct as noted through circumvention of the established Purchasing Manual that is currently occurring throughout the City of Pharr. Any purchasing process must include procedures to account for purchases through an inventory management process, where individual departments are held accountable to the requirements set forth by State and Local laws.

Should City Management choose to keep the intended purpose of credit cards as currently established by the Purchasing Manual (unforeseen, emergencies, traveling, etc.), the process should be re-designed to include a strong system of internal controls that are actively monitored and evaluated for effectiveness. This includes training of employees to define the terms of the credit card usage, defining true "emergency" purchases, enforcing transactional and monthly cardholder limits, documenting employee accountability through agreement signatures, implement accountability and internal control responsibilities for each department, establish a centralized location for review of transactions and implement disciplinary actions when employees' actions are not aligned to the Purchasing Manual and departmental policies.

Individual departments:

The City of Pharr does not currently require individual departments to monitor credit card purchase activity to ensure that expenditures adhered to established policies and procedures as prescribed by the Purchasing Manual. The process for reconciling credit card activities to general ledger accounting should include departmental manager's oversight. Purchases should be inventories at the department level, with departmental management attesting to receipt of the item(s).

Purchasing department:

The responsibility of issuing and terminating credit cards, verification of current cardholders, and establishing card limits lies within the Purchasing department. The Purchasing department does not verify cardholder users and limits on a periodic basis. Additionally, issuance of credit cards should be limited throughout the City of Pharr.

Finance department:

In order to account for individual purchases, the Finance department must establish a process for acquiring and retaining the business purpose, receipts, and other documentation for each transaction. Analytical procedures should be performed on a periodic basis to detect and prevent material misstatements arising from excessive use of credit card transactions throughout the City of Pharr. The Finance department is encouraged to work together with other departments, such as the Purchasing department and other areas with high credit card use to design a process of accountability through a holistic approach.

Auditee Response: Refer to corrective action plan.



**1301 E. Hackberry Ave
McAllen, TX 78501**

Region 19 ESC Allied States Cooperative #18-7283 #19-7332
Texas Statewide HUB Certified
CRS# 03-397993-00-6

Office 915.314.0902
www.aisysconsulting.com
TIPS COOP 171001
Buy Board 573-18, 579-19
Region 2 COOP 18-19-40000

City of Pharr
Attn: Jose Pena
118 S. Cage Blvd
Pharr, TX 78577
jose.pena@pharr-tx.gov

**Community Center
Lecture Hall**

BuyBoard Contract #573-18

3/5/2021

**Valid Thru
3/31/2021**

Consultant

Joel Hernandez

joelh@aisysconsulting.com

Estimate

AV5461

MFR	Part Number	Description	Qty	Unit Cost	Total Cost
Extron	60-1515-23	DTP CrossPoint 84 4K IPCP MA 70	1	\$ 11,890.00	\$ 11,890.00
Extron	60-1421-13	HDMI Decorator-Style Tx, White - 230 feet	6	\$ 529.41	\$ 3,176.46
Extron	60-1271-13	DTP HDMI 4K 230 Rx	6	\$ 423.53	\$ 2,541.18
Extron	MC-HD2BK-03H	SLIM LINE HDMI 18G, 4K Ultra HD Cable	5	\$ 10.75	\$ 53.75
Extron	60-1943-01	Sharelink Pro 1100 Wlred & Wireless	1	\$ 1,757.35	\$ 1,757.35
Extron	79-2580-01	Link License	1	\$ 290.00	\$ 290.00
Extron	60-1271-12	DTP HDMI 4K 230 Tx	1	\$ 423.53	\$ 423.53
Extron	60-1531-13	HDMI Decorator-Style Rx, White - 230 feet	3	\$ 617.35	\$ 1,852.05
Covid	MC-HD2BK-03H	SLIM LINE HDMI 18G, 4K Ultra HD Cable	1	\$ 10.75	\$ 10.75
Kramer	VM-16H	1:16 HDMI Distribution Amplifier	1	\$ 1,070.59	\$ 1,070.59
Covid	HDPR-15	15' Premium HDMI Cable	4	\$ 14.50	\$ 58.00
Covid	MC-HD2-10	10' SLIM LINE HDMI 18G, 4K Ultra HD Cable	13	\$ 13.99	\$ 181.87
Covid	MC-HD2-06	6' SLIM LINE HDMI 18G, 4K Ultra HD Cable	10	\$ 12.87	\$ 128.70
C2G	52174	3' Serial RS 232	16	\$ 8.47	\$ 135.52
Chief	MFQUB	Medium Confidence Monitor Cart 2 feet	2	\$ 642.65	\$ 1,285.30
Samsung	QE65T	65-inch Commercial 4K UHD LED LCD Display,	2	\$ 1,765.00	\$ 3,530.00
Extron	22-236-03	Connectivity Spool for Extron Equipment	1	\$ 875.00	\$ 875.00
Extron	101-024-01	Universal RJ-45 Termination Tool	1	\$ 433.82	\$ 433.82
Extron	101-005-02	Shielded RJ-45 Plug Kit for Extron XTP DTP 24 Shielded Twisted Pair Cable	3	\$ 36.76	\$ 110.28
Synnex	FT495A-R5	CAT6 Installation Kit,	1	\$ 498.53	\$ 498.53
Marshall	CV630-IP	Marshall Electronics CV630-IP UHD30 IP PTZ 30x Optical Zoom 8.5mp (1/2.5 Inch) Camera (4.6 135mm) - Black	2	\$ 2,889.71	\$ 5,779.42
Marshall	CV6XX-WM	Wall Mount Kit for CV620, CV612, CV630 Series Cameras (Black)	2	\$ 292.65	\$ 585.30
Marshall	CV620-Cable-06	Controller Cable Connector RS232 to Cat5/6 (RJ45) - Controller Side	1	\$ 36.76	\$ 36.76
Marshall	VS-PTC-200	PTZ Keyboard Controller.	1	\$ 560.22	\$ 560.22

Signature: _____

Date: _____

Position: _____

C2G	43170	150' Cat6 cable	2	\$	78.90	\$	157.80
Extron	60-1594-01	SMP 111 Single Channel Recorder – 32 GB	1	\$	2,991.18	\$	2,991.18
Kantek	KTKMA225	Double Monitor Arm with Desktop Base and Articulating Joints. For 2 Monitor up to 27in and 18 lb	1	\$	82.10	\$	82.10
Marshall	CV620-Cable-07	Controller Cable Connector RS232 to Cat5/6 (RJ45) - Controller Side	1		36.76	\$	36.76
Roland	V-02HD	Roland V-02HD 2 Input Multi-Format HDMI Live Production Video Switcher & Video Mixer	1		761.76	\$	761.76
Kramer	VM-2H2	4K HDMI Distribution Amplifier with HDCP2.2 and HDMI2.0 supp	1		288.25	\$	288.25
Shure	SLXD24D/SM58	DUAL HH SYS W/ BETA58A MIC 558-616MHz	2	\$	1,699.00	\$	3,398.00
Shure	SLXD124/85-J52	COMBO SYS W/ SM58 & WL185 LAV 558-616MHz	2	\$	1,142.00	\$	2,284.00
Radio Design Labs	RDL-DB-XLR3F	XLR 3-pin Female Jack on Decora® Wall Plate	5	\$	25.00	\$	125.00
Canare	L-2B2ATBK-1640	Canare L-2B2AT 2 Conductor Audio Cable 1640ft Roll - Black	1	\$	365.00	\$	365.00
Shure	SM58-CN	Shure handheld microphone with cable	5	\$	16.00	\$	80.00
Extron	60-1760-02	Four Channel Amp, 100 watts at 70 volts	1	\$	1,022.00	\$	1,022.00
Extron	42-141-03	Ceiling - 2' x 2' Drop-In, Xfmr, Pair	5	\$	375.00	\$	1,875.00
Shure	UA845UWB	Antenna Distribution System	1	\$	1,060.00	\$	1,060.00
Shure	UA834WB	UA834 In-Line Antenna Amplifier	2	\$	165.00	\$	330.00
Shure	UA850	50-foot coaxial cable is for use below 1GHz.	1	\$	113.00	\$	113.00
Shure	UA8100	100-foot coaxial cable offers BNC to BNC connection.	1	\$	276.00	\$	276.00
Lowell	100LVC-DW	Lowell 100LVC-DW 100W 100/70/25V	1	\$	51.00	\$	51.00
AiSYS		Single Gang Caddy	1	\$	5.00	\$	5.00
Extron	60-1563-02	Black - Wall Mount	2	\$	1,759.00	\$	3,518.00
Extron	70-1141-23	TLP, TLS Recessed Wall Mount Kit	2	\$	140.00	\$	280.00
Extron	60-1298-01	Four Port Power Injector	1	\$	873.53	\$	873.53
Extron	60-1635-01	Dual-Band AC1200, Ceiling Mount - US	1	\$	433.80	\$	433.80
Middle Atlantic	RKDRAWER-2U-LK	2U Drawer	2	\$	98.25	\$	196.50
Middle Atlantic	DWR-21-22PD	21SP/22D WALLRACK W/PLEXI	1	\$	1,036.00	\$	1,036.00



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 Buy Board 573-18, 579-19
 Region 2 COOP 18-19-40000

Region 19 ESC Allied States Cooperative #18-7283 #19-7332
 Texas Statewide HUB Certified

Middle Atlantic	MDV-DSK	MultiDesk Straight Workstation Series	1	\$ 599.00	\$ 599.00
Middle Atlantic	SS	Middle Atlantice Sliding Drawer	1	\$ 155.00	\$ 155.00
Middle Atlantic	PD-915RV-RN	9 VERT OUTLET 15A RCKMT	2	\$ 185.00	\$ 370.00
NEC	FA025i2-220	NEC LED WALL BUNDLE 220	1	\$ 112,729.00	\$ 112,729.00
AiSYS	AV Care 3- Year Plan		1	\$ 5,900.00	\$ 5,900.00
AiSYS	Integration of Above listed equipment and test BuyBoard for Labor is 579-19		1	\$ 6,000.00	\$ 6,000.00

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Subtotal	\$ 184,657.06
Freight	2,700.00
Tax	-
Total	187,357.06
Terms NET - 30 Days	



Signature: _____ Date: _____ Position: _____



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 9.A.

DATE SUBMITTED: March 11, 2021

MEETING DATE: March 15, 2021

FROM: Imelda Barrera, Assistant City Clerk

DEPARTMENT: Administration

DIRECTOR: Edward Wylie

Agenda Item: Consideration and action, if any, on Interlocal Agreement between City of Pharr, The Lower Rio Grande Valley Development Council and The Rio Grande Valley Metropolitan Planning Organization regarding implementing of the the RGV Bicycle Pedestrian Counter Data Program.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Issue: NA

Fiscal Consideration: NA

Staff Recommendation: NA

Alternatives: NA

Exclude Material from Public Packet? No

Reason: NA

ROUTING:

Imelda Barrera
Karla Saavedra
Patricia Rigney
City Management Office

Created/Initiated - 3/11/2021
Approved - 3/11/2021
Approved - 3/12/2021
Final Approval - 3/12/2021

**INTERLOCAL AGREEMENT BETWEEN THE CITY OF PHARR, TEXAS, THE
LOWER RIO GRANDE VALLEY DEVELOPMENT COUNCIL, AND THE RIO
GRANDE VALLEY METROPOLITAN PLANNING ORGANIZATION
REGARDING IMPLEMENTATION OF THE RGV BICYCLE PEDESTRIAN
COUNTER DATA PROGRAM**

This Interlocal Agreement (the “Agreement”) is entered into by and between the Lower Rio Grande Valley Development Council (“LRGVDC”), Rio Grande Valley Metropolitan Planning Organization (“RGVMPO”), a regional council of government and political subdivision of the State and the City of Pharr, (“City”), a home rule municipality, regarding the implementation of a regional RGV Bicycle Pedestrian Counter Data program under the Interlocal Cooperation Act, Chapter 791, Texas Government Code, as the same may be amended from time to time, to be effective as of the date on which the last Party signs this Agreement (the “Effective Date”). The City, the RGVMPO, and the LRGVDC are collectively referred to herein as the “Parties” and are each a “Party”.

WITNESSETH:

WHEREAS, Chapter 791 of the Texas Government Code, as amended, titled Interlocal Cooperation Contracts, authorizes contracts between political subdivisions for the performance of governmental functions and services;

WHEREAS, bicycle and pedestrian infrastructure ensures the continued quality of life which includes multimodal transportation options, reduces air pollution, contributes to a healthy and active lifestyle, and promotes livable and safe communities; and,

WHEREAS, the Valley Baptist Legacy Foundation is committed to investing in programs in organizations to improve the quality of life and health of the Rio Grande Valley; and,

WHEREAS, the LRGVDC was awarded a grant through the Valley Baptist Legacy Foundation to obtain bicycle pedestrian counters and software with the purpose of collecting and monitoring bicycle and pedestrian empirical data to help understand and improve trail and sidewalk networks; and,

WHEREAS, the Rio Grande Valley Metropolitan Planning Organization (RGVMPO) works with communities in the Rio Grande Valley to plan, develop, and improve the region’s transportation; and,

WHEREAS, the Parties desire to jointly pursue a regional bicycle pedestrian counter project, whereby the LRGVDC and the RGVMPO will develop and implement the project, and City will provide support for the program; and

NOW THEREFORE, in consideration of the mutual covenants and agreements herein contained, the sufficiency of which are acknowledged, and subject to the terms and conditions hereinafter set forth, the Parties agree as follows:

I. Findings

1.1 The recitals set forth above are incorporated herein for all purposes and are found by the Parties to be true and correct. It is further found and determined that the Parties have authorized and approved this Agreement by their respective entities, and that this Agreement will be in full force and effect when executed by all Parties.

II. RESPONSIBILITIES/DUTIES

2.1 LRGVDC will:

- A. Serve as the administrator of the RGV Bicycle Pedestrian Counter Data Program including planning, development, and implementation of a regional program;
- B. Develop and manage a sustainable funding mechanism to support the RGV Bicycle Pedestrian Counter Data Program;
- C. Coordinate the purchase, shipment, and installation of permanent counters;
- D. Provide the necessary insurance and soft costs associated with the project;
- E. Consult with Eco-Counter LLC for system and account errors, and other events;
- F. Enter and manage contracts for the counters and related software/equipment;
- G. Encourage and promote the RGV Bicycle Pedestrian Counter Data Program;
- H. Ensure accurate count data for the region is submitted to the statewide database through the Texas Department of Transportation by the RGVMPPO;
- I. Work directly with RGV Bicycle Pedestrian Counter Data Program partners such as the Rails to Trails Conservancy to monitor, manage, and report all criteria in accord with the requirements of the Valley Baptist Legacy Foundation;
- J. Evaluate the success of this project utilizing the performance measures:
 - 1. Total users;
 - 2. Deployment efficiency;
 - 3. Coordination with TxDOT;
 - 4. Satisfaction from partners; and
 - 5. Meeting goals as identified in the grant application to Valley Baptist Legacy Foundation.

2.2 RGVMPPO will:

- A. Serve as the project manager for the RGV Bicycle Pedestrian Counter Data Program;

- B. Assist partners with the determination of Bicycle Pedestrian counter deployment sites;
- C. Engage and assist the City as a partner with the Bicycle Pedestrian counter site preparation;
- D. Coordinate with the City and LRGVDC for Bicycle Pedestrian counter deployment;
- E. Assist the LRGVDC Business Operations Department with an inventory of equipment;
- F. Publish collected and reviewed data to the publicly available UMAP data site, and other means;
- G. Publish and promote the public data at RGVMPO events;
- H. Prepare and conduct a review of collected data and submit reports to TxDOT on a regular and consistent basis; and
- I. Support partners with the accessibility of bicycle pedestrian counter data for the benefit of commerce, health, transportation, economic and community development, and investment research.

2.3 City will:

Partner with the Lower Rio Grande Valley Development Council and the Rio Grande Valley Metropolitan Planning Organization for the purpose of regionalism, mobility, reinvestment in the community, and social equity. Specific duties as related to this project, public health, and regional multimodal transportation include:

- A. Support the sustainability of the RGV Bicycle Pedestrian Count Data program by contributing an annual cash match based on the funding mechanism to purchase the materials specific to the success of the program;
- B. Assist with bicycle pedestrian counter site selection and accessibility to the site;
- C. Ensure the site preparation for bicycle pedestrian counter installation;
- D. Determine a City staff member who will act as the Point of Contact on behalf of the City in collaborating with the LRGVDC and RGVMPO;
- E. Participate in a training hosted by the LRGVDC to learn how to install the bicycle pedestrian counters;
- F. Install the assigned bicycle pedestrian counters at the agreed upon site;
- G. Provide routine landscaping for the area surrounding the bicycle pedestrian counters ensuring the visibility of the counters is maintained and area is kept free from trash and debris;

- H. Allow the use of City rights-of-way, bike lanes, sidewalks, trails, and other roadway areas designated for bicycle and pedestrian use for the purposes of collecting pedestrian and bicycle user data;
- I. In the event a relocation of bicycle pedestrian counter is requested, approval must be obtained through the LRGVDC and RGVMPO to ensure all logistical requirements are met;
- J. Provide support to the overall multimodal transportation programs within the LRGVDC which includes, but is not limited to the promotion of a regional bikeshare program for the Rio Grande Valley region (RGV BCycle), Valley Metro Regional Public Transportation, and regional trail networks across Cameron and Hidalgo Counties by:
 - a. Commit to participating in the RGV BCycle bikeshare program within 5 years;
 - b. Participate in and collaborate with CaraCara Trails regional network of partners to ensure the seamless connection of all bicycle and pedestrian facilities in the Rio Grande Valley; and
 - c. Collaborate and execute agreement with Valley Metro to ensure the sustainability of public transportation in the City of Pharr through Route 10, 30, 31-1, and 31-2.
- K. Participate in joint planning between the LRGVDC and RGVMPO for the purposes of:
 - a. Facilitating in discussions to ensure a seamless count monitoring process for pedestrians and bicyclists in the Rio Grande Valley;
 - b. Coordinate and communicate all plans for current and future hike and bike trail networks in the Rio Grande Valley;
 - c. Contribute to a reduction in vehicle trips and traffic;
 - d. Encourage new hike and bike trail users;
 - e. Participate in events and activities which support the health, safety, and education to the public for the importance of pedestrian and bicycle initiatives;
 - f. Emphasize the importance of active living and healthy lifestyles; and
 - g. Promote commerce in the Rio Grande Valley region by enhancing access to economic drivers such as hike and bike trails.
- L. Participate in the Community Action Board and associated subcommittees to ensure the cross-sector collaboration for a unified culture of health and wellness in the community.

III. Binding Effect; Benefiting Parties

3.1 This Agreement shall bind and benefit the respective Parties and their legal successors, but shall not otherwise be assignable, in whole or in part, by either Party without first obtaining the written consent of the other Party.

3.2 This Agreement inures to the benefit of and obligates only the Parties. No term or provision of this Agreement shall benefit or obligate any person or entity not a Party to the Agreement. The Parties shall cooperate fully in opposing any attempt by any third person or entity to claim any benefit, protection, release, or other consideration under this Agreement.

IV. Governmental Functions; Liability; No Waiver of Immunity or Defenses

4.1 Notwithstanding any provision to the contrary herein, this Agreement is a contract for and with respect to the performance of governmental functions by governmental entities.

4.1.1 The services provided for herein are governmental functions, and the LRGVDC and the City shall be engaged in the conduct of a governmental function while providing and/or performing any service pursuant to this Agreement.

4.1.2 The relationship of the LRGVDC and the City shall, with respect to that part of any service or function undertaken as a result of or pursuant to this Agreement, be that of independent contractors.

4.1.3 Nothing contained herein shall be deemed or construed by the Parties, or by any third party, as creating the relationship of principal and agent, partners, joint ventures', or any other similar such relationship between the Parties.

4.2 Each Party reserves and does not waive any defense available to it at law or in equity as to any claim or cause of action whatsoever that may arise or result from or in connection with this Agreement. This Agreement shall not be interpreted nor construed to give to any third party the right to any claim or cause of action, and neither the City nor the LRGVDC shall be held legally liable for any claim or cause of action arising pursuant to or in connection with this Agreement except as specifically provided herein or by law.

4.3 Neither Party waives or relinquishes any immunity or defense on behalf of itself, its trustees, councilmembers, officers, employees, and agents as a result of the execution of this Agreement and the performance of the covenants and agreements contained herein.

V. Notices

5.1 All correspondence and communications concerning this Agreement shall be directed to:

LRGVDC: Manuel Cruz, Executive Director
301 W. Railroad Street
Weslaco, TX 78596

CITY: Edward Wylie, Interim City Manager
City of Pharr
118 S Cage Blvd
Pharr, TX 78577

Notices required hereunder shall be hand-delivered or sent by prepaid certified mail, return receipt requested.

VI. Severability

6.1 If any provision of this Agreement shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof, but rather this entire Agreement will be construed as if not containing the particular invalid or unenforceable provision(s), and the rights and obligations of the Parties shall be construed and enforced in accordance therewith. The Parties acknowledge that if any provision of this Agreement is determined to be invalid or unenforceable, it is their desire and intention that such provision be reformed and construed in such a manner that it will, to the maximum extent practicable, give effect to the intent of this Agreement and be deemed to be validated and enforceable.

VII. Entire Agreement

7.1 This Agreement is the entire agreement between the City and the LRGVDC as to the subject matter hereof and supersedes any prior understanding or written or oral agreement relative to the subject matter hereof. This Agreement may be amended only by written instrument duly approved and executed by both Parties in accordance with the formalities of this Agreement.

VIII. Governing Law; Venue

8.1 All Parties agree that this Agreement shall be construed under the laws of the State of Texas, and obligations under the Agreement shall be performed in Hidalgo County, Texas. Should the need for dispute resolution arise, venue shall be in Hidalgo County, Texas.

IX. Term and Termination

9.1 This Agreement shall be for an initial term of two (2) years and will renew upon signed and written agreement by the parties to this agreement with adjustments made to the cash-match contributions as agreed to among the parties, unless terminated as herein provided and subject to any necessary funding being appropriated by the governing bodies of the Parties.

9.2 Either party may terminate this Agreement in whole or in part hereto whenever such termination is found to be in the best interest of either party. Termination shall be affected by the conveyance of a written notification thereof to the other party at least ninety (90) days in advance of the effective date of the termination.

X. Current Revenues

10.1 Pursuant to Section 791.001(d)(3), Texas Government Code, each party paying for the performance of governmental functions or services will make those payments from current revenues available to the paying party.

XI. General Terms

11.1 **Execution in Counterparts.** This Agreement may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall be considered fully executed as of the date first written above, when all Parties have executed an identical counterpart, notwithstanding that all signatures may not appear on the same counterpart.

11.2 **Effective Date.** The Effective Date of this Agreement shall be the date last executed by a Party.

IN WITNESS WHEREOF, the Parties have executed this Agreement by their authorized representatives as of the dates noted below.

[SIGNATURE PAGE TO FOLLOW]

LRGVDC

By: _____
Executive Director

Date: _____

APPROVED AS TO FORM

Legal Counsel

City of Pharr

By: _____
Mayor

Date: _____

ATTEST:

City Secretary, City of Pharr

APPROVED AS TO FORM

City Attorney, City of Pharr

EXHIBIT A

LRGVDC Point of Contact: Sarah Dierlam
956-543-8752
sdierlam@lrgvdc.org

301 W Railroad
Weslaco, TX 78596

City of Pharr Point of Contact: _____

DRAFT

EXHIBIT B

Number of Bicycle Pedestrian Counters: One (1)

Type: Eco-Counter MULTI

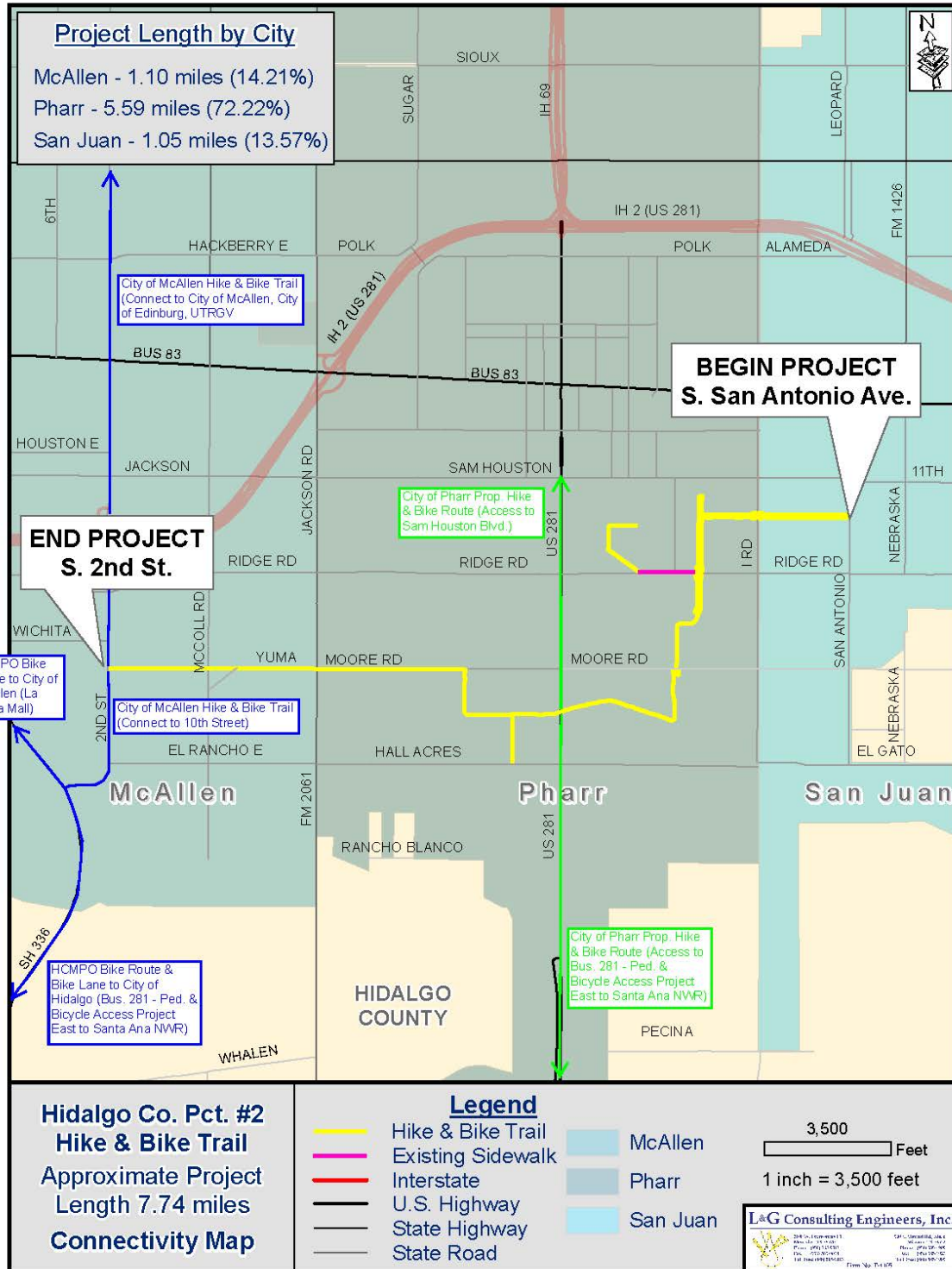
Location: Pharr Hike and Bike Trail

DRAFT

EXHIBIT C

Map

One (1) Eco-Counter MULTI will be placed within the built portion of the Regional Linear Park Trail





AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 9.B.

DATE SUBMITTED: March 12, 2021

MEETING DATE: March 15, 2021

FROM: Myra Ledezma, Administrative
Assistant Golf Course

DEPARTMENT: Parks

DIRECTOR: Sergio Alanis

Agenda Item: Consideration and action, if any, on renewal of Golf Cart Lease Agreement with Yamaha Motor Finance Corporation for the Tierra Del Sol Municipal Golf Course.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Issue: Current Golf Cart Lease will be expiring and staff wishes to renew lease agreement with Yamaha Motor Finance Corporation for 70 golf carts and a UMAX Utility Cart. The lease shall begin in April 2021 and will run for the period of 42 months. All golf carts will be brand new and remain under warranty for the duration of the lease.

Fiscal Consideration: n/a

Staff Recommendation: Staff recommends City Commission approve this item.

Alternatives: n/a

Exclude Material from Public Packet? No

Reason: n/a

ROUTING:

Myra Ledezma
Sergio Alanis
Hilda Pedraza
Karla Saavedra
Patricia Rigney
City Management Office

Created/Initiated - 3/12/2021
Approved - 3/12/2021
Approved - 3/12/2021
Approved - 3/12/2021
New - 1/1/1900

Proposal Expressly
Prepared For:

Tierra del Sol Golf Course

Attn: Mike Fernuik



Prepared By:
JT Carney
District Sales Manager
Yamaha Golf-Car Company
1/11/2021

Mike



Equipment Details

Equipment Quoted:

- (65) 2021 Yamaha Drive² AC Electric Fleet Golf Cars
- (5) 2021 Yamaha Drive² AC Electric PTV Cars
- (1) 2021 Yamaha UMax One Utility Car

Color Options Included:

- **Fleet & PTV:** Glacier (White)
- **UMax:** Evergreen Metallic

Optional Equipment Included (Fleet)

- Beige Top
- Hinged Windshield
- Information Holder (2 per car)
- Fleet Numbers (2 per car)
- USB Ports
- Dual Sand Bottle Kit
- Tow Bar System
- Battery Water De-Ionizer
- Custom Logo
- 2 Keys
- Diagnostic Tool

Optional Equipment Included (UMax)

- Black Top
- Hinged Windshield

Delivery & Setup

Yamaha Golf-Car will be responsible for the delivery and setup of these golf cars. The price for this is included in the pricing below. We will also be responsible for the disposal of all trash associated with the setup.

Yamaha's Factory Dealer Service

Yamaha Golf-Car Company's Dealer Service provides a level of service that is second to none. All visits are provided on an as needed basis by calling Easy Ride Golf Cars. An additional service contract is available but is not included in this quote.

DRIVE²

mla



Limited 4-Year Warranty for Drive² Golf Car

Yamaha Golf-Car Company hereby warrants that any new Yamaha DRIVE² Gas or DRIVE² Electric golf car purchased from Yamaha, or an Authorized Dealer or Distributor in the United States will be free from defects in material and workmanship for FOUR years from date of purchase, subject to the stated limitations. DURING THE PERIOD OF WARRANTY, any authorized Yamaha golf car service technician, dealer, or distributor will, free of charge, repair or replace, at Yamaha's option, any part adjudged defective by Yamaha due to faulty workmanship or material from the factory. Parts used in warranty repairs will be warranted for the balance of the vehicle's warranty period. All parts replaced under warranty become property of Yamaha Golf-Car Company.

Common Parts		Electric Car (DC or AC motor) Specific	
Frame	Limited Lifetime to Original Owner	Battery - Trojan ' T875 ' with HydroLink Watering System	4 Years or 25,000 amp-hours whichever comes first *Detailed condition on the next page
Transaxle	4 Years	Electric Motor	4 Years
Pedals	3 Years	Motor Controller / Charger	4 Years
Brakes (excluding shoes / pads)	4 Years	Charger Cord	4 Years
Electrical wires, switches, and relays	3 Years	Charger Receptacle	4 Years
Suspension / Steering components	4 Years	Throttle Position Sensor	2 Years
Seats	2 Years	GAS Car (Quietech and Carb) specific	
Sun Top	4 Years	Exhaust / Intake / Generator	4 Years
Bumpers / Body Parts	3 Years	Gas Engine	4 Years
Floor Mats	2 Years	Throttle Cables / Controls	3 Years
Scorecard Holders	2 Years	Battery	1 Years
Bag Carrier	3 Years	Clutch (excluding drive belt)	4 Years
Common Accessories		All Remaining Parts	1 Years
Windshield	3 Years		
Sand Bottle / Sand Bottle / Cooler	3 Years		
Information Holder / Bag Cover	3 Years		

EXCLUSIONS from this Warranty shall include any failures caused by:

- Abnormal strain, neglect, or abuse, including lack of proper maintenance, and use contrary to the Owner's Manual instructions.
- Accident or collision damage.
- Installation of parts or accessories that are not original equipment.
- Fading, rust, or deterioration due to exposure or ordinary wear and tear.
- Modifications or alterations that affect the car's condition, operation, performance, or durability, or which makes the car serve a purpose other than use as a two-person, golf course vehicle.
- Damage due to improper transportation.
- Acts of God, i.e. lightning, hail damage, flooding, fire, etc.

This Limited Warranty does not cover any parts replaced due to normal wear or routine maintenance, including oil and air filter elements, brake shoes, tire wear, spark plugs, starter and clutch drive belts. Any charges incurred in transporting a golf car or charger to and from an authorized Yamaha golf car dealer for service or in performing field service are also excluded from this warranty. Gasoline powered golf car starting batteries on vehicles equipped with a golf course GPS device, or any other device with a parasitic current draw, unless the vehicle is equipped from the factory with an optional deep cycle starting battery, are also excluded from this warranty.

THE CUSTOMER'S RESPONSIBILITY under this warranty shall be to operate and maintain the golf car and charger as specified in the appropriate Owner's/Operator's Manual, and give notice to an authorized Yamaha golf car dealer of any and all apparent defects within ten (10) days after discovery, and make the vehicle or charger available at that time for inspection and repairs by the dealer's authorized representative.

WARRANTY TRANSFER: Any transfer of warranty must take place within the first three years of the original in-service date of the vehicle. The vehicle must be re-registered by an authorized Yamaha Golf-Car Dealer within 30 days of transfer. A fee may be charged for the transfer of the warranty.

Yamaha Golf-Car Company makes no other warranty of any kind, expressed or implied. All implied warranties of merchantability and fitness of merchantability and fitness for a particular purpose which exceed the obligations and time limits stated in this warranty are hereby disclaimed by Yamaha Golf-Car Company and excluded from this Warranty. Some states do not allow limitations on how long implied warranty lasts, so the above limitation may not only apply to you. Also excluded from this Warranty is any incidental or consequential damages including loss of use. Some states do not allow the exclusion or limitation of incidental or consequential damages, so the above exclusion may not apply to you. This Warranty give you specific legal rights, and you may also have other rights, which vary, from state to state.

I have read and agree to the above conditions set forth in the Golf-Car Warranty _____ (Initial)

DRIVE²



4-Year Limited Warranty for Trojan Electric Golf Car and Utility Vehicle Batteries when Charged with a Yamaha 48-Volt Charger

Yamaha Golf-Car Company (herein referred to as "YGC") hereby warrants to the Original Retail Purchaser or Lessee of a YAMAHA The Drive golf car or PTV, Adventurer utility vehicle, or YAMAHA Concierge transportation or specialty car purchased from Yamaha, or an Authorized Dealer or Distributor in the United States, that the Trojan batteries charged with a YAMAHA battery charger will be free from defects in materials and workmanship, and will provide "36-hole performance" as follows:

- 4-years or 23,500 amp-hours with T-875
- 4-years or 25,000 amp-hours with T-875 batteries & the addition of a factory-installed Trojan HydroLink Battery Watering System.

WARRANTY LIMITATIONS

Yamaha Golf-Car Company's and Trojan Battery Company's limit of liability shall be to replace a defective battery. Replacement shall mean furnishing a new battery or used battery with sufficient life to complete the remainder of the warranty term, at no cost to the purchaser during the limited warranty period, except for labor or transportation expenses. The following conditions apply:

- Amp-hours will be determined either through the Genius controller or through other means necessary in the event of a controller failure or replacement.
- This warranty only applies to factory installed Trojan battery sets charged with a Yamaha battery charger.
- The customer must perform (or have a contracted Yamaha Dealer perform) all periodic maintenance and discharge testing as specified in the Yamaha Service Manual Maintenance Schedule. No labor or transportation expenses are included in this limited warranty. Maintenance records must be kept.
- YGC supplied or approved replacement batteries may be of a different brand or capacity, but are warranted to provide 36-hole performance for the remainder of the original warranty term.
- "36-hole performance" is defined as 60-minutes discharge time as tested and recorded using a Lester model #17770 discharge machine at an ambient temperature of between 60 and 100 degrees F (16 and 38 degrees C). Ambient temperatures between 60 and 80 degrees F (16 and 27 degrees C) must be corrected using the formula: Adjusted Discharge Time = (Discharge Minutes) / (1 - ((80-TEMP)/100) x 0.64).
- The customer must notify the Dealer within 10 days that a vehicle has failed to make 36 holes per day. YGC reserves the right to test and recharge any battery in question.

ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE SHALL BE VOID AND EXCLUDED SUBSEQUENT TO ONE YEAR FROM THE DATE OF PURCHASE. THE REPLACEMENT OF THE BATTERY IS THE EXCLUSIVE REMEDY UNDER THIS WRITTEN WARRANTY OR ANY IMPLIED WARRANTY. YAMAHA MAKES NO OTHER REPRESENTATION OR WARRANTY OF ANY KIND, AND NO REPRESENTATIVE, EMPLOYEE, DISTRIBUTOR OR DEALER OF YAMAHA HAS THE AUTHORITY TO MAKE OR IMPLY ANY REPRESENTATION, PROMISE OR AGREEMENT WHICH IN ANY WAY VARIES THE TERMS OF THIS WARRANTY.

LIMITED WARRANTY EXCLUSIONS:

Without limiting the generality of the foregoing in any way, and as part of its limited warranty exclusion, YAMAHA does not warrant that its battery is suitable for use in any application other than in a golf car or utility vehicle. As in the use of any battery, a prudent owner will read and study the charger owner's manual, the vehicle owner's manual, the operator's instructions, and the battery warning labels; and will exercise due care in working on or around batteries.

THE PROVISIONS OF THIS LIMITED WARRANTY SHALL NOT APPLY IF BATTERIES ARE SUBJECT TO ANY OF THE FOLLOWING CONDITIONS:

- Abuse or neglect such as improper fluid levels, loose wiring, rusted or corroded hardware.
- Lack of proper maintenance as outlined in the electric vehicle Operator's Manual. For example, lack of regular battery watering or adding water to battery before charging.
- Damage caused by improper installation of the battery.
- Neglect, breakage, freezing, fire, explosion, wreckage, the addition of any chemical, or the operation of the battery in an uncharged condition (below half-charge - 1.200 specific gravity).
- Battery charged by systems other than the original equipment type battery charger.
- On fleet golf cars, the use of any non-YAMAHA supplied electrical devices that consume more than one amp-hour per round or two amp-hours per day of battery energy. Examples of these devices include, but are not limited to: heating or cooling systems; GPS (global position system) devices; information gathering devices; lights; radios or stereos; or yardage measuring devices.
- Less than one charger per car or inadequate facility electrical power to power all chargers. Examples include more than one charger on a single circuit, circuit rating of less than 15 amps, or not enough circuits for the number of cars.
- In fleet applications, less than one battery charger per vehicle. For example, using only 10 battery chargers to charge a 15 car fleet.
- The use of any system that does not allow the battery chargers to shut off automatically. For example, timer systems that are designed to switch battery charger AC power on and off during peak demand hours.
- Damage not resulting from a defect in materials or workmanship or which occurs due to abuse or neglect (including failure to provide reasonable and necessary maintenance), accident, alteration or acts of God is excluded from this limited warranty.

THIS BATTERY IS INTENDED TO BE USED BY PERSONS WITH TRAINING AND EXPERIENCE WITH BATTERIES AND ONLY IN YAMAHA ELECTRIC VEHICLES. ANY OTHER USE RENDERS THE LIMITED WARRANTIES EXPRESSED HEREIN AND ALL IMPLIED WARRANTIES NULL AND VOID AND SAME ARE HEREBY EXCLUDED.

ALSO EXCLUDED FROM THIS LIMITED WARRANTY ARE ANY AND ALL INCIDENTAL OR CONSEQUENTIAL DAMAGES INCLUDING, BUT NOT LIMITED TO, LOSS OF USE OR REVENUE, LOSS OF TIME, INCONVENIENCE OR ANY OTHER ECONOMIC LOSS.

Some states do not allow limitation on the duration of an implied warranty, exclusions or limitations of incidental or consequential damages. Therefore, the above limitations or exclusions may not apply to you. This warranty gives you specific legal rights, and you may also have other rights, which vary state to state.

I have read and agree to the above conditions set forth in the Golf-Car Warranty mlb (Initial)

DRIVE²



Limited 2-Year Warranty for Transportation and Utility Vehicles

Yamaha Golf-Car Company hereby warrants that any new Yamaha utility vehicle or any multi passenger cars or specialty vehicles purchased from Yamaha, or an Authorized Dealer or Distributor in the United States will be free from defects in material and workmanship for TWO years from date of purchase, subject to the stated limitations. DURING THE PERIOD OF WARRANTY, any authorized Yamaha golf car service technician, dealer, or distributor will, free of charge, repair or replace, at Yamaha's option, any part adjudged defective by Yamaha due to faulty workmanship or material from the factory. Parts used in warranty repairs will be warranted for the balance of the vehicle's warranty period. All parts replaced under warranty become property of Yamaha Golf-Car Company.

Common Parts		Electric Car Specific	
Frame	2 Years	Battery - Trojan ' T875 ' without HydroLink Watering System	4 Years or 23,500 amp-hours whichever comes first *Detailed condition on the next page
Transaxle	2 Years	Electric Motor	2 Years
Pedals	2 Years	Motor Controller / Charger	2 Years
Brakes (excluding shoes / pads)	2 Years	Charger Cord	2 Years
Electrical wires, switches, and relays	2 Years	Charger Receptacle	2 Years
Suspension / Steering components	2 Years	Throttle Position Sensor	2 Years
Seats	2 Years	GAS Car specific	
Sun Top	2 Years	Exhaust / Intake / Generator	2 Years
Bumpers / Body Parts	2 Years	Gas Engine	2 Years
Floor Mats	2 Years	Throttle Cables / Controls	2 Years
Scorecard Holders	2 Years	Battery	1 Years
Bag Carrier	2 Years	Clutch (excluding drive belt)	2 Years
Common Accessories			
Windshield	3 Years	All Remaining Parts	1 years
Head Light	2 Years		
Tail Light	2 Years		

EXCLUSIONS from this Warranty shall include any failures caused by:

- Abnormal strain, neglect, or abuse, including lack of proper maintenance, and use contrary to the Owner's Manual instructions.
- Accident or collision damage.
- Installation of parts or accessories that are not original equipment.
- Fading, rust, or deterioration due to exposure or ordinary wear and tear.
- Modifications or alterations that affect the car's condition, operation, performance, or durability, or which makes the car serve a purpose other than use as a two-person, golf course vehicle.
- Damage due to improper transportation.
- Acts of God, i.e. lightning, hail damage, flooding, fire, etc.

This Limited Warranty does not cover any parts replaced due to normal wear or routine maintenance, including oil and air filter elements, brake shoes, tire wear, spark plugs, starter and clutch drive belts. Any charges incurred in transporting a golf car or charger to and from an authorized Yamaha golf car dealer for service or in performing field service are also excluded from this warranty. Gasoline powered golf car starting batteries on vehicles equipped with a golf course GPS device, or any other device with a parasitic current draw, unless the vehicle is equipped from the factory with an optional deep cycle starting battery, are also excluded from this warranty.

THE CUSTOMER'S RESPONSIBILITY under this warranty shall be to operate and maintain the golf car and charger as specified in the appropriate Owner's/Operator's Manual, and give notice to an authorized Yamaha golf car dealer of any and all apparent defects within ten (10) days after discovery, and make the vehicle or charger available at that time for inspection and repairs by the dealer's authorized representative.

WARRANTY TRANSFER: Any transfer of warranty must take place within the first three years of the original in-service date of the vehicle. The vehicle must be re-registered by an authorized Yamaha Golf-Car Dealer within 30 days of transfer. A fee may be charged for the transfer of the warranty.

Yamaha Golf-Car Company makes no other warranty of any kind, expressed or implied. All implied warranties of merchantability and fitness of merchantability and fitness for a particular purpose which exceed the obligations and time limits stated in this warranty are hereby disclaimed by Yamaha Golf-Car Company and excluded from this Warranty. Some states do not allow limitations on how long implied warranty lasts, so the above limitation may not only apply to you. Also excluded from this Warranty is any incidental or consequential damages including loss of use. Some states do not allow the exclusion or limitation of incidental or consequential damages, so the above exclusion may not apply to you. This Warranty give you specific legal rights, and you may also have other rights, which vary, from state to state.

I have read and agree to the above conditions set forth in the Golf-Car Warranty mlh (Initial)

DRIVE²



Equipment Maintenance Schedule

While Yamaha Golf-Car Company maintains a network of reliable service providers that are willing and able to assist you at any time, the following are best practices that will ensure that your golf car fleet stays in optimum working condition, cutting down on the need of service assistance:

Daily Safety Checklist:

- Visually inspect all equipment for damage. Be sure all nuts, bolts, and screws are tight.
- Insure that all warning and instruction labels are on equipment and in good condition.
- Check equipment for proper and safe operation.
- Maintain a proper tire pressure of 18 psi for gas cars, and 22 psi for electric cars.
- Check drive unit, transmission, engine, and fuel system (gasoline equipment) for leaks.

Daily Performance Inspection:

- *Forward/Reverse Switch:* Check for proper operation.
- *Brakes:* Be sure brakes function properly.
- *Parking Brake:* When latched, the parking brake should lock the wheels and hold the vehicle stationary.
- *Reverse Buzzer:* The reverse buzzer will sound as a warning when the forward/reverse handle or switch is in the reverse position.

Daily Maintenance:

- Remove trash from bag well, floorboard, dash compartment, and drink holders.
- Wash exterior of equipment, including seats and bag well. Do not pressure wash.
- Wash engine compartment. Avoid all electrical components and connections. Do not pressure wash.
- Keep equipment clean with damp cloth.
- Change or repair flat tires.
- *Fuel:* Check fuel level.
- *Engine:* Check for proper engine oil level.
- *Battery:* Check battery post; wires should be tight and free of corrosion, and battery should be fully charged.

Monthly Maintenance:

- *Engine:* Check engine cooling air intake; clean if necessary. Visually inspect the unshrouded area around the engine exhaust for grass and debris; clean if necessary.
- *Tires:* Check air pressure and adjust as necessary.

I have read and understand the above Equipment Maintenance Schedule ^{mls} (Initial)



Terms and Conditions for Returning Vehicles or Trades

Sole Responsibility, if applicable:

Tierra del Sol agrees to accept sole responsibility for any loss or damage to its returned cars beyond ordinary wear due to normal use. The returned cars must meet the following conditions:

- 1.) All cars must be free of all liens and encumbrances.
- 2.) All cars must be capable of running at least nine (9) holes of golf.
- 3.) All cars must be the same quantity and year model as originally evaluated.
- 4.) All cars must be clean, and free of trash, scorecards, pencils, tees, etc.
- 5.) All cars must have a working charger.
- 6.) All cars must have four (4) serviceable tires that retain proper air pressure.
- 7.) All cars must steer properly in all directions.
- 8.) All batteries must be free of corrosion, and properly filled with water.

Furthermore, Tierra del Sol understands and agrees to further charges being assessed if the below conditions are found upon Yamaha Golf-Car Company's inspection of the returned cars:

- 1.) Severely damaged or missing chargers
- 2.) Inoperable cars
- 3.) Minor damage (damage to bodies, bumpers, or seats)
- 4.) Major damage (frame damage, wrecked cars, etc.)

I have read and agree to the above terms and conditions for returning vehicles and/or trades ms (Initial)

DRIVE²



Pricing Details

New Car Lease Pricing:

- 42 Month Lease Term
- BuyBoard Vendor # 3095, Contract # 529-17

Vehicle	# of Cars	Price per Car	Total Monthly Price
2021 Yamaha Drive ² AC Electric Fleet Golf Cars	65	\$77.00	\$5,005.00
2021 Yamaha Drive ² AC Electric PTV Cars	5	\$77.00	\$385.00
2021 Yamaha UMax One Utility Car	1	\$132.20	\$132.20
TOTAL			\$5,522.20

- *The current Adventurer Two (JW7-900392) will become property of Tierra del Sol Golf Course at the delivery of this new fleet*
- *The City of Pharr will have the opportunity to purchase a portion of the current fleet of golf cars for the below prices:*
 - *Fleet & PTV Golf Cars = \$2000/car*

If the proposal is acceptable under the above terms please sign and date

Accepted by: *M. Fernandez*
City of Pharr

Date: *1/27/2021*

Accepted by: *John S. Carney*
Yamaha District Sales Manager

Date: *1/11/2021*

Accepted by: _____
Regional Sales Manager

Date: _____

*** All proposals must be signed and approved by YGC Management*

DRIVE²



YAMAHA MOTOR FINANCE CORPORATION, U.S.A.
6555 KATELLA AVENUE CYPRESS, CALIFORNIA 90630-5101 800-551-2994 FAX 714-761-7363

March 3, 2021

CITY OF PHARR
118 S. CAGE BLVD.
PHARR, TX 78577

Dear Yamaha Customer:

Enclosed you will find the documentation for your conditional sale purchase of 5-DR2E AC PTV Yamaha golf cars. The documents enclosed in the package include the following:

Conditional Sale Agreement
Equipment Schedule #205587
Request for Insurance
Certificate of Acceptance
Invoice For First Payment

OTHER _____

Please have these documents signed by an Authorized Officer and return them to me via fax or email. Our fax number is 714-761-7363.

The insurance form should be forwarded to your insurance company and a copy returned to us with the other documentation.

If the city requires the use of **Purchase Orders**, please provide one with your documents. However, if they are not required please include a signed statement on official city letterhead stating that a purchase order will not be required for this transaction.

We appreciate your continued business and thank you for choosing us to service your financing needs. If you should have any questions, please give us a call at 800-551-2994.

Sincerely,

Stephanie Chipouras



CONDITIONAL SALE AGREEMENT

CONDITIONAL SALE AGREEMENT

CONDITIONAL SALE AGREEMENT (this "Agreement") dated as of March 2, 2021 by and between Yamaha Motor Finance Corporation, U.S.A. (hereinafter called "Seller") having its principal office and place of business at 6555 Katella Avenue, Cypress, California 90630 and CITY OF PHARR (hereinafter call "Purchaser") having its principal office and place of business at 118 S. CAGE BLVD, PHARR, TX 78577.

1. **PROPERTY SOLD.** In consideration of the agreement to purchase by Purchaser and the covenants and agreements hereinafter set forth, Seller hereby sells to purchaser all of the tangible personal property (collectively, the "Equipment") listed on any Equipment Schedule(s) attached hereto as Exhibit A (the "Equipment Schedule").

2. **TERM.** The term of this Agreement shall commence on the date set forth above and shall continue in effect thereafter so long as the Equipment Schedule remains in effect.

3. **PAYMENT.** Purchaser shall pay to Seller, for the Equipment during each month of the Term of the Equipment Schedule, the monthly payment set forth in the Equipment Schedule plus any taxes, fees, etc. associated with proper filings and ownership by Purchaser together with any down payment set forth in the Equipment Schedule. Whenever any payment is not made when due hereunder, Purchaser shall pay Seller interest on such amount at the maximum allowable rate of interest permitted by the law of the state where the Equipment is located.

4. DELIVERY AND ACCEPTANCE; WARRANTY AND DISCLAIMER OF WARRANTIES.

4.1 **Delivery and Acceptance of the Equipment.** Purchaser has selected and shall take delivery of all the Equipment directly from Yamaha Golf-Car Company, a Yamaha Authorized Dealer, or an authorized agent. All costs of delivery are the sole responsibility of Purchaser. Seller shall not be liable for any loss or damage resulting from the delay or failure to have any Equipment available for delivery. Purchaser shall inspect the Equipment to determine that the Equipment is as represented and has been equipped or prepared in accordance with any prior instructions given in writing by Purchaser. Purchaser shall accept the Equipment if it meets the criteria set forth in the preceding sentence and shall execute and deliver a Certificate of Acceptance with respect to each shipment of Equipment. For all purposes of this Agreement, the Equipment will be considered accepted by Purchaser upon the earlier of (i) delivery of the Certificate of Acceptance, and (ii) 10 days after delivery of the Equipment (unless prior to such time Purchaser has properly rejected the Equipment and advised Seller in writing of same). Purchaser authorizes Seller to insert in the Equipment Schedule the serial number and other identifying data of the Equipment.

4.2 **Warranty and Disclaimer of Warranties.** Seller warrants to Purchaser that, so long as Purchaser shall not be in default of any of the provisions of the Equipment Schedule, neither Seller nor any assignee of Seller will disturb Purchaser's quiet and peaceful possession of the Equipment.

In addition, the Equipment is warranted only in accordance with the manufacturer's warranty, which may be amended or modified from time to time only by Seller. OTHER THAN THE WARRANTY AS REQUIRED BY LAW AND EXCEPT AS EXPRESSLY PROVIDED ABOVE, SELLER DISCLAIMS ANY OTHER WARRANTY, EXPRESSED OR IMPLIED, INCLUDING BUT NOT BY WAY OF LIMITATION, THE WARRANTIES OF MERCHANTABILITY, NON-INFRINGEMENT, NON-INTERFERENCE AND FITNESS FOR A PARTICULAR PURPOSE. SELLER DISCLAIMS ANY LIABILITY FOR INCIDENTAL, SPECIAL OR CONSEQUENTIAL DAMAGES OR COMMERCIAL LOSSES SUFFERED BY PURCHASER OR

ANY THIRD PARTY. No defect, unfitness, loss, damage or other condition of the Equipment shall relieve Purchaser of the obligation to pay any installment under this Agreement.

5. TITLE AND ASSIGNMENT.

5.1 **Title.** At the time of acceptance, title to the Equipment shall pass to Purchaser. As security for the prompt and complete payment and performance when due (whether at the stated maturity, by acceleration or otherwise) of each and every obligation, covenant, agreement and commitment of Purchaser under this Agreement and/or any Equipment Schedule (including, without limitation, the prompt and complete payment by Purchaser, as and when due and payable, whether at the stated maturity, by acceleration or otherwise, of all amounts owing from time to time by Purchaser to Seller under this Agreement and/or the Equipment Schedule), Purchaser hereby grants Seller a continuing security interest in all of the Equipment and all proceeds thereof (in whatever form). Seller is hereby authorized by Purchaser to file any UCC financing statements or any other documents to evidence, establish, perfect or enforce the security interest granted hereunder.

5.2 **Location, Inspection.** Purchaser shall not move the Equipment from the location specified on the Equipment Schedule without the prior written consent of Seller, which consent shall not be unreasonably withheld.

5.3 Assignment by Seller.

(a) Purchaser does not have the right or power to, and shall not, sell, transfer, assign, or pledge (except for short-term rentals to patrons in the ordinary course of business) any of the Equipment without the prior written consent of Seller. Any attempt to sell, transfer, assign, pledge any of the Equipment in violation of the foregoing shall be null and void and of no force or effect.

(b) Seller may assign its rights hereunder, in whole or in part, without Purchaser's consent. If Purchaser is given notice of any assignment by Seller, Purchaser agrees to pay directly to such assignee all sums payable hereunder if so directed and such assignee shall be thereafter considered the Seller for all purposes under this Agreement.

(c) Any assignment or transfer by Seller shall not materially change Seller's duties or obligations under this Agreement.

6. TAXES AND FEES.

6.1 **Taxes and Fees.** Purchaser shall pay all property taxes and sales and use tax due on the Equipment. Purchaser agrees to indemnify and hold harmless the Seller from and against all taxes, fees or other charges of any nature whatsoever (together with any related interest or penalties thereon) now or hereinafter imposed or assessed during the term of the Equipment Schedule by any governmental authority upon or with respect to the Equipment or upon the ordering, purchase, sale, ownership, delivery, leasing, possession, use, operation, return or other disposition thereof or upon the receipts or earnings arising therefrom or upon or with respect to any Equipment Schedule (excepting only Federal, state and local taxes solely based on or measured by the net income of Seller).

7. CARE, USE AND MAINTENANCE; ALTERATIONS AND ATTACHMENTS.

7.1 Care, Use and Maintenance. Purchaser shall, at its sole expense, at all times during the term of the Equipment Schedule, keep the Equipment clean, serviced and maintained in good operating order, repair, condition and appearance in accordance with Seller's manuals and other instructions received from Seller.

7.2 Alterations and Attachments. Purchaser may, with Seller's prior written consent, make such cosmetic modifications to the Equipment as Purchaser may deem desirable in the conduct of its business; **provided, however,** that such alterations shall not diminish the value or utility of the Equipment, or cause the loss of any warranty thereon or any certification necessary for the maintenance thereof, and provided, further, that such modification shall be removable without causing damage to the Equipment.

8. REPRESENTATIONS AND WARRANTIES OF PURCHASER. Purchaser hereby represents and warrants to Seller that with respect to the Agreement and each Equipment Schedule:

(a) The execution, delivery and performance thereof by the Purchaser have been duly authorized by all necessary corporate or other action.

(b) The individual executing such was duly authorized to do so.

(c) The Agreement and the Equipment Schedule constitute legal, valid and binding agreements of the Purchaser enforceable in accordance with their respective terms.

(d) The Equipment is personal property and when subjected to use by the Purchaser will not be or become fixtures under applicable law.

(e) Purchaser's name as set forth in the preamble to this Agreement is the exact legal name of Purchaser.

9. DELIVERY OF EQUIPMENT. Purchaser hereby assumes the full expense of transportation and in-transit insurance from the Seller to Purchaser's premises and delivery thereof of the Equipment.

10. INDEMNITY. Purchaser shall and does hereby indemnify and hold Seller and any and all of its assignees harmless from and against any and all claims, costs, expenses, damages, losses and liabilities (including negligence, tort and strict liability), including reasonable attorney's fees, arising out of or in any manner connected with the ownership, selection, possession, leasing, renting, purchase, financing, operation, control, use, maintenance, transportation, storage, repair, delivery, return or other disposition of the Equipment including without limitation, claims for injury to or death of persons and for damage to property. Purchaser agrees to give Seller prompt notice of any such claim or liability.

11. RISK OF LOSS. Seller and Purchaser agree Purchaser shall bear the entire risk of loss, theft, destruction or damage to the Equipment from any cause whatsoever and shall not be relieved of the obligation to pay the total of the monthly payments or any other obligation hereunder because of any such occurrence. Purchaser further agrees to insure the Equipment for full value and to cause Purchaser's insurance carrier to name Seller as a loss payee and provide Seller with a loss payee certificate of insurance.

12. DEFAULT. Each of the following shall be an Event of Default under this Agreement (each an "Event of Default"):

(a) Failure by Purchaser to pay Seller any installment payment or other amount payable by Purchaser to Seller under this Agreement and/or any Equipment Schedule as and when the same becomes due and payable; or

(b) To the extent not covered by subsection 12(a) above, failure by Purchaser to comply with any term, covenant, agreement or condition in this Agreement and/or any Equipment Schedule, which failure continues for a period of 10 days after notice of such failure is provided by Seller to Purchaser; or

(c) Any representation or warranty made by Purchaser in an Equipment Schedule, this Agreement, or in any document or certificate furnished to the Seller in connection therewith shall be incorrect, false or misleading in any material respect when so made or furnished.

13. REMEDIES. Upon the occurrence of an Event of Default, Seller, at its option: 1) may declare immediately due and payable any or all amounts payable under this Agreement and/or the Equipment Schedule (whether such amounts are due or not yet due), whereupon the same shall become immediately due and payable by Purchaser to Seller; 2) may proceed by appropriate court action or actions either at law or in equity to enforce performance by Purchaser of the terms and conditions of this Agreement and/or an Equipment Schedule; 3) may recover from Purchaser any and all damages or expenses, including reasonable attorney's fees, which Seller shall have sustained by reason of the Event of Default or on account of Seller's enforcement of its remedies thereunder; and/or 4) may exercise its rights as a secured creditor under the Uniform Commercial Code as enacted in California ("UCC") including, without limitation, taking immediate possession of the Equipment, disposing of such Equipment in accordance with the provisions of the UCC, and collecting for any deficiency as a result of the disposal of the Equipment by Seller together with all reasonable attorneys fees and costs incurred by Seller during the disposal of such Equipment. Seller's rights and remedies under this Agreement and the Equipment Schedule shall be cumulative and in addition to any rights and remedies Seller may have under applicable law and the exercise or failure to exercise any right or remedy shall not preclude Seller from exercising any other right or remedy.

14. MISCELLANEOUS.

14.1 No Waiver. No omission or delay by Seller at any time to enforce any right or remedy reserved to it, or to require performance of any of the terms, covenants or provisions hereof by Purchaser at any time designated, shall be a waiver of any such right or remedy to which Seller is entitled, nor shall it in any way affect the right of Seller to enforce such provisions thereafter.

14.2 Binding Nature. This Agreement and the Equipment Schedule shall be binding upon, and shall inure to the benefit of Seller, Purchaser and their respective successors, legal representatives and assigns.

14.3 Notices. Any notice, request or other communication to either party by the other as provided for herein shall be given in writing and only shall be deemed received upon the earlier of receipt or three days after mailing if mailed postage prepaid by regular or airmail to Seller or Purchaser, as the case may be, at the address for such party set forth in this Agreement or at such changed address as may be subsequently submitted by written notice of either party.

14.4 Severability. In the event any one or more of the provisions of this Agreement and/or an Equipment Schedule shall for any reason be prohibited or unenforceable in any jurisdiction, any such provision shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof, any such prohibition or unenforceability in any jurisdiction shall not invalidate or render unenforceable such provision in any other jurisdiction.

14.5 Signed Counterparts. The parties agree that this Agreement may be signed in counterparts, that delivery of an executed counterpart of the signature page to this Agreement by fax, email, or other electronic means shall be as effective as delivery of a manually executed counterpart, and any failure to deliver the original manually executed counterpart sent by fax, email or other electronic means shall not affect the validity, enforceability or binding effect of this Agreement. Notwithstanding any other provision of this agreement the sole original of this Agreement shall be the Agreement bearing the manually executed signature of the Purchaser. The Purchaser, by making any payment required under this Agreement ratifies all of the terms of this Agreement.

14.6 Registration and License. Purchaser shall perform and pay for the titling, registration and licensing (if required by applicable law) of any items or Equipment in the Purchaser's name and all inspections of such items of Equipment which may be required by any governmental authority unless such fees and taxes

shall be included in the payment as shown on the Equipment Schedule applicable to any such items of Equipment.

14.7 Involuntary Transfer Constitutes Default.

Except for the security interest granted to Seller under this Agreement, Purchaser shall not create, incur, assume or suffer to exist any mortgage, lien, pledge or other encumbrance or attachment of any kind whatsoever upon, affecting, or with respect to the Equipment or of Seller's interest thereunder.

14.8 Statute of Limitations.

Any action by Purchaser against Seller for any default by Seller under this Agreement, including breach of warranty or indemnity, shall be commenced within one year after any such cause of action accrues.

14.9 Entire Agreement.

Seller and Purchaser acknowledge that there are no agreements or understandings, written or oral, between Seller and Purchaser with respect to the Equipment, other than as set forth herein and in an Equipment Schedule and that this Agreement and such Equipment Schedule contains the entire Agreement between Seller and Purchaser with respect thereto. Neither this Agreement nor any Equipment Schedule may be altered, modified, terminated or discharged except by a writing signed by the party against whom such alteration, modification, termination or discharge is sought. Each Equipment Schedule is hereby incorporated by reference into this Agreement, and made part of this Agreement, as if fully set forth herein.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on or as of the day and year first above written.

CITY OF PHARR

YAMAHA MOTOR FINANCE CORPORATION, U.S.A.

By: _____

By: _____

Print Name: _____

Print Name: Jeff Young

Title: _____

Title: President

If Purchaser is a Corporation, the Secretary of the Corporation is to execute the following:

The Officer signing above is duly authorized, on behalf of CITY OF PHARR (the "Company"), to negotiate, execute and deliver the Conditional Sale Agreement dated as of March 2, 2021, and the Schedule(s) thereunder and all future Schedule(s) (the "Agreements") by and between the Company and [Yamaha Motor Finance Corporation, U.S.A.]; and these Agreements are binding and authorized agreements of the Company, enforceable in all respects in accordance with their terms.

WITNESS MY HAND and the corporate seal of the Company this _____ day of _____, _____.

SEAL

Secretary

CONDITIONAL SALE EXHIBIT A

EQUIPMENT SCHEDULE # 205587

Dated March 3, 2021

1. This Schedule covers the following property ("Equipment"):

5-DR2E AC PTV GOLF CARS

2. Location of Equipment:

TIERRA DEL SOL GOLF CLUB

700 E. HALL ACRES

PHARR, TX 78577

3. The Terms for the Equipment described herein shall commence on May 1, 2021 and shall consist of 43 months from the first day of the month following said date.

4. The down payment of the Equipment shall be \$ \$0.00

5. Payments on the Equipment shall be due on the following schedule.

Schedule of Payments:

43 MONTHLY PAYMENTS (APPLICABLE TAXES TO BE BILLED).

STARTING MAY 2021 AND ENDING NOVEMBER 2024. DUE THE 1ST DAY OF THE MONTH AS FOLLOWS:

May-21 \$385.00	Jan-22 \$385.00	Jan-23 \$385.00	Jan-24 \$385.00
Jun-21 \$385.00	Feb-22 \$385.00	Feb-23 \$385.00	Feb-24 \$385.00
Jul-21 \$385.00	Mar-22 \$385.00	Mar-23 \$385.00	Mar-24 \$385.00
Aug-21 \$385.00	Apr-22 \$385.00	Apr-23 \$385.00	Apr-24 \$385.00
Sep-21 \$385.00	May-22 \$385.00	May-23 \$385.00	May-24 \$385.00
Oct-21 \$385.00	Jun-22 \$385.00	Jun-23 \$385.00	Jun-24 \$385.00
Nov-21 \$385.00	Jul-22 \$385.00	Jul-23 \$385.00	Jul-24 \$385.00
Dec-21 \$385.00	Aug-22 \$385.00	Aug-23 \$385.00	Aug-24 \$385.00
	Sep-22 \$385.00	Sep-23 \$385.00	Sep-24 \$385.00
	Oct-22 \$385.00	Oct-23 \$385.00	Oct-24 \$385.00
	Nov-22 \$385.00	Nov-23 \$385.00	Nov-24 \$10,000.00
	Dec-22 \$385.00	Dec-23 \$385.00	

6. The final purchase price for the purchase of the Equipment at the expiration of this Agreement shall be \$0.00

7. Other Terms:

Interest Factor: 4.20 %

Yamaha Motor Corporation, U.S.A., Seller and their respective subsidiaries are not obligated to perform or provide any maintenance or service, under any circumstances, under the terms of the Agreement. Maintenance and service are the responsibility of the Purchaser. Failure by Purchaser to maintain or service the equipment consistent with the terms of the Agreement shall not relieve Purchaser of the responsibilities under the Agreement.

Signed Counterparts: The parties agree that this Agreement may be signed in counterparts, that delivery of an executed counterpart of the signature page to this Agreement by fax, email or other electronic means shall be as effective as delivery of a manually executed counterpart, and any failure to deliver the original manually executed counterpart sent by fax, email or other electronic means shall not affect the validity, enforceability or binding effect of this Agreement. Notwithstanding any other provision of this Agreement, the sole original of this Agreement shall be the Agreement bearing the manually executed signature of the Purchaser. The Purchaser, by making any payment required under this Agreement ratifies all of the terms of this Agreement.

This Equipment Schedule and Acceptance Guidelines are issued pursuant to the Agreement dated March 2, 2021

All of the terms and conditions, representations and warranties of the Agreement are hereby incorporated herein and made a part hereof as if they were expressly set forth in this Equipment Schedule .

CITY OF PHARR

YAMAHA MOTOR FINANCE CORPORATION, U.S.A.

By: _____
Signature

By: _____
Signature

Name: _____
Type or Print

Name: Jeff Young
Type or Print

Title: _____

Title: President



FINANCIAL SERVICES

AMORTIZATION SCHEDULE FOR MUNICIPALITY
CONDITIONAL SALE CONTRACT
PURCHASER : TIERRA DEL SOL
EQUIPMENT SCHEDULE # 205587

TIERRA DEL SOL

Yield:4.200%

Initialed By _____

Mon #	Due Date	Payment	Interest	Principal/ Adjustment	Balance
				Total Financed	23,700.99
1	05/01/2021	385.00	80.09	304.91	23,396.08
2	06/01/2021	385.00	79.06	305.94	23,090.14
3	07/01/2021	385.00	78.03	306.97	22,783.17
4	08/01/2021	385.00	76.99	308.01	22,475.15
5	09/01/2021	385.00	75.95	309.05	22,166.10
6	10/01/2021	385.00	74.90	310.10	21,856.01
7	11/01/2021	385.00	73.86	311.14	21,544.86
8	12/01/2021	385.00	72.80	312.20	21,232.67
9	01/01/2022	385.00	71.75	313.25	20,919.41
10	02/01/2022	385.00	70.69	314.31	20,605.10
11	03/01/2022	385.00	69.63	315.37	20,289.73
12	04/01/2022	385.00	68.56	316.44	19,973.30
13	05/01/2022	385.00	67.49	317.51	19,655.79
14	06/01/2022	385.00	66.42	318.58	19,337.21
15	07/01/2022	385.00	65.34	319.66	19,017.55
16	08/01/2022	385.00	64.26	320.74	18,696.82
17	09/01/2022	385.00	63.18	321.82	18,375.00
18	10/01/2022	385.00	62.09	322.91	18,052.09
19	11/01/2022	385.00	61.00	324.00	17,728.09
20	12/01/2022	385.00	59.91	325.09	17,403.00
21	01/01/2023	385.00	58.81	326.19	17,076.81
22	02/01/2023	385.00	57.71	327.29	16,749.51
23	03/01/2023	385.00	56.60	328.40	16,421.11
24	04/01/2023	385.00	55.49	329.51	16,091.60
25	05/01/2023	385.00	54.38	330.62	15,760.98
26	06/01/2023	385.00	53.26	331.74	15,429.24
27	07/01/2023	385.00	52.14	332.86	15,096.38
28	08/01/2023	385.00	51.01	333.99	14,762.39
29	09/01/2023	385.00	49.88	335.12	14,427.27
30	10/01/2023	385.00	48.75	336.25	14,091.03
31	11/01/2023	385.00	47.62	337.38	13,753.64
32	12/01/2023	385.00	46.48	338.52	13,415.12
33	01/01/2024	385.00	45.33	339.67	13,075.45
34	02/01/2024	385.00	44.18	340.82	12,734.64
35	03/01/2024	385.00	43.03	341.97	12,392.67
36	04/01/2024	385.00	41.88	343.12	12,049.55
37	05/01/2024	385.00	40.72	344.28	11,705.26
38	06/01/2024	385.00	39.55	345.45	11,359.82
39	07/01/2024	385.00	38.39	346.61	11,013.20
40	08/01/2024	385.00	37.22	347.78	10,665.42
41	09/01/2024	385.00	36.04	348.96	10,316.46
42	10/01/2024	385.00	34.86	350.14	9,966.32
	Totals:	16,170.00	2,435.33	13,734.67	

CERTIFICATE OF ACCEPTANCE

This certificate is executed pursuant to Equipment Schedule # 205587
dated March 3, 2021 to the Conditional Sale Agreement dated
March 2, 2021 between Yamaha Motor Finance Corporation, U.S.A.
(the "Seller") and CITY OF PHARR
(the "Purchaser").

The Purchaser hereby certifies that the Equipment set forth below, as also described in the above
Equipment Schedule, has been delivered and accepted by the Purchaser on the Commencement
Date shown below.

QUANTITY	EQUIPMENT TYPE/MODEL	SERIAL NUMBER	NEW/USED	LOCATION
5-DR2E AC PTV GOLF CARS		see attachment	NEW	TIERRA DEL SOL GOLF CLUB 700 E. HALL ACRES PHARR, TX 78577

ADDITIONAL CONDITIONS/SPECIAL TERMS:

Please return this certificate as your acknowledgment of the above Commencement Date and acceptability of
the Equipment.

CITY OF PHARR

as Purchaser

By: _____

Name: _____

Title: _____

YAMAHA MOTOR FINANCE CORPORATION, U.S.A.("Yamaha")

6555 Katella Avenue, Cypress, CA 90630

(800) 551-2994, Fax (714) 761-7363

E-MAIL: YMFUS_CFinsurance@yamaha-motor.com

NAME OF INSURANCE AGENT:

March 3, 2021

ADDRESS:

Please Reference our Quote# **205587**

PHONE:

FAX:

RE:

TIERRA DEL SOL GOLF CLUB

(Customer) **Account #**

The Customer has purchased and will be financing equipment from Yamaha.

The Customer is required to provide Yamaha with the following insurance coverage:

"All Risk" Property Insurance covering the property owned by or in which Yamaha has a security interest, in an amount not less than the full replacement cost of the property, with Yamaha Motor Finance Corp., U.S.A., It's successors and assigns as **LOSS PAYEE.**

Each policy shall provide that: (i) Yamaha will be given not less than thirty (30) days prior written notice of cancellation or non-renewal, (ii) it is primary insurance and any other insurance covering Yamaha shall be secondary or excess of the policy and (iii) in no event shall the policy be invalidated as against Yamaha or its assigns for any violation of any term of the policy or the Customer's application therefore.

A Certificate evidencing such coverage should be mailed to Yamaha at the following address.

YAMAHA MOTOR FINANCE CORPORATION, U.S.A

Attn: Commercial Finance Group

6555 Katella Ave

Cypress, CA 90630

Your prompt attention will be appreciated.

Very Truly Yours,

Equipment Covered:

CITY OF PHARR

(Customer)

5-DR2E AC PTV GOLF CARS

Equipment Location:

700 E. HALL ACRES

PHARR, TX 78577

By:

(Signature of Authorized Officer)

Title:



PLEASE SEND YOUR PAYMENTS TO:

YAMAHA MOTOR FINANCE CORP., U.S.A.
3362 Momentum Place
Chicago, IL 60689-5333

INVOICE NUMBER: MAN 205587

Date Prepared: 03/3/2021

CITY OF PHARR
118 S. CAGE BLVD
PHARR, TX 78577

<i>Due Date</i>	<i>Quote No</i>	<i>Description</i>	<i>Amount Due</i>
	205587	5-DR2E AC PTV GOLF CARS for Municipal Conditional Sale Cars located at: TIERRA DEL SOL GOLF CLUB	
05/1/2021		Payment	\$385.00
		Payment Tax	\$0.00
YOUR ACCOUNT BALANCE IS -----			\$385.00

Please return the bottom portion with your remittance. Include the lease number on your check. FOR BILLING QUESTIONS, CALL YAMAHA Commercial Finance AT 1-800-551-2994.



PLEASE SEND YOUR PAYMENTS TO:

YAMAHA MOTOR FINANCE CORP., U.S.A.
3362 Momentum Place
Chicago, IL 60689-5333

INVOICE NUMBER MAN 205587

Date Prepared: 03/3/2021

Payment for:

CITY OF PHARR
118 S. CAGE BLVD
PHARR, TX 78577

205587 1ber

Amount Paid

Date Paid

Check Number



YAMAHA MOTOR FINANCE CORPORATION, U.S.A.
6555 KATELLA AVENUE CYPRESS, CALIFORNIA 90630-5101 800-551-2994 FAX 714-761-7363

March 3, 2021

CITY OF PHARR
700 E HALL ACRES RD
PHARR, TX 78577

Dear Yamaha Customer:

Enclosed you will find the documentation for your conditional sale purchase of 65-DR2EV1XAC/
Yamaha golf cars. The documents enclosed in the package include the following:

Conditional Sale Agreement
Equipment Schedule #205588
Request for Insurance
Certificate of Acceptance
Invoice For First Payment
ACH Form Required___ Optional___

OTHER_____

Please have these documents signed by an Authorized Officer and return them to me via fax or email. Our
fax number is 714-761-7363.

The insurance form should be forwarded to your insurance company and a copy returned to us with the other documentation.

If the city requires the use of **Purchase Orders**, please provide one with your documents. However, if they are not required
please include a signed statement on official city letterhead stating that a purchase order will not be required for this
transaction.

We appreciate your continued business and thank you for choosing us to service your financing needs. If you should have
any questions, please give us a call at 800-551-2994.

Sincerely,

Stephanie Chipouras

CONDITIONAL SALE EXHIBIT A

EQUIPMENT SCHEDULE # 205588

Dated March 2, 2021

1. This Schedule covers the following property ("Equipment"):

65-DR2EV1XAC GOLF CARS

2. Location of Equipment:

TIERRA DEL SOL GOLF CLUB

700 E. HALL ACRES

PHARR, TX 78577

3. The Terms for the Equipment described herein shall commence on May 1, 2021 and shall consist of 43 months from the first day of the month following said date.

4. The down payment of the Equipment shall be \$ \$0.00

5. Payments on the Equipment shall be due on the following schedule.

Schedule of Payments:

43 MONTHLY PAYMENTS (APPLICABLE TAXES TO BE BILLED).

STARTING MAY 2021 AND ENDING NOVEMBER 2024. DUE THE 1ST DAY OF THE MONTH AS FOLLOWS:

May-21 \$5,005.00	Jan-22 \$5,005.00	Jan-23 \$5,005.00	Jan-24 \$5,005.00
Jun-21 \$5,005.00	Feb-22 \$5,005.00	Feb-23 \$5,005.00	Feb-24 \$5,005.00
Jul-21 \$5,005.00	Mar-22 \$5,005.00	Mar-23 \$5,005.00	Mar-24 \$5,005.00
Aug-21 \$5,005.00	Apr-22 \$5,005.00	Apr-23 \$5,005.00	Apr-24 \$5,005.00
Sep-21 \$5,005.00	May-22 \$5,005.00	May-23 \$5,005.00	May-24 \$5,005.00
Oct-21 \$5,005.00	Jun-22 \$5,005.00	Jun-23 \$5,005.00	Jun-24 \$5,005.00
Nov-21 \$5,005.00	Jul-22 \$5,005.00	Jul-23 \$5,005.00	Jul-24 \$5,005.00
Dec-21 \$5,005.00	Aug-22 \$5,005.00	Aug-23 \$5,005.00	Aug-24 \$5,005.00
	Sep-22 \$5,005.00	Sep-23 \$5,005.00	Sep-24 \$5,005.00
	Oct-22 \$5,005.00	Oct-23 \$5,005.00	Oct-24 \$5,005.00
	Nov-22 \$5,005.00	Nov-23 \$5,005.00	Nov-24 \$112,125.00
	Dec-22 \$5,005.00	Dec-23 \$5,005.00	

6. The final purchase price for the purchase of the Equipment at the expiration of this Agreement shall be \$0.00

7. Other Terms:

Interest Factor: 4.20 %

Yamaha Motor Corporation, U.S.A., Seller and their respective subsidiaries are not obligated to perform or provide any maintenance or service, under any circumstances, under the terms of the Agreement. Maintenance and service are the responsibility of the Purchaser. Failure by Purchaser to maintain or service the equipment consistent with the terms of the Agreement shall not relieve Purchaser of the responsibilities under the Agreement.

Signed Counterparts: The parties agree that this Agreement may be signed in counterparts, that delivery of an executed counterpart of the signature page to this Agreement by fax, email or other electronic means shall be as effective as delivery of a manually executed counterpart, and any failure to deliver the original manually executed counterpart sent by fax, email or other electronic means shall not affect the validity, enforceability or binding effect of this Agreement. Notwithstanding any other provision of this Agreement, the sole original of this Agreement shall be the Agreement bearing the manually executed signature of the Purchaser. The Purchaser, by making any payment required under this Agreement ratifies all of the terms of this Agreement.

This Equipment Schedule and Acceptance Guidelines are issued pursuant to the Agreement dated March 2, 2021

All of the terms and conditions, representations and warranties of the Agreement are hereby incorporated herein and made a part hereof as if they were expressly set forth in this Equipment Schedule.

CITY OF PHARR

YAMAHA MOTOR FINANCE CORPORATION, U.S.A.

By: _____
Signature

By: _____
Signature

Name: _____
Type or Print

Name: Jeff Young
Type or Print

Title: _____

Title: President



FINANCIAL SERVICES

AMORTIZATION SCHEDULE FOR MUNICIPALITY
CONDITIONAL SALE CONTRACT
PURCHASER : TIERRA DEL SOL
EQUIPMENT SCHEDULE # 205588

TIERRA DEL SOL

Yield:4.200%

Initialed By _____

Mon #	Due Date	Payment	Interest	Principal/ Adjustment	Balance
				Total Financed	292,677.45
1	05/01/2021	5,005.00	988.09	4,016.91	288,660.54
2	06/01/2021	5,005.00	974.53	4,030.47	284,630.07
3	07/01/2021	5,005.00	960.92	4,044.08	280,586.00
4	08/01/2021	5,005.00	947.27	4,057.73	276,528.27
5	09/01/2021	5,005.00	933.57	4,071.43	272,456.84
6	10/01/2021	5,005.00	919.83	4,085.17	268,371.67
7	11/01/2021	5,005.00	906.03	4,098.97	264,272.70
8	12/01/2021	5,005.00	892.20	4,112.80	260,159.90
9	01/01/2022	5,005.00	878.31	4,126.69	256,033.21
10	02/01/2022	5,005.00	864.38	4,140.62	251,892.59
11	03/01/2022	5,005.00	850.40	4,154.60	247,737.99
12	04/01/2022	5,005.00	836.37	4,168.63	243,569.37
13	05/01/2022	5,005.00	822.30	4,182.70	239,386.67
14	06/01/2022	5,005.00	808.18	4,196.82	235,189.85
15	07/01/2022	5,005.00	794.01	4,210.99	230,978.86
16	08/01/2022	5,005.00	779.80	4,225.20	226,753.65
17	09/01/2022	5,005.00	765.53	4,239.47	222,514.18
18	10/01/2022	5,005.00	751.22	4,253.78	218,260.40
19	11/01/2022	5,005.00	736.86	4,268.14	213,992.26
20	12/01/2022	5,005.00	722.45	4,282.55	209,709.71
21	01/01/2023	5,005.00	707.99	4,297.01	205,412.70
22	02/01/2023	5,005.00	693.48	4,311.52	201,101.18
23	03/01/2023	5,005.00	678.93	4,326.07	196,775.11
24	04/01/2023	5,005.00	664.32	4,340.68	192,434.43
25	05/01/2023	5,005.00	649.67	4,355.33	188,079.10
26	06/01/2023	5,005.00	634.96	4,370.04	183,709.06
27	07/01/2023	5,005.00	620.21	4,384.79	179,324.27
28	08/01/2023	5,005.00	605.41	4,399.59	174,924.68
29	09/01/2023	5,005.00	590.55	4,414.45	170,510.23
30	10/01/2023	5,005.00	575.65	4,429.35	166,080.88
31	11/01/2023	5,005.00	560.70	4,444.30	161,636.58
32	12/01/2023	5,005.00	545.69	4,459.31	157,177.27
33	01/01/2024	5,005.00	530.64	4,474.36	152,702.91
34	02/01/2024	5,005.00	515.53	4,489.47	148,213.44
35	03/01/2024	5,005.00	500.38	4,504.62	143,708.81
36	04/01/2024	5,005.00	485.17	4,519.83	139,188.98
37	05/01/2024	5,005.00	469.91	4,535.09	134,653.89
38	06/01/2024	5,005.00	454.60	4,550.40	130,103.49
39	07/01/2024	5,005.00	439.24	4,565.76	125,537.72
40	08/01/2024	5,005.00	423.82	4,581.18	120,956.54
41	09/01/2024	5,005.00	408.35	4,596.65	116,359.90
42	10/01/2024	5,005.00	392.84	4,612.16	111,747.73
	Totals:	210,210.00	29,280.28	180,929.72	

CERTIFICATE OF ACCEPTANCE

This certificate is executed pursuant to Equipment Schedule # 205588
dated March 2, 2021 to the Conditional Sale Agreement dated
March 2, 2021 between Yamaha Motor Finance Corporation, U.S.A.
(the "Seller") and CITY OF PHARR
(the "Purchaser").

The Purchaser hereby certifies that the Equipment set forth below, as also described in the above
Equipment Schedule, has been delivered and accepted by the Purchaser on the Commencement
Date shown below.

QUANTITY	EQUIPMENT TYPE/MODEL	SERIAL NUMBER	NEW/USED	LOCATION
65-DR2EV1XAC GOLF CARS		see attachment	NEW	TIERRA DEL SOL GOLF CLUB 700 E. HALL ACRES PHARR, TX 78577

ADDITIONAL CONDITIONS/SPECIAL TERMS:

Please return this certificate as your acknowledgment of the above Commencement Date and acceptability of
the Equipment.

CITY OF PHARR

as Purchaser

By: _____

Name: _____

Title: _____

YAMAHA MOTOR FINANCE CORPORATION, U.S.A. ("Yamaha")

6555 Katella Avenue, Cypress, CA 90630

(800) 551-2994, Fax (714) 761-7363

E-MAIL: YMFUS_CFinsurance@yamaha-motor.com

NAME OF INSURANCE AGENT:

March 3, 2021

ADDRESS:

Please Reference our Quote# 205588

PHONE:

FAX:

RE:

TIERRA DEL SOL

(Customer) Account #

The Customer has purchased and will be financing equipment from Yamaha.

The Customer is required to provide Yamaha with the following insurance coverage:

"All Risk" Property Insurance covering the property owned by or in which Yamaha has a security interest, in an amount not less than the full replacement cost of the property, with Yamaha Motor Finance Corp., U.S.A., It's successors and assigns as **LOSS PAYEE.**

Each policy shall provide that: (i) Yamaha will be given not less than thirty (30) days prior written notice of cancellation or non-renewal, (ii) it is primary insurance and any other insurance covering Yamaha shall be secondary or excess of the policy and (iii) in no event shall the policy be invalidated as against Yamaha or its assigns for any violation of any term of the policy or the Customer's application therefore.

A Certificate evidencing such coverage should be mailed to Yamaha at the following address.

YAMAHA MOTOR FINANCE CORPORATION, U.S.A

Attn: Commercial Finance Group

6555 Katella Ave

Cypress, CA 90630

Your prompt attention will be appreciated.

Very Truly Yours,

Equipment Covered:

CITY OF PHARR

(Customer)

65-DR2EV1XAC/

Equipment Location:

700 E HALL ACRES RD

PHARR, TX 78577

By:

(Signature of Authorized Officer)

Title:



PLEASE SEND YOUR PAYMENTS TO:

YAMAHA MOTOR FINANCE CORP., U.S.A.
3362 Momentum Place
Chicago, IL 60689-5333

INVOICE NUMBER: MAN 205588

Date Prepared: 03/2/2021

CITY OF PHARR
118 S. CAGE BLVD
PHARR, TX 78577

<i>Due Date</i>	<i>Quote No</i>	<i>Description</i>	<i>Amount Due</i>
	205588	65-DR2EV1XAC/ for Municipal Conditional Sale Cars located at: TIERRA DEL SOL	
05/1/2021		Payment	\$5,005.00
		Payment Tax	\$0.00
YOUR ACCOUNT BALANCE IS -----			\$5,005.00

Please return the bottom portion with your remittance. Include the lease number on your check. FOR BILLING QUESTIONS, CALL YAMAHA Commercial Finance AT 1-800-551-2994.



PLEASE SEND YOUR PAYMENTS TO:

YAMAHA MOTOR FINANCE CORP., U.S.A.
3362 Momentum Place
Chicago, IL 60689-5333

INVOICE NUMBER MAN 205588

Date Prepared: 03/2/2021

Payment for:

CITY OF PHARR
118 S. CAGE BLVD
PHARR, TX 78577

205588 1ber

Amount Paid

Date Paid

#_____
Check Number

ACH / ONLINE PAYMENTS AGREEMENT

RECITALS

Yamaha Motor Finance Corporation, U.S.A. ("Yamaha"), located at 6555 Katella Ave, Cypress, CA 90630, seeks to provide Customer with the ability to make payments electronically through the Automated Clearing House system ("ACH System") to the Account, as defined below, in satisfaction of Customer's payment obligations to Yamaha and Customer desires to use the ACH System to transfer funds from the Account, as defined below, to Yamaha in satisfaction of its payment obligations in accordance with the terms set forth below.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained and other good and valuable consideration, receipt and sufficiency of which the parties hereto acknowledge, it is hereby agreed as follows:

1. **Customer's Account.** Customer shall complete the attached Authorization Agreement for Direct Payments form ("Application"), and allow Yamaha to initiate debit entries through the ACH System to Customer's Account, as defined below, to collect amounts owed by Customer to Yamaha. Customer shall provide certain information required by the Application, including information regarding Customer's bank and bank account (the "Account") through which Yamaha will initiate the debit entries authorized pursuant to this Agreement. Customer will immediately complete and deliver to Yamaha an updated Authorization Agreement from time to time if any information regarding the Account is changed or is inaccurate. Yamaha will thereupon enter such new information regarding the Account into the ACH System. Customer will execute such agreements that are required by Customer's bank to allow Yamaha to initiate the debit entries to Account, and to receive the corresponding payments.
2. **Authorization for ACH Payment.** By entering into this Agreement, Customer irrevocably authorizes Yamaha during the term of their Equipment Schedule, to initiate debit entries through the ACH System to the Account to pay Customer's obligations, and to take possession of funds in the Account for application to such obligations. If a Customer's debit transaction is rejected by the Customer's bank for reasons such as non-sufficient funds, Yamaha shall have the right to charge Customer's Account a fee of Fifty Dollars (\$50) to cover administrative costs associated with the rejected payment.
3. **Limitation of Liability for ACH System.** Yamaha will not be liable for the act or omission of any Automated Clearing House, financial institution, or any person who has obtained unauthorized access to the ACH System. Customer acknowledges that if any error occurs in the ACH System debiting process, and Customer will immediately notify Yamaha if the amount of any debit entry which Yamaha initiates exceeds the amount owed by Customer. Customer agrees, however, that Yamaha's liability for any such error will be limited to a credit by Yamaha to the Account in the amount of the entry which exceeds the amount owed by Customer, and in no event will Yamaha be liable to Customer for any consequential, special or incidental damages.
4. **Notices.** Any written notice or other written communication required or permitted to be given under this Agreement shall be delivered, or sent by United States certified mail, return receipt requested, to Yamaha unless another address is substituted by notice delivered or sent as provided herein. Any such notice will be deemed given when received.
5. **Termination.** This agreement, if required by Yamaha as a credit condition of the account, will only be terminated at the end of the term of the Equipment Schedule or after all payments on the Equipment Schedule have been satisfied. If not a credit condition requirement, Yamaha or Customer may terminate this agreement at any time by giving thirty (30) days prior written notice to the other party.
6. **Governing Law.** This Agreement shall be governed by and construed in accordance with the laws of the State of California without regard to conflicts of law principles thereof. Any disputes, claims and controversies arising out of or directly or indirectly relating to this Agreement, or the breach, invalidity or termination thereof, shall be settled by binding arbitration to be held in Orange County, California.
7. **Entire Agreement.** This Agreement embodies the entire agreement of the parties with respect to the subject matter hereof, and supersedes all previous negotiations, representations, and agreements with respect hereto, and shall be binding upon the parties hereto. This Agreement may be amended only by a writing signed by both parties. In the event that any provision of this Agreement shall be held invalid, illegal or otherwise unenforceable for any reason in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of any such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby. Customer cannot assign this Agreement without Yamaha's prior written consent. Headings are used for reference purposes only, and are not part of this Agreement. The failure by either party to enforce or take advantage of any provision hereof shall not constitute a waiver of the right subsequently to enforce or take advantage of such provisions. The parties may rely on any facsimile copy, electronic data transmission or electronic data storage of this Agreement, which will be deemed an original, and the best evidence thereof, for all purposes.

Address for Deliver of Notice:

Yamaha Motor Finance Corporation, U.S.A.
6555 Katella Avenue, Cypress, CA 90630

Attention: Stacey Stankey, Assistant Department Manager

AUTHORIZATION AGREEMENT FOR DIRECT PAYMENTS (ACH DEBITS)

Customer Name CITY OF PHARR

Customer Number 4024545

Contact Phone Number _____

I (we) hereby authorize Yamaha Motor Finance Corporation, U.S.A., and its affiliates hereinafter called Yamaha, to initiate debit entries to my (our)

- ☐ Checking Account or
☐ Savings Account

Indicated below at the depository financial institution named below, hereafter called Depository, and to debit the same to such account. I (we) acknowledge that the origination of ACH transactions to my (our) account must comply with the provisions of U.S. law.

Depository Name _____

Branch _____

City _____ State _____ Zip _____

Bank Routing Number _____

Bank Account Number _____

☐ Please indicate with a check-mark that there is no debit blocking on your account that would prevent Yamaha from debiting your account according to the provisions of the ACH agreement.

This authorization is to remain in full force and effect and can only be terminated under the terms provided under Paragraph 5.

By signing below, Customer acknowledges its agreement to the terms of the ACH / Online Payments Agreement set forth on the reverse side of this document.

Name(s) _____ (Please Print)

Position(s) _____ (Please Print)
(must be an owner or officer of the company)

Signature(s) _____

Date _____

INSTRUCTIONS FOR ESTABLISHING ACH ACCOUNT:

Please forward this executed agreement, along with a voided check, to the following address:

Yamaha Motor Finance Corporation, U.S.A.
6555 Katella Avenue
Cypress, CA 90630
Or Fax to 714-761-7363



YAMAHA MOTOR FINANCE CORPORATION, U.S.A.
6555 KATELLA AVENUE CYPRESS, CALIFORNIA 90630-5101 800-551-2994 FAX 714-761-7363

March 3, 2021

CITY OF PHARR
700 E HALL ACRES RD
PHARR, TX 78577

Dear Yamaha Customer:

Enclosed you will find the documentation for your conditional sale purchase of 1-YU1AV1X/
Yamaha golf cars. The documents enclosed in the package include the following:

Conditional Sale Agreement
Equipment Schedule #205589
Request for Insurance
Certificate of Acceptance
Invoice For First Payment

OTHER _____

Please have these documents signed by an Authorized Officer and return them to me via fax or email. Our fax number is 714-761-7363.

The insurance form should be forwarded to your insurance company and a copy returned to us with the other documentation.

If the city requires the use of **Purchase Orders**, please provide one with your documents. However, if they are not required please include a signed statement on official city letterhead stating that a purchase order will not be required for this transaction.

We appreciate your continued business and thank you for choosing us to service your financing needs. If you should have any questions, please give us a call at 800-551-2994.

Sincerely,

Stephanie Chipouras

CONDITIONAL SALE EXHIBIT A

EQUIPMENT SCHEDULE # 205589

Dated March 2, 2021

1. This Schedule covers the following property ("Equipment"):

1-YU1AVIX GOLF CAR

2. Location of Equipment:

TIERRA DEL SOL GOLF CLUB

700 E. HALL ACRES

PHARR, TX 78577

3. The Terms for the Equipment described herein shall commence on May 1, 2021 and shall consist of 43 months from the first day of the month following said date.

4. The down payment of the Equipment shall be \$ \$0.00

5. Payments on the Equipment shall be due on the following schedule.

Schedule of Payments:

43 MONTHLY PAYMENTS (APPLICABLE TAXES TO BE BILLED).

STARTING MAY 2021 AND ENDING NOVEMBER 2024. DUE THE 1ST DAY OF THE MONTH AS FOLLOWS:

May-21 \$132.20	Jan-22 \$132.20	Jan-23 \$132.20	Jan-24 \$132.20
Jun-21 \$132.20	Feb-22 \$132.20	Feb-23 \$132.20	Feb-24 \$132.20
Jul-21 \$132.20	Mar-22 \$132.20	Mar-23 \$132.20	Mar-24 \$132.20
Aug-21 \$132.20	Apr-22 \$132.20	Apr-23 \$132.20	Apr-24 \$132.20
Sep-21 \$132.20	May-22 \$132.20	May-23 \$132.20	May-24 \$132.20
Oct-21 \$132.20	Jun-22 \$132.20	Jun-23 \$132.20	Jun-24 \$132.20
Nov-21 \$132.20	Jul-22 \$132.20	Jul-23 \$132.20	Jul-24 \$132.20
Dec-21 \$132.20	Aug-22 \$132.20	Aug-23 \$132.20	Aug-24 \$132.20
	Sep-22 \$132.20	Sep-23 \$132.20	Sep-24 \$132.20
	Oct-22 \$132.20	Oct-23 \$132.20	Oct-24 \$132.20
	Nov-22 \$132.20	Nov-23 \$132.20	Nov-24 \$2,000.00
	Dec-22 \$132.20	Dec-23 \$132.20	

6. The final purchase price for the purchase of the Equipment at the expiration of this Agreement shall be \$0.00

7. Other Terms:

Interest Factor: 4.20 %

Yamaha Motor Corporation, U.S.A., Seller and their respective subsidiaries are not obligated to perform or provide any maintenance or service, under any circumstances, under the terms of the Agreement. Maintenance and service are the responsibility of the Purchaser. Failure by Purchaser to maintain or service the equipment consistent with the terms of the Agreement shall not relieve Purchaser of the responsibilities under the Agreement.

Signed Counterparts: The parties agree that this Agreement may be signed in counterparts, that delivery of an executed counterpart of the signature page to this Agreement by fax, email or other electronic means shall be as effective as delivery of a manually executed counterpart, and any failure to deliver the original manually executed counterpart sent by fax, email or other electronic means shall not affect the validity, enforceability or binding effect of this Agreement. Notwithstanding any other provision of this Agreement, the sole original of this Agreement shall be the Agreement bearing the manually executed signature of the Purchaser. The Purchaser, by making any payment required under this Agreement ratifies all of the terms of this Agreement.

This Equipment Schedule and Acceptance Guidelines are issued pursuant to the Agreement dated March 2, 2021
All of the terms and conditions, representations and warranties of the Agreement are hereby incorporated herein and made a part hereof as if they were expressly set forth in this Equipment Schedule .

CITY OF PHARR

YAMAHA MOTOR FINANCE CORPORATION, U.S.A.

By: _____
Signature

By: _____
Signature

Name: _____
Type or Print

Name: Jeff Young
Type or Print

Title: _____

Title: President



FINANCIAL SERVICES

AMORTIZATION SCHEDULE FOR MUNICIPALITY
CONDITIONAL SALE CONTRACT
PURCHASER : TIERRA DEL SOL
EQUIPMENT SCHEDULE # 205589

TIERRA DEL SOL

Yield:4.200%

Initialed By _____

Mon #	Due Date	Payment	Interest	Principal/ Adjustment	Balance
				Total Financed	6,900.29
1	05/01/2021	132.20	23.24	108.96	6,791.33
2	06/01/2021	132.20	22.87	109.33	6,682.00
3	07/01/2021	132.20	22.50	109.70	6,572.30
4	08/01/2021	132.20	22.13	110.07	6,462.24
5	09/01/2021	132.20	21.76	110.44	6,351.80
6	10/01/2021	132.20	21.39	110.81	6,240.99
7	11/01/2021	132.20	21.02	111.18	6,129.81
8	12/01/2021	132.20	20.64	111.56	6,018.25
9	01/01/2022	132.20	20.27	111.93	5,906.32
10	02/01/2022	132.20	19.89	112.31	5,794.01
11	03/01/2022	132.20	19.51	112.69	5,681.32
12	04/01/2022	132.20	19.13	113.07	5,568.26
13	05/01/2022	132.20	18.75	113.45	5,454.81
14	06/01/2022	132.20	18.37	113.83	5,340.98
15	07/01/2022	132.20	17.99	114.21	5,226.77
16	08/01/2022	132.20	17.60	114.60	5,112.17
17	09/01/2022	132.20	17.22	114.98	4,997.19
18	10/01/2022	132.20	16.83	115.37	4,881.81
19	11/01/2022	132.20	16.44	115.76	4,766.06
20	12/01/2022	132.20	16.05	116.15	4,649.91
21	01/01/2023	132.20	15.66	116.54	4,533.37
22	02/01/2023	132.20	15.27	116.93	4,416.43
23	03/01/2023	132.20	14.87	117.33	4,299.11
24	04/01/2023	132.20	14.48	117.72	4,181.38
25	05/01/2023	132.20	14.08	118.12	4,063.27
26	06/01/2023	132.20	13.68	118.52	3,944.75
27	07/01/2023	132.20	13.28	118.92	3,825.83
28	08/01/2023	132.20	12.88	119.32	3,706.52
29	09/01/2023	132.20	12.48	119.72	3,586.80
30	10/01/2023	132.20	12.08	120.12	3,466.68
31	11/01/2023	132.20	11.67	120.53	3,346.16
32	12/01/2023	132.20	11.27	120.93	3,225.22
33	01/01/2024	132.20	10.86	121.34	3,103.89
34	02/01/2024	132.20	10.45	121.75	2,982.14
35	03/01/2024	132.20	10.04	122.16	2,859.98
36	04/01/2024	132.20	9.63	122.57	2,737.41
37	05/01/2024	132.20	9.22	122.98	2,614.43
38	06/01/2024	132.20	8.80	123.40	2,491.04
39	07/01/2024	132.20	8.39	123.81	2,367.23
40	08/01/2024	132.20	7.97	124.23	2,243.00
41	09/01/2024	132.20	7.55	124.65	2,118.35
42	10/01/2024	132.20	7.13	125.07	1,993.29
	Totals:	5,552.40	645.40	4,907.00	

CERTIFICATE OF ACCEPTANCE

This certificate is executed pursuant to Equipment Schedule # 205589
dated March 2, 2021 to the Conditional Sale Agreement dated
March 2, 2021 between Yamaha Motor Finance Corporation, U.S.A.
(the "Seller") and CITY OF PHARR
(the "Purchaser").

The Purchaser hereby certifies that the Equipment set forth below, as also described in the above
Equipment Schedule, has been delivered and accepted by the Purchaser on the Commencement
Date shown below.

QUANTITY	EQUIPMENT TYPE/MODEL	SERIAL NUMBER	NEW/USED	LOCATION
1-YU1AV1X GOLF CAR		see attachment	NEW	TIERRA DEL SOL GOLF CLUB 700 E. HALL ACRES PHARR, TX 78577

ADDITIONAL CONDITIONS/SPECIAL TERMS:

Please return this certificate as your acknowledgment of the above Commencement Date and acceptability of
the Equipment.

CITY OF PHARR

as Purchaser

By: _____

Name: _____

Title: _____

YAMAHA MOTOR FINANCE CORPORATION, U.S.A. ("Yamaha")

6555 Katella Avenue, Cypress, CA 90630

(800) 551-2994, Fax (714) 761-7363

E-MAIL: YMFUS_CFinsurance@yamaha-motor.com

NAME OF INSURANCE AGENT:

March 3, 2021

ADDRESS:

Please Reference our Quote# 205589

PHONE:

FAX:

RE:

TIERRA DEL SOL

(Customer) Account #

The Customer has purchased and will be financing equipment from Yamaha.

The Customer is required to provide Yamaha with the following insurance coverage:

"All Risk" Property Insurance covering the property owned by or in which Yamaha has a security interest, in an amount not less than the full replacement cost of the property, with Yamaha Motor Finance Corp., U.S.A., It's successors and assigns as **LOSS PAYEE.**

Each policy shall provide that: (i) Yamaha will be given not less than thirty (30) days prior written notice of cancellation or non-renewal, (ii) it is primary insurance and any other insurance covering Yamaha shall be secondary or excess of the policy and (iii) in no event shall the policy be invalidated as against Yamaha or its assigns for any violation of any term of the policy or the Customer's application therefore.

A Certificate evidencing such coverage should be mailed to Yamaha at the following address.

YAMAHA MOTOR FINANCE CORPORATION, U.S.A

Attn: Commercial Finance Group

6555 Katella Ave

Cypress, CA 90630

Your prompt attention will be appreciated.

Very Truly Yours,

Equipment Covered:

CITY OF PHARR

(Customer)

1-YU1AV1X/

Equipment Location:

By:

(Signature of Authorized Officer)

700 E HALL ACRES RD

PHARR, TX 78577

Title:



PLEASE SEND YOUR PAYMENTS TO:

YAMAHA MOTOR FINANCE CORP., U.S.A.
3362 Momentum Place
Chicago, IL 60689-5333

INVOICE NUMBER: MAN 205589

Date Prepared: 03/2/2021

CITY OF PHARR
118 S. CAGE BLVD
PHARR, TX 78577

<i>Due Date</i>	<i>Quote No</i>	<i>Description</i>	<i>Amount Due</i>
	205589	1-YU1AV1X/ for Municipal Conditional Sale Cars located at: TIERRA DEL SOL	
05/1/2021		Payment	\$132.20
		Payment Tax	\$0.00
YOUR ACCOUNT BALANCE IS -----			\$132.20

Please return the bottom portion with your remittance. Include the lease number on your check. FOR BILLING QUESTIONS, CALL YAMAHA Commercial Finance AT 1-800-551-2994.



PLEASE SEND YOUR PAYMENTS TO:

YAMAHA MOTOR FINANCE CORP., U.S.A.
3362 Momentum Place
Chicago, IL 60689-5333

INVOICE NUMBER MAN 205589

Date Prepared: 03/2/2021

Payment for:

CITY OF PHARR
118 S. CAGE BLVD
PHARR, TX 78577

205589 1ber

Amount Paid

Date Paid

#_____
Check Number



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 9.C.

DATE SUBMITTED: March 10, 2021

MEETING DATE: March 15, 2021

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR: Edward Wylie

Agenda Item: Consideration and action, if any, on contract with Pyro Shows of Texas for live fireworks display for City of Pharr Independence Day Celebration on Sunday, July 4, 2021 with a Rain-Date of Monday, July 5, 2021.

Classification: Regular

(* If closed session, City Attorney must review and approve.)

Issue: The City of Pharr wishes to provide a safe, family-friendly event to celebrate our nation's birthday with the City of Pharr Independence Day Celebration. This event is a live fireworks display that will take place at two show sites, one in north Pharr and one is south Pharr, and each at a value of \$21,200. Pyro Shows of Texas is the provider of the displays and their contract is attached for their professional services.

Fiscal Consideration: \$42,400

Staff Recommendation: Staff recommends approval.

Alternatives: Alternative would be to deny this contract proposal.

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Hilda Pedraza
Karla Saavedra
Patricia Rigney
City Management Office

Created/Initiated - 3/10/2021
Approved - 3/10/2021
Approved - 3/10/2021
Final Approval - 3/12/2021

Contract Agreement

This Agreement made this 9th day of March 2021, by and between PYRO SHOWS OF TEXAS, Inc., a Texas Corporation, whose address is 6601 Nine Mile Azle Road, Fort Worth, Texas, 76135, and hereinafter referred to as “**PYRO SHOWS OF TEXAS**” and **CITY OF PHARR** with its principle place of business located at 118 S. Cage Blvd., Pharr, in the State of Texas, hereinafter referred to as “Customer”.

In consideration of the mutual promises and undertakings set forth herein, receipt of said consideration being acknowledged, the parties hereby agree as follows:

- I. **FIREWORKS DISPLAY:** PYRO SHOWS agrees to furnish to Customer a firework display, hereinafter referred to as “Show”, pursuant to the project/sales order #21-TX-07-04-C-21200-000055 & #21-TX-07-04-C-21200-000056 dated this 9th Day of March and will take place at two show sites, one in north Pharr and one in south Pharr, and each at a value of \$21,200. The two Shows will be given on the 4th day of July 2021. Rain date/postponement date: [REDACTED].
- II. **TARIFF PROVISION:** Because our pyrotechnics are products which are primarily imported into the U.S., PYRO SHOWS is legally responsible for payment of any applicable tariffs (a border tax imposed on the buyer) for pyrotechnics. From the date of execution of the contract herein, in the event of additional cost due to increased price of product as imposed by manufacturer and/or tariffs levied for imported products. Available options are as follows: Customer may opt to increase their budget to absorb tariff - OR - Customer may maintain the current budget of their show with a corresponding reduction in the amount of product included in their show. Should Customer elect to defer, modify, or cancel Show, Customer shall notify Pyro Shows no less than ninety (90) days prior to Show date to cancel or reduce the size of show.
- III. **CANCELLATION:** PYRO SHOWS shall determine what weather conditions prohibit PYRO SHOWS from proceeding with the Show; in which case, PYRO SHOWS agrees to present the Show on the following day or previously agreed upon postponement date. In addition to contracted Show cost, Customer shall remit the actual additional expenses PYRO SHOWS shall incur in presenting the show on subsequent occasion to include labor, lodging, per diem, etc.; in no event shall these additional expenses be less than ten percent (10%) of the contracted price of the Show. In the event the Show must be RESCHEDULED to a mutually agreed upon date other than the previously agreed upon rain date, in addition to contracted Show cost, Customer shall remit the actual additional expenses PYRO SHOWS shall incur in presenting the Show on subsequent occasion to include labor, lodging, per diem etc.; in no event shall these expenses be less than thirty percent (30%) of the contracted price of the Show. Should Customer elect to CANCEL the Show for any reason, Customer must provide PYRO SHOWS with a thirty (30) days' written notice by certified mail, return receipt, to PYRO SHOWS' address as set forth above. Customer agrees that PYRO SHOWS shall incur substantial expense in preparation for the Show and, accordingly, agrees to pay PYRO SHOWS fifty (50%) of the total contract price for the show as liquidated damages for cancellation. If the Customer does not provide PYRO SHOWS with notice as set forth herein, Customer shall pay PYRO SHOWS the entire amount or one hundred percent (100%) of the contract price for the Show as liquidated damages.
- IV. **SECURITY AREA:** Customer agrees to furnish sufficient space for PYRO SHOWS to properly conduct the Show as determined by NFPA 1123-2014 (hereinafter "Security Area"). Customer agrees to provide adequate security protection to preclude persons unauthorized by PYRO SHOWS from entering the Security Area. For the purposes of the Agreement, "Unauthorized Persons" shall mean anyone other than the employees of PYRO SHOWS or persons specifically designated in writing by the sponsor or the Authority Having Jurisdiction (AHJ), and submitted and approved, to PYRO SHOWS prior to the event. Any expenses for security or stand-by fire protection shall be the responsibility of the Customer.
- V. **SITE CLEANUP:** PYRO SHOWS shall be responsible for basic cleanup of the launch area to include policing of the fallout zone for any unexploded ordnance and removal of all large paper debris, wood, wire, foil, racks, mortars and firing equipment used in the setup for the show. Customer shall be responsible for cleanup of debris located in and around fallout zone.
- VI. **AMENDMENT & ASSIGNMENT:** This agreement is deemed personal and confidential to Customer, his heirs, executors and administrators only, and may not be sold, assigned, amended, or transferred without the prior written consent of PYRO SHOWS.
- VII. **COMPLIANCE WITH THE LAWS AND REGULATIONS:** Promptly upon the execution of this Agreement, Customer shall apply for the approval hereof to any agency, officer or authority of any government if such approval is required by any applicable law, ordinance, code or regulation. This Agreement is made expressly subject to and Customer expressly agrees to comply with and abide by all applicable laws, ordinances, codes and regulations insofar as the same may be applicable to the terms and conditions of this Agreement, including all rules and regulations now existing or that may be promulgated under and in accordance with any such law or laws.
- VIII. **PERMITS AND LICENSES:** PYRO SHOWS shall process the necessary permits and licenses to enable PYRO SHOWS to perform fully hereunder unless otherwise forbidden by any other applicable statute, rule or otherwise. It is hereby stipulated that this Agreement is to be construed and governed by the laws of the State of Texas, and any suit involving this contract shall be brought in the Courts of Hidalgo County in the State of Texas, and the Parties hereby submit themselves to the jurisdiction of said Courts



and waives their rights to proceed against each other in and other actions, in any other jurisdiction. For Shows that include licensed music accompaniment, Customer agrees to verify with their organization, venue, sponsor, and/or municipality, the permission to simulcast music and agrees to pay any and all fees associated with the broadcast of said music in the public environment of the Show.

- IX. **LATE PAYMENT:** PYRO SHOWS shall charge, and Customer agrees to pay, one and one half percent (1 1/2%) per month late payment fee for each month until PYRO SHOWS is paid the amount set forth in Paragraph XIV herein. The stated late payment fee shall begin to run from the applicable date(s) established in Section XIV, unless this provision is prohibited by law.
- X. **ADVERTISEMENT AND PROMOTIONS:** Customer agrees to state that fireworks display is being provided by PYRO SHOWS in all advertisements and promotions. Furthermore, Customer agrees to allow PYRO SHOWS to use sponsors name and/or logo in PYRO SHOWS list of clients and any Pyro Shows advertisements and promotions.
- XI. **COMPLAINTS:** In the event that Customer has a complaint concerning the Show, or any material or product used in or pursuant to the Show, or of the conduct of the Show by PYRO SHOWS, or any act or omission of PYRO SHOWS or its agents, either directly or indirectly, without limitation, Customer shall make complaint known to PYRO SHOWS in writing by certified mail to PYRO SHOWS' address as set forth above, within ten (10) days after the date of the Show. In the event that Customer fails to register any complaint in the time and in the manner specified, Customer agrees that it shall not claim such complaint as cause for an offset or withhold any payment due to PYRO SHOWS hereunder on account of or because of such complaint or any matter arising from, relating to or a consequence of the complaint. Furthermore, Customer agrees that should PYRO SHOWS have to collect any amount due PYRO SHOWS hereunder which Customer claims as an offset or which is withheld by Customer on account of, or because of, a complaint not registered with PYRO SHOWS in the time and in the manner specified herein, by law or through an Attorney-at-Law, PYRO SHOWS shall be entitled to collect attorneys' fees in the amount of 15% of the amount owing PYRO SHOWS or the maximum amount allowed by law, whichever is greater, along with all cost of collection.
- XII. **INSURANCE:** Pyro Shows will provide General Liability Insurance and Automobile Liability in the amount of \$5,000,000.00, combined single limit, covering its activities and services in connection with the show described in this contract. Pyro Shows also agrees to include Customer as additional Insured under the terms of this coverage. Pyro Shows, Inc. will provide a Certificate of Insurance. All entities listed on the certificate will be deemed an additional Insured per this contract.
- XIII. **PAYMENT TERMS:** City of Pharr shall pay PYRO SHOWS \$42,4000 (\$21,200 per show site) plus applicable taxes according to the terms and conditions set forth for presenting the Show. Customer shall submit a 50% deposit (\$21,200) upon return of signed contract by March 23rd, 2021. Balance will be due in the PYRO SHOWS office prior to day of show.
- XIV. **GOVERNING LAW.** This Agreement shall be deemed to be made under and shall be construed in accordance with and shall be governed by, the laws of the State of Texas. Venue for any legal proceeding, cause of action or suit arising out of or related to this Agreement shall exclusively lie with a court of competent jurisdiction in Hidalgo County, Texas, any legal proceeding, cause of action or suit arising out of or related to this Agreement shall be exclusively brought in any court of competent jurisdiction in Hidalgo County, State of Texas, and for this purpose each party expressly and irrevocably consents to the exclusive jurisdiction of said courts.
- XV. **TAXES:** Customer shall be responsible for all applicable sales taxes.
IMPORTANT: Checks must be made payable to PYRO SHOWS, INC.
All the terms and conditions set forth on any addendum attached to this Agreement are made part of this Agreement and incorporated by reference herein.
IN WITNESS WHEREOF, the parties have hereunto set their hands and seals the day and year first above written.

PYRO SHOWS OF TEXAS, INC.

BY: _____
Chad Stanley, General Manager

DATE: _____

CUSTOMER

BY: _____
Signature

Printed Name

Title

DATE: _____

WARRANTY EXCLUSIONS

EXCEPT AS SPECIFICALLY PROVIDED HEREIN, THERE ARE NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE.

No representation of affirmation of fact including but not limited to statement regarding capacity, suitability for use, or performance of equipment or products shall be, or be deemed to be, a warranty by PYRO SHOWS for any purpose, nor give rise to any liability or obligation of PYRO SHOWS whatsoever.

IN NO EVENT SHALL PYRO SHOWS BE LIABLE FOR ANY LOSS OF PROFITS OR OTHER ECONOMIC LOSS, INDIRECT, SPECIAL, CONSEQUENTIAL, OR OTHER SIMILAR DAMAGES ARISING OUT OF ANY CLAIMED BREACH OF OBLIGATIONS HEREUNDER.



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 10.A.

DATE SUBMITTED:

MEETING DATE: March 15, 2021

FROM: Edward Wylie, City Manager

DEPARTMENT: Administration

DIRECTOR:

Agenda Item: Consultation with the Board of Commissioners on Operation Takeover

Classification: Closed Session

(* If closed session, City Attorney must review and approve.)

Issue:

Fiscal Consideration:

Staff Recommendation:

Alternatives:

Exclude Material from Public Packet? No

Reason:

ROUTING:

Edward Wylie
Karla Saavedra
Patricia Rigney
City Management Office

Created -