



**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, MAY 2, 2022**

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.

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. PROCLAMATIONS:

- A) Proclamation proclaiming May 1-7, 2022 as Professional Municipal Clerks Week. (ADMINISTRATION)
- B) Proclamation proclaiming May 11 - 17, 2022 as Pharr Police Memorial Week. (POLICE)
- C) Proclamation proclaiming May 15 - 21, 2022 as Emergency Medical Services Week. (EMERGENCY MEDICAL SERVICES)
- D) Proclamation proclaiming May 2022 as National Stop the Bleed Month. (EMERGENCY MEDICAL SERVICES)

3. 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.*

AGENDA REGULAR MEETING
May 2, 2022

4. 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.

5. 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 2nd Quarter 2021-2022 City of Pharr Investment Report.

B) Submission of Financial Report for the Period ending March 31, 2022.
(FINANCE)

6. 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 April 4, 2022 Regular Called Meeting; April 13, 2022 Special Called Meeting; April 18, 2022 Regular Called Meeting; and April 20, 2022 Special Called Meeting. (ADMINISTRATION)

B) Consideration and action, if any, on Ordinance amending Ordinance O-2021-44 for modifications to the fee schedule for municipal fiber optic services. **(3rd and Final Reading)** (IT)

C) Consideration and action, if any, on Ordinance amending Ordinance O-2018-04 to modify the fee schedule to add the Pharr Natatorium located at 3001 N. Cage. **(2nd Reading)** (PARKS)

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

1. Melden & Hunt, Inc., representing Adelante Holdings, Ltd., owner, has filed with the Planning and Zoning Commission a request for a Change of Zone from Residential Multi Family High-Density District (R-MFHD) to General Business District (C). The property is legally described as being 2.30-acres, more or less, out of Lot 151, Kelly-Pharr Subdivision, Pharr, Hidalgo County, Texas. The property is physically located at 2605 North Sugar Road. **COZ#220322** (DEVELOPMENT SERVICES)

AGENDA REGULAR MEETING
May 2, 2022

2. Pharr Central Industrial, LLC., representing Exclusive Covering, Inc., owner, has filed with the Planning and Zoning Commission a request for a Change of Zone from General Business District (C) to Heavy Commercial District (H-C). The property is legally described as being Lot 1, Alfredo's Tile Subdivision, Pharr, Hidalgo County, Texas. The property is physically located at 707 West Ferguson Avenue. **COZ#220323** (DEVELOPMENT SERVICES)

E) PLATS:

1. Melden & Hunt Inc., representing Jorge A. Adrade, Manager for Blu-Man Investments, L.L.C, A Texas Limited Liability Company, is requesting preliminary plat approval of the proposed South Gate Industrial Park Master Plan Subdivision. The property is legally described as being a 46.230 acres consisting of, 23.529 acres out of Lot 383 and 22.701 acres out of Lot 384 Kelly-Pharr Subdivision, Pharr, Hidalgo County, Texas. The property is located within the 800 block of E. Military Hwy. **SUB#220308** (DEVELOPMENT SERVICES)

REGULAR AGENDA - OPEN SESSION:

7. ORDINANCES AND RESOLUTIONS:

A) Consideration and action, if any, on Resolution authorizing Pharr Police Department to submit an application for the Operation Stonegarden Grant Program (OPSG-2021) to the Office of the Governor's Homeland Security Grants Division Grant #3173107 / OPSG-2021. (POLICE)

B) Consideration and action, if any, on Resolution determining a public necessity to acquire certain real property; giving notice of an official determination to acquire real property for a public purpose; establishing procedures for the acquisition of the property; determining the estate to be acquired; establishing fair market value for the property to be acquired, and directing the City Manager or designee to communicate offers to owners for purchase of property, appropriating funds, and authorizing condemnation proceedings by City Attorney; ratification of prior acts. (FIRE)

8. ADMINISTRATIVE:

A) Consideration and action, if any, accepting the City of Pharr Audited Financial Statements for FY 2020-2021. (FINANCE)

9. PURCHASING:

A) Consideration and action, if any, on the purchase of three 6" Godwin pumps and one 12" Godwin pump for dewatering services from Xylem Dewatering Solutions out of Corpus Christi, Texas, in the amount of \$274,946.09 through HGAC CM02-21. (PUBLIC WORKS)

10. CONTRACTS/AGREEMENTS:

A) Consideration and action, if any, authorizing City Manager to negotiate and enter into a contract with R. Gutierrez Engineering Corporation for Professional Engineering Services in the amount of \$17,500.00 for the subdivision plat and drainage plan for the new Parks & Recreation Department Warehouse property located on S. Nelson St. along W. Hall Acres Rd. (ENGINEERING)

B) Consideration and action, if any, authorizing City Manager to execute a Non-disclosure Agreement (NDA) with DHR Health Institute for Research and Development allowing the EMS department to participate in research studies. (EMERGENCY MEDICAL SERVICES)

C) Consideration and action, if any, authorizing City Manager to enter into an affiliation agreement with RGV College for EMS student clinical rotations (EMERGENCY MEDICAL SERVICES)

D) Consideration and action, if any, ratifying agreement between City of Pharr and ClearGov for Budget Preparation Software Service Agreement. (FINANCE)

E) Consideration and action, if any, authorizing City Manager to ratify Change Order Number 4 in the amount of \$290,395 for the Northside Aquatic Facility. (ENGINEERING)

F) Consideration and action, if any, authorizing City Manager to negotiate and enter into a business agreement with Emergent Air authorizing the sharing of Protected Health Information (PHI) for flight services (EMERGENCY MEDICAL SERVICES)

G) Consideration and action, if any, authorizing City Manager to negotiate and enter into agreement with an Engineer on the approved Professional Engineering Services Pool for the platting of the property for the proposed Emergency Management Service (EMS) and Fire Department (FD) developments on North Knights Drive. (ENGINEERING)

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:*

AGENDA REGULAR MEETING
May 2, 2022

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 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:

AGENDA REGULAR MEETING
May 2, 2022

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. 1016 / 1007 or FAX 956-702-5313 or E-mail hilda.pedraza@pharr-tx.gov and 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 29th day of April 2022 at 3:30 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 29th day of April 2022.




HILDA PEDRAZA, TRMC / CMC
CITY CLERK

I certify 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: _____

Proclamation



WHEREAS, the Office of the Professional Municipal Clerk is a time honored and vital part of local government, exists throughout the world, and is the oldest among public servants; and

WHEREAS, the Office of the Professional Municipal Clerk provides the professional link between the citizens, the local governing bodies, and agencies of government at other levels; and

WHEREAS, Professional Municipal Clerks have pledged to be ever mindful of their neutrality and impartiality, rendering equal service to all, and serving as the information center on functions of local government and community; and

WHEREAS, the office of the Municipal Clerk, also known as City Clerk, has duties that are statutorily mandated in Texas Local Government Code §22.071 and §22.073; and

WHEREAS, Professional Municipal Clerks continually strive to improve the administration of the affairs of the Office of the Professional Municipal Clerk through participation in education programs, seminars, workshops, annual meetings of their state, as well as provincial, county and international professional organizations; and

WHEREAS, the Office of the City Clerk adheres to strict ethical, statutory, and recognized professional standards, and this office is the professional link to responsive government in Pharr, by innovatively responding and serving its internal and external customers with integrity and efficiency, while responsibly and accurately preserving the records of the past.

NOW THEREFORE, I, Ambrosio Hernandez, Mayor of the City of Pharr, Texas, by the virtue of the authority vested in me and on behalf of the Commission do hereby proclaim the week of May 1 – 7, 2022 as:

“Professional Municipal Clerks Week”

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Pharr to be affixed on this 2nd day of May 2022.

CITY OF PHARR

Ambrosio Hernandez, Mayor

ATTEST:

Hilda Pedraza, City Clerk

Proclamation



WHEREAS, the Congress and President of the United States have designated May 15th as Peace Officers' Memorial Day, and the week in which May 15th falls as National Police Week to honor the service and sacrifice of those law enforcement officers killed in the line of duty while protecting our communities and safeguarding our democracy; and

WHEREAS, there are approximately 900,000 law enforcement officers serving in communities across the United States, including the dedicated members of the Pharr Police Department. Some 60,000 assaults against law enforcement officers are reported each year, resulting in approximately 17,000 injuries. Since the first recorded death in 1786, over 21,000 law enforcement officers in the United States have made the ultimate sacrifice and have been killed in the line of duty; and

WHEREAS, the names of these dedicated public servants are engraved on the walls of the National Law Enforcement Officer Memorial in Washington, D.C. and 615 new names of fallen heroes are being added this spring; and

WHEREAS, May 15th is designated as Peace Officers Memorial Day in honor of all fallen officers and their families. The City of Pharr hereby formally designates and publicly salutes the service of law enforcement officers in our community and in communities across the nation.

NOW THEREFORE, I, Ambrosio Hernandez, Mayor of the City of Pharr, Texas, by the virtue of the authority vested in me and on behalf of the Commission do hereby proclaim the week of May 11th – 17th, 2022 as:

“Pharr Police Memorial Week”

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Pharr to be affixed on this 2nd day of May 2022.

CITY OF PHARR

Ambrosio Hernandez, Mayor

ATTEST:

Hilda Pedraza, City Clerk

Proclamation



WHEREAS, emergency medical services is a vital public service and the members of emergency medical services teams are ready to provide lifesaving care to those in need 24 hours a day, seven days a week; and

WHEREAS, access to quality emergency care dramatically improves the survival and recovery rate of those who experience sudden illness or injury; and

WHEREAS, emergency medical services has grown to fill a gap by providing important, out of hospital care, including preventative medicine, follow-up care, and access to telemedicine; and

WHEREAS, the emergency medical services system consists of first responders, emergency medical technicians, paramedics, emergency medical dispatchers, firefighters, police officers, educators, administrators, pre-hospital nurses, emergency nurses, emergency physicians, trained members of the public, and other out of hospital medical care providers; and

WHEREAS, the members of emergency medical services teams, whether career or volunteer, engage in thousands of hours of specialized training and continuing education to enhance their lifesaving skills; and

WHEREAS, it is appropriate to recognize the value and the accomplishments of emergency medical services providers by designating Emergency Medical Services Week.

NOW THEREFORE, I, Ambrosio Hernandez, Mayor of the City of Pharr, Texas, by virtue of the authority vested in me and on behalf of the Mayor and the City Commission, do hereby proclaim the week of May 15 – 21, 2022 as:

“Emergency Medical Services Week”

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Pharr to be affixed on this 2nd day of May 2022.

CITY OF PHARR

Ambrosio Hernandez, Mayor

ATTEST:

Hilda Pedraza, City Clerk

Proclamation



WHEREAS, acts of terrorism and unstable individuals can lead to casualties with massive bleeding, where if response is delayed can result in death. The month of May is National Stop the Bleed Month and May 19, 2022 is National Stop the Bleed Day. President Barack Obama's policy directive for national preparedness, targets preparedness as a shared responsibility of the government, the private and nonprofit sectors, and individual citizens; and

WHEREAS, the general public learns and performs CPR, the public must learn proper bleeding control techniques, including how to use their hands, dressings, and tourniquets; and

WHEREAS, victims can die quickly from uncontrolled bleeding, within 5 to 10 minutes. Bleeding Control.org, an initiative of the American College of Surgeons and the Hartford Consensus along with private and nonprofit partners, can help prepare you in the event you are witness to one of these unspeakable events; and

WHEREAS, the Trauma Regional Advisory Council (TRAC-V) is partnered with BleedingControl.org to provide Stop the Bleed training to the citizens of the Rio Grande Valley. A free training will be offered on May 19, 2022 at the Pharr EMS Headquarters for the general public.

NOW THEREFORE, I, Ambrosio Hernandez, Mayor of the City of Pharr, Texas, by virtue of the authority vested in me and on behalf of the Mayor and the City Commission, do hereby proclaim the month of May 2022 as:

“National Stop the Bleed Month”

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Pharr to be affixed on this 2nd day of May 2022.

CITY OF PHARR

Ambrosio Hernandez, Mayor

ATTEST:

Hilda Pedraza, City Clerk



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 4.A.

DATE SUBMITTED:

MEETING DATE: May 2, 2022

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 -



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.A.

DATE SUBMITTED: April 27, 2022

MEETING DATE: May 2, 2022

FROM: Karla Saavedra, Finance Director

DEPARTMENT: Finance

DIRECTOR: Karla Saavedra

Agenda Item: Submission of 2nd Quarter 2021-2022 City of Pharr Investment Report.

Classification: Regular

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

Issue: This report is to comply with the Public Funds Investment Act Reporting requirements. In the past, we used to report Investments in the Quarterly Report. Finance is now recommending to issue a separate report as part of City Manager's Report every quarter.

Fiscal Consideration: n/a

Staff Recommendation: n/a

Alternatives: n/a

Exclude Material from Public Packet? No

Reason: n/a

ROUTING:

Karla Saavedra
Andrew Harvey
City Management Office

Created/Initiated - 4/27/2022
New -

City of Pharr Investment Report 2nd Quarter FY 2021-2022



Contents

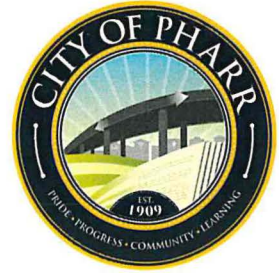


Investment Report Summary -	01
Comparison of Portfolio -	02
Change in Market Value-	03
Demand Deposit Allocation-	04
Weighted Average Maturity and Yield-	05
Benchmarks and Depository Collateral-	06

City of Pharr, TX

Investment Report Summary

March 31st , 2022



COMPLIANCE

This report complies with the requirements of the Public Funds Investment Act as well as the City of Pharr's adopted investment policy. The City is in compliance with all provisions of the Public Funds Investment Act and the City of Pharr's investment policy. The City's investment portfolio includes activity in demand deposits, Certificates of Deposits and Investment Pools.

LIQUIDITY

The greatest length of maturity for all of our investments is 167 days. The weighted average maturity including demand deposits is 4.82 day and 78.36 day without demand deposits. Both of these amounts are within legal and City requirements.

CHANGE IN BOOK AND MARKET VALUE

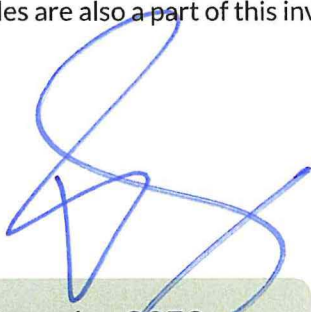
The investment book value was roughly **\$157 million** and had decreased by approximately \$8.04 million from the previous quarter. This decrease is mainly due to construction expenses related to the TeamPharr.Net project of approximately \$11 million as of March 2022.

PORTFOLIO YIELD

The portfolio yield of .19% was at the same level within the benchmark yields on the six month T-Bill and Average Federal Funds Rate, which were 0.09% and 0.33% respectively (per Federal Reserve website yield postings). The spread between the portfolio yield and the benchmark yield is mainly due to the depository's favorable interest rate. Safety and liquidity is a greater concern than yield.

INVESTMENT MATURITIES/PURCHASES

The attached schedules are also a part of this investment report.



Karla Saavedra, CGFO
Finance Director



Edward Wylie
Interim City Manager

City of Pharr, TX

Comparison of Portfolio to Policy Limits

as of March 31st, 2022

Limits on Types of Securities	Target Investment Level	Portfolio Cap	Actual Percentage of Portfolio	Positive/(Negative) % Variance Policy Limits
Demand Deposits	N/A	N/A	94.98%	N/A
Certificates of Deposits	10%	30%	0.40%	29.61%
U.S. Treasury Obligations	30%	80%	0.00%	80.00%
U.S. Government Securities	30%	50%	0.00%	50.00%
Public Funds Investment Pools	30%	80%	4.62%	75.45%

Limits on Maturities	Minimum Allowable % of Portfolio	Actual Percentage of Portfolio	Positive/(Negative) % Variance Policy Limits
Available within 1 month	25%	94.98%	70.06%
Available within 3 months	33%	94.98%	62.06%
Available within 6 months	50%	95.18%	45.25%
Available within 1 year	70%	96.37%	26.42%
Available within 2 years	100%	100%	N/A

	Maximum Allowable	Maximum Actual Maturity	Policy Limit Days Available
Days to Maturity	730	167	563

City of Pharr, TX

Market Value Analysis

March 31st, 2022

Beginning Value-December 31st, 2021

\$165,047,514

Investment Activity:

Purchases

Net Changes in Market Price

\$7,818

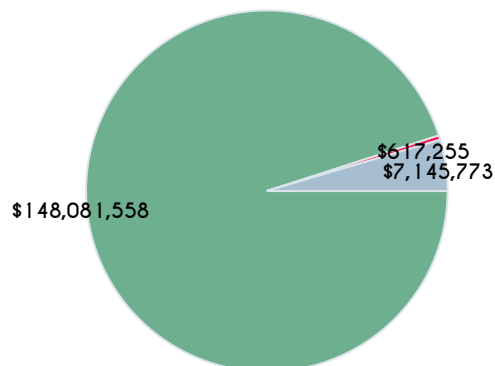
Bank and Pooled Investment Deposits/(Withdrawals)-Net

(\$8,047,876)

\$157,007,456

Ending Value-March 31st, 2022

(Market Value)

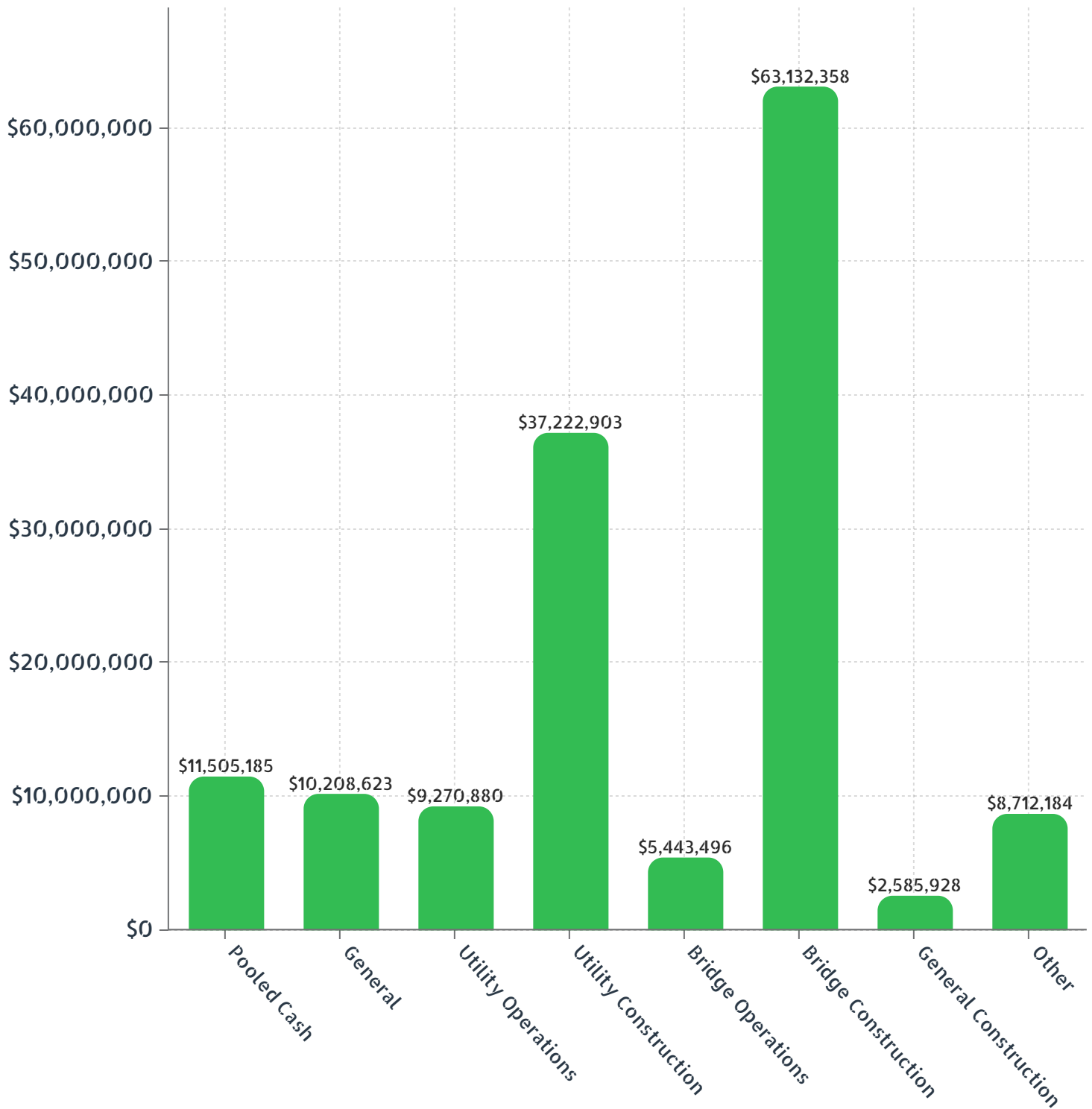


■ Demand Deposits* \$148,081,558

■ Certificates of Deposit \$617,255

■ Investment Pools \$7,145,773

City of Pharr, TX
Demand Deposit Allocation
March 31st, 2022



City of Pharr, TX
Weighted Average
March 31st, 2022



95.06%

or \$149.2 Million
in Demand Deposits
at at average of .20%
YTM



.39%

or \$.617 Million
in Demand Deposits
at at average of .20%
YTM



4.55%

or \$7.14
in Investment Pool at TexPool
.04% YTM

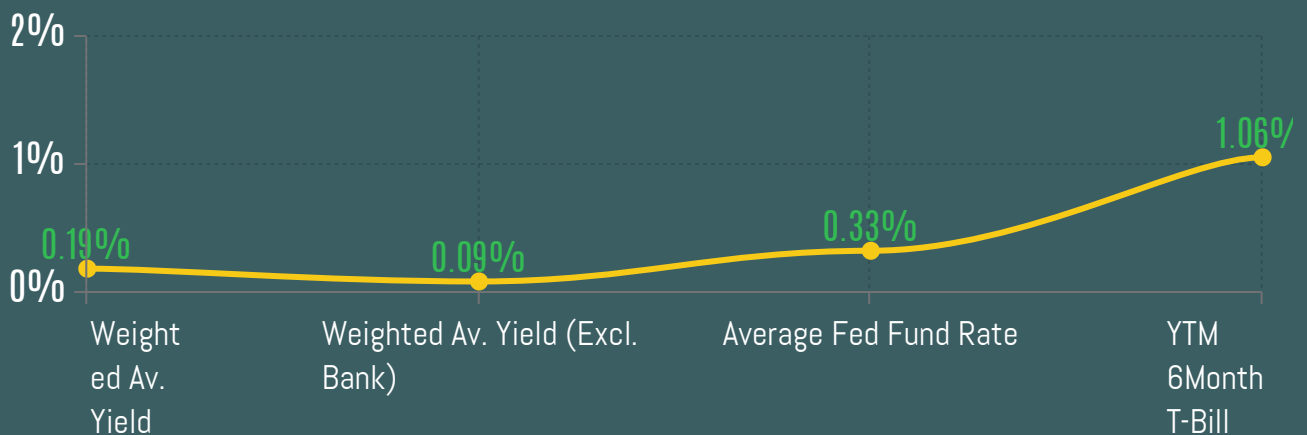
4.82

Weighted Average Days to
Maturity

78.36

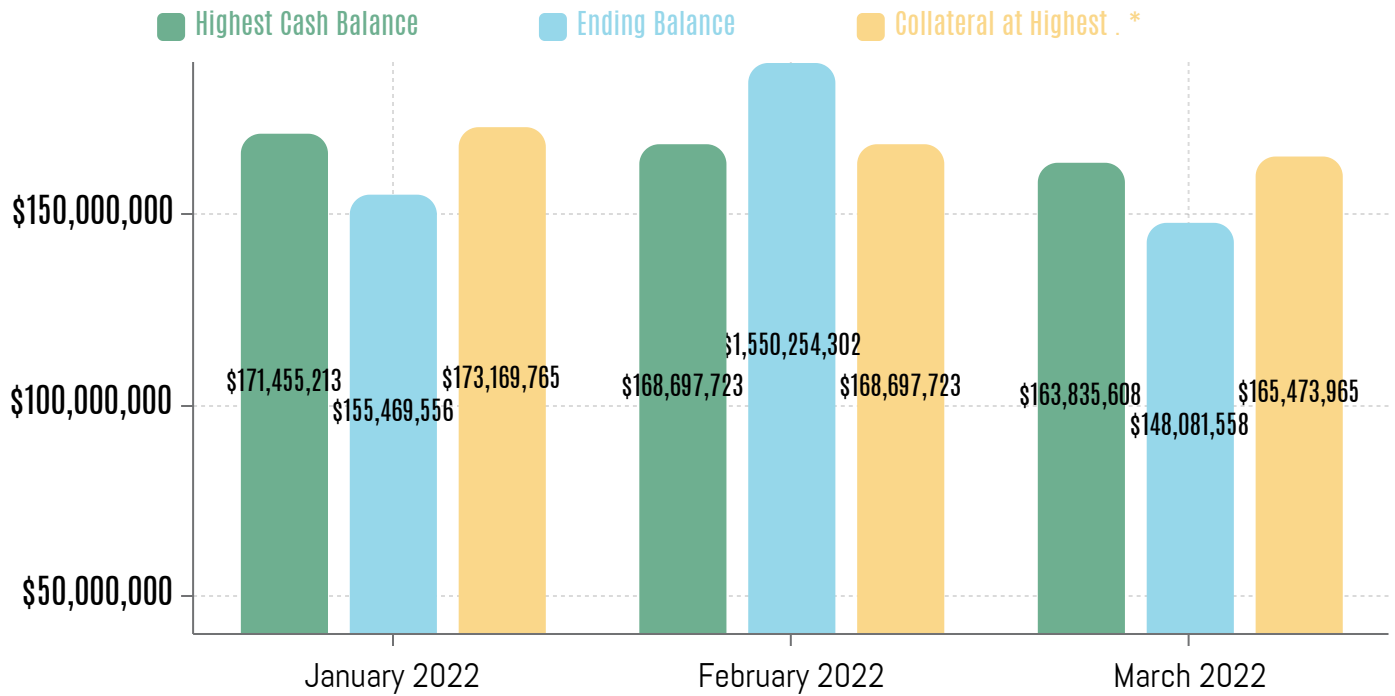
Weighted Average Days to
Maturity-(Excl. depository bank)

Benchmark Rates

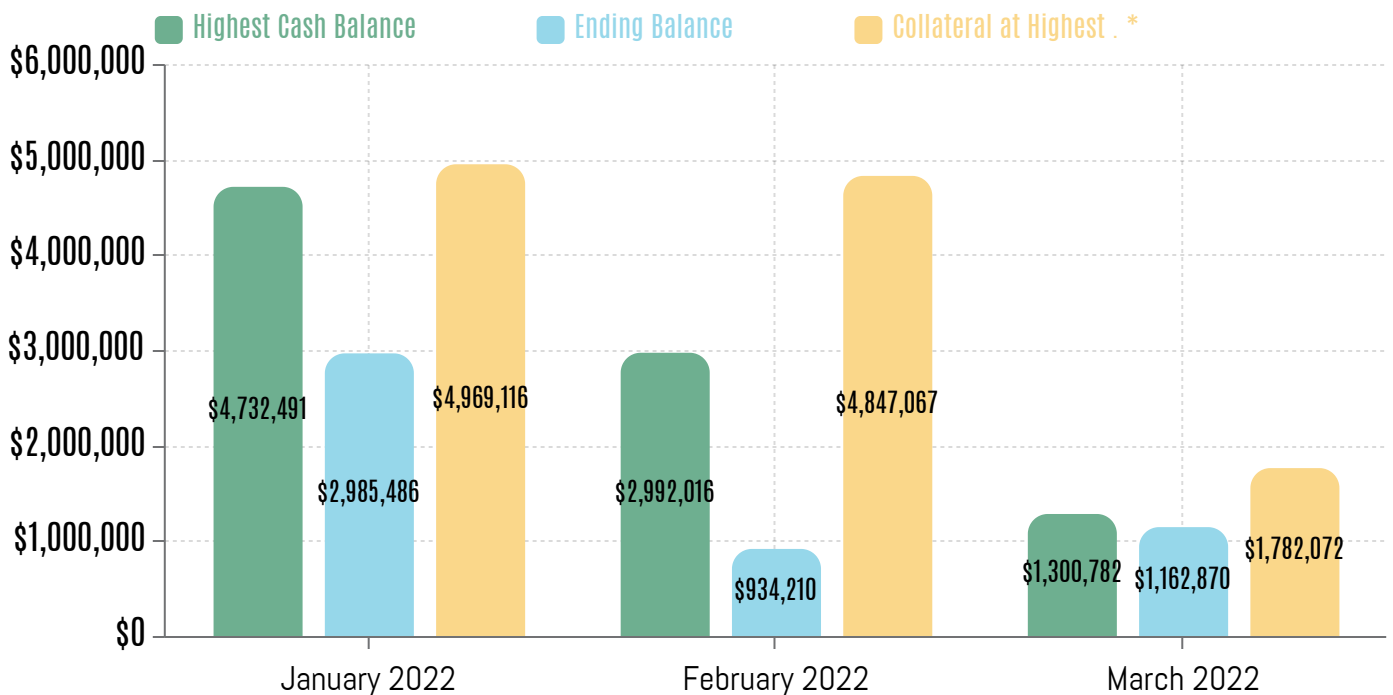


City of Pharr, TX Depository Collateral March 31st, 2022

City of Pharr



PEDC



* Calculated as percentage above highest cash balance per LSNB



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 5.B.

DATE SUBMITTED: April 26, 2022

MEETING DATE: May 2, 2022

FROM: Karla Saavedra, Finance Director

DEPARTMENT: Finance

DIRECTOR: Karla Saavedra

Agenda Item: Submission of Financial Report for the Period ending March 31, 2022.

Classification: Regular

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

Issue: As part of City Fiscal Transparency, city financial reports are prepared on a regular basis in order to keep our citizens informed and the city commission about the City's Fiscal Health.

This report is preliminary and unaudited and prepared by the Finance Department.

Fiscal Consideration: n/a

Staff Recommendation: n/a

Alternatives: n/a

Exclude Material from Public Packet? No

Reason:

ROUTING:

Karla Saavedra

Karla Saavedra

Patricia Rigney

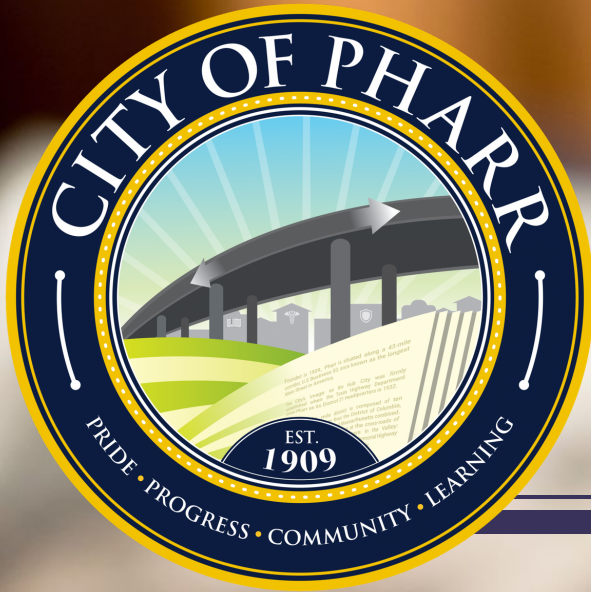
City Management Office

Created/Initiated - 4/26/2022

Approved - 4/26/2022

Approved - 4/26/2022

Final Approval - 4/29/2022



CITY OF PHARR

2nd Quarterly Financial Report

FY 2021-2022

Prepared by Karla Saavedra, CGFO



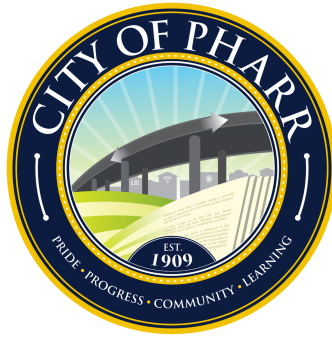


Table of Contents

Major Governmental Funds

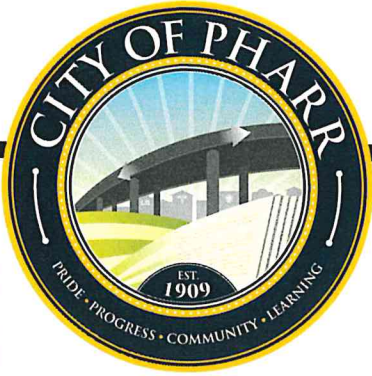
• Balance Sheet-Unaudited and Preliminary	1
• Statement of Revenues and Expenditures and Changes in Fund Balance	2

Proprietary Funds

• Statement of Net Position-Unaudited and Preliminary	3
• Statement of Revenues and Expenditures and Changes in Fund Net Position	4

Fiscal Updates

• Sales Tax Collections	5
• General Fund Budget Use	6
• Bridge Crossings	7
• Long-Term Debt Obligations	8 & 9
• Construction in Progress	10



May 2nd, 2022

Mayor
City Commission
Citizens of Pharr

This Financial Report was compiled for the purpose of updating the City's elected officials and executive staff on the overall fiscal health of the City.

All City data is not included in this report, only the selected major activities whose drastic changes could adversely affect the City's ability to meet its obligations to vendors, staff and citizens.

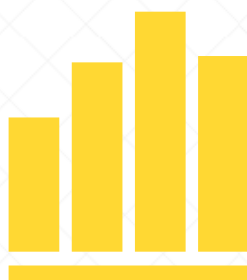
This is the Finance Department's effort to provide timely, reliable, and transparent fiscal information so that decision makers will have up to date to base their decisions on.

Should you have any questions concerning this matter, please feel free to contact me at (956) 402-4150 ext. 1907 or via email at karla.saavedra@pharr-tx.gov.

A handwritten signature in blue ink, appearing to be "Karla Saavedra", is written over a horizontal line.

Karla Saavedra,
CGFO

Major Governmental Funds



BALANCE SHEET-UNAUDITED AND PRELIMINARY
MAJOR GOVERNMENTAL FUNDS
FOR PERIOD ENDING MARCH 31st, 2022

1

	<u>General</u>	<u>Capital Projects</u>
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>		
Cash	\$ 11,454,011	\$ 2,971,836
Investments	12,750,236	300,000
Receivables (net of allowance for uncollectible):		
Property taxes	1,873,257	-
Sales	3,442,533	-
Warrants	3,407,471	-
Accounts	526,875	-
Other	5,190,607	110,022
Prepaid Items		
Inventories	1,861,399	-
Due from other funds	1,766,730	
Restricted assets:		
Cash	-	-
Cash with Fiscal Agent	3,307,204	-
Intergovernmental receivable	-	-
Total assets	<u>\$ 45,580,323</u>	<u>\$ 3,381,859</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>		
Liabilities:		
Accounts payable	\$ 726,132	\$ 1,199,058
Escrow accounts	<u>2,962,246</u>	<u>1,041,346</u>
Total liabilities	<u>3,688,378</u>	<u>2,240,404</u>
Deferred Inflows of Resources:		
Deferred property tax	1,873,257	-
Deferred accounts	526,875	-
Deferred warrants	3,407,471	-
Deferred other	<u>7,972</u>	<u>-</u>
Total deferred inflow of resources	<u>5,815,575</u>	<u>-</u>
Fund balances:		
Nonspendable:		
Noncurrent Advances	\$ 6,316,676	\$ -
Inventory	1,861,399	-
Committed:		
Contingency	12,750,236	-
Assigned:		
Capital Outlay	3,307,204	1,141,455
Unassigned:	<u>11,840,855</u>	<u>-</u>
Total fund balances	<u>36,076,370</u>	<u>1,141,455</u>
Total liabilities, deferred inflows of resources and fund balance	<u>\$ 45,580,323</u>	<u>\$ 3,381,859</u>

STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES IN FUND BALANCE
UNAUDITED AND PRELIMINARY
MAJOR GOVERNMENTAL FUNDS
FOR PERIOD ENDING MARCH 31st, 2022

2

	<u>General</u>	<u>Capital Projects</u>
REVENUES		
Taxes:		
Property	\$ 19,567,735	\$ -
Sales	10,240,145	-
Franchise	1,551,744	-
Other	122,329	-
Licenses and permits	772,847	-
Intergovernmental		1,059,468
Fees and charges:		
Sanitation	1,870,006	-
Brush	535,078	-
Other	198,770	-
Fines	270,186	-
Interest income	16,981	-
Other	407,522	-
Total revenues	<u>35,553,343</u>	<u>1,059,468</u>
EXPENDITURES		
Current:		
General government	6,533,794	-
Public safety	15,172,336	-
Highways and streets	1,805,442	-
Health and welfare	1,002,028	-
Culture and recreation	3,479,699	-
Capital Outlay		9,482,697
Economic development	850,232	-
Debt service:		
Principal	746,516	530,477
Interest	50,003	73,581
Total expenditures	<u>29,640,050</u>	<u>10,086,755</u>
Excess (deficiency) of revenues over (under) expenditures	<u>5,913,293</u>	<u>(9,027,287)</u>
OTHER FINANCING SOURCES (USES)		
Transfers in	5,885,350	2,229,980
Transfers (out)	(7,222,620)	(4,000,000)
Issuance of debt	1,608,000	-
Total other financing sources and uses	<u>270,730</u>	<u>(1,770,020)</u>
Net change in fund balance	6,184,023	(10,797,307)
Fund balance - beginning	29,946,971	11,938,761
Prior period adjustment	(54,624)	-
Fund balance - ending	<u>\$ 36,076,370</u>	<u>\$ 1,141,455</u>

MAJOR PROPIETARY FUNDS



**STATEMENT OF NET POSITION-UNAUDITED AND PRELIMINARY
PROPRIETARY FUNDS
FOR PERIOD ENDING MARCH 31st, 2022**

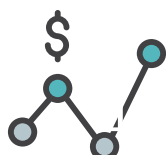
3

	PROPRIETARY FUNDS			
	Utility	Toll Bridge	Pharr EMS	Golf
ASSETS				
Current assets:				
Cash	\$ 1,375,541	\$ 5,837,945	\$ (4,704,090)	528,129
Receivables (net of allowance for uncollectible):				
Accounts	3,678,609	178,998	1,076,659	19,500
Intergovernmental	-	1,546,858	-	-
Inventories	181,220	-	-	20,387
Restricted assets:				
Cash	42,074,486	63,132,358	-	-
Cash with Fiscal Agent	4,510,000	827,640	-	-
Total current assets	51,819,856	71,523,799	(3,627,431)	568,016
Capital assets (net of accumulated depreciation):				
Water Rights	7,334,808	-	-	-
Land	4,293,127	819,645	785,224	999,342
Buildings	9,189,000	3,393,054	2,134,029	275,453
Improvements other than buildings	8,955,431	93,678	68,653	1,511,664
Machinery and equipment	2,120,469	2,098,498	2,121,976	170,710
Infrastructure	90,014,864	10,598,061	-	-
Construction in progress - Utility	2,533,904	-	-	-
Construction in progress - Bridge	-	14,512,073	-	-
Total capital assets, net of accumulated depreciation	124,441,603	31,515,009	5,109,882	2,957,169
Total noncurrent assets	124,441,603	31,515,009	5,109,882	2,957,169
DEFERRED OUTFLOW OF RESOURCES				
Unamortized gain / loss on refunding of debt	-	-	-	-
Total deferred outflow of resources	-	-	-	-
Total assets and deferred outflow of resources	176,261,459	\$ 103,038,808	\$ 1,482,451	\$ 3,525,183
LIABILITIES				
Current liabilities payable:				
Accounts payable	-	-	-	3,144
Due to other funds	424,280	141,443	1,357,429	80,726
Unearned revenue	3,472,746	669,742	-	47,224
Total current liabilities payable	3,897,026	811,185	1,357,429	131,094
Current liabilities payable from restricted assets:				
Customer deposits payable	552,006	-	-	-
Escrow payable	247,518	-	-	-
Matured accrued compensation	118,418	55,709	18,603	11,928
Matured capital lease	46,169	242,235	-	3,763
Matured bonds/notes, net	3,373,000	2,100,000	-	-
Total current liabilities payable from restricted assets	4,337,111	2,397,944	18,603	15,691
Total current liabilities	8,234,137	3,209,129	1,376,032	146,785
Noncurrent liabilities:				
Accrued compensation	355,254	167,126	55,810	35,785
Capital lease payable	666,971	982,294	-	117,004
Bonds/notes principal payable	60,361,000	59,423,545	-	-
Total noncurrent liabilities	61,383,225	60,572,965	55,810	152,789
DEFERRED INFLOW OF RESOURCES				
Unamortized premium	1,819,119	8,064,610	-	-
Total deferred inflow of resources	1,819,119	8,064,610	-	-
Total liabilities and deferred inflow of resources	71,436,481	71,846,705	1,431,842	299,574
NET POSITION				
Invested in capital assets, net of related debt	96,594,521	21,503,977	4,273,126	2,777,212
Restricted for:				
Debt service	3,720,457	2,100,000	-	-
Capital Equipment/Projects	4,510,000	827,640	-	-
Unrestricted	-	6,760,486	(4,222,517)	448,397
Total net position	\$ 104,824,978	\$ 31,192,103	\$ 50,609	\$ 3,225,609

STATEMENT OF REVENUES AND EXPENDITURES AND CHANGES IN FUND NET POSITION
UNAUDITED AND PRELIMINARY
PROPRIETARY FUNDS

4

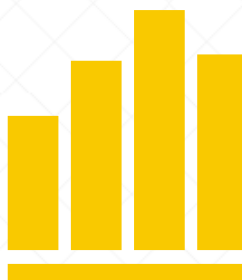
	Utility	Toll Bridge	Pharr EMS	Golf
Operating revenues:				
Charges for sales and services:				
Water sales	\$ 4,457,634	\$ -	\$ -	\$ -
Sewer service	3,221,334	-	-	-
Tap fees	103,518	-	-	-
Toll fees		8,614,308	-	-
Golf services				470,775
Ambulance Service Revenues	-	-	2,072,373	-
Other	47,540	171,658	142,375	126,562
Total operating revenues	7,830,026	8,785,966	2,214,748	597,336
Operating expenses:				
Personnel services	1,568,600	570,605	3,600,378	347,332
Supplies and Materials	977,990	100,604	202,764	95,113
Contractual Services	1,697,296	1,106,307	1,939,723	124,869
Total operating expenses	4,243,886	1,777,516	5,742,865	567,314
Operating income (loss)	3,586,140	7,008,450	(3,528,117)	30,022
Nonoperating revenues (expenses):				
Investment earnings	6,911	69,389	594	1,051
Interest expense	(468,185)	(1,122,121)	-	(2,084)
Other	-	1,546,858	-	-
Total nonoperating revenues (expenses)	(461,274)	494,126	594	(1,033)
Income/loss before contributions and transfers	3,124,866	7,502,576	(3,527,523)	28,989
Transfers in	6,045,758	-	-	262,700
Transfers (out)	(289,350)	(4,881,550)	-	(389,000)
Changes in net position	8,881,274	2,621,026	(3,527,523)	(97,311)
Total net position - beginning	95,984,779	28,571,076	3,578,132	3,253,272
Prior period adjustment	(41,075)	-	-	69,647
Total net position - ending	\$ 104,824,978	\$ 31,192,103	\$ 50,609	\$ 3,225,609



1.2

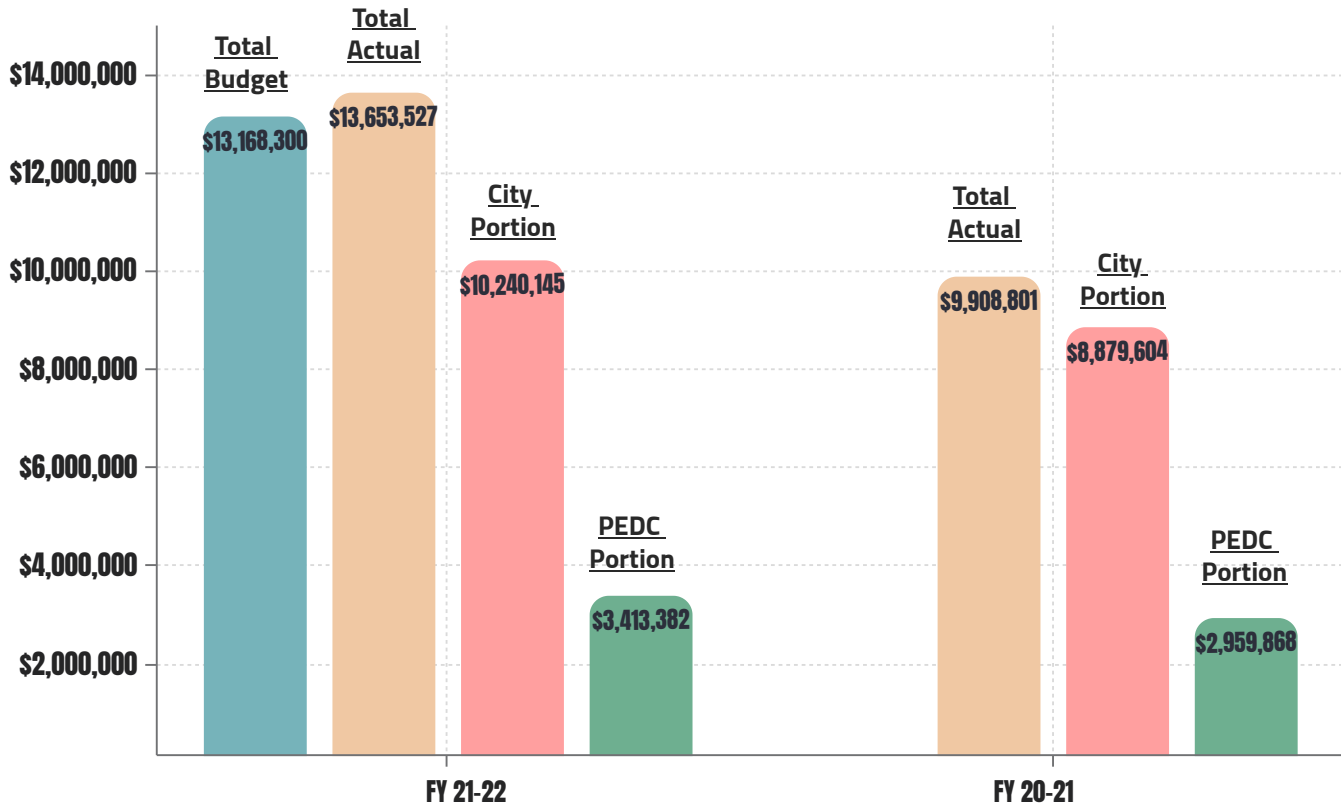
UTILITY DEBT COVERAGE RATIO

FISCAL UPDATES



CITY OF PHARR SALES TAX COLLETIONS
FOR PERIOD ENDIND MARCH 31, 2022

5



9.18% YTD

Increase in Sales Tax from Last Year*



14.45%

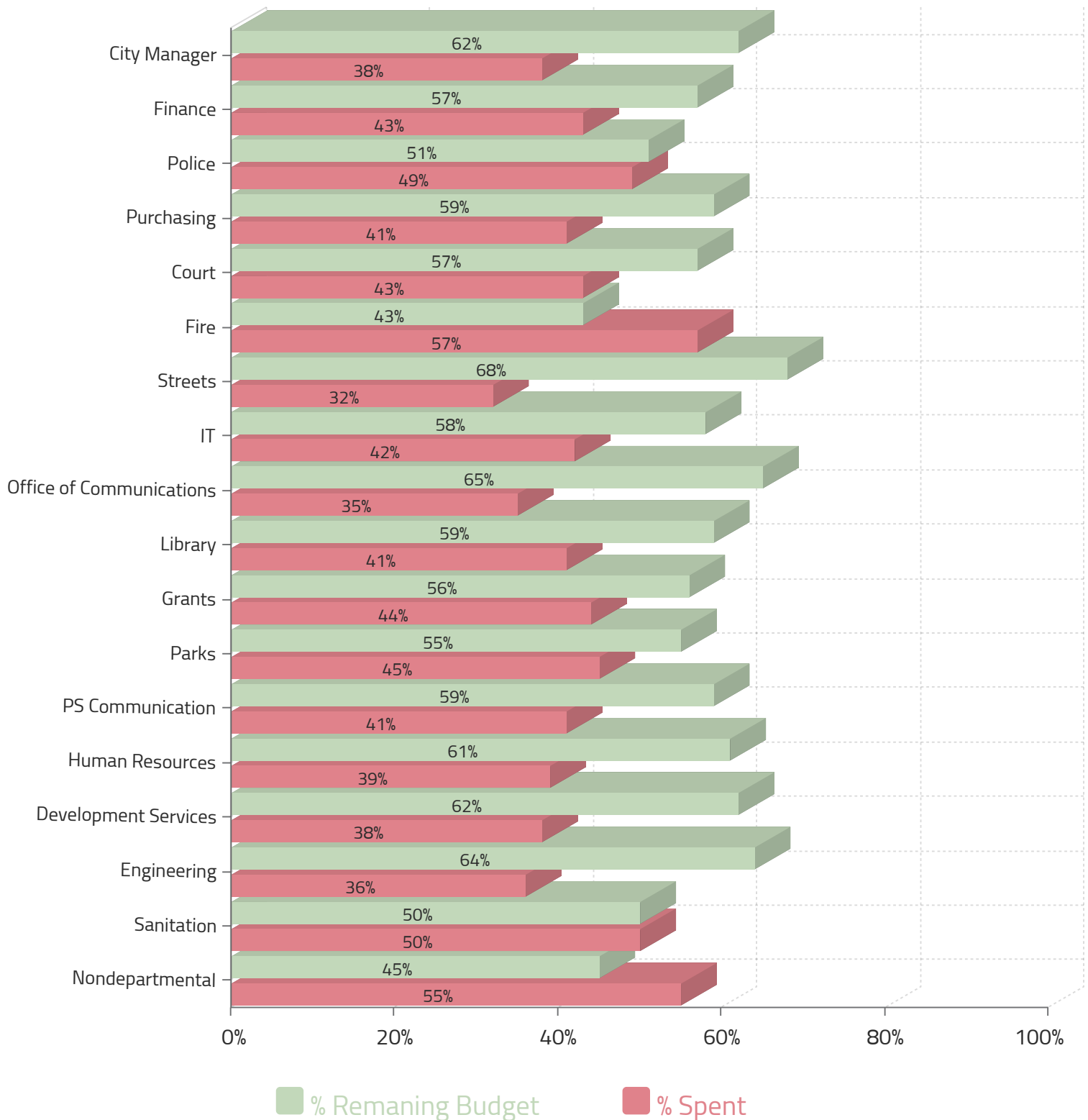
Compared to March 2021 Cash Basis.

**Ranked
No. 6**

compared to neighbor Cities

50%

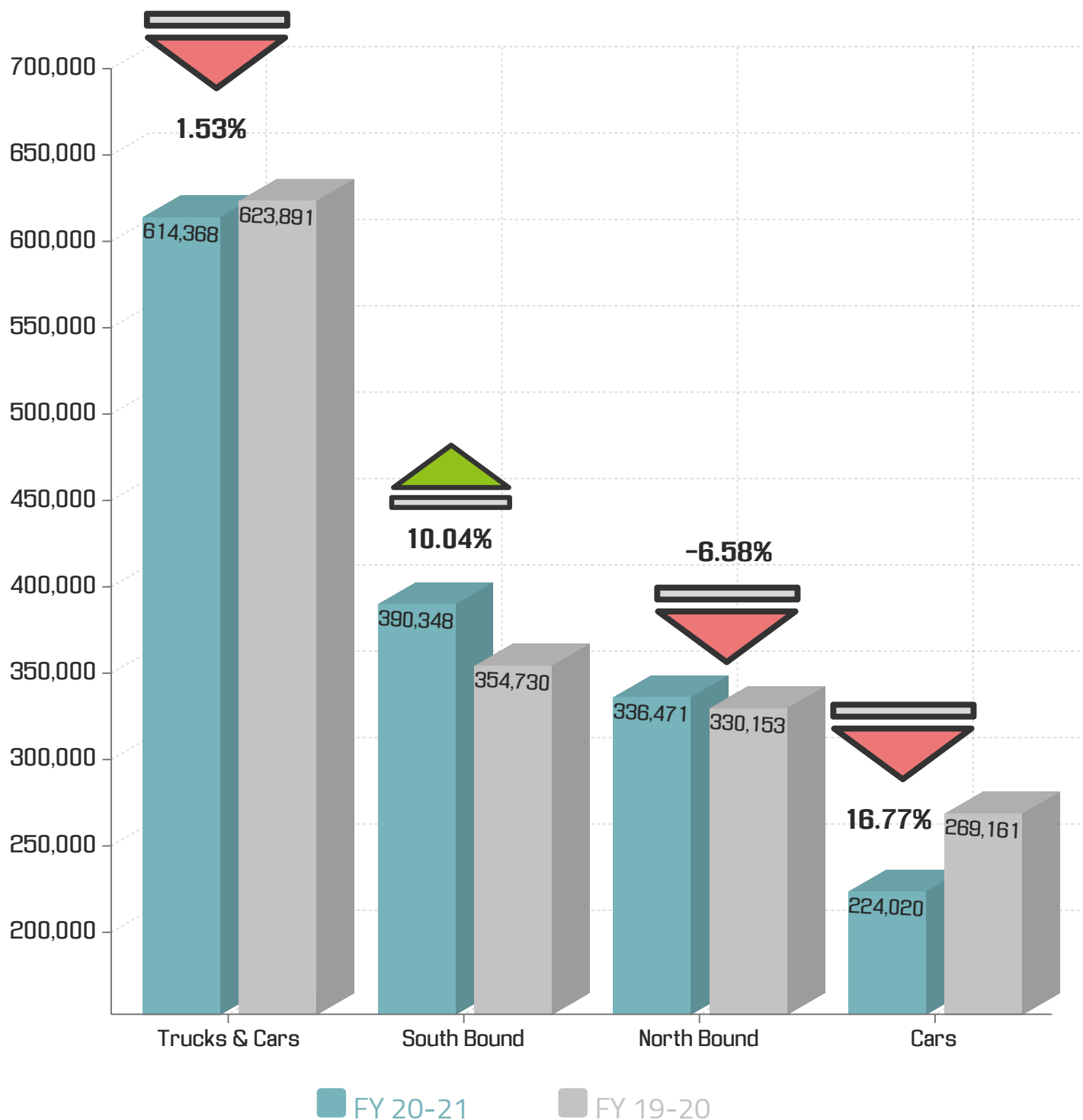
Benchmark for Budget use as of March 2022



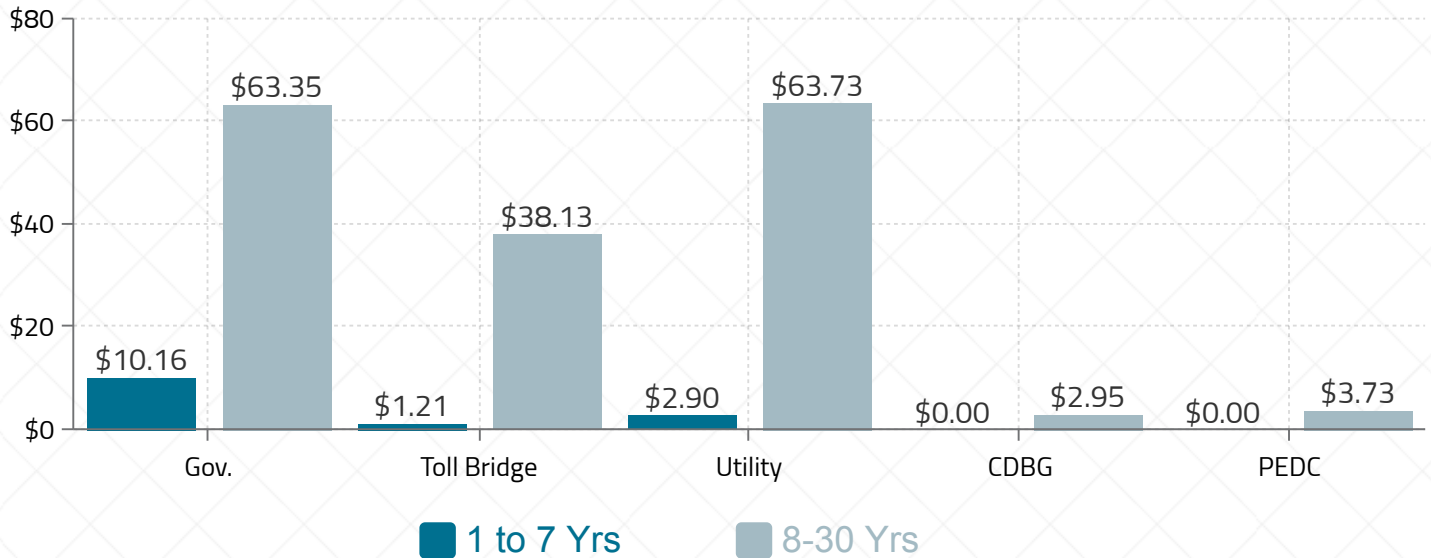
Bridge Crossings for period ending March 2022

7

Number of Crossings



Long-Term Obligations (In Millions)



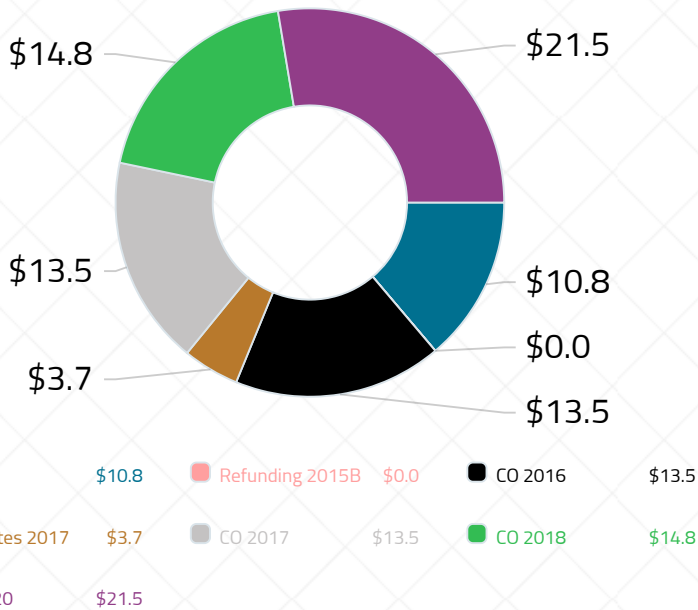
Outstanding As of March 2022:

**\$186.16
MILLION**

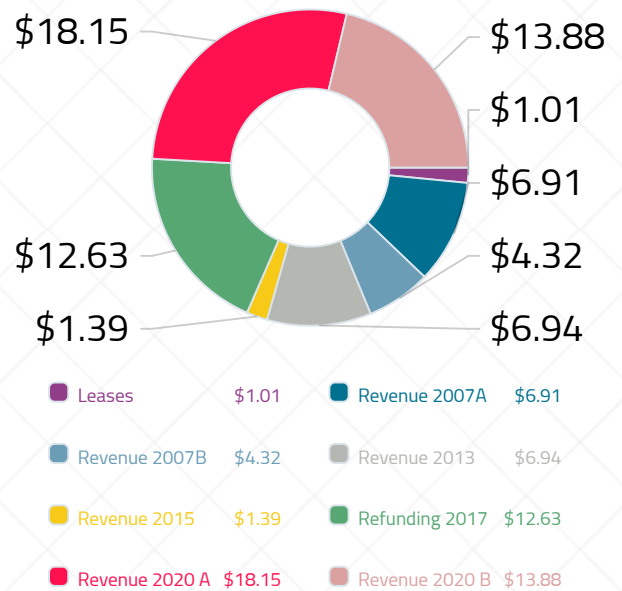
City-Wide Long-Term Debt

(In Millions)

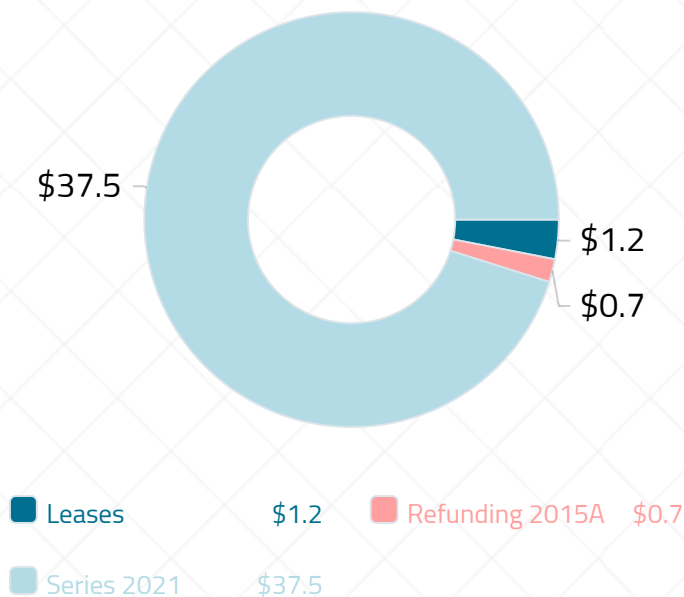
Governmental



Utility Fund



International Bridge



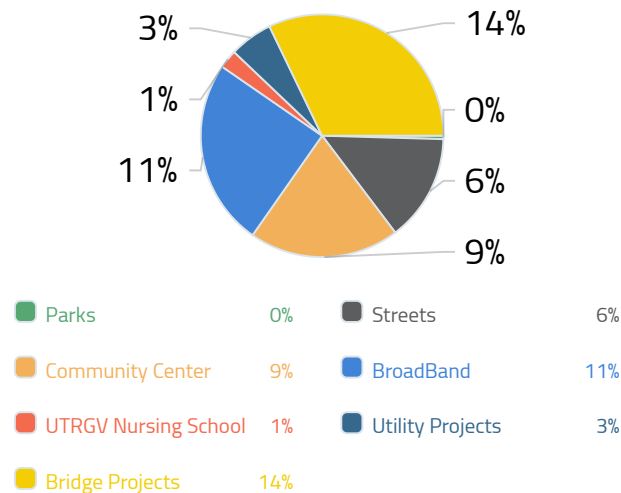
Governmental (In Millions)

Construction Category	Balance September 30, 2021	Expenses this Period	Completions this Period	Balance March 31st, 2022
Parks	\$27.20	\$1.95	\$28.95	\$.20
Streets	5.36	.90	-	6.26
Broadband/TeamPharr.Net**	3.04	7.90	-	10.94
UTRGV Nursing School	.67	.42	-	1.09
North Community Center	7.01	1.78	-	8.79
Total Governmental	\$43.28	\$12.95	\$28.95	\$27.28

Business-Type (In Millions)

Construction Category	Balance September 30, 2021	Expenses this Period	Completions this Period	Balance March 31st, 2022
Utility Projects	1.63	.90	-	2.53
Bridge	10.88	3.22	-	14.12
Total Business-Type	\$12.51	\$4.12	-	\$16.63
GRAND TOTAL	\$55.79	\$17.07	\$28.95	\$43.91

Construction Distribution



**Expenses reported under PEDC



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.A.

DATE SUBMITTED: April 21, 2022

MEETING DATE: May 2, 2022

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR: Edward Wylie

Agenda Item: Approval of Minutes for April 4, 2022 Regular Called Meeting; April 13, 2022 Special Called Meeting; April 18, 2022 Regular Called Meeting; and April 20, 2022 Special Called Meeting.

Classification: Consent

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

Issue: N/A

Fiscal Consideration: N/A

Staff Recommendation: Approval

Alternatives: N/A

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Hilda Pedraza
Annie Reeves
City Management Office

Created/Initiated - 4/21/2022
Approved - 4/28/2022
Final Approval - 4/29/2022

**MINUTES
BOARD OF COMMISSIONERS
REGULAR CALLED MEETING
MONDAY, APRIL 4, 2022
118 SOUTH CAGE 2nd FLOOR**

The Board of Commissioners of the City of Pharr, Texas, met in a Regular Called Meeting on Monday, April 4, 2022 and following is the record of attendance.

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

BOARD OF COMMISSIONERS ABSENT: Comm. Roberto “Bobby” Carrillo

STAFF PRESENT: Edward Wylie, Interim City Manager
Annie Reeves, Assistant City Manager
Anali Alanis, Assistant City Manager
Hilda Pedraza, City Clerk
Maria Rangel, Asst. City Engineer
Fabiola Sanchez, Asst. Finance Director
Juan Villescas, Municipal Judge
Andy Harvey, Police Chief
Pilar Rodriguez, Fire Chief
Roland Gomez, Interim Dev. Svcs. Director
Olga Garza, Public Works Director
Melanie Cano, O.S.E. Director
Ruben Rosales, Public Utilities Dir.
Sergio Alanis, Parks & Rec. Director
Cynthia Garza, CDBG/External Affairs
Adolfo Garcia, Library Director
Jose Pena, I.T. Director
Luis Bazan, Bridge Director
Ignacio Amezcua, Purchasing Director
Danny Ramirez, E.M.S. Chief
Yuri Gonzalez, Communications Officer
Sara Salinas, Public Safety Comm. Asst. Dir.

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

MINUTES: REGULAR CALLED MEETING

April 4, 2022

Mayor Pro Tem Daniel Chavez called the meeting to order at 4:00 p.m. Roll call established a quorum.

Comm. Guajardo **moved** to excuse absent member. Comm. Caballero seconded the motion and when put to a vote, it carried unanimously.

Mayor Hernandez was not present at the time of roll call, but arrived at 4:03 p.m.

B) PLEDGE OF ALLEGIANCE/INVOCATION

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

ITEM 2. PROCLAMATIONS

A) PROCLAMATION PROCLAIMING APRIL 3-9, 2022 AS NATIONAL LIBRARY WEEK (LIBRARY)

Comm. Medina read proclamation proclaiming April 3-9, 2022 as National Library Week and presented proclamation to Adolfo Garcia, Library Director, and staff.

Adolfo Garcia, Library Director, thanked the Commission for the recognition and stated the Pharr Memorial Library would be having a Library Patron Appreciation Day on April 8, 2022 at the Development and Research Center.

B) PROCLAMATION PROCLAIMING APRIL 10-16, 2022 AS NATIONAL PUBLIC SAFETY TELECOMMUNICATORS WEEK (COMMUNICATIONS)

Mayor Hernandez read proclamation proclaiming April 10-16, 2022 as National Public Telecommunicators Week.

Sara Salinas, Public Safety Assistant Director, and staff received proclamation and thanked the Commission for the recognition.

Mayor Hernandez expressed his appreciation to staff for an outstanding job.

C) PROCLAMATION PROCLAIMING APRIL 10-16, 2022 AS NATIONAL ANIMAL CONTROL OFFICER APPRECIATION WEEK (PUBLIC WORKS)

Comm. Caballero read proclamation proclaiming April 10-16, 2022 as National Animal Control Officer Appreciation week and presented proclamation to Garza, Public Works Director, and staff. Ms. Garza introduced her staff and thanked the Commission for the recognition.

D) PROCLAMATION PROCLAIMING APRIL 11-15, 2022 AS NATIONAL COMMUNITY DEVELOPMENT WEEK (GMCD)

MINUTES: REGULAR CALLED MEETING

April 4, 2022

Comm. Guajardo read proclamation proclaiming April 11-15, 2022 as National Community Development Week and presented proclamation to Cynthia Garza, CDBG Director.

Cynthia Garza, CDBG Director, introduced her staff and Community Development Council members and stated a national community event will be held on Thursday, April 14, 2022 in HUB downtown park. She extended an invitation the public to meet with public service agencies and local resource centers.

E) PROCLAMATION PROCLAIMING APRIL 2022 AS FAIR HOUSING MONTH (GMCD)

Comm. Guajardo read proclamation proclaiming April 2022 as Fair Housing Month and presented proclamation to Cynthia Garza, CDBG Director, and staff. Ms. Garza stated housing opportunities play an important role in our community and thanked the Commission for the recognition.

F) PROCLAMATION PROCLAIMING APRIL 2022 AS AUTISM AWARENESS MONTH (ADMINISTRATION)

Comm. Flores read proclamation proclaiming April 2022 as Autism Awareness month and presented proclamation to Evelyn Cano.

Evelyn Cano, Co-Founder/President Disability Chamber of Commerce RGV, stated she was a third term Texas appointee committee member to the Texas Governor's Committee on People with Disabilities. She stated their mission was to help people with disabilities and ensure their full and equal participation in society. She further thanked the Commission for the recognition.

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.

Aileen D. Rodriguez Spoke on item 6.C.7. She thanked the Planning & Zoning Commission for voting to deny the item and thanked the Commission for listening to the citizens.

MINUTES: REGULAR CALLED MEETING

April 4, 2022

B) PUBLIC HEARING ON THE MORATORIUM ON APPLICATIONS AND PLANS FOR DEVELOPMENT, PERMITS, PLATS, VERIFICATIONS, REZONING, SITE PLANS AND NEW OR REVISED CERTIFICATES OF OCCUPANCY FOR MULTIFAMILY DEVELOPMENTS WITHIN THE CITY OF PHARR (DEVELOPMENT SERVICES)

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

A) CITY ENGINEERS REPORT

Ed Wylie, Interim City Manager, called upon Maria Rangel, Assistant City Engineer, for a report.

Maria Rangel, Assistant City Engineer, presented a PowerPoint presentation on capital improvement projects. She gave a brief overview on the timelines, locations, and activities for the Drinking Water State Revolving Fund (DWSRF), the Clean Water State Revolving Fund (CWSRF), and the Flood Infrastructure Fund (FIF) projects.

Yuri Gonzalez, Communications Officer, stated the Pharr HUB Phestival would take place on Saturday, April 9, 2022 in downtown Pharr. She invited the public to join us for a night of entertainment with carnival rides, food vendors, and live musical performances.

Adolfo Garcia, Library Director, reported the Egg Stravaganza event would take place on Saturday, April 16, 2022 at the Pharr Sports Complex Park from 10:00 a.m. to 12:00 p.m. He stated there would be an easter egg hunt, games, prizes and fun for the entire family.

ITEM 6. CONSENT AGENDA

A) APPROVAL OF MINUTES FOR MARCH 21, 2022 REGULAR CALLED MEETING (ADMINISTRATION)

B) CONSIDERATION AND ACTION, IF ANY, ON ORDINANCE AMENDING ORDINANCE NO. O-2019-32 INCREASING THE MEMBERSHIP OF THE KEEP PHARR BEAUTIFUL COMMITTEE FROM FIVE (5) TO SEVEN (7) MEMBERS. (2ND READING) (PARKS)

C) CONSIDERATION AND ACTION, IF ANY, ON DEVELOPMENT SERVICES CASES:

1. SIEMPRE LA PACHANGA, LLC., D/B/A LA PACHANGA RESTAURANT Y BUFFET REQUESTED A CONDITIONAL USE PERMIT TO ALLOW THE SALE OF ALCOHOLIC BEVERAGES FOR ON-PREMISE CONSUMPTION IN A GENERAL BUSINESS DISTRICT (C).

MINUTES: REGULAR CALLED MEETING

April 4, 2022

THE PROPERTY IS LEGALLY DESCRIBED AS BEING 0.0351, MORE OR LESS, OUT OF LOT A, MEDICAL RIDGE SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY IS PHYSICALLY LOCATED AT 1401 SOUTH JACKSON ROAD, UNIT 7 AND 8. CUP#220213 (DEVELOPMENT SERVICES)

2. ERIC S. FANTICH, REPRESENTING FANTICH LAND HOLDINGS & DEVELOPMENT, LLC., OWNER, REQUESTED A CHANGE OF ZONE FROM GENERAL BUSINESS DISTRICT (C) TO RESIDENTIAL MULTI-FAMILY HIGH DENSITY DISTRICT (R-MFHD). THE PROPERTY IS LEGALLY DESCRIBED AS BEING 1-ACRE, MORE OR LESS, OUT OF LOT 152, KELLY-PHARR SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY'S PHYSICAL ADDRESS IS 1024 WEST FERGUSON AVENUE. COZ#220105 (DEVELOPMENT SERVICES)

3. FULCRUM CONSULTING SERVICES, REPRESENTING ZEPPELIN TEXAS LLC., REQUESTED A CHANGE OF ZONE FROM AGRICULTURAL AND/OR OPEN SPACE DISTRICT (A-O) TO HEAVY INDUSTRIAL DISTRICT (H-I). THE PROPERTY IS LEGALLY DESCRIBED AS BEING 38.773-ACRES, MORE OR LESS, OUT OF LOTS 382 AND 385, KELLY – PHARR SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY IS PHYSICALLY LOCATED WITHIN THE 800 BLOCK OF EAST HI-LINE ROAD. COZ#220207 (DEVELOPMENT SERVICES)

4. FULCRUM CONSULTING SERVICES, REPRESENTING DELTA PROPERTIES LLP. REQUESTED A CHANGE OF ZONE FROM AGRICULTURAL AND/OR OPEN SPACE DISTRICT (A-O) TO HEAVY INDUSTRIAL DISTRICT (H-I). THE PROPERTY IS LEGALLY DESCRIBED AS BEING 38.632-ACRES, MORE OR LESS, OUT OF LOTS 382 AND 385, KELLY – PHARR SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY IS PHYSICALLY LOCATED WITHIN THE 800 BLOCK OF EAST HI-LINE ROAD. COZ#220208 (DEVELOPMENT SERVICES)

5. R. GUTIERREZ ENGINEERING CORPORATION, REPRESENTING ISMELDA MONTANEZ REQUESTED A CHANGE OF ZONE FROM SINGLE FAMILY RESIDENTIAL DISTRICT (R-1) TO GENERAL BUSINESS DISTRICT (C). THE PROPERTY IS LEGALLY DESCRIBED AS BEING 0.38-ACRES, MORE OR LESS, OUT OF LOT 325, KELLY-PHARR SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY IS PHYSICALLY LOCATED AT 224 WEST DICKER ROAD. COZ#220209 (DEVELOPMENT SERVICES)

6. RICH HERITAGE CONSTRUCTION INC., OWNER, REQUESTED A CHANGE OF ZONE FROM AGRICULTURAL AND/ OR OPEN SPACE DISTRICT (A-O) TO RESIDENTIAL MULTI-FAMILY HIGH DENSITY DISTRICT (R-MFHD). THE PROPERTY IS LEGALLY DESCRIBED AS BEING 7.0-ACRES, MORE OR LESS, OUT OF LOT 152 KELLY-PHARR SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY IS PHYSICALLY LOCATED AT 2211 NORTH SUGAR ROAD. COZ#220214 (DEVELOPMENT SERVICES)

7. GERARDO GUADALUPE GARZA JR. 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 1, BLOCK Q, VILLA BAEZ SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY IS PHYSICALLY LOCATED AT 320 EAST JONES AVENUE. COZ#201149 (DEVELOPMENT SERVICES)

Ed Wylie, Interim City Manager, introduced the item. He stated Item 6.C.7 was to approve denial of item and noted the department memo cover sheet had typo. He further recommended approval of the rest of consent agenda items.

MINUTES: REGULAR CALLED MEETING

April 4, 2022

Comm. Guajardo **moved** to deny item 6.C.7 and approve the rest of the consent agenda items as recommended. Comm. Chavez seconded the motion and when put to a vote, it carried unanimously.

Ordinance Nos. O-2022-06, O-2022-07, O-2022-08, O-2022-09, and O-2022-10 are filed with the City Clerk's office.

At this time, Ed Wylie, Interim City Manager, stated they would deviate from the agenda and go into closed session. There was no objection.

ITEM 12. 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

The time being 4:50 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 13. RECONVENE

The time being 5:59 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 IMPOSING A MORATORIUM ON APPLICATIONS AND PLANS FOR DEVELOPMENT, PERMITS, PLATS, VERIFICATIONS, REZONING, SITE PLANS AND NEW OR REVISED CERTIFICATES OF OCCUPANCY FOR MULTIFAMILY DEVELOPMENTS WITHIN THE CITY OF PHARR (1ST READING) (DEVELOPMENT SERVICES)**

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

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

- B) CONSIDERATION AND ACTION, IF ANY, ON ORDINANCE AMENDING ORDINANCE O-2021-44 FOR MODIFICATIONS TO THE FEE SCHEDULE FOR MUNICIPAL FIBER OPTIC SERVICES (IT)**

MINUTES: REGULAR CALLED MEETING

April 4, 2022

Ed Wylie, Interim City Manager, introduced the item. He stated this was the first reading of the ordinance and recommended approval.

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

C) CONSIDERATION AND ACTION, IF ANY, ON RESOLUTION REMOVING ONE (1) BOARD MEMBER AND APPOINTING ONE (1) NEW BOARD MEMBER TO THE TIERRA DEL SOL ADVISORY GOLF CLUB (ADMINISTRATION)

Ed Wylie, Interim City Manager, introduced the item. He stated board member Javier Martinez was being removed from the board and recommended appointment of Michael Pacheco to fill the unexpired term.

Comm. Medina **moved** to remove Javier Martinez and appoint Michael Pacheco to the Tierra Del Sol Golf Club Advisory Board. Comm. Guajardo seconded the motion and when put to a vote, it carried unanimously.

Resolution No. R-2022-18 is filed with the City Clerk's office.

ITEM 8. ADMINISTRATIVE:

A) PRESENTATION AND UPDATE BY STRUCTURAL ENGINEERING ASSOCIATES (ADMINISTRATION)

Ed Wylie, Interim City Manager, introduced the item and stated no action was needed.

ITEM 9. PURCHASING:

A) CONSIDERATION AND ACTION, IF ANY, ON THE PURCHASE OF A FUEL & LUBE TRUCK FROM RUSH TRUCK CENTER, OUT OF PHARR, TEXAS THROUGH BUYBOARD CONTRACT NO. 601-19, IN THE AMOUNT OF \$213,325.16 (PUBLIC WORKS)

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.

ITEM 10. CONTRACTS/AGREEMENTS:

A) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO NEGOTIATE AND ENTER INTO AN AGREEMENT WITH AIR MEDICAL TECHNOLOGIES LLC. OUT OF RENO, NEVADA FOR FLIGHT DISPATCH SOFTWARE SERVICES FOR EMERGENCY AND NON-EMERGENCY

DISPATCHING OF THE PHARR EMERGENCY MEDICAL SERVICES FLIGHT RESOURCES (COMMUNICATIONS)

Ed Wylie, Interim City Manager, introduced the item. He stated this was a software for dispatching of flight resources and recommended approval.

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

B) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO AMEND THE MAINTENANCE AGREEMENT WITH TYLER TECHNOLOGIES NEW WORLD OUT OF PLANO, TEXAS FOR UPDATED PERFORMANCE DASHBOARD SERVICES IN THE AMOUNT OF \$5,583.30 (COMMUNICATIONS)

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

Comm. Flores 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 AMENDMENT NUMBER 2 IN THE AMOUNT OF \$50,001 TO THE PROFESSIONAL ENGINEERING SERVICES AGREEMENT WITH STRUCTURAL ENGINEERING ASSOCIATES, INC. (SEA) FOR THE PHARR-REYNOSA BRIDGE EXPANSION PRESIDENTIAL PERMIT APPLICATION (ENGINEERING)

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

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

D) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO AMEND AND EXECUTE UTILITY ADJUSTMENT AGREEMENT FOR THE I-2 / I-69C INTERCHANGE PROJECT (PUBLIC UTILITIES)

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

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

ITEM 11. LEGAL

A) CONSULTATION WITH LEGAL AND CONSIDERATION AND ACTION, IF ANY, ON SETTLEMENT IN CITY OF PHARR, TEXAS VS. SAENZ UTILITY CONTRACTORS, LLC F/K/A SAENZ UTILITY CONTRACTORS, LTD.,

MINUTES: REGULAR CALLED MEETING

April 4, 2022

SAMES, INC., SAMUEL MALDONADO, AND CONTECH ENGINEERED SOLUTIONS, LLC, C-4349-17-B, IN THE 93RD DISTRICT COURT HIDALGO COUNTY, TEXAS (LEGAL)

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

Comm. Guajardo **moved** to approve as recommended. Comm. Flores 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. Guajardo **moved** to adjourn. Comm. Medina seconded the motion and when put to a vote, the motion carried unanimously. Meeting adjourned at 6:04 p.m.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

STATE OF TEXAS
COUNTY OF HIDALGO
CITY OF PHARR

ON THIS THE 4TH DAY OF APRIL 2022 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:

**MINUTES
BOARD OF COMMISSIONERS
SPECIAL CALLED MEETING
WEDNESDAY, APRIL 13, 2022
118 SOUTH CAGE 2nd FLOOR**

The Board of Commissioners of the City of Pharr, Texas, met in a Special Called Meeting on Wednesday, April 13, 2022, and following is the record of attendance.

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

BOARD OF COMMISSIONERS ABSENT: Comm. Daniel Chavez

STAFF PRESENT: Ed Wylie, Interim City Manager
Annie Reeves, Assistant City Manager
Hilda Pedraza, City Clerk
Roland Gomez, Dev. Svcs. Director

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.

Comm. Guajardo moved to excuse absent member. Comm. Caballero seconded the motion and when put to a vote, it carried unanimously.

Comm. Carrillo was not present at the time of roll call but arrived at 4:01 p.m.

ITEM 2. PUBLIC TESTIMONY

There were no comments from the public.

ITEM 3. ORDINANCES AND RESOLUTIONS:

A) CONSIDERATION AND ACTION, IF ANY, ORDINANCE IMPOSING A MORATORIUM ON APPLICATIONS AND PLANS FOR DEVELOPMENT, PERMITS, PLATS, VERIFICATIONS, REZONING, SITE PLANS AND NEW OR REVISED CERTIFICATES OF OCCUPANCY FOR MULTIFAMILY

**DEVELOPMENTS WITHIN THE CITY OF PHARR (2ND AND FINAL READING)
(DEVELOPMENT SERVICES)**

Ed Wylie, Interim City Manager, introduced the item and noted a correction on Exhibit A. He stated the correct date for second and final reading of ordinance was April 13, 2022 not April 12, 2022 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-2022-11 is filed with the City Clerk's Office.

ITEM 4. 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

None

ITEM 5. RECONVENE

None

ITEM 6. ADJOURNMENT

There being no other business to come before the board, Comm. Guajardo **moved** to adjourn. Comm. Medina seconded the motion and when put to a vote, the motion carried unanimously. Meeting adjourned at 4:01 p.m.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

**STATE OF TEXAS
COUNTY OF HIDALGO
CITY OF PHARR**

ON THIS THE 13th DAY OF APRIL 2022 the Board of Commissioners of the City of Pharr, Texas convened in a **SPECIAL 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

MINUTES: SPECIAL CALLED MEETING

APRIL 13, 2022

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:

**MINUTES
BOARD OF COMMISSIONERS
REGULAR CALLED MEETING
MONDAY, APRIL 18, 2022
118 SOUTH CAGE 2nd FLOOR**

The Board of Commissioners of the City of Pharr, Texas, met in a Regular Called Meeting on Monday, April 18, 2022 and following is the record of attendance.

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

BOARD OF COMMISSIONERS ABSENT: None

STAFF PRESENT: Edward Wylie, Interim City Manager
Annie Reeves, Assistant City Manager
Anali Alanis, Assistant City Manager
Hilda Pedraza, City Clerk
Maria Rangel, Asst. City Engineer
Karla Saavedra, Finance Director
Juan Villescas, Municipal Judge
Andy Harvey, Police Chief
Pilar Rodriguez, Fire Chief
Roland Gomez, Interim Dev. Svcs. Director
Olga Garza, Public Works Director
Melanie Cano, O.S.E. Director
Ruben Rosales, Public Utilities Dir.
Isaac Escobedo, Asst. Parks & Rec. Director
Cynthia Garza, CDBG/External Affairs
Mike Singleterry, Library
Jose Pena, I.T. Director
Luis Bazan, Bridge Director
Ignacio Amezcua, Purchasing Director
Danny Ramirez, E.M.S. Chief
Yuri Gonzalez, Communications Officer
Kenneth Ennis, Public Safety Comms. Dir.

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

MINUTES: REGULAR CALLED MEETING

April 18, 2022

Mayor Pro Tem Daniel Chavez called the meeting to order at 4:00 p.m. Roll call established a quorum.

Mayor Hernandez was not present at the time of roll call but arrived at 4:36 p.m.

B) PLEDGE OF ALLEGIANCE/INVOCATION

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

ITEM 2. PROCLAMATIONS

A) PROCLAMATION PROCLAIMING APRIL 30, 2022 AS CHILDREN'S ADVOCACY CENTER OF HIDALGO COUNTY DAY (ADMINISTRATION)

Comm. Medina read proclamation proclaiming April 30, 2022 as Children's Advocacy Center of Hidalgo County Day.

Pat Blum and Jesus Sanchez, Executive Director for Children's Advocacy Center, received the proclamation and thanked the Commission for their continued support.

B) PROCLAMATION PROCLAIMING APRIL 24 - 30, 2022 AS NATIONAL CRIME VICTIM'S RIGHTS WEEK (POLICE)

Comm. Flores read proclamation proclaiming April 24-30, 2022 as National Crime Victim's Rights Week and presented proclamation to Police Department staff.

C) PROCLAMATION PROCLAIMING APRIL 2022 AS CHILD ABUSE PREVENTION MONTH (POLICE)

Comm. Carrillo read proclamation proclaiming April 2022 as Child Abuse Prevention Month and presented proclamation to Police Department staff.

D) PROCLAMATION PROCLAIMING APRIL 2022 AS SEXUAL ASSAULT AWARENESS MONTH (POLICE)

Comm. Guajardo read proclamation proclaiming April 2022 as Sexual Assault Awareness Month and presented proclamation to Police Department staff.

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.

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

A) SUBMISSION OF SALES TAX COLLECTION REPORT FOR APRIL 2022

Karla Saavedra, Finance Director, reported sales tax collections were up 22.09% year to date and overall 16.14% growth compared to last year. She further stated the City of Pharr ranked No. 7 compared to neighbor cities.

B) SUBMISSION OF PROPERTY TAX COLLECTION REPORT FOR MARCH 2022

Karla Saavedra, Finance Director, reported current tax collections as of March 2022 were \$23,867,277 or 92.59% collected out of this year's levy. She stated this was a .65% more than last year's collection rate.

Karla Saavedra, Finance Director, reported delinquent tax collections as of March 2022 were \$537,316, which were 19.53% collected out of previous year's tax rolls.

ITEM 6. CONSENT AGENDA

- A) CONSIDERATION AND ACTION, IF ANY, ON ORDINANCE AMENDING ORDINANCE NO. O-2019-32 INCREASING THE MEMBERSHIP OF THE KEEP PHARR BEAUTIFUL COMMITTEE FROM FIVE (5) TO SEVEN (7) MEMBERS (3RD AND FINAL READING) (PARKS)**
- B) CONSIDERATION AND ACTION, IF ANY, ON ORDINANCE AMENDING ORDINANCE O-2021-44 FOR MODIFICATIONS TO THE FEE SCHEDULE FOR MUNICIPAL FIBER OPTIC SERVICES (2ND READING) (IT)**
- C) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO ADVERTISE FOR BIDS FOR CITY-WIDE DITCH HYDROSEEDING (PURCHASING)**
- D) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO ADVERTISE FOR PROPOSALS FOR THE CITY-WIDE DEBT COLLECTION SERVICE (PURCHASING)**
- E) CONSIDERATION AND ACTION, IF ANY, ON DEVELOPMENT SERVICES CASES:**

MINUTES: REGULAR CALLED MEETING

April 18, 2022

1. HOWARD ADAMS, D/B/A, SOUTH TEXAS WASTEWATER LLC., REQUESTED A CHANGE OF ZONE FROM GENERAL BUSINESS DISTRICT (C) TO HEAVY COMMERCIAL DISTRICT (H-C). THE PROPERTY IS LEGALLY DESCRIBED AS BEING LOTS 5 & 6, JOHNSTONE SUPPLY SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY IS PHYSICALLY LOCATED AT 931 WEST SHARM DRIVE. COZ#220317 (DEVELOPMENT SERVICES)
2. MELDEN & HUNT, INC., REPRESENTING BLU-MAN INVESTMENTS, LLC., REQUESTED A CHANGE OF ZONE FROM AGRICULTURAL AND/OR OPEN SPACE DISTRICT (A-O) TO HEAVY INDUSTRIAL DISTRICT (H-I). THE PROPERTY IS LEGALLY DESCRIBED AS BEING 46.20-ACRES, MORE OR LESS, OUT OF LOTS 383 AND 384, KELLY-PHARR SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY IS PHYSICALLY LOCATED WITHIN THE 900 AND 1000 BLOCK OF EAST HI-LINE ROAD. COZ#220318 (DEVELOPMENT SERVICES)
3. MELDEN & HUNT, INC., REPRESENTING JAIME AND SANDRA G. GALPERN, OWNERS, REQUESTED A CHANGE OF ZONE FROM AGRICULTURAL AND/ OR OPEN SPACE DISTRICT (A-O) TO GENERAL BUSINESS DISTRICT (C). THE PROPERTY IS LEGALLY DESCRIBED AS BEING 0.120-ACRE, MORE OR LESS, OUT OF LOT 8, BLOCK 12, A.J. MCCOLL SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS. THE PROPERTY IS PHYSICALLY LOCATED WITHIN THE 7600 BLOCK OF SOUTH JACKSON ROAD. COZ#220319 (DEVELOPMENT SERVICES)

Ed Wylie, Interim City Manager, introduced the item.

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

Ordinance Nos. O-2022-12, O-2022-13, O-2022-14, and O-2022-15 are filed with the City Clerk's office.

At this time, Ed Wylie, Interim City Manager, stated they would deviate from the agenda and go into closed session. There was no objection.

ITEM 10. 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

The time being 4:23 p.m., Mayor Mayor Pro Tem Daniel Chavez 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.

MINUTES: REGULAR CALLED MEETING

April 18, 2022

Comm. Carrillo left the meeting at this point of the agenda. The time being 6:04 p.m.

ITEM 11. RECONVENE

The time being 6:05 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 O-2018-04 TO MODIFY THE FEE SCHEDULE TO ADD THE PHARR NATATORIUM LOCATED AT 3001 N. CAGE. (1ST READING) (PARKS)**

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

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

- B) **CONSIDERATION AND ACTION, IF ANY, ON RESOLUTION CONCERNING AEP TEXAS DISTRIBUTION COST RECOVER FACTORS (DCRF) APPLICATION AND AUTHORIZING LEGAL COUNSEL TO INTERVENE AND PARTICIPATE IN THE PROCEEDING (ADMINISTRATION)**

Ed Wylie, Interim City Manager, introduced the item. He briefly stated the resolution authorized the hiring of Lloyd Gosselink and recommended approval.

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

Resolution No. R-2022-19 is filed with the City Clerk's office.

ITEM 8. ADMINISTRATIVE:

- A) **DISCUSSION WITH THE BOARD OF COMMISSIONERS ON THE CITY OF PHARR'S STRATEGIC PLAN 2022-2027 (OSE)**

Ed Wylie, Interim City Manager, introduced the item and stated no action was needed.

ITEM 9. CONTRACTS/AGREEMENTS:

- A) **CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO NEGOTIATE AND ENTER INTO A CONTRACT WITH JSJ RODRIGUEZ, INC. DBA TELE-PRO COMMUNICATIONS FROM MISSION, TEXAS FOR**

MINUTES: REGULAR CALLED MEETING

April 18, 2022

RESIDENTIAL FIBER INSTALLATION LABOR SERVICES FOR TEAMPHARR.NET - PHASE III SOUTH PHARR BUILD USING A PER-HOME UNIT COST THROUGH THE INTERLOCAL PURCHASING SYSTEM (TIPS) PURCHASING COOPERATIVE CONTRACT NUMBER 200105 (IT)

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

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

B) CONSIDERATION AND ACTION, IF ANY, AUTHORIZING CITY MANAGER TO NEGOTIATE AND ENTER INTO A CONTRACT WITH STX UNDERGROUND LLC FROM BROWNSVILLE, TEXAS FOR CONSTRUCTION OF THE TEAMPHARR.NET FIBER OPTIC NETWORK - CENTRAL PHARR PHASE IV PROJECT IN THE AMOUNT OF \$12,169,621.35 THROUGH THE INTERLOCAL PURCHASING SYSTEM (TIPS) PURCHASING COOPERATIVE CONTRACT NUMBER 200201-3132. (IT)

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

Comm. Chavez **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, AUTHORIZING CITY MANAGER TO ENTER INTO A MASTER SERVICES AGREEMENT WITH SMARTCOM TELEPHONE, LLC FOR MAINTAINING DATA AND VOICE SERVICES (IT)

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

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

ITEM 12. ADJOURNMENT

There being no other business to come before the board, Comm. Medina **moved** to adjourn. Comm. Guajardo seconded the motion and when put to a vote, the motion carried unanimously. Meeting adjourned at 6:08 p.m.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

MINUTES: REGULAR CALLED MEETING

April 18, 2022

**STATE OF TEXAS
COUNTY OF HIDALGO
CITY OF PHARR**

ON THIS THE 18TH DAY OF APRIL 2022 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:

**MINUTES
BOARD OF COMMISSIONERS
SPECIAL CALLED MEETING
WEDNESDAY, APRIL 20, 2022
118 SOUTH CAGE 2nd FLOOR**

The Board of Commissioners of the City of Pharr, Texas, met in a Special Called Meeting on Wednesday, April 20, 2022, and following is the record of attendance.

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

BOARD OF COMMISSIONERS ABSENT: None

STAFF PRESENT: Ed Wylie, Interim City Manager
Annie Reeves, Assistant City Manager
Anali Alanis, Assistant City Manager
Hilda Pedraza, City Clerk

ATTORNEY Patricia Rigney, City Attorney
Ricardo Navarro, Special Counsel

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.

ITEM 2. PUBLIC TESTIMONY

There were no comments from the public.

At this time, Ed Wylie, Interim City Manager, stated they would deviate from the agenda and go into closed session. There was no objection.

ITEM 5. CLOSED SESSION

The time being 4:01 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 6. RECONVENE

The time being 5:35 p.m., Mayor Hernandez stated the commission would be resuming the open meeting.

REGULAR AGENDA - OPEN SESSION:

ITEM 3. ADMINISTRATIVE

- A) CONSIDERATION AND APPROPRIATE ACTION, IF ANY, TO MODIFY, AMEND, RESTRUCTURE, AND REDEFINE THE ALLOCATION OF DUTIES AND RESPONSIBILITIES AND REPORTING REQUIREMENTS OF THE CITY'S EXECUTIVE MANAGEMENT TEAM (ADMINISTRATION)**

Mayor Hernandez introduced the item and moved to approve as discussed in closed session. Comm. Guajardo seconded the motion and when put to a vote, it carried unanimously.

ITEM 4. LEGAL

- A) ATTORNEY CONSULTATION PURSUANT TO SECTION 551.071, TEXAS GOV'T CODE TO PROCURE LEGAL ADVICE AND COUNSEL REGARDING THE CITY COMMISSION'S RIGHTS, DUTIES, PRIVILEGES, AND OBLIGATION TO MODIFY, AMEND, RESTRUCTURE, AND REDEFINE THE EXECUTIVE MANAGEMENT STRUCTURE AND ALLOCATION OF DUTIES AND RESPONSIBILITIES UNDER THE CITY CHARTER AND APPLICABLE STATE LAW (ADMINISTRATION)**

Ed Wylie, Interim City Manager, introduced the item and stated no action was needed.

ITEM 7. ADJOURNMENT

There being no other business to come before the board, Comm. Guajardo moved to adjourn. Comm. Chavez seconded the motion and when put to a vote, the motion carried unanimously. Meeting adjourned at 5:36 p.m.

CITY OF PHARR

AMBROSIO HERNANDEZ

MAYOR

**STATE OF TEXAS
COUNTY OF HIDALGO
CITY OF PHARR**

ON THIS THE 20th DAY OF APRIL 2022 the Board of Commissioners of the City of Pharr, Texas convened in a **SPECIAL 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:



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.B.

DATE SUBMITTED: April 19, 2022

MEETING DATE: May 2, 2022

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: IT

DIRECTOR: Jose Pena

Agenda Item: Consideration and action, if any, on Ordinance amending Ordinance O-2021-44 for modifications to the fee schedule for municipal fiber optic services. *(3rd and Final Reading)*

Classification: Consent

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

Issue: Additional items are being added to the fee schedule in order to account for adding wireless mesh devices in homes when needed, as well as fees for replacing equipment if not returned when service is discontinued by customers.

Fiscal Consideration: NA

Staff Recommendation: Staff recommends approval.

Alternatives: NA

Exclude Material from Public Packet? No

Reason: NA

ROUTING:

Hilda Pedraza

Created/Initiated - 4/19/2022

Jose Pena

Approved - 4/27/2022

Anali Alanis

Approved - 4/28/2022

Karla Saavedra

Approved - 4/28/2022

Patricia Rigney

Approved - 4/29/2022

City Management Office

Final Approval - 4/29/2022

ORDINANCE NO. O-2022-

AN ORDINANCE AMENDING ORDINANCE O-2021-44 CREATING AND ADOPTING THE MUNICIPAL FIBER OPTIC SERVICE FEE SCHEDULE, PROVIDING FOR REPEALING OF CONFLICTING ORDINANCE(S) CLAUSE, AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, the Board of Commissioners of the City of Pharr desire to provide reliable, high-speed internet to the residents and businesses of Pharr, for the benefit and growth of economic and community goals; and

WHEREAS, the Board of Commissioners find that providing fiber-optic services will provide reliable, high-speed internet serves a public purpose; and

WHEREAS, the Board of Commissioners has approved a municipally owned fiber-optic broadband network to provide fast and reliable internet service to residential and commercial customers; and

WHEREAS, a community survey was conducted for residents and businesses to determine the appropriate monthly service rates; and

WHEREAS, home-ruled cities may take actions authorized by the City charter and not specifically prohibited or preempted by the Texas Constitution, state, or federal law; and

WHEREAS, Cities may regulate a range of local services to promote the general welfare of the City's residents; and

WHEREAS, the City, as a home-rule municipality, can provide a service and charge a user fee for its use; and

WHEREAS, the Board of Commissioners seeks to establish user fees for the cost of providing the services; and

WHEREAS, the City has adopted a schedule of fees, charges, expenses and a collection procedure for municipal fiber optic services and other such matters pertaining to this ordinance; and

WHEREAS, all existing and prior ordinances are hereby amended and reinstated to read as follows:

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

SECTION 1: Ordinance No. 2022-___ is hereby adopted.

SECTION 2. RATES AND FEES.

A. FIBER OPTIC MONTHLY SERVICE RATES

1. Residential Monthly Rates

Residential	Speed (Mbps)	Monthly Rate
Blue Plan	500	\$25.00
Gold Plan	1,000	\$50.00

2. Small Business Commercial Monthly Rates – shall apply to small and medium sized businesses requiring a wireless modem.

Small Business	Speed (Mbps)	Monthly Rate
Gold Plan	200	\$100.00

3. Enterprise Commercial Monthly Rates – shall apply to businesses that require dedicated fiber connection.

Enterprise	Speed (Mbps)	Monthly Rate
Green Plan	200	\$250.00
Blue Plan	600	\$350.00
Gold Plan	1,000	\$500.00

B. DEPOSIT FEES FIRST MONTH SERVICE FEE

~~A deposit of one month service shall be made for residential, small business, and enterprise commercial connections to the city's broadband internet services. Deposit shall be reimbursed or applied to any unpaid bill after service is discontinued.~~

A payment for first month of service shall be made for residential, small business, and enterprise commercial connections to the city's broadband internet services prior to getting connected.

C. MISCELLANEOUS FEES

Type	Fee
No Premise Access	\$25.00
Missed Appointment	\$25.00
Reconnection	\$25.00
*Upgraded Wireless Access Point	\$5.00/month
Wireless Mesh Device	\$5.00/device/month
Equipment Fees if not returned	
UPS battery backup	\$65.00
Fiber ONT	\$120.00

Standard Wifi Access Point	\$100.00
Upgraded Wifi Access Point	\$165.00
Static IP Addresses	
One-time Setup	\$50.00
SmartPak 1 (1 useable)	\$5.00
SmartPak 2 (5 useable)	\$25.00
SmartPak 3 (13 useable)	\$65.00
SmartPak 4 (29 useable)	\$145.00

(*Note) – Standard modem is included at no charge.

SECTION 3: REPEALING CLAUSE.

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

SECTION 4: SEVERABILITY CLAUSE.

The invalidity of any section, clause, sentence, or provision of this ordinance shall not affect the validity of any other part thereof.

SECTION 5: EFFECTIVE DATE; PUBLICATION.

The Ordinance shall take effect and be in force from 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 6: 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 ____ 2022.

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 _____, 2022.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK

PASSED AND APPROVED ON THE THIRD AND FINAL READING BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the ____ day of _____, 2022.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.C.

DATE SUBMITTED: April 19, 2022

MEETING DATE: May 2, 2022

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Parks

DIRECTOR: Sergio Alanis

Agenda Item: Consideration and action, if any, on Ordinance amending Ordinance O-2018-04 to modify the fee schedule to add the Pharr Natatorium located at 3001 N. Cage. *(2nd Reading)*

Classification: Consent

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

Issue: Due to the addition of the newly constructed Pharr Natatorium located at 3001 N. Cage, the Parks and Recreation Department wishes to amend the current fee schedule.

Fiscal Consideration: N/A

Staff Recommendation: Staff recommends City Council approve this item.

Alternatives: N/A

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Hilda Pedraza

Sergio Alanis

Annie Reeves

Karla Saavedra

Patricia Rigney

City Management Office

Created/Initiated - 4/19/2022

Approved - 4/20/2022

Approved - 4/20/2022

Approved - 4/25/2022

Approved - 4/25/2022

Final Approval - 4/29/2022

ORDINANCE NO. O-2022-

AN ORDINANCE AMENDING ORDINANCE NOS. O-2014-17, O-2013-25, AND O-2018-04 ADOPTING THE PARKS AND RECREATION DEPARTMENT'S AQUATIC CENTER AND NATATORIUM FEE SCHEDULE; PROVIDING FOR REPEALING OF CONFLICTING ORDINANCE CLAUSE(S); AND PROVIDING FOR AN EFFECTIVE DATE

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

SECTION 1: The following Sections of Ordinance No. O-2014-17 of the City of Pharr be amended so that the same shall hereafter read as follows:

I. AQUATIC PARK (1000 S. Fir)

Saturdays and Sundays

- | | | |
|----|---|---------|
| a. | 0 to 2 Years of Age Must be Accompanied by an Adult | No fee |
| b. | 3 to 12 Years of Age | \$ 5.00 |
| c. | 13 through 54 Years of Age | \$10.00 |
| d. | 55 Years of Age and Older | \$ 5.00 |

Monday through Friday (Closed on Wednesdays)

- | | | |
|----|---|---------|
| a. | 0 to 2 Years of Age Must be Accompanied by an Adult | No fee |
| b. | 3 to 12 Years of Age | \$ 3.00 |
| c. | 13 through 54 Years of Age | \$ 5.00 |
| d. | 55 Years of Age and Older | \$ 3.00 |

II. AQUATIC PARK NATATORIUM (1000 S. Fir)

Monday through Friday (Closed on Wednesdays)

- | | | |
|----|----------------------------|---------|
| a. | 3 to 12 Years of Age | \$ 1.00 |
| b. | 13 through 54 Years of Age | \$ 2.00 |
| c. | 55 Years of Age and Older | \$ 1.00 |

III. AQUATIC PARK AQUA AEROBICS (1000 S. Fir)

- | | | |
|----|---------------------------|----------|
| a. | 16 Years of Age and Older | \$ 20.00 |
|----|---------------------------|----------|

IV. PHARR NATATORIUM (3001 N. CAGE)

- | | |
|---|----------|
| a. Residents, Veterans, and 55 Years of Age and Older | \$ 30.00 |
| b. Non-Residents | \$ 40.00 |

V. SWIM CLUB

- | | |
|----------------------------------|---------------------|
| a. All Ages (monthly) | \$ 20.00 |
|----------------------------------|---------------------|

SECTION 2: REPEALING CLAUSE

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

SECTION 3: SEVERABILITY CLAUSE

The invalidity of any section, clause, sentence, or provision of this ordinance shall not affect the validity of any other part thereof.

SECTION 4: EFFECTIVE DATE; PUBLICATION.

The Ordinance shall take effect and be in force from 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 5: 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 _____ 2022.

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 _____, 2022.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK

PASSED AND APPROVED ON THE THIRD AND FINAL READING BY THE BOARD OF CITY COMMISSIONERS OF THE CITY OF PHARR, TEXAS, on this the ____ day of _____, 2022.

CITY OF PHARR

AMBROSIO HERNANDEZ
MAYOR

ATTEST:

HILDA PEDRAZA, CITY CLERK



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 6.D.

DATE SUBMITTED:

MEETING DATE: May 2, 2022

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: Planning & Zoning Commission

AGENDA ITEM #: 6.D.1.

DATE SUBMITTED: April 26, 2022

MEETING DATE: May 2, 2022

FROM: Iris Mata, Secretary

DEPARTMENT: Development Services

DIRECTOR: Roland Gomez

Agenda Item: Melden & Hunt, Inc., representing Adelante Holdings, Ltd., owner, has filed with the Planning and Zoning Commission a request for a Change of Zone from Residential Multi Family High-Density District (R-MFHD) to General Business District (C). The property is legally described as being 2.30-acres, more or less, out of Lot 151, Kelly-Pharr Subdivision, Pharr, Hidalgo County, Texas. The property is physically located at 2605 North Sugar Road. **COZ#220322**

Classification: Regular

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

Issue: Melden & Hunt, Inc., representing Adelante Holdings, Ltd., owner, has filed with the Planning and Zoning Commission a request for a Change of Zone from Residential Multi Family High-Density District (R-MFHD) to General Business District (C). **COZ#220322**

Fiscal Consideration: n/a

Staff Recommendation: Development Services is recommending approval of the request to re-zone from Residential Multi-Family High-Density District (R-MFHD) to General Business District (C) as the property meets area requirements, has adequate ingress and egress. If approved, the owner must comply with all City Ordinances and City Department requirements.

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 from Residential Multi-Family High-Density District (R-MFHD) to General Business District (C) subject to staff's recommendations.

Alternatives: n/a

Exclude Material from Public Packet? No

Reason: n/a

ROUTING:

Iris Mata
Patricia Rigney

Created/Initiated - 4/26/2022
Approved - 4/26/2022

Roland Gomez
City Management Office

Approved - 4/27/2022
Final Approval - 4/29/2022



Pharr

Development Services



STANDARDIZED RECOMMENDATION FORM

MEETING DATE: May 2, 2022

ROUTE TO BOARD:

☒ CITY COMMISSION

AGENDA ITEM: COZ:#220322

☐ PLANNING & ZONING COMMISSION

DATE SUBMITTED: March 25, 2022

1. **Applicant:** Melden & Hunt representing Adelante Holdings, LTD., owner.
2. **Requested Action:** Re-zoning request from Residential Multi-Family High-Density District (R-MFHD) to General Business District (C).
3. **Nature / Intent of Request:** In order to develop and construct self-storage units.

4. **Routing to Staff:**

A. Roland Gomez, Interim Director


Initials

4-26-22
Date

☒ Approval ☐ Denial

B. Planning Staff Recommendations


Initials

4/26/22
Date

☒ Approval ☐ Denial

C. Planning and Zoning Commission

Initials

04/25/2022
Date

☒ Approval ☐ Denial

Initials

Date

☐ Approval ☐ Denial

D. City Attorney

Initials

Date

☐ Approval ☐ Denial

E. City Manager

MEMORANDUM

DATE: MONDAY, MAY 2, 2022

TO: MAYOR AND CITY COMMISSION

FROM: DEVELOPMENT SERVICES

THROUGH: ANDY HARVEY, CITY MANAGER

SUBJECT: Re-zoning Request: From Residential Multi-Family High-Density District (R-MFHD) to General Business District (C). The property is legally described as being 2.30-acres, more or less, out of Lot 151, Kelly-Pharr Subdivision, Pharr, Hidalgo County, Texas. The property is physically located at 2605 North Sugar Road.

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:

Melden & Hunt representing Adelante Holdings, LTD., owner, has filed with the Planning and Zoning Commission a request for a Change of Zone from Residential Multi-Family High-Density District (R-MFHD) to General Business District (C) in order to develop and construct self-storage units.

The subject site which is located on the east side of North Sugar Road and is physically located at 2605 North Sugar Road. The property is legally described as being 2.30 -acres, more or less, out of Lot 151, Kelly-Pharr Subdivision, Pharr, Hidalgo County, Texas.

The property fronts North Sugar Road, a 70' minor collector 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 Residential Multi-Family High Density (R-MFHD). The property and the properties to the north, east, and south were annexed on June 19, 1979. On February 15, 2021, the property was rezoned from Agricultural and/or Open Space District (A-O) to Residential Multi-Family High Density District (R-MFHD). The property to the north was rezoned from Agricultural and/or Open Space District (A-O) to Residential Mobile-Home on November 27, 1984. The properties to the south were rezoned from Agricultural and/or Open Space District (A-O) to Residential Multi-Family High Density District (R-MFHD) on January 24, 2000, and the west properties were rezoned from General Business District (C) to Single Family Residential District (R-1) on March 15, 2005. There have been no zoning requests within the general vicinity of the subject property since then. The property is generally designated for industrial use in the Land Use Plan.

The General Business District (C) is established to provide adequate space and site diversification for most types of commercial development in the City of Pharr. Larger shopping centers and most existing commercial strips along major arterials would be included in this district. The noise, traffic, litter, late-night hours, and possible blighting influences require adequate buffering from residential areas, and the traffic from such uses should not pass-through residential areas, except on arterials or major collectors.

Forty-five (45) 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 Residential Multi-Family High-Density District (R-MFHD) to General Business District (C) as the property meets area requirements, has adequate ingress and egress. If approved, the owner must comply with all City Ordinances and City Department requirements. 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 from Residential Multi-Family High-Density District (R-MFHD) to General Business District (C) 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

Melden & Hunt representing Adelante Holdings, LTD., owner.

APPLICANT

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

CURRENT ZONE

2605 North Sugar Road

ADDRESS

General Business District (C)

	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

Development Services is recommending approval of the request to re-zone from Residential Multi-Family High-Density District (R-MFHD) to General Business District (C) as the property meets area requirements, has adequate ingress and egress. If approved, the owner must comply with all City Ordinances and City Department requirements.

Nelly Terrazas Rojo

PREPARED BY

April 19, 2022

DATE

Proposed Change of Zone
2.30ac out of Lot 151 Kelly Pharr Subdivision
Melden & Hunt, Inc./ Adelante Holdings, LTD



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

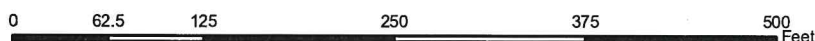
Zoning
ZONE

- Agricultural Open Space
- Single Family
- Single Family Small Lot
- Residential Multi-Family
- Residential Multi-Family High Density
- Mobile Home

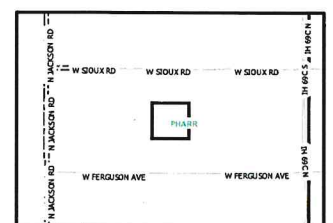
- Townhouse
- HUD Code
- Rail Road R.O.W
- Government Owned
- General Business
- Business District
- Drainage Easement
- Heavy Commercial
- Heavy Industrial
- Limited Industrial
- Neighborhood Commercial
- Office Professional
- PSJA ISD
- Hidalgo ISD
- Valley View ISD
- Planned Unit Development

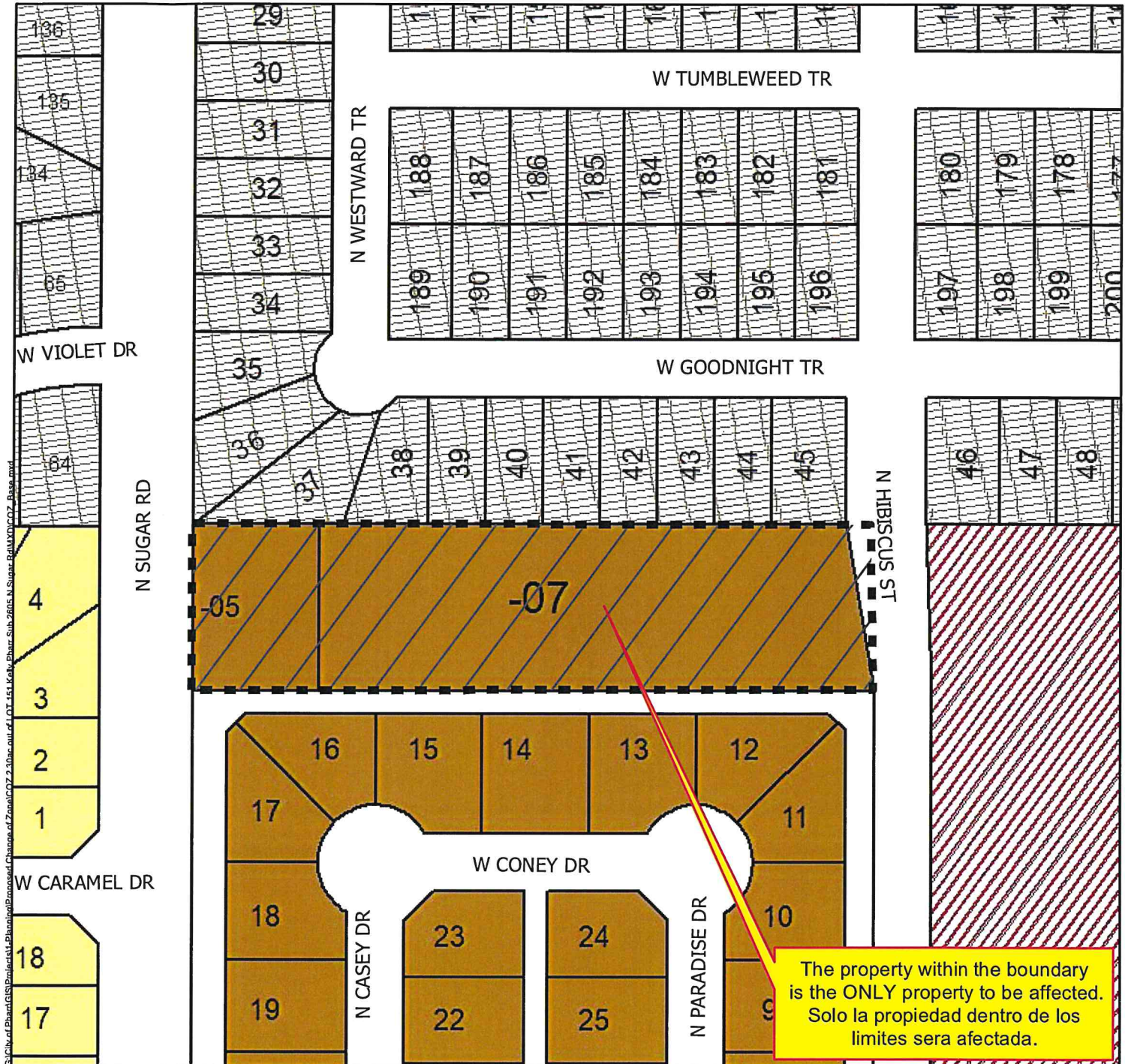
City of Pharr, Texas
Engineering Department
956.402.4242

Scale: 1 inch = 125 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.





Zoning
ZONE

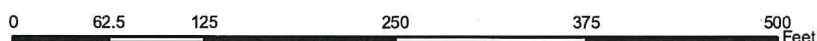
- Agricultural Open Space
- Single Family
- Single Family Small Lot
- Residential Multi-Family
- Residential Multi-Family High Density
- Mobile Home

- Townhouse
- HUD Code
- Rail Road R.O.W
- Government Owned
- General Business
- Business District
- Drainage Easement
- Heavy Commercial

- Heavy Industrial
- Limited Industrial
- Neighborhood Commercial
- Office Professional
- PSJA ISD
- Hidalgo ISD
- Valley View ISD
- Planned Unit Development

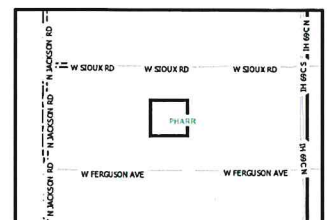
City of Pharr, Texas
Engineering Department
956.402.4242

Scale: 1 inch = 125 feet

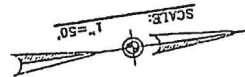


Date: 4/7/2022

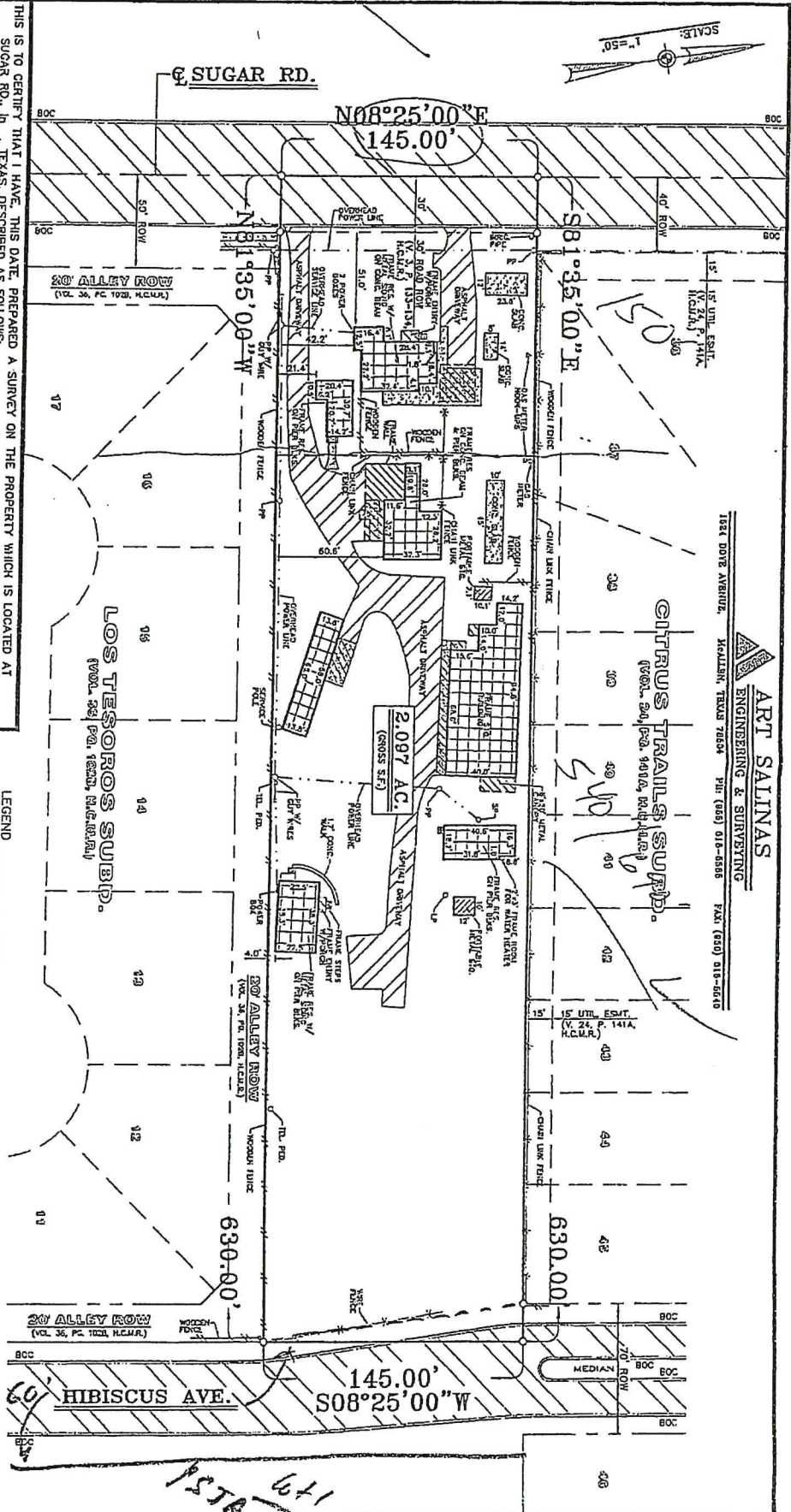
All information displayed on this map is subject to verification by field survey or by the agency responsible for maintaining the information. This map is intended for general information only.



W-150 / N-145



ART SALINAS
ENGINEERING & SURVEYING
1824 DOWE AVENUE, KILLEEN, TEXAS 76541
PH: (817) 518-6586 FAX: (817) 518-6610



THIS IS TO CERTIFY THAT I HAVE, THIS DATE, PREPARED A SURVEY ON THE PROPERTY WHICH IS LOCATED AT
SUGAR RD., IN TEXAS, DESCRIBED AS FOLLOWS:
LOT - 1, SUBDIVISION, AN ADDITION TO THE CITY OF HIDALGO COUNTY, TEXAS, ACCORDING TO THE MAP OR PLAT
HEREOF RECORDED IN VOLUME PAGE MAP RECORDS IN THE OFFICE OF THE COUNTY CLERK OF HIDALGO COUNTY,
TEXAS, REFERENCE TO WHICH IS HERE MADE FOR ALL PURPOSES. (SEE NOTES AND BOUNDS DESCRIPTION)
15-48222 10-20-15
Date
©COPYRIGHT 2015 ART SALINAS ENGINEERING INC. THIS SURVEY WAS
MADE HEREON IN ACCORDANCE WITH THE BEST QUALITY, EXPRESSED OR IMPLIED
TO OBEY THIS SURVEY

Registered Professional Land Surveyor No. 4802

- LEGEND
- - DENOTES FOUND 1/2" ROD
 - - DENOTES FOUND 3/8" PIPE
 - - DENOTES SET 1/2" ROD
 - - DENOTES NO MONUMENT
 - - DENOTES RIGHT OF WAY
 - - DENOTES BACK OF CURB
 - - DENOTES POWER POLE
 - - DENOTES SERVICE POLE
 - - DENOTES LIGHT POLE



AGENDA MEMORANDUM



BOARD: Planning & Zoning Commission

AGENDA ITEM #: 6.D.2.

DATE SUBMITTED: April 26, 2022

MEETING DATE: May 2, 2022

FROM: Iris Mata, Secretary

DEPARTMENT: Development Services

DIRECTOR: Roland Gomez

Agenda Item: Pharr Central Industrial, LLC., representing Exclusive Covering, Inc., owner, has filed with the Planning and Zoning Commission a request for a Change of Zone from General Business District (C) to Heavy Commercial District (H-C). The property is legally described as being Lot 1, Alfredo's Tile Subdivision, Pharr, Hidalgo County, Texas. The property is physically located at 707 West Ferguson Avenue.
COZ#220323

Classification: Regular

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

Issue: Pharr Central Industrial, LLC., representing Exclusive Covering, Inc., owner, has filed with the Planning and Zoning Commission a request for a Change of Zone from General Business District (C) to Heavy Commercial District (H-C). **COZ#220323**

Fiscal Consideration: n/a

Staff Recommendation: Development Services is recommending approval of the request to re-zone from General Business District (C) to Heavy Commercial District (H-C) as the property meets 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 unanimously to approve the request for a change of zone from General Business District (C) to Heavy Commercial District (H-C) subject to staff's recommendations.

Alternatives: n/a

Exclude Material from Public Packet? No

Reason: n/a

ROUTING:

Iris Mata
Patricia Rigney
Roland Gomez
City Management Office

Created/Initiated - 4/26/2022
Approved - 4/26/2022
Approved - 4/27/2022
Final Approval - 4/29/2022



Pharr

Development Services



STANDARDIZED RECOMMENDATION FORM

MEETING DATE: May 2, 2022

ROUTE TO BOARD:

☒ CITY COMMISSION

AGENDA ITEM: COZ:#220323

☐ PLANNING & ZONING COMMISSION

DATE SUBMITTED: March 25, 2022

1. **Applicant:** Pharr Central Industrial, LLC., representing Exclusive Covering, Inc., owner.
2. **Requested Action:** Re-zoning request from General Business District (C) to Heavy Commercial District (H-C).
3. **Nature / Intent of Request:** In order to operate a commercial business with outside storage.

4. **Routing to Staff:**

A. Roland Gomez, Interim Director


Initials

4-26-22
Date

☒ Approval ☐ Denial

B. Planning Staff Recommendations


Initials

4/26/22
Date

☒ Approval ☐ Denial

C. Planning and Zoning Commission

Initials

04/25/2022
Date

☒ Approval ☐ Denial

D. City Attorney

Initials

Date

☐ Approval ☐ Denial

E. City Manager

Initials

Date

☐ Approval ☐ Denial



MEMORANDUM

DATE: MONDAY, MAY 2, 2022

TO: MAYOR AND CITY COMMISSION

FROM: DEVELOPMENT SERVICES

THROUGH: ANDY HARVEY, CITY MANAGER

SUBJECT: Re-zoning Request: From General Business District (C) to Heavy Commercial District (H-C). The property is legally described as being Lot 1, Alfredo's Tile Subdivision, Pharr, Hidalgo County, Texas. The property is physically located at 707 West Ferguson 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:

Pharr Central Industrial, LLC., representing Exclusive Covering, Inc., owner, has filed with the Planning and Zoning Commission a request for a Change of Zone from General Business District (C) to Heavy Commercial District (H-C) in order to operate a commercial business with outside storage.

The subject site is located south of west Ferguson Avenue and is physically located at 707 West Ferguson Avenue. The property is legally described as being Lot 1, Alfredo's Tile Subdivision, Pharr, Hidalgo County, Texas.

The property fronts west Ferguson Avenue, a 120' to 150' principal arterial with a posted speed limit of 40 to 55 miles per hour as identified in the City of Pharr's Thoroughfare Plan.

The property is currently zoned General Business District (C). A portion of the properties to the north was rezoned from Agricultural and/ or Open Space District (A-O) to General Business District (C) on January 22, 1991, and another portion was rezoned from General Business District (C) to Heavy Commercial District (H-C) on December 6, 1994. The east and south are currently zoned Agricultural and/ or Open Space District (A-O). The property to the west was rezoned from General Business District (C) to Heavy Commercial District (H-C) on November 19, 1996. There have been no zoning requests within the general vicinity of the subject property since then. The property is generally designated for commercial use in the Land Use Plan.

The Heavy Commercial District (H-C) is established to provide adequate space and site diversification for commercial establishments which would involve influences that would be objectionable in the other commercial districts or adjacent to residential districts. Included in this district are commercial uses that involve large volumes of truck traffic, outside operations and storage of materials and equipment, either for sale or as part of the business, excessive noise from heavy service operations, or any other possibly blighting influences. This district is commercial in nature but has some aspects that are similar to industrial uses. The noise, traffic, litter, late-night hours, outside storage of materials and equipment, and other possibly blighting influences require adequate buffering.

Nineteen (19) 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 General Business District (C) to Heavy Commercial District (H-C) as the property meets 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 unanimously to approve the request for a change of zone from General Business District (C) to Heavy Commercial District (H-C) 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

Pharr Central Industrial, LLC., representing Exclusive Covering,
Inc., owner.

APPLICANT

General Business District (C)

CURRENT ZONE

707 West Ferguson Avenue.

ADDRESS

Heavy Commercial District (H-C)

	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

Development Services is recommending approval of the request to re-zone from General Business District (C) to Heavy Commercial District (H-C) as the property meets area requirements and has adequate ingress and egress.

If approved, the owner must comply with all City Ordinances and City Department requirements.

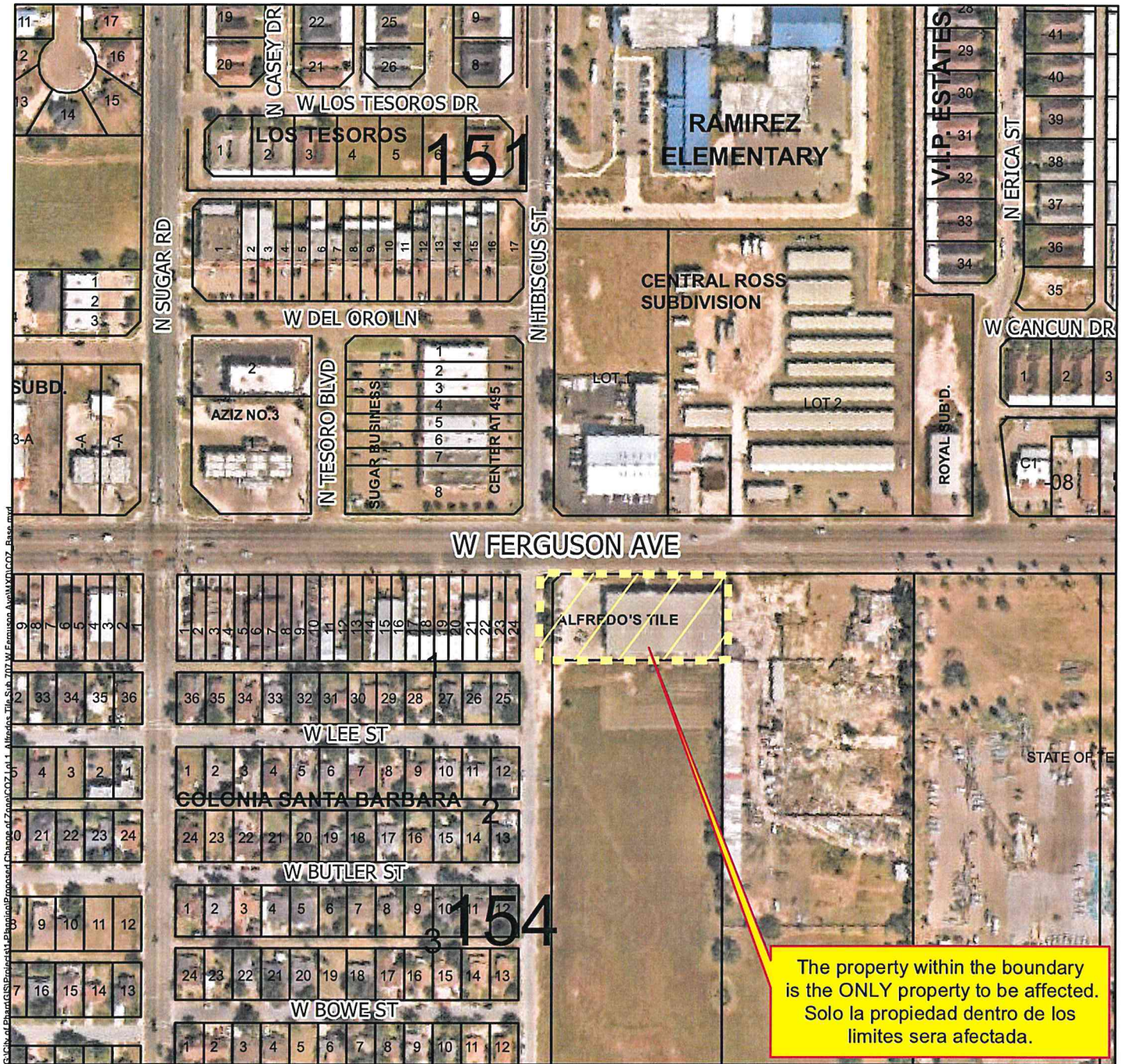
Nelly Terrazas Rojo

PREPARED BY

April 18, 2022

DATE

Proposed Change of Zone
 Lot 1, Alfredo's Tile Subdivision, 707 W Ferguson Rd
 Pharr Central Industrial, LLC./Exclusive Covering, Inc.



Zoning

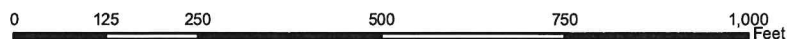
ZONE

- Agricultural Open Space
- Single Family
- Single Family Small Lot
- Residential Multi-Family
- Residential Multi-Family High Density
- Mobile Home

- Townhouse
- HUD Code
- Rail Road R.O.W
- Government Owned
- General Business
- Business District
- Drainage Easement
- Heavy Commercial
- Heavy Industrial
- Limited Industrial
- Neighborhood Commercial
- Office Professional
- PSJA ISD
- Hidalgo ISD
- Valley View ISD
- Planned Unit Development

City of Pharr, Texas
 Engineering Department
 956.402.4242

Scale: 1 inch = 250 feet

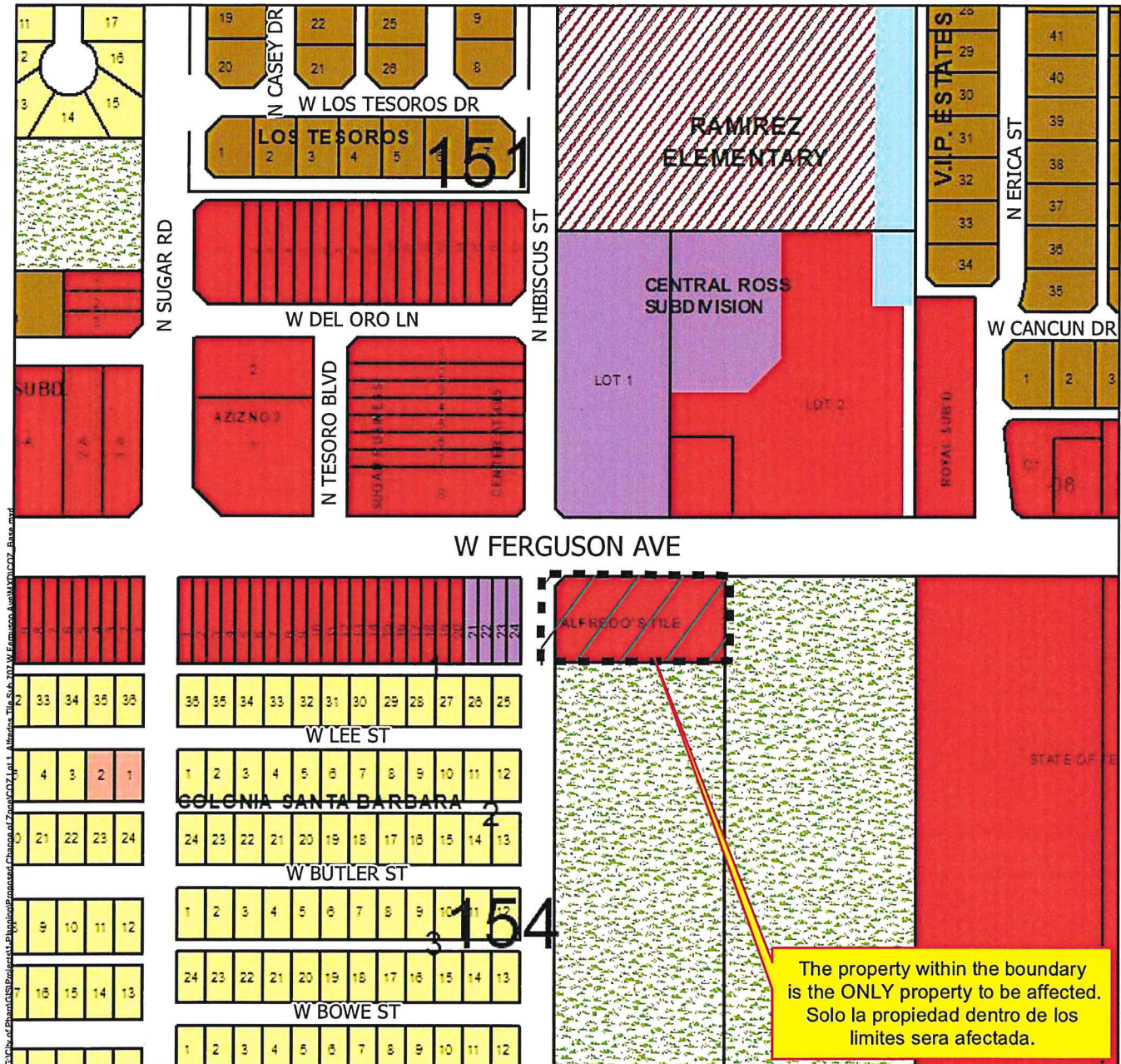


Date: 4/6/2022

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.

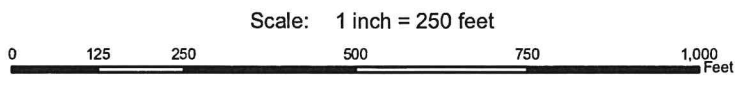


Proposed Change of Zone
 Lot 1, Alfredo's Tile Subdivision, 707 W Ferguson Rd
 Pharr Central Industrial, LLC./Exclusive Covering, Inc.

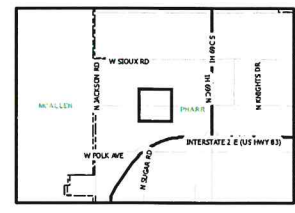


- Zoning**
- Agricultural Open Space
 - Single Family
 - Single Family Small Lot
 - Residential Multi-Family
 - Residential Multi-Family High Density
 - Mobile Home
 - Townhouse
 - HUD Code
 - Rail Road R.O.W
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 - General Business
 - Business District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

City of Pharr, Texas
 Engineering Department
 956.402.4242
 Date: 4/6/2022



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 #: 6.E.

DATE SUBMITTED:

MEETING DATE: May 2, 2022

FROM: Hilda Pedraza, City Clerk

DEPARTMENT: Administration

DIRECTOR:

Agenda Item: PLATS:

Classification: Consent

(* 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: Planning & Zoning Commission

AGENDA ITEM #: 6.E.1.

DATE SUBMITTED: April 26, 2022

MEETING DATE: May 2, 2022

FROM: Iris Mata, Secretary

DEPARTMENT: Development Services

DIRECTOR: Roland Gomez

Agenda Item: Melden & Hunt Inc., representing Jorge A. Adrade, Manager for Blu-Man Investments, L.L.C, A Texas Limited Liability Company, is requesting preliminary plat approval of the proposed South Gate Industrial Park Master Plan Subdivision. The property is legally described as being a 46.230 acres consisting of, 23.529 acres out of Lot 383 and 22.701 acres out of Lot 384 Kelly-Pharr Subdivision, Pharr, Hidalgo County, Texas. The property is located within the 800 block of E. Military Hwy. **SUB#220308**

Classification: Regular

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

Issue: Melden & Hunt Inc., representing Jorge A. Adrade, Manager for Blu-Man Investments, L.L.C, A Texas Limited Liability Company, is requesting preliminary plat approval of the proposed South Gate Industrial Park Master Plan Subdivision.
SUB#220308

Fiscal Consideration: n/a

Staff Recommendation: Development Services recommends preliminary plat approval of the proposed South Gate Industrial Park Master Plan Subdivision subject to the listed conditions.

The Planning and Zoning Commission voted unanimously to approve the final plat of the proposed South Gate Industrial Park Master Plan Subdivision.

Alternatives: n/a

Exclude Material from Public Packet? No

Reason: n/a

ROUTING:

Iris Mata
Patricia Rigney
Roland Gomez
City Management Office

Created/Initiated - 4/26/2022
Approved - 4/26/2022
Approved - 4/27/2022
Final Approval - 4/29/2022



Pharr

Development Services



MEMORANDUM

DATE: MONDAY, MAY 2, 2022

TO: MAYOR AND CITY COMMISSION

FROM: ROLAND GOMEZ, INTERIM DIRECTOR DEVELOPMENT SERVICES

THROUGH: ANDY HARVEY, CITY MANAGER

SUBJECT: SOUTH GATE INDUSTRIAL PARK MASTER PLAN SUBDIVISION FILE NO. SUB#220308
--

GENERAL INFORMATION:

APPLICANT: Melden & Hunt Inc., representing Jorge A. Adrade, Manager for Blu-Man Investments, L.L.C, A Texas Limited Liability Company, is requesting preliminary plat approval of the proposed South Gate Industrial Park Master Plan Subdivision.

LEGAL DESCRIPTION: The property is legally described as being a 46.230 acres consisting of, 23.529 acres out of Lot 383 and 22.701 acres out of Lot 384 Kelly-Pharr Subdivision, Pharr, Hidalgo County, Texas.

LOCATION: The property is located within the 800 block of E. Military Hwy.

ZONING: The property is currently zoned Heavy Industrial District (H-I). The adjacent zones are Heavy Industrial District (H-I) to the north and west, Limited Industrial District (L-I) to the south and Heavy Industrial District (H-I) and Limited Industrial District (L-I) to the east. The property is designated for industrial use in the Land Use Plan.

PROPERTY PROPOSED USE: Cold and dry warehouses.

VARIANCES: None requested.

RECOMMENDATIONS: Development Services recommends preliminary plat approval of the proposed South Gate Industrial Park Master Plan Subdivision subject to the following conditions:

**STREETS, PAVING
AND R.O.W.:**

1. Verify with HCRMA, if any additional R.O.W. needs to be provided along E. Military Hwy.
2. Public street R.O.W.'s, shall not overlap with H.C.I.D. #2, verify with them.
3. Provide 20' additional R.O.W. on E. Hi-Line Rd. (South of E. Hi-Line Rd.)
4. Label center of E. Hi-Line Rd (show correct line type).
5. Provide or show street light layout along E. Hi-Line Rd and E. Military Hwy, Max distance is 250' and on public R.O.W., for new streets.
6. Provide new street name.
7. Lot lines shall stop at proposed R.O.W. for street.

EASEMENTS:

1. Easements shall not overlap.
2. Public sewer or water lines easements shall read "Exclusive easement to City of Pharr".
3. Show all existing subdivisions and easements. (Gemini Subdivision and Transmaritime Subdivision)
4. Place more labels for easements around property.
5. Show all the dedicated easements on the plat (label existing or dedicated by plat).
6. Show all existing easements.
7. Show document number for abandonment for HCID #2, easements and fee simple R.O.W.
8. City of Pharr easement shall read: 15' or 10' Exclusive easement to City of Pharr dedicated by plat.

**SIDEWALK:
ADA:**

1. Follow City of Pharr Construction Standards Manual.

FIRE PROTECTION:

1. See attached comments.

WATER:

1. See attached comments.
2. Follow City of Pharr Construction Standards Manual.

SEWER:

1. See attached comments.
2. Follow City of Pharr Construction Standards Manual.

DRAINAGE:

1. Verify ownership of drain ditch on the west side of the property.

2. Drainage report to be reviewed and approved by H.C.D.D. No.1.

OTHER:

1. Plat note #, provide description for the benchmark location.
2. Provide surveyor and engineer signature.
3. Provide full detention directive for plat note # 4.
4. Plat note #9, reword as per FD comments: add "building" after "THE".
5. Remove plat note # 12 & 16.
6. Label all monuments on plat layout.
7. Provide full correct subdivision name on signature blocks.
8. Label line between Lots 3 & 4.
9. Update location map.
10. See attached H.C.I.D. #2, comments.
11. Provide sheet numbers for plat.
12. Provide all pertinent City of Pharr details.
13. See staff comments attached.

**PLANNING AND
ZONING
COMMISSION:**

The Planning and Zoning Commission voted unanimously to approve the final plat of the proposed South Gate Industrial Park Master Plan Subdivision.



Pharr

Fire Department



118 S. Cage Blvd. 3rd Floor
Pharr, Texas 78577

Phone: (956) 402-4400 Fax; (956) 475-3433

Subdivision: SOUTH GATE INDUSTRIAL PARK (PRELIMINARY)

Reviewed by: Manuel Renta April 20, 2022

1. All designed waterlines shall be a minimum of eight (8) inches for residential and eight-twelve (8-12) inches in diameter for commercial and **twelve (12) inches or better for industrial areas**, unless fire flow requires larger lines for commercial areas.
2. **All designed waterlines shall be looped on a Fire Department approved water main** (Utilities shall be in place including fire hydrants before any construction above the slab).
3. **Fire hydrant shall be installed at a maximum of 300 feet intervals in any mercantile district** and every 600 feet in residential areas and shall be **FACTORY YELLOW** from the manufacture with a minimum arrangement being so as to have a hydrant available for distribution to hose to any portion of any building in the premises at distances not exceeding 400 feet, but in no case shall hose lengths be greater than 400 feet. The distance shall be measured on a roadway surface meeting the Fire Department access requirements of 503.1 International Fire Code 2012. Preferably Mueller Brand Fire Hydrant or equivalent.
4. **All premises where building or portions of building are located more than 300 feet from a main street fire hydrant system shall be provided with approved on-site fire hydrant(s) and water mains capable of supplying adequate fire flow, approved by the Fire Officials.**
5. Shall meet the Fire Flow rate of 20 psi of residual pressure for firefighting.
6. **Street names shall be provided prior to or during the pre-construction meeting** for review and approval. No street name shall be duplicated within the City of Pharr and its E.T.J. alignment of new streets with existing streets shall take precedence over new street name assignment.
7. During construction, when combustibles are brought on the site in such quantities as deemed hazardous by the Fire Official, access roads and a suitable temporary supply of water acceptable to the Fire Department shall be provided and maintained.
8. A \$25.00 fee for each **BLUE MARKER** to be affixed on pavement by city to indicate location of the fire hydrant. **FIRE HYDRANT COLOR MUST BE FACTORY YELLOW FROM MANUFACTURE PRIOR TO INSTALLATION.**
9. Contractor testing waterlines shall dispose highly chlorinated water (Hazardous Waste).
10. Fire lanes must be painted **RED**: 15 feet on each side of hydrant (total of 30 feet). *With lettering at least 3 inches tall (FIRE LANE – TOW AWAY ZONE).
11. **Any new subdivision with GATED COMMUNITY SECURITY SYSTEMS must obtain the Fire Department approved Knox Box Switch – Rapid Entry System made by the Knox Company** (phone: 800-

552-5669 * fax: 949-623-4647) or an approved Fire Department siren system before subdivision's final approval of 503.5 in International Fire Code 2012; where security gates are installed, with a minimum of 20 feet (6096 mm) clearance shall be maintained and a means for emergency operations shall be provided and maintained as approved by the Fire Official.

12. Designed fire lanes or roads deemed necessary for Fire Department access by the Fire Official shall be established and maintained in an operable condition. 503.1 International Fire Code 2012; all weather surfaces must be in place before any final inspection is approved. Facilities, buildings or portions of buildings hereafter constructed shall be accessible to the department apparatus by the way of an approved fire apparatus access road with an asphalt, or concrete driving surface capable of supporting the imposed load of fire apparatus weighing at least 75,000 pounds.
13. Access road width with hydrant; where a fire hydrant is located on a fire apparatus access road, the minimum road width shall be 26 feet, exclusive of shoulders.
14. All water valves (hydrant and main) shall be open prior to final inspection.
15. Public Utilities personnel must be advised prior to opening and closing existing water valves.
16. Must meet City of Pharr Standards Manual Construction & Development Guide.

Additional Comments:

1. Plat Note 16. Remove "ALL FIRE PROTECTION TO BE INSTALLED BY A TEXAS LICENSE FIRE PROTECTION COMPANT"
2. All designated waterlines shall be looped on FD approved water mains according to Pharr City Standards.
3. Shall connect to existing water main stub outs to enhance water loop objectives. (See Water Dept. Records).
4. Waterlines for industrial areas to at minimum of (12) inches.
5. All access points and roadway widths shall be at a minimum of 26' for fire apparatus access.
6. Include proposed fire hydrants (300' maximum intervals in mercantile district), include fire hydrant and valve detail.
7. A fire hydrant must be located within 100' of any Fire Department Connection for sprinklered buildings.

PLAT REVIEW MEETING FOR: *SOUTH GATE INDUSTRIAL PARK SUBDIVISION*

COMMENTS: **Initials: J.R. / R. B.** **APRIL 14, 2022**

WATER:

- Easements will need to be 15' Exclusive to the City of Pharr
- Will need to install 24" steel casing in all entrances
- Water line will need to be loop
- Will need to show all water services
- All water services will need to be 2"
- Will need to show all water valves
- Will need to show all water crossing details
- Follow City of Pharr Construction Standards Manual

SEWER:

- All manholes will need to be composite base with City of Pharr logo
- All sewer service will need to be 6"
- Will need to show all sewer crossing details
- Follow City of Pharr Construction Standards Manual

Developer/Owner/Responsible Party must comply with the conditions stated above. WATER METERS WILL NOT BE INSTALLED IF THERE IS A failure to comply with ANY OF THE conditions. METERS WILL BE INSTALLED UPON PAYMENT AND COMPLIANCE WITH ALL CONDITIONS STATED. By signing this you understand you must comply with the condition(s) or the water meter(s) will not be installed.

Print Name: _____

Signature: _____

Date: _____



Pharr Public Work



SUBDIVISION: Plat Review Meeting
South Gate Industrial Park Subdivision
E. HI-LINE
Pharr Tx, 78577

DATE: 04/14/2022
46.230 ACRES

Plat Notes: No Comments

General Notes:

- 18" RCP Culvert for existing bar ditch on Hi-Line and Show Driveway Details
- Call out Detention area(s)
- Show Drainage Line and Outfall Details
- Head wall is required for drain ditch outfall on both sides
- Utility Lines are not allowed on Detention ponds
- No Utility easements are allowed on property private
- Show Utility Profile Crossings, Elevations and Separations Details
- Deed may stay as is but please note drainage ditch belongs to and is maintained by Hidalgo County Drainage District
- Must Obtain Discharge Permit from Hidalgo County Drainage District
- Show Street Lighting Plan Layout and ADA Sidewalk Details
- Show and Attach Erosion & Sediment Control Plan Layout to S.W.P.P.P. (Must Be Legible)
Erosion & Sediment Plan layout must be in place prior to any Earth Disturbance
- Erosion & Sediment Control during construction shall be in accordance with the current Texas Pollution Discharge Elimination System (T.P.D.E.S.), Texas Commission of Environmental Quality (T.C.E.Q.) and City Of Pharr requirements.
- Show and Attach an Approved (by City Engineering Department) Drainage Plan Layout with Details, to S.W.P.P.P. (Must Be Legible)
- Must submit (1) digital copy in (USB) to review and must be approved prior to any earthwork disturbance or Notice to Proceed (N.T.P.) is issued. Must submit (3) three hard copies of the Finalized Stormwater Pollution Prevention Plan (S.W.P.P.P.) with Notice of Intent (N.O.I.) at Pre-Construction Stage.

SUBDIVISION: South Gate Industrial Park
Master Plan Subdivision**DATE:** April 14, 2022**REVIEW:** Preliminary (comments plans dated 4-14-2022)**PLAT**

1. Signature from P.E.
2. Signature from R.P.L.S.
3. Dedicate additional easement for waterline within the property.
4. Note No. 4---Use correct City of Pharr Drainage directive... *"Storm Water detention is required for this property. The engineer of record for this subdivision plat has estimated that an area of approximately _____ acres and a volume of approximately _____ acre feet will be required for this use. This is an estimate only and detailed analysis may reveal different requirements. No Building permit shall be issued for this platted property until a storm water detention system design has been approved by the City of Pharr for this commercial development."*
5. Note No. 5---Remove additional zero at the end of northing and easting values.
6. Remove Note No. 12
7. Note No. 14--- Revie note to say... "5.0'ft sidewalk with ADA wheelchair ramps and landings shall be constructed along all streets at the time of subdivision construction.
8. Add Note---"Owners to maintain detention / retention areas."
9. Add Note---" All entrances that cross over waterlines shall require casing at time of building permit phase. The length of the casing shall be the width of the drive plus 10'-ft. Steel casing will be required for all commercial and industrial drives."
10. Add Note---"All subdivision waterlines shall be looped as per City standards."
11. Provide a name for proposed street.
12. Revise additional ROW call out to say... "dedicate additional 20'-ft ROW".
13. Verify with HCRMA about ROW dedication for E. Military HWY.

SITE PLAN

1. Include all profile details of all utility crossings.
2. Provide all pertinent City of Pharr details. (Waterline bedding, gate valves, fire hydrants, services, sanitary sewer bedding, fiberglass manhole with composite manhole lids with updated logo, 6"-in sanitary sewer services, storm sewer bedding, inlets, storm manhole, concrete riprap, cross-section detail of proposed drive, concrete apron, curb and gutter with 3 #3 continuous rebar on City ROW, paving profile, ADA sidewalk)
3. Existing sanitary sewer line along the drainage ditch is shown on the wrong side.
4. Show all locations of steel casings for the waterline.
5. Ensure that water line is not within the proposed drive. Move waterline further west and remove proposed sanitary sewer service line. Proposed waterline shall be 12"-in.
6. Remove proposed waterlines within the truck court and extend waterline on the west side of the property all the way to E. Hi Line rd. and tie into 16"-in line, as per Public Utilities request.
7. Show all proposed fire hydrants as per Fire departments request. Fire hydrants shall be spaced out at 300'-ft with hose length of 400'-ft.

DRAINAGE

1. Drainage report to be reviewed and approved by HCDD No. 1.
2. Drainage plan to be reviewed and approved at building permit phase.

CLOSEOUT DOCUMENTS

- All As-builts must have the following requirements:
 - As-builts must reflect current field changes. Mark all field changes as existing.
 - Must be Geo referenced, and in an AUTOCAD file.
 - Submit a physical and electronic copy (USB or CD).

CONSTRUCTION SCHEDULE

- The contractor shall provide a construction schedule for the above-mentioned subdivision.

ADDITIONAL COMMENTS

- Lab shall be required to test the following:
 - Backfill material
 - Paving items
 - Concrete items

Eddie Martinez

From: John Salinas <jbs_hcid2@att.net>
Sent: Thursday, April 7, 2022 2:45 PM
To: Eddie Martinez
Cc: Javier Lopez
Subject: SOUTH GATE INDUSTRIAL PARK MASTER PLAN

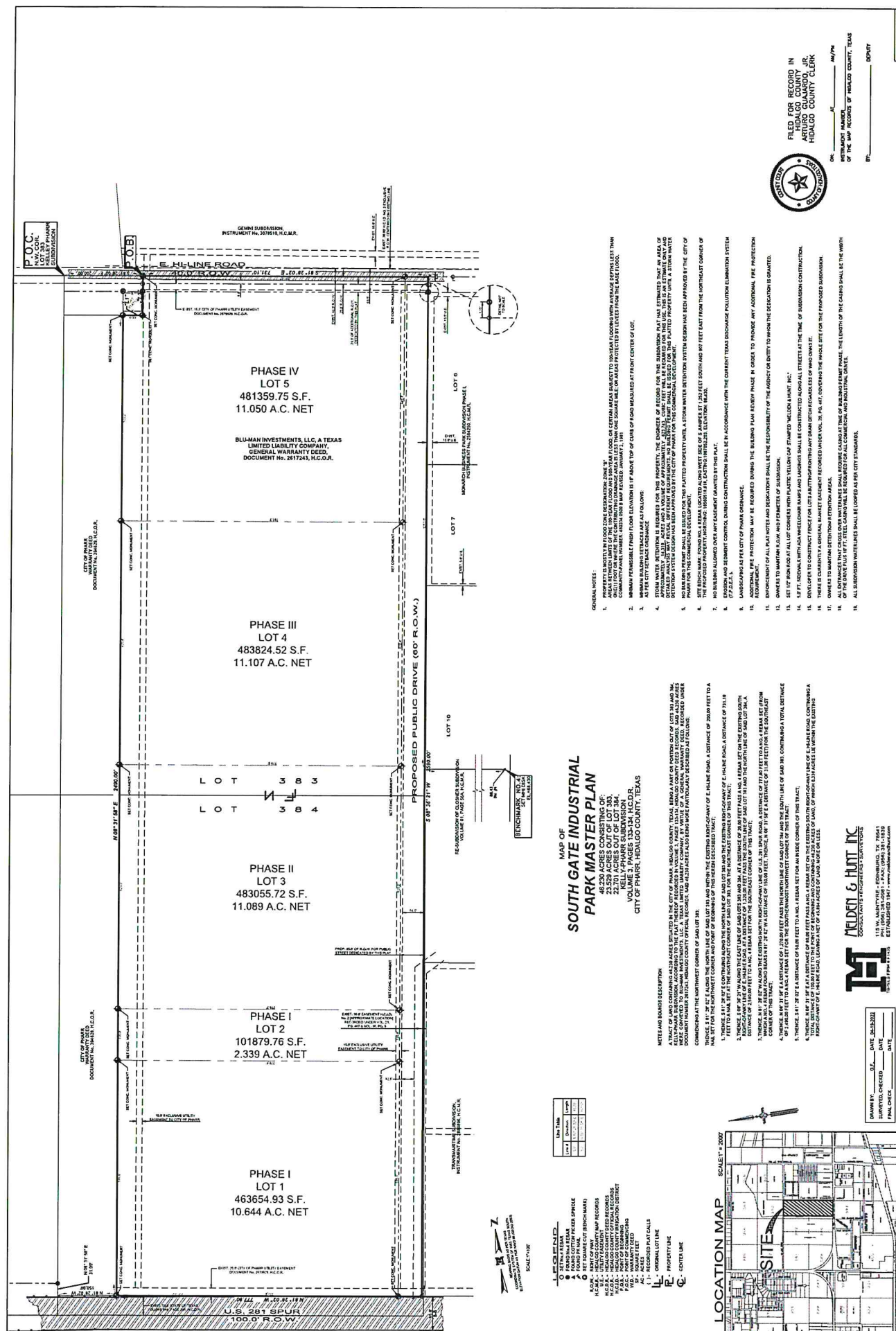
***** This is an email from an EXTERNAL source. DO NOT click links or open attachments without positive sender verification of purpose. Never enter USERNAME, PASSWORD or sensitive information on linked pages from this email. *****

Hello Eddie,

I have some comments for this proposal. In our signature area, the # symbol is used and would prefer it spelled out No. At the P.O.C. N.W. COR LOT 383, add Kelley Pharr subdivision. We have a general blanket easement V 20 P 467 covering all of the lot. For the 30' HCID No. 2 easement, add V 20 P 467 and V 16 P 5 into the label. The subdivision has a proposed 60' public street overlapping our easement. This road needs to be moved out of HCID2 row.

Thank you sir.

John Salinas
Hidalgo County Irrigation District No. Two
P.O. Box 6
San Juan, TX 78589
Phone: 956-787-1422
Email: jbs_hcid2@att.net



46.230 ACRES CONSISTING OF:
23.529 ACRES OUT OF LOT 383,
22.701 ACRES OUT OF LOT 384,
KELLY-PHARR SUBDIVISION
VOLUME 3, PAGES 133-134, H.C.D.
CITY OF PHARR, HIDALGO COUNTY, TEXAS

I, THE UNDERSIGNED, OWNER OF THE LAND SHOWN ON THIS PLAT, AND DESIGNATED HEREIN AS "SOUTH GATE INDUSTRIAL PARK MASTER PLAN" TO THE CITY OF PHARR, TEXAS, AND WHOSE NAME IS SUBSCRIBED HERETO, HEREBY DEDICATE TO THE USE OF THE PUBLIC ALL STREETS, ALLEYS, PARKS, WATER COURSES, DRAINS, EASEMENTS, AND PUBLIC PLACES THEREON SHOWN FOR THE PURPOSES AND CONSIDERATIONS THEREIN EXPRESSED.

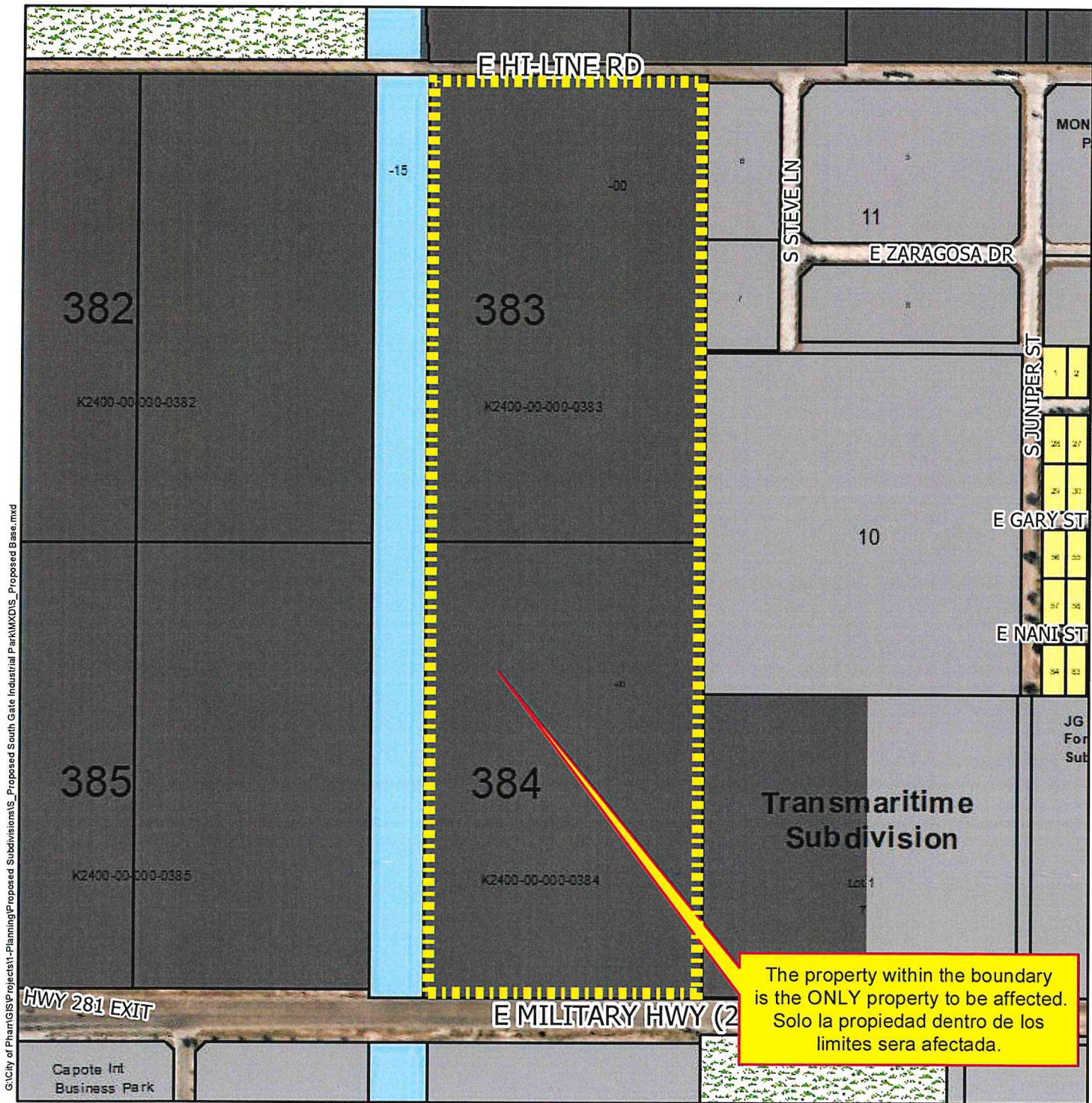
BEFORE ME, THE UNDERSIGNED AUTHORITY, ON THIS DAY PERSONALLY APPEARED JORGE A. ARRADE KNOWN TO ME TO BE THE PERSON WHOSE NAME IS SUBSCRIBED TO THE FOREGOING INSTRUMENT, AND ACKNOWLEDGED TO ME THAT HE EXECUTED THE SAME FOR THE PURPOSES AND CONSIDERATIONS THEREIN GIVEN UNDER MY HAND AND SEAL OF OFFICE. THIS THE _____ DAY OF _____, 20__.

I, THE UNDERSIGNED, ROBERTO N. TAMEZ, A REGISTERED PROFESSIONAL LAND SURVEYOR, IN THE STATE OF TEXAS, DO HEREBY CERTIFY THAT THE HEREIN PRESENTED PLAT AND DESCRIPTION OF "SOUTH GATE INDUSTRIAL PARK MASTER PLAN," WERE PREPARED FROM A SURVEY OF THE PROPERTY MADE ON THE GROUND BY ME OR UNDER MY SUPERVISION ON 12/07/2021, AND THAT IT IS A TRUE AND ACCURATE REPRESENTATION OF THE SUBDIVISION OF THE LANDS HEREON DESCRIBED.

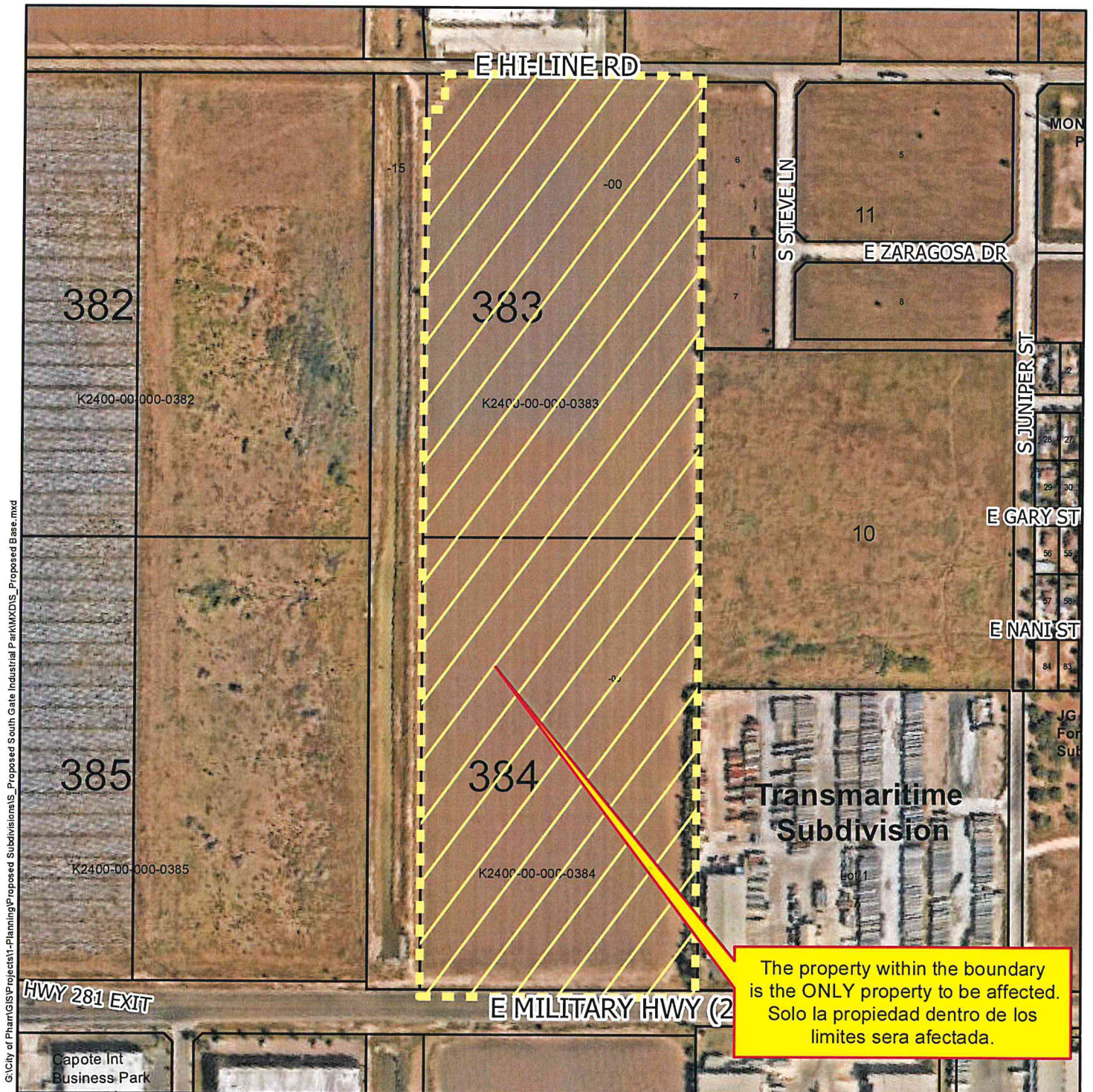
NEALGO COUNTY DRAINAGE DISTRICT NO.1 HEREBY CERTIFIES THAT THE DRAINAGE PLANS FOR THIS SUBDIVISION COMPLY WITH THE MINIMUM STANDARDS OF THE DISTRICT ADOPTED UNDER TEXAS WATER CODE, CH.41-21(C). THE DISTRICT HAS NOT REVIEWED AND DOES NOT CERTIFY THAT THE DRAINAGE STRUCTURES DESCRIBED ARE APPROPRIATE FOR THE SPECIFIC SUBDIVISION BASED ON GENERALLY ACCEPTED ENGINEERING CRITERIA. IT IS THE RESPONSIBILITY OF THE DEVELOPER AND HIS ENGINEER TO MAKE THEIR DETERMINATIONS.

**RAUL E. SESIN, P.E., C.F.M.,
GENERAL MANAGER**

DRAWN BY: _____ G.F. _____ DATE 04-18-2022
SURVEYED, CHECKED _____ DATE _____
FINAL CHECK _____ DATE _____



- | | | | |
|---------------------------------------|-------------------|-------------------------|--------------------------|
| 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 | |



- | | | | |
|---------------------------------------|-------------------|-------------------------|--------------------------|
| 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 | |



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 7.A.

DATE SUBMITTED: April 13, 2022

MEETING DATE: May 2, 2022

FROM: Joel Robles, Assistant Police Chief

DEPARTMENT: Police

DIRECTOR: Andrew Harvey

Agenda Item: Consideration and action, if any, on Resolution authorizing Pharr Police Department to submit an application for the Operation Stonegarden Grant Program (OPSG-2021) to the Office of the Governor's Homeland Security Grants Division Grant #3173107 / OPSG-2021.

Classification: Regular

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

Issue: Operation Stonegarden is a Homeland Security Grant that will run from March 1, 2022 to February 28, 2023. The Pharr Police Department uses OPSG Funding to enhance enforcement efforts along ingress/egress routes leading to and from the U.S./Mexico border and into the interior of the United States.

Fiscal Consideration: The Office of the Governor Homeland Security Grants Division has allocated \$360,000.00 for the Pharr Police Department to use for overtime funds and the purchase of police equipment.

Staff Recommendation: Staff recommends approval

Alternatives: Not apply for this grant and lose out on \$360,000.00 for overtime funds and special police equipment

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

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

Created/Initiated - 4/13/2022
Approved - 4/28/2022
Approved - 4/28/2022
Approved - 4/28/2022
Approved - 4/28/2022
Approved - 4/29/2022
Final Approval - 4/29/2022

RESOLUTION NO. R-2022 _____

OFFICE OF THE GOVERNOR, HOMELAND SECURITY GRANTS DIVISION
OPERATION STONEGARDEN GRANT PROGRAM SOLICITATION (FY 2021 OPSG)

WHEREAS, On March 18, 2022, the City of Pharr has submitted to the Hidalgo Sheriff's Office and identified as a Friendly Forces participate in Operation Stonegarden (OPSG) for Funding Year 2021.

WHEREAS, OPSG funding is to enhance enforcement efforts along ingress/egress routes leading from the U.S./Mexico border and into the interior of the United States.

WHEREAS, The Pharr Police Department finds it in the best interest of the citizens of Pharr that the Operation Stonegarden Grant Program (OPSG-2021) be operated for the fiscal year 03-01-2022 to 02-28-2023, and

WHEREAS, the purpose of the Operation Stonegarden Grant Program (OPSG-2021) is to support overtime and operational costs for increased patrol and investigative capacity for certified peace officers and law enforcement support personnel conducting border security operations, and

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

WHEREAS, Pharr Police Department agrees that in the event of loss or misuse of the Office of the Governor, Homeland Security Grants Division funds, Pharr Police Department assures that the funds will be returned to the Office of the Governor, Homeland Security Grants Division in full; and

WHEREAS, Pharr Police Department designates the 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 Pharr Board of Commissioners approves submitting of the grant application for the Operation Stonegarden Grant Program (OPSG-2021) 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: 3173107

ATTEST:

CITY OF PHARR:

Ambrosio Hernandez, Mayor

HILDA PEDRAZA. CITY CLERK

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 March 2022, 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 March 2022, ad.*

City of Pharr

Hilda Pedraza, City Clerk



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 7.B.

DATE SUBMITTED: April 26, 2022

MEETING DATE: May 2, 2022

FROM: Pilar Rodriguez, Fire Chief

DEPARTMENT: Fire

DIRECTOR: Pilar Rodriguez

Agenda Item: Consideration and action, if any, on Resolution determining a public necessity to acquire certain real property; giving notice of an official determination to acquire real property for a public purpose; establishing procedures for the acquisition of the property; determining the estate to be acquired; establishing fair market value for the property to be acquired, and directing the City Manager or designee to communicate offers to owners for purchase of property, appropriating funds, and authorizing condemnation proceedings by City Attorney; ratification of prior acts.

Classification: Regular

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

Issue: The City has determined there is a need to acquire real property to construct a new Fire Station 1, Fire/EMS Headquarters and public park.

Fiscal Consideration: N/A

Staff Recommendation: Based on review by this office, staff recommends approval of the resolution.

Alternatives: N/A

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Pilar Rodriguez

Created/Initiated - 4/26/2022

Karla Saavedra

Approved - 4/27/2022

Patricia Rigney

Approved - 4/28/2022

Anali Alanis

Approved - 4/28/2022

Edward Wylie

Approved - 4/29/2022

City Management Office

Final Approval - 4/29/2022

RESOLUTION NO. R-2022-_____

A RESOLUTION OF THE CITY OF PHARR, TEXAS, DETERMINING A PUBLIC NECESSITY TO ACQUIRE CERTAIN REAL PROPERTY; GIVING NOTICE OF AN OFFICIAL DETERMINATION TO ACQUIRE REAL PROPERTY FOR A PUBLIC PURPOSE; ESTABLISHING PROCEDURES FOR THE ACQUISITION OF PROPERTY; DETERMINING THE ESTATE TO BE ACQUIRED; ESTABLISHING FAIR MARKET VALUE FOR THE PROPERTY TO BE ACQUIRED, AND DIRECTING THE CITY MANAGER OR DESIGNEE TO COMMUNICATE OFFERS TO OWNERS FOR PURCHASE OF PROPERTY, APPROPRIATING FUNDS, AND AUTHORIZING CONDEMNATION PROCEEDINGS BY CITY ATTORNEY; RATIFICATION OF PRIOR ACTS

WHEREAS, the City of Pharr, proposes to make certain improvements to construct a replacement facility for Fire Station 1, a new facility for Fire/EMS Headquarters and a public park in and about the City of Pharr in Hidalgo County, Texas; and

WHEREAS, the City of Pharr, Texas has determined that certain property is necessary for the furtherance of these improvements and associated projects that are proposed to be made by the City of Pharr, Texas and that such improvements will be beneficial public improvements to the residents and inhabitants of the City Pharr, Texas of Pharr, Texas; and

WHEREAS, the City of Pharr has determined it is necessary to establish procedures for determining the establishment and approval of just compensation for the parcel to be acquired.

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

SECTION 1: That the City of Pharr, Texas hereby officially determines that there is a public necessity for acquiring the following real property for the expansion and construction of roadway and/or city park improvements and adjacent land including but not limited to rights of way, easements and property, and that the needs of its residents and inhabitants will be served by acquiring the following real property:

LEGAL DESCRIPTION: (SEE EXHIBIT A)

A 2.98 ACRE TRACT OF LAND OUT OF THE EAST 10 ACRES OF LOT 147, KELLY-PHARR SUBDIVISION, PHARR, HIDALGO COUNTY, TEXAS – 1903 N KNIGHT DRIVE, PHARR, TEXAS. (SUBJECT TO SURVEY)

SECTION 2: That the City of Pharr, Texas hereby officially determines based on any opinions and recommendations of professional real estate appraisers, or that may be pending appraisal, that the fair market value of all estates and interest in the specifically described property are fair.

SECTION 3: That the City Manager, or its designee, be hereby authorized and directed to communicate a written offer to all record owners of the property for voluntary purchase of said property in an amount not to exceed the amount determined and established to be just compensation; therefore, and to further negotiate with said owner(s) on behalf of the City of Pharr for the voluntary purchase of the property for an amount not in excess of the amount determined and established to be just compensation.

SECTION 4: That the Mayor, and in his absence, the City Manager or its designee, is and shall hereby be authorized to execute all documents necessary to acquire the property on behalf of the City of Pharr, Texas.

SECTION 5: That should the City of Pharr, Texas and the owner(s) of the property herein described and determined to be acquired are unable to agree upon the value of the land, or should negotiations become futile, that the City Attorney hereby be authorized to initiate condemnation proceedings on behalf of the City of Pharr, Texas and do all legal things necessary, in accordance with state law, to acquire the property.

SECTION 6: That all lawful acts which have heretofore been performed by agents and representatives of the City of Pharr, such as, but not limited to, offers of purchase, negotiations with owners, and notices given to owners, shall hereby be ratified.

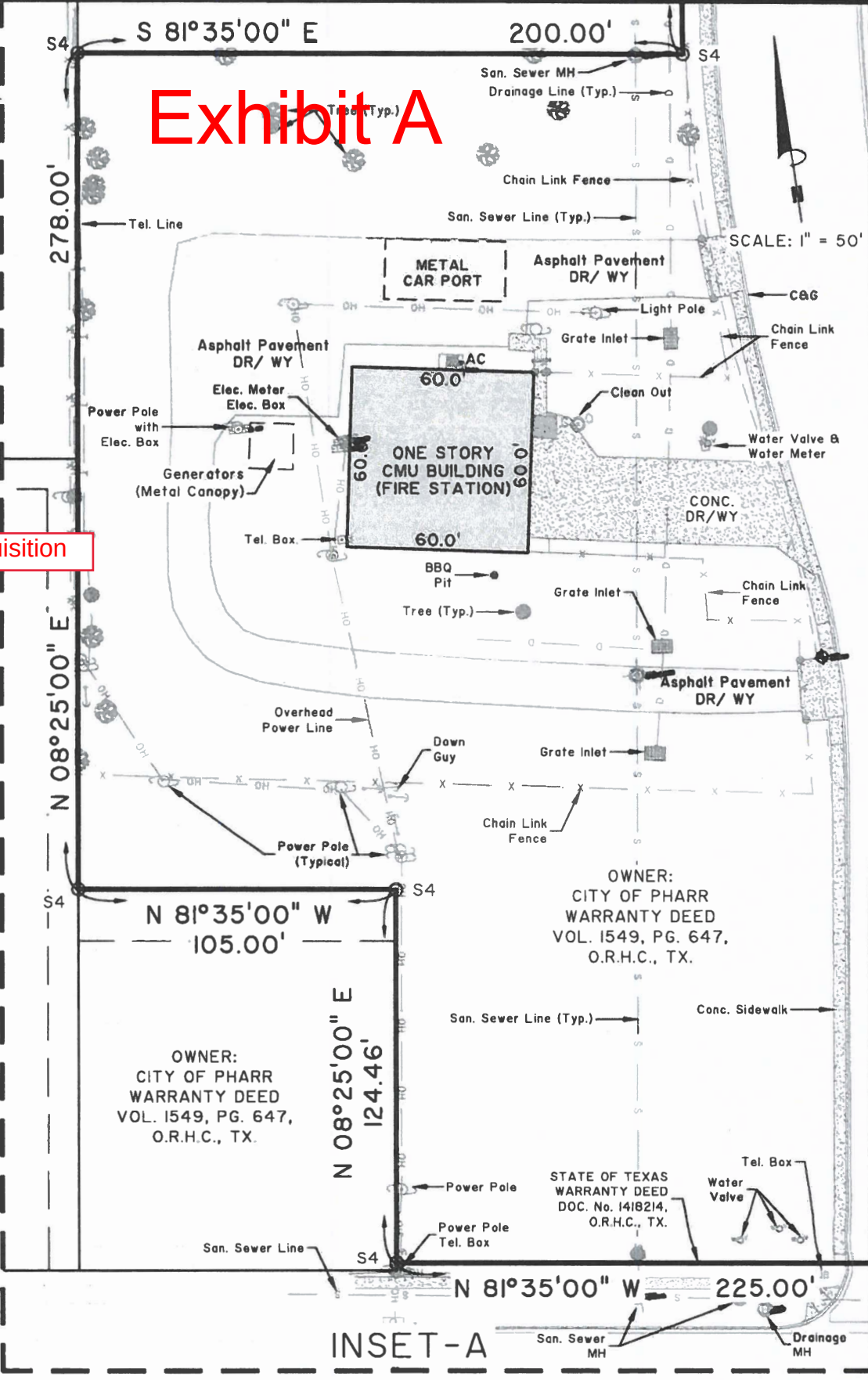
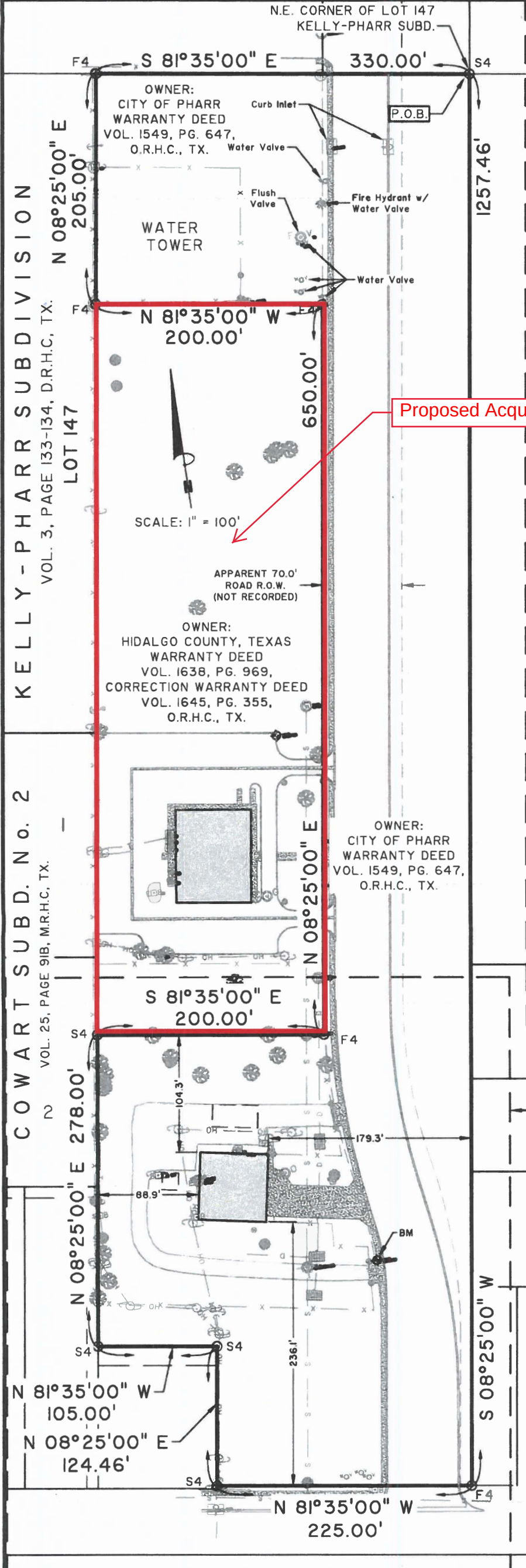
PASSED AND ADOPTED this the 2nd day of Many, 2022.

CITY OF PHARR

AMBROSIO HERNANDEZ, MAYOR

ATTEST

HILDA PEDRAZA, CITY CLERK



SURVEY PLAT
OF
6.58 ACRES OF LAND OUT OF
THE EAST 10 ACRES OF LOT 147,
KELLY-PHARR, SUBDIVISION,
HIDALGO COUNTY, TEXAS,
AS PER MAP RECORDED IN
VOLUME 3, PAGES 133-134, D.R.H.C., TEXAS.

I, Pablo Soto, Jr., hereby certify that this Survey substantially complies with the current Texas Society of Professional Surveyors Standards and Specifications for a Category IA Condition II Survey. Any certification expressed or implied herein is invalid without the original signature and seal of Pablo Soto, Jr. alteration of this document, except by a Licensed Land Surveyor, is illegal.

I, Pablo Soto, Jr., hereby state that this Survey was performed on the ground under my supervision and that this Survey correctly represents the facts found at the time of the survey.

This plat was prepared without the benefit of a title research.

PRELIMINARY SUBJECT TO REVISION
PABLO SOTO, Jr. - R.P.L.S. No. 4541
Date: _____

SURVEY SHOWS ALL IMPROVEMENTS LOCATED ON THE LAND AND THAT THERE ARE NO ENCROACHMENTS, BOUNDARY CONFLICTS, PROTRUSIONS OR VISIBLE OR APPARENT EASEMENTS, EXCEPT AS SHOWN ON THE SURVEY PLAT.



R. Gutierrez Engineering Corporation
Professional Engineers & Land Surveyors
130 E. PARK AVENUE • PHARR, TEXAS 78577
(TEL) 956 782-2557 • (FAX) 956 782-2558
ENGINEERING FIRM No. 486 • SURVEYING FIRM No. 101650.00

G.F. No. _____

Job No.: _____ Date: _____

FLOOD ZONE		A AO C X		AH B D OTHER		Com.-Panel No.:	
Description: Areas to be protected by levees from the base flood. (BB) Areas to be protected by levees from the base flood. (BB) Areas to be protected by levees from the base flood.						Client:	
Mailing Address:		City:		State:		Zip Code:	
Job No.:		G.F. No.:		FB:		Drawn By: RG	
Date:		PG:		Checked By:		PS	



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 8.A.

DATE SUBMITTED: April 26, 2022

MEETING DATE: May 2, 2022

FROM: Fabiola Sanchez, Assistant
Finance Director

DEPARTMENT: Finance

DIRECTOR: Karla Saavedra

Agenda Item: Consideration and action, if any, accepting the City of Pharr Audited Financial Statements for FY 2020-2021.

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 2020-2021 with an unmodified opinion (clean opinion), meaning that it is the Auditor's opinion that the City Financial Statements and component units are presented fairly in all material aspects.

Fiscal Consideration: N/A

Staff Recommendation: approve

Alternatives: N/A

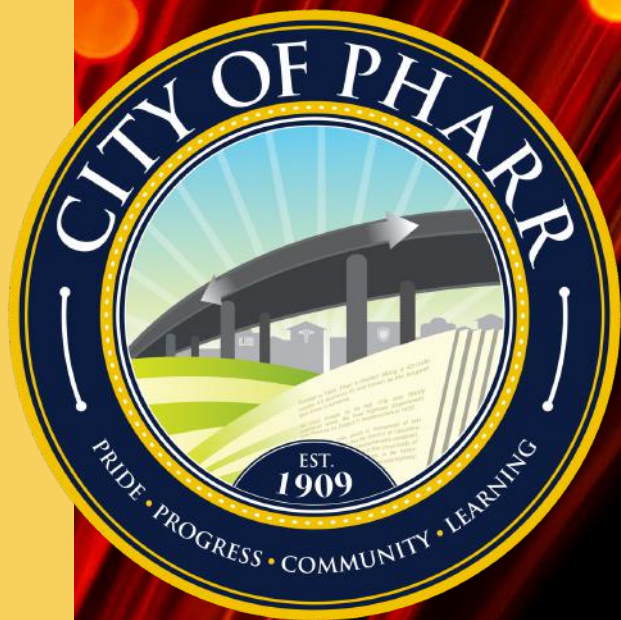
Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Fabiola Sanchez
Karla Saavedra
Patricia Rigney
City Management Office

Created/Initiated - 4/26/2022
Approved - 4/26/2022
Approved - 4/26/2022
Final Approval - 4/29/2022



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POWERED BY THE CITY OF PHARR



ANNUAL COMPREHENSIVE FINANCIAL REPORT

For the Fiscal Year Ended September 30, 2021

PHARR, TEXAS

City of Pharr, TX
Annual Comprehensive Financial Report
Reprt Year Ended September 30, 2021

TABLE OF CONTENTS

INTRODUCTORY SECTION	Page
Letter of Transmittal.....	i
City Officials.....	vi
Texas Map.....	vii
Senior Leaders.....	viii
Organizational Chart.....	xv
FINANCIAL SECTION	
Independent Auditors' Report.....	1
Management's Discussion and Anaysis.....	4
Basic Financial Statements:	
Government-Wide Financial Statements:	
Statement of Net Position.....	14
Statement of Activities.....	15
Fund Financial Statement:	
Governmental Funds:	
Balance Sheet.....	16
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position.....	17
Statement of Revenues, Expenditures and Changes in Fund Balance.....	19
Reconciliation in Fund Balance to the Statement of Activities.....	20
Proprietary Funds:	
Statements of Net Position.....	22
Statement of Revenues, Expenses and Changes in Net Position.....	23
Statement of Cash Flow.....	25
Discrete Component Unit:	
Statement of Net Position.....	28
Statement of Activities.....	29
Notes to Basic Financial Statements.....	31
Required Supplementary Information:	
Texas Municipal Retirement System-	
Schedule of Contributions.....	78
Texas Municipal Retirement System- Schedule of Changes in Net Pension Liability	
And Related Ratios.....	79
Schedule of Revenues, Expenses and changes in Fund Balance -	
Budget and Actual - General Fund.....	80
Combining and Individual Fund Information and Other Supplementary Information:	
Non-Major Governmental Funds:	
Combining Balance Sheet.....	83

Combining Statement of Revenues, Expenditures and Changes in Fund Balance.....	85
Governmental Funds:	
Schedules of Revenues, Expenditures and Changes in Fund Balance -	
Budget vs. Actual:	
General Fund (Detail).....	89
Asset Sharing Fund.....	92
Community Development Fund.....	93
Hotel/Motel Fund Program.....	94
Parkland Dedication Fund.....	95
Paving and Drainage Fund.....	96
Grants Fund.....	97
Debt Service.....	98
General Capital Improvements.....	99
Covid Relief Fund.....	100
TIRZ No 1.....	101
TIRZ No 2.....	102
Proprietary Funds:	
Schedules of Revenues, Expenses and Changes in Net Position -	
Budget vs. Actual:	
Utility Fund.....	115
EMS Fund.....	116
Event Center Fund.....	117
Bridge Fund.....	118
Golf Fund.....	119
Internal Service Funds:	
Combining Balance Sheet.....	104
Combining Statement of Revenues, Expenses and Changes in Net Position.....	105
Garage Fund.....	106
Health Insurance Fund.....	107

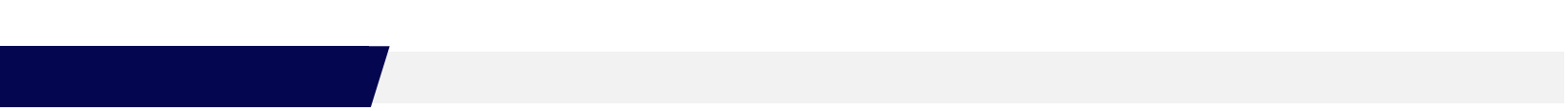
STATISTICAL SECTION

Financial Trend:	
Net Position by Component.....	116
Changes in Net Position.....	117
Fund Balances of Governmental Funds.....	119
Changes in Fund Balances of Governmental Funds.....	120
Revenue Capacity:	
Assessed and Estimated Actual Value of Taxable Property.....	121
Property Tax Rates and Tax Levies - Direct and Overlapping Governments.....	122
Principal Property Taxpayers.....	123
Property Tax Levies and Collections.....	124
Debt Capacity:	
Ratio of Outstanding Debt by type.....	125
Ratio of General Bonded Debt Outstanding.....	126
Direct and Overlapping Governmental Activities Debt.....	127
Legal Debt Margin Information.....	128
Pledge Revenue Coverage.....	129

Demographic and Economic Information:	
Demographic and Economic Statistics.....	130
Principal Employers.....	131
Full-Time Equivalent City Government Employees by Function.....	132
Operating Indicators by Function.....	133
Capital Asset Statistics by Function.....	134

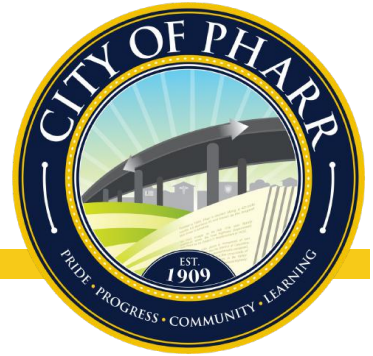
INTERNAL CONTROLS OVER FINANCIAL REPORTING

Report on Internal Control Over Financial and on Compliance and Other Matters based on Audit of Financial Statements Performed in Accordance with Government Auditing Standards.....	136
Independent Auditor's Report on Compliance with Requirements that Could Have a Material Effect on each Major Program and on Internal control Over Compliance in Accordance with OMB Circular A-133.....	138
Schedule of Expenditures of Federal State Awards.....	140
Notes to the Schedule of Expenditures of Federal and State Awards.....	142
Schedule of Findings and Questioned Cost.....	144
Corrective Action Plan.....	145



INTRODUCTORY SECTION

City of Pharr



May 2nd, 2022

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, 2021. 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, 2021. The independent auditor's report is located at the front of the financial section of this report.

In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Generally accepted auditing standards and the standards set forth in the Government Accountability Office's Government Auditing Standards were used by the auditors in conducting the engagement. 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. The City of Pharr is required to undergo an annual single audit in conformity with the provisions of Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards (Uniform Guidance). Information related to federal and state awards, the independent auditors' report on internal controls and compliance with applicable laws and regulations, and a schedule of findings and questioned costs are included in the single audit section of this report.

This report also includes the Financial Statements for its component units; discrete and blended. More information concerning these component units can be found 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 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 80,000 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.

A few of the upcoming projects include:

- * Major commercial development projects in the Pharr Town Center including restaurants
- * Bridge Twin Expansion Project
- * 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, 2021 was 8.2% and is currently at 8.7% as of March 2022.

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 2022, which will be in effect during next fiscal year, is expected to have at least 5% growth in tax appraisal values.
- **Sales Tax:** Sales tax revenue is used by the City as an economic indicator. This fiscal year FY 2020-2021 the City experienced a 23% growth in collections compared to FY 2019-2020 and remained Top 5 in growth compared to neighboring cities in the Rio Grande Valley. For this FY 2021-2022 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 2020-2021, City remained constant in collections.

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.

The City of Pharr also launched a new Ambulance Enterprise Fund as emergency response (Pharr EMS) this May 2021. Services include , 911 calls, ground and rotor hospital transfers.

Public Works: The cost of infrastructure continues to rise while the need for the projects continues to be a priority. Street repairs continues to be one of the main objectives this coming fiscal year with projects such as the Repaving Plan which is now at Year 6.

International Bridge Infrastructure: The bridge capital projects expenditures for the upcoming fiscal year are budgeted at \$64 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 2020-2021, the **General Fund** committed to contingency and unreserved balance totaled \$16,354,352 and the required minimum (per Fund Balance policy) was **\$13,000,000** (rounded).

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, 2021 is: \$3,507,714.**

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, 2021 is \$5,437,701.**

These balances provides an adequate protection against 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 2018, the city's ratings were upgraded by the first time in the last 10 years by S & P and this December 2019, city's rating was confirmed once again by S & P and seconded by Moody's.

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, 2021, 93% of City's funds were available within one day. Investments consisted mainly in 2 CD's and 2 main TexPool 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 expanding the city limits and expanding bridge infrastructure 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.

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 Annual Comprehensive Financial Report (ACFR) for the year ended September 30, 2019.

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 ACFR 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, 2020. This was the City's 12th 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, 2021 has been submitted for review and we are pending notification of an award.

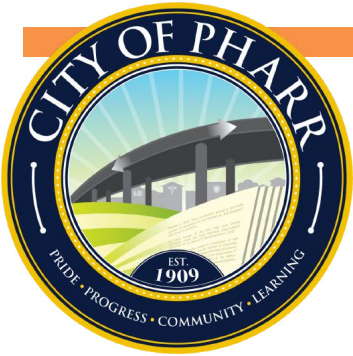
ACKNOWLEDGMENTS: The preparation of this report on a timely basis could not have been accomplished without the efficient and dedication services of the entire staff of the Finance Department. Appreciation is expressed to City employees throughout the organization, especially those employees who were 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



Roberto "Bobby" Carrillo



Ramiro Caballero, MD



Ricardo Medina



Daniel Chavez



Itza Flores



City of Pharr, TX



OFFICE OF CITY MANAGER



Ed Wylie
City Manager/EMC



Annie Reeves
Asst. City Manager



Anali Alanis
Asst. City Manager



SENIOR LEADERS



Karla Saavedra, CGFO
Finance Director



Luis Bazan
Bridge Director



Kenneth Ennis
Public Safety
Communications Director



Jose J. Pena, CGCIO
IT



Melanie Cano
OSE Director



Olga Garza
Public Works Director



Sergio Alaniz
Parks & Rec Director



Omar Anzaldúa Jr., PE, CFM
City Engineer



Ignacio Amezcua
Purchasing Director



Adolfo Garcia
Library Director



Pilar Rodriguez
Fire Chief



SENIOR LEADERS



Juan Villegas
Presiding Judge



Veronica Ramirez, MBA
HR Director



Andrew Harvey Jr.
Chief of Police



Ruben Rosales
Public Utilities Director



Yuri Gonzalez
Media Director



Danny Ramirez
EMS Director



Roland Gomez
Interim Development Service Director



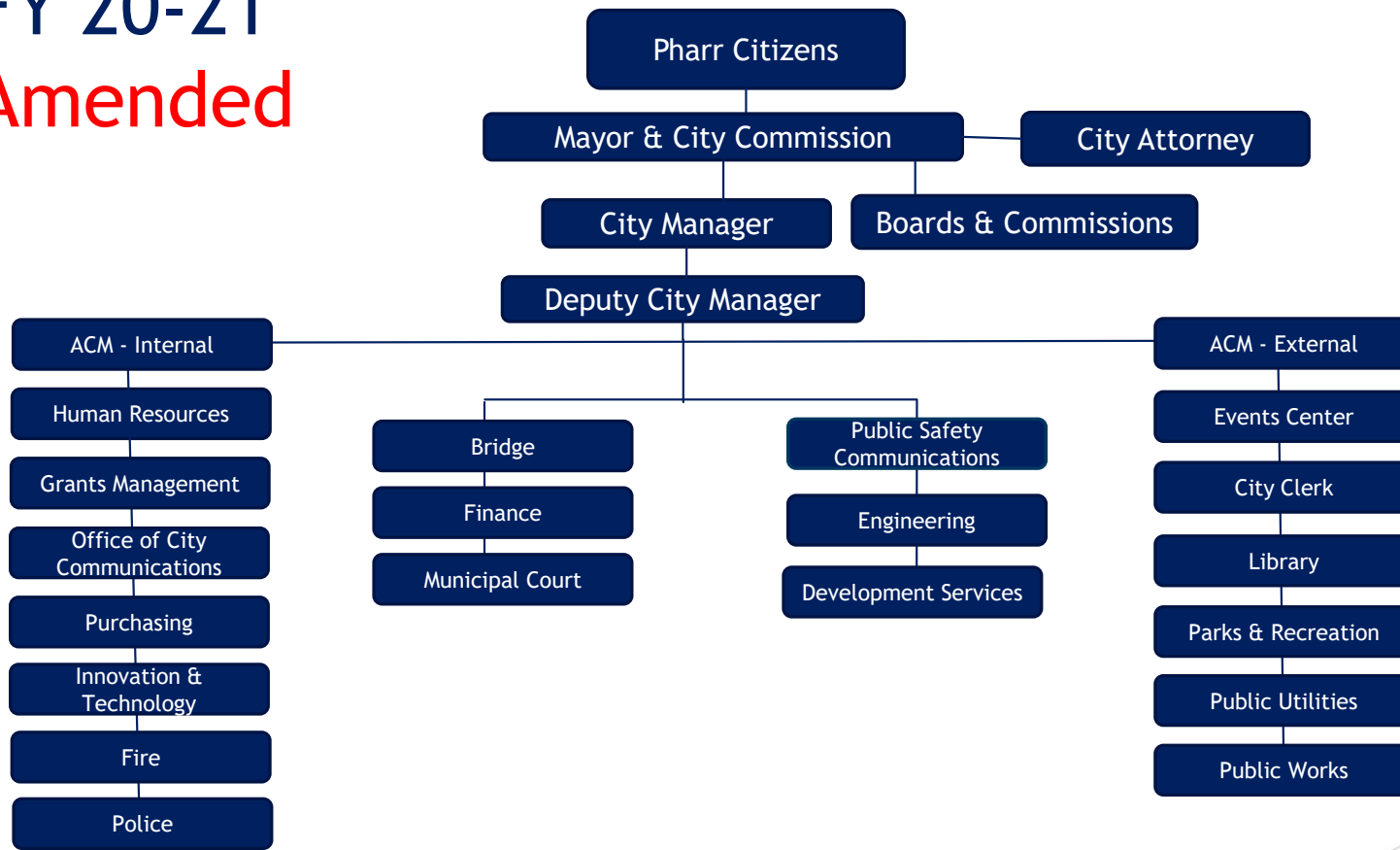
Cynthia Garza
Director of External Affairs / Grant Management

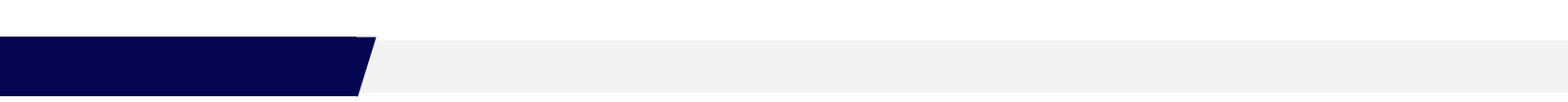


Patricia Rigney
City Attorney

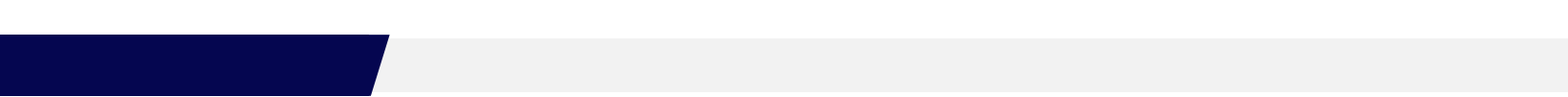
FY 20-21

Amended





FINANCIAL SECTION



INDEPENDENT AUDITOR'S REPORT



Oscar R. Gonzalez CPA & Associates PLLC

Certified Public Accountants

208 W Ferguson, Unit 1, Pharr, TX 78577

(956) 787-9909 fax: (956) 787-3067

info@orgcpa.com

Partners:

Oscar R. Gonzalez, CPA

Melissa Gonzalez, CPA

Associates:

Janet Robles, CPA

INDEPENDENT AUDITOR'S REPORT

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

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, the blended 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, 2021, and the related notes to the financial statements, which collectively comprise the City'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. 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, the blended component units, each major fund, and the aggregate remaining fund information of the City of Pharr, Texas, as of September 30, 2021, 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

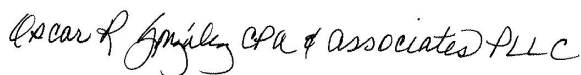
Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information on pages X-X and XX-XX be presented to supplement the basic financial statements. Such information, although not a part of the basic financial 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, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements.

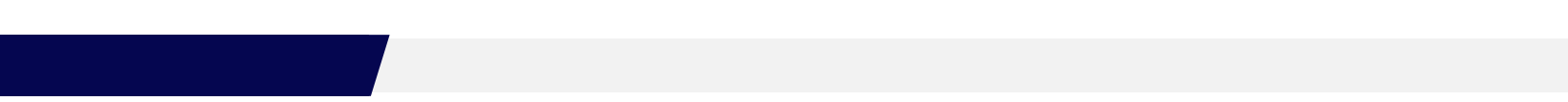
The combining and individual nonmajor fund financial statements are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures 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 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.

A handwritten signature in dark ink, appearing to read "Oscar R. Gonzalez CPA & Associates PLLC".

Oscar R. Gonzalez, CPA & Associates, PLLC
Certified Public Accountants

Pharr, Texas
April 12, 2022



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, 2021.

Financial Highlights

- The assets and deferred outflow of the city's governmental activities exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by **\$133.26 million (net position)**. Of this amount, \$12.84 million (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors.
- Governmental activities showed an increase of **\$3.06 million** in unrestricted net position. The growth is mainly due to grants the city has received, the completion of several capital projects, and an increase in sales taxes.
- The assets and deferred outflows of the city's business-type activities exceeded its liabilities and deferred inflows at the close of the most recent fiscal year by over **\$131.63 million (net position)**. Of this amount, over **\$1.75 million** (unrestricted net position) may be used to meet the government's ongoing obligations to citizens and creditors. Overall proprietary funds experienced a slight decrease of half a million dollars due to new CIP projects.
- The General Fund assets exceeded its liabilities by over **\$29.39 million (fund balance)**. The general fund showed an increase in revenues of almost **\$5 million dollars**, primarily due to an increase in sales and property taxes collections. Sales taxes showed an increase of 18%, and property taxes went up by 8%, but we also see an increase of almost **\$9 million** in operating expenses compared to the previous fiscal year. The main reason for this significant increase in expenses was due to the Cares Act Grant that the city received in 19-20. The grant allocated payroll expenses and reduced general fund expenses by almost \$10 million during 19-20.
- The General Capital Improvements assets exceed its liabilities by over **\$11.93 million (fund balance)**. CIP fund showed an increase in expenditures of \$4.9 million mainly due to our two new projects, the natatorium, and the northside community center. The expenditures on these two new projects resulted on a decrease in fund balance of \$15.7 million compared to FY 19-20.

Overview of the Financial Statements

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

Government-Wide Financial Statements

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

Management's Discussion and Analysis

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

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

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

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

Fund Financial Statements

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

Governmental Funds

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

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

Management's Discussion and Analysis

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

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

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

Proprietary Funds

The City maintains two different types of proprietary funds, enterprise funds, and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements.

The City uses enterprise funds to account for its water and wastewater operations, its bridge toll, ambulances services, and golf course operations. Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its vehicle repair activities and health insurance.

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

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

Notes to the Financial Statements

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

Other Information

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

Management's Discussion and Analysis

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

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

As noted earlier, net position may serve as a valuable indicator of a government's financial position over time. In the case of the City, assets exceeded liabilities by over \$264.90 million at the close of the fiscal year.

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

City of Pharr's Net Position						
Table 1 – Dollars in Millions	Governmental		Business-Type		Total	
	Activities		Activities			
	2021	2020*	2021	2020*	2021	2020*
Assets						
Current and other assets	\$ 97.56	\$ 94.07	\$ 98.51	\$ 58.25	\$ 196.07	\$152.32
Capital assets	173.32	154.13	154.53	149.92	327.85	304.05
Total assets	270.88	248.20	253.04	208.17	523.92	456.37
Deferred Outflow of Resources						
Deferred outflows	3.63	5.06	0.16	0.19	3.79	5.25
Total deferred outflow of resources	3.63	5.06	0.16	0.19	3.79	5.25
Total Assets and Deferred Outflow of Resources	274.51	253.26	253.20	208.36	527.71	461.62
Liabilities						
Current and other liabilities	20.62	19.36	9.33	7.61	29.95	26.97
Long-term Liabilities	89.68	96.77	98.34	67.03	188.02	163.80
Total liabilities	110.30	116.13	107.67	74.64	217.97	190.77
Deferred Inflow of Resources						
Deferred inflows	30.96	7.64	13.90	-	44.86	7.64
Total deferred inflows of resources	30.96	7.64	13.90	-	44.86	7.64
Total Liabilities and Deferred Inflow of Resources	141.26	123.77	121.57	74.64	262.83	198.41
Net Position						
Net Invested in capital assets	100.10	76.80	123.67	74.49	223.77	151.29
Restricted	20.32	43.12	6.08	42.50	26.40	85.62
Unrestricted	12.84	9.57	1.88	16.73	14.72	26.30
Total net position	<u>\$ 133.26</u>	<u>\$ 129.49</u>	<u>\$131.63</u>	<u>\$ 133.72</u>	<u>\$ 264.90</u>	<u>\$263.21</u>

*Amounts not restated for the prior year adjustments

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 \$264.90 million on September 30, 2021. The increase of \$1.47 million is due to the issuance of debt for the new capital projects to improve the citizens' quality of life.

By far, the most significant portion of the city's net position (\$223.78) reflects its Net Invested in Capital Assets (e.g., land buildings, machinery, and equipment), less any related debt used to acquire those assets that are still outstanding. The city uses these capital assets to provide services to citizens; consequently, these assets are not available for future spending. Although the city's investments in its capital assets are reported in Net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources since the capital assets themselves cannot be used to liquidate these liabilities.

A portion of the city's net position (\$26.38) million represents resources subject to external restrictions on how they may be used. The remaining balance of unrestricted net position (\$14.73 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 for the prior fiscal year.

Management's Discussion and Analysis

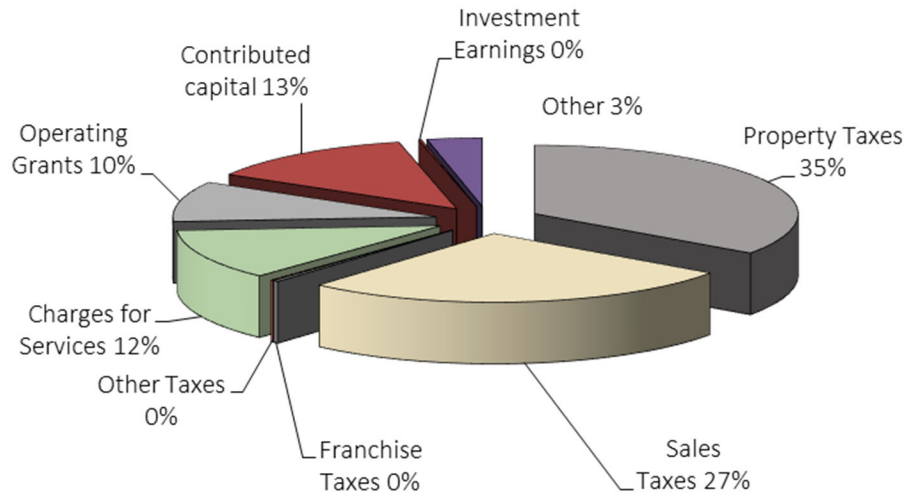
Governmental Activities

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	
	2021	2020	2021	2020	2021	2020
Revenues						
Program Revenues:						
Charges for services	\$ 8.95	\$ 10.62	\$ 35.79	\$ 31.49	\$ 44.74	\$ 42.11
Operating grants and contributions	7.18	19.65	3.60	4.99	10.78	24.64
Capital grants and contributions	9.86	3.50	-	0.60	9.86	4.10
General Revenues:						
Property tax	25.92	23.97	-	-	25.92	23.97
Sales tax	20.19	22.08	-	-	20.19	22.08
Other taxes	2.52	2.48	-	-	2.52	2.48
Other	0.30	0.26	-	0.93	0.30	1.19
Total Revenues	74.92	82.56	39.39	38.01	114.31	120.57
Expenses:						
General governmental	18.68	22.69	-	-	18.68	22.69
Public safety	30.02	20.61	-	-	30.02	20.61
Streets	4.11	5.15	-	-	4.11	5.15
Health and welfare	3.44	3.04	-	-	3.44	3.04
Culture and recreation	9.00	13.96	-	-	9.00	13.96
Economic Development	1.08	5.30	-	-	1.08	5.30
Interest of debt service	2.90	2.98	-	1.43	2.90	4.41
Issuance Cost	-	-	-	0.26	-	0.26
Utility	-	-	16.66	14.24	16.66	14.24
Pharr EMS	-	-	4.65	-	-	-
Pharr Event Center	-	-	0.38	0.68	0.38	0.68
Toll bridge	-	-	5.15	4.12	5.15	4.12
Tierra Del Sol Golf Course	-	-	1.50	1.46	1.50	1.46
Total Expenses	69.23	73.73	28.34	22.19	92.92	95.92
Excess of revenues over expenses	5.69	8.83	11.05	15.82	21.39	24.65
Contributions	2.24	-	1.41	-	-	-
Transfers	10.57	4.51	(10.57)	(4.51)	-	-
Net change in net position	18.50	13.34	1.89	11.31	20.40	24.65
Net position - beginning	129.70	114.65	133.72	122.42	263.42	237.07
Prior period adjustment (a)	(14.94)	1.50	(3.98)	(0.01)	(18.92)	1.49
Net position - ending	<u>\$133.26</u>	<u>\$129.49</u>	<u>\$131.63</u>	<u>\$133.72</u>	<u>\$264.90</u>	<u>\$263.21</u>

Management's Discussion and Analysis

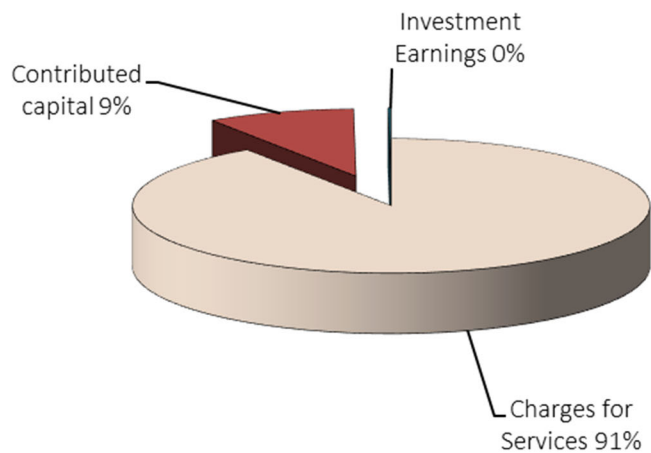
The City's governmental activities' revenues source distribution is presented below.



Business-Type Activities

There was an increase in revenues in bridge and utility funds, but an increase in operating expenses was also reflected. Also, the new capital projects for both funds (bridge and utility) and the starting cost for our new EMS department brought a result of an increase of **\$1.3 million** between both years.

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



Management's Discussion and Analysis

CAPITAL ASSETS AND DEBT ADMINISTRATION

The City of Pharr's Capital assets for its governmental and business-type activities amounts to \$327.85 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 \$32.12 million or 8%.

City of Pharr's Capital Assets (Net of Depreciation)						
	Governmental Activities		Business-Type Activities		Total	
	2021	2020	2021	2020	2021	2020
Water rights	\$ -	\$ -	\$ 3.45	\$ 3.45	3.45	3.45
Land	14.82	19.68	6.89	6.90	21.71	26.58
Building and system improvements	27.30	28.55	15.00	13.47	42.30	42.02
Other improvements	54.43	46.32	10.61	8.04	65.04	54.36
Machinery and equipment	7.86	8.30	5.46	5.04	13.32	13.34
Infrastructure	28.66	29.05	100.61	102.91	129.27	131.96
Construction in progress	40.25	22.23	12.51	10.11	52.76	32.34
	<u>\$ 173.32</u>	<u>\$ 154.13</u>	<u>\$ 154.53</u>	<u>\$ 149.92</u>	<u>\$ 327.85</u>	<u>\$ 304.05</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*.

Long-Term Debt

At the end of the current fiscal year, the city had total contractually obligated long-term debt of \$184.35 million. The details of the change in debt from last fiscal year are as indicated:

	2021	2020	Change
Governmental			
Bonds	\$ -	\$ 1.43	\$ (1.43)
Certificates of obligation	67.08	68.97	(1.89)
Capital leases	6.15	6.35	(0.20)
Notes	6.60	7.93	(1.33)
	<u>79.83</u>	<u>84.68</u>	<u>(4.85)</u>
Business-Type			
Bonds	101.80	65.61	36.19
Capital leases	2.72	3.91	(1.19)
	<u>104.52</u>	<u>69.52</u>	<u>35.00</u>
Total	<u>\$ 184.35</u>	<u>\$ 154.20</u>	<u>\$ 30.15</u>

Management's Discussion and Analysis

Long-term debt for Governmental activities decreases by **\$4.85 million**. The payoff Obligation Series 2015 and no debt issue in the city's name contribute to this decrease.

Long-term debt for the Business-Type activities increases by **\$35 million**. This increase was for two new bonds, one designated to the bridge fund to cover the new bridge expansion. The total amount issued was **\$37.4 million**. The second was a bond of \$3.1 for utility improvements projects.

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

Pension

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

Table 5 provides the city's key pension statistics related to the TMRS plan as of and for the fiscal year ended September 30, 2021:

<u>City of Pharr's Key Pensions Statistics</u>		
Table 5-(Dollars in millions)		
Net Pension Liability	\$	5.65
Pension Expense	\$	1.45

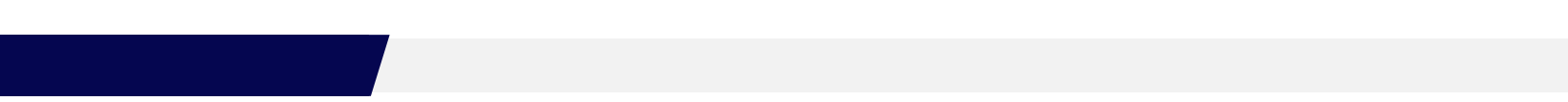
Additional information on the City's net pension liability can be found in the notes to the financial statements as indicated in the table of contents of this report.

Economic Factors and Next Year's Budgets and Rates

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

REQUESTS FOR INFORMATION

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



BASIC FINANCIAL STATEMENTS

CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Primary Government				
	Governmental	Business-Type		Discrete	
	Activities	Activities	Total	Component Units	Total
<u>ASSETS</u>					
Current assets:					
Cash	\$ 35,466,643	\$ 8,622,361	\$ 44,089,004	\$ 4,293,599	\$ 48,382,603
Receivables (net of allowance for uncollectible)	28,185,876	4,409,986	32,595,862	1,980,426	34,576,288
Prepaid items	57,500	-	57,500	-	57,500
Internal balances	2,378,221	(2,378,221)	-	-	-
Inventories	1,902,801	201,607	2,104,408	-	2,104,408
Land available for sale	-	-	-	3,517,699	3,517,699
Restricted assets:					
Cash	13,423,497	80,775,082	94,198,579	3,262,189	97,460,768
Cash with Fiscal Agent	1,699,254	5,337,640	7,036,894	-	7,036,894
Intergovernmental receivable	14,453,773	1,546,858	16,000,631	-	16,000,631
Total current assets	97,567,565	98,515,313	196,082,878	13,053,913	209,136,791
Capital assets					
Water Rights (nondepreciable)	-	3,450,000	3,450,000	-	3,450,000
Land (nondepreciable)	14,818,552	6,897,338	21,715,890	6,358,106	28,073,996
Buildings (net of acc. depreciation)	27,295,712	14,991,536	42,287,249	23,814,887	66,102,136
Improvements other than buildings (net of acc. depreciation)	54,425,438	10,608,626	65,034,064	1,077,008	66,111,072
Machinery and equipment (net of acc. depreciation)	7,862,346	5,455,607	13,317,953	149,485	13,467,438
Infrastructure (net of acc. depreciation)	28,659,942	100,612,925	129,272,867	-	129,272,867
Construction in progress (nondepreciable)	40,258,084	12,515,679	52,773,763	3,237,346	56,011,109
Total capital assets	173,320,075	154,531,712	327,851,787	34,636,832	362,488,618
Total noncurrent assets	173,320,075	154,531,712	327,851,787	34,636,832	362,488,618
Total assets	270,887,641	253,047,026	523,934,665	47,690,745	571,625,409
<u>DEFERRED OUTFLOW OF RESOURCES</u>					
Other Post Employment Benefits	514,804	-	514,804	-	514,804
Unamortized loss on refunding of debt	-	162,905	162,905	-	162,905
Pension-TMRS	3,122,692	-	3,122,692	-	3,122,692
Total deferred outflow of resources	3,637,496	162,905	3,800,401	-	3,800,401
<u>LIABILITIES</u>					
Current liabilities payable:					
Accounts payable and other current liabilities	9,625,780	2,015,908	11,641,688	5,625,570	17,267,257
Escrows	3,699,519	246,364	3,945,883	11,661	3,957,544
Current portion debt payable	7,293,952	7,077,593	14,371,545	3,262,147	17,633,691
Total current liabilities	20,619,251	9,339,864	29,959,115	8,899,377	38,858,492
Noncurrent liabilities:					
Other post employment benefit	1,681,635	-	1,681,635	-	1,681,635
Net Pension Liability	5,655,804	-	5,655,804	-	5,655,804
Due in more than one year, net	82,341,319	98,331,245	180,672,564	31,634,994	212,307,558
Total noncurrent liabilities	89,678,758	98,331,245	188,010,003	31,634,994	219,644,997
Total liabilities	110,298,009	107,671,109	217,969,118	40,534,371	258,503,489
<u>DEFERRED INFLOW OF RESOURCES</u>					
Pension-Actual Contributions vs Assumptions	5,860,613	-	5,860,613	-	5,860,613
Other Post Employment Benefits	90,931	-	90,931	-	90,931
Unearned revenue	25,007,991	3,857,660	28,865,651	-	28,865,651
Unamortized premium	-	10,046,634	10,046,634	-	10,046,634
	30,959,535	13,904,293	44,863,828	-	44,863,828
<u>NET POSITION</u>					
Net Invested in capital assets	100,102,188	123,678,254	223,780,442	4,110,789	227,891,230
Restricted for:					
Debt service	2,548,152	5,820,457	8,368,609	-	8,368,609
Capital projects	8,189,037	-	8,189,037	-	8,189,037
Economic development	4,103,682	-	4,103,682	-	4,103,682
Tourism	2,130,167	247,168	2,377,335	-	2,377,335
Public safety	981,608	-	981,608	-	981,608
Paving and Drainage	668,293	-	668,293	-	668,293
General Government	1,699,254	-	1,699,254	-	1,699,254
Unrestricted	12,845,211	1,888,650	14,733,861	3,045,583	17,779,444
Total net position	\$ 133,267,592	\$ 131,634,530	\$ 264,902,121	\$ 7,156,372	\$ 272,058,494

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

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	\$ 18,685,261	\$ 1,991,843	\$ 5,592,464	\$ -	\$ (11,100,954)		\$ (11,100,954)	-	(11,100,954)
Public safety	30,026,633	165,441	1,591,264	-	(28,269,928)		(28,269,928)	-	(28,269,928)
Highways and streets	4,113,031	1,133,374	-	9,885,224	6,905,567		6,905,567	-	6,905,567
Health and welfare	3,439,273	4,446,880	-	-	1,007,607		1,007,607	-	1,007,607
Culture and recreation	9,002,064	416,036	-	-	(8,586,028)		(8,586,028)	-	(8,586,028)
Economic development	1,087,368	789,251	-	-	(298,117)		(298,117)	-	(298,117)
Interest on long-term debt	2,909,720	-	-	-	(2,909,720)		(2,909,720)	-	(2,909,720)
Total governmental activities	69,263,350	8,942,824	7,183,728	9,885,224	(43,251,574)		(43,251,574)	-	(43,251,574)
Business-type activities:									
Utility	16,664,042	16,605,555	3,605,921	-		3,547,434	3,547,434		3,566,891
Pharr Event Center	387,467	28,118	-	-		(359,349)	(359,349)		(359,349)
Toll Bridge	5,146,965	16,964,039	-	-		11,817,075	11,817,075		11,817,075
Pharr EMS	4,648,162	1,315,371	-	-		(3,332,790)	(3,332,790)		(3,332,790)
Tierra Del Sol Golf Course	1,493,395	881,351	-	-		(612,044)	(612,044)		(612,044)
Total business-type activities	28,340,030	35,794,434	3,605,921	-		11,060,326	11,060,326		11,079,782
Total primary government	\$ 97,603,380	\$ 44,737,258	\$ 10,789,649	\$ 9,885,224	\$ (43,251,574)	\$ 11,060,326	\$ (32,191,249)	-	(32,171,792)
Component unit:									
PHFC Jackson Apartments	-	-	-					1,157,457	1,157,457
Depreciation Expense	-	-	-					1,348,678	
PFH	-	-	-					10,675	10,675
Pharr Economic Development Corp	-	-	-					1,778,720	
Greater Pharr Chamber of Commerce	-	-	-					213,479	
Debt Interest and Issuance Cost	\$ -	\$ -	\$ -					\$ 1,739,332	\$ 1,739,332
	-	-	-					6,248,340	6,248,340
<u>General revenues:</u>									
Property taxes					25,918,196	-	25,918,196	-	51,836,392
Sales taxes					20,193,953	-	20,193,953	6,504,170	46,892,076
Franchise taxes					2,512,805	-	2,512,805	-	5,025,610
Memberships					-	-	-	85,810	85,810
Rent Revenue					-	1,412,457	1,412,457	2,917,699	5,742,613
Contributions					2,247,255	-	2,247,255	(718,384)	3,776,126
Other taxes					257,673	-	257,673	-	515,346
Investment earnings					60,204	55,180	115,384	412,452	643,219
Other					-	19,515	19,515	57,502	96,532
Cost of Issuance					-	(80,000)	(80,000)	-	(160,000)
Transfers					10,572,294	(10,572,294)	-	-	-
Total general revenues and transfers					61,762,379	(9,165,142)	52,597,237	9,259,249	114,453,724
Change in net position					18,510,807	1,895,184	20,405,991	3,010,909	23,416,900
Net position - beginning					129,699,643	133,727,881	263,427,524	(8,235,601)	255,191,923
Prior period adjustment					(14,942,858)	(3,988,535)	(18,931,393)	12,381,064	(6,550,329)
Net position - ending					\$ 133,267,592	\$ 131,634,530	\$ 264,902,121	\$ 7,156,372	\$ 272,058,494

**CITY OF PHARR, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021**

	General	General Capital Improvements	Non-Major Governmental	Total Governmental
<u>ASSETS AND DEFERRED OUTFLOWS OF RESOURCES</u>				
Cash	\$ 20,412,722	\$ 3,490,054	\$ 10,535,957	\$ 34,438,733
Receivables (net of allowance for uncollectible):				
Property taxes	1,873,257	-	564,180	2,437,437
Warrants	3,407,471	-	-	3,407,471
Sales tax	3,442,533	-	-	3,442,533
Notes	-	-	55,889	55,889
Accounts	849,262	-	119,651	968,913
Intergovernmental	-	11,552,749	-	11,552,749
Other	5,683,400	244,101	393,382	6,320,883
Prepaid Items	57,500	-	-	57,500
Inventories	1,861,399	-	-	1,861,399
Land Available for Sale	-	-	-	-
Due from other funds	2,716,639	-	61,703	2,778,342
Restricted assets:				
Cash	-	2,639,494	10,784,003	13,423,497
Cash with Fiscal Agent	1,699,254	-	-	1,699,254
Intergovernmental receivable	-	-	14,453,800	14,453,800
Total assets	<u>\$ 42,003,437</u>	<u>\$ 17,926,398</u>	<u>\$ 36,968,565</u>	<u>\$ 96,898,401</u>
<u>LIABILITIES, DEFERRED INFLOWS OF RESOURCES AND FUND BALANCE</u>				
Liabilities:				
Accounts payable	\$ 1,923,596	\$ 4,949,686	219,318	\$ 7,092,600
Accrued liabilities	1,538,242	-	-	1,538,242
Due to other funds	61,703	-	858,175	919,878
Escrow accounts	2,661,568	1,037,951	-	3,699,519
Unearned revenue	-	-	25,007,991	25,007,991
Total liabilities	<u>6,185,109</u>	<u>5,987,637</u>	<u>26,085,484</u>	<u>38,258,230</u>
Deferred Inflows of Resources:				
Deferred property tax	1,873,257	-	382,498	2,255,755
Deferred accounts	1,138,703	-	211,169	1,349,872
Deferred warrants	3,407,471	-	-	3,407,471
Deferred notes	-	-	54,619	54,619
Total deferred inflow of resour	<u>6,419,431</u>	<u>-</u>	<u>648,285</u>	<u>7,067,717</u>
Fund balances:				
Nonspendable:				
Inventory	1,861,399	-	-	1,861,399
Noncurrent advances	4,991,731	-	-	4,991,731
Restricted:				
General government	-	-	-	-
Debt service	-	-	2,320,849	2,320,849
Street paving and drainage	-	-	668,293	668,293
Tourism	-	-	2,130,201	2,130,201
Public safety	-	-	981,608	981,608
Parkland	-	-	30,136	30,136
Community development	-	-	470,113	470,113
Economic development	-	-	4,181,644	4,181,644
Committed:				
Contingency	13,158,214	-	-	13,158,214
Assigned:				
General government	5,230,852	-	-	5,230,852
Capital outlay	1,699,254	11,938,760	-	13,638,014
Encumbrances	-	-	-	-
Unassigned:	2,457,446	-	-	2,457,446
Total fund balances	<u>29,398,896</u>	<u>11,938,761</u>	<u>10,782,844</u>	<u>52,120,500</u>
Total liabilities, deferred inflows of resources and fund balances	<u>\$ 42,003,436</u>	<u>\$ 17,926,398</u>	<u>\$ 37,516,612</u>	<u>\$ 97,446,448</u>

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

CITY OF PHARR, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2021

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

Total fund balances - governmental funds balance sheet	\$	52,120,500
(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	283,556,632	
Accumulated depreciation	<u>(110,558,178)</u>	172,998,455
(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>482,835</u>	482,835
(3) Long-term liabilities applicable to the city's governmental activities are not due in the current period and accordingly are not reported as fund liabilities. All liabilities, both current and long-term, are reported in the statement of net position		
Bonds/Certificates/Notes		
Current	(4,306,563)	
Long-term	(69,385,936)	
Capital leases		
Current	(1,543,835)	
Long-term	(4,615,880)	
Unamortized loss -Deferred outflow	-	
Unamortized debt activity	<u>(4,005,937)</u>	(83,858,150)
(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	2,758,750	
Allowance	<u>(502,995)</u>	2,255,755
(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	1,065,555	
Paving	211,172	
Library	7,972	
Alarm permits	<u>65,176</u>	1,349,875
(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	(155,225)	
Notes	<u>-</u>	(155,225)

CITY OF PHARR, TEXAS
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2021-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	(1,434,264)	
		Long-term	<u>(4,302,792)</u>	(5,737,056)
(8)	Because some warrants will not be collected for some time after the city's fiscal year ends, they are not considered as "available" revenues in the governmental funds and are considered deferred in governmental funds	Warrants receivable	14,192,094	
		Allowance	<u>(10,784,622)</u>	3,407,473
(9)	Employers that participate in defined contribution OPEB plans are required to recognize OPEB liability for unpaid required contributions	OPEB Liability - Prior Years	-	
		This fiscal year contribution	(1,681,635)	
		This fiscal year trust fund contribution	<u>423,873</u>	(1,257,762)
(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>54,619</u>	54,619
(11)	Deferred Outflow Pension Contributions Deferred Inflow Net Pension Liability		3,122,692	
			(5,860,613)	
			<u>(5,655,804)</u>	(8,393,725)
	Rounding Difference			-2
	Net position of governmental activities - statement of net position		<u>\$</u>	<u>133,267,592</u>

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, 2021

	General	*Pharr Economic Development Corporation, Inc.	General Capital Improvements	Non-Major Governmental	Total Governmental
REVENUES					
Taxes:					
Property	\$ 19,577,270	-	\$ -	\$ 6,283,981	\$ 25,861,251
Sales	19,512,510	-	-	681,443	20,193,953
Franchise	2,512,805	-	-	-	2,512,805
Other	257,673	-	-	-	257,673
Licenses and permits	1,104,136	-	-	-	1,104,136
Intergovernmental	17,020	-	9,885,224	7,166,708	17,068,952
Fees and charges:					
Sanitation	2,929,891	-	-	-	2,929,891
Brush	1,150,222	-	-	-	1,150,222
Other	667,143	-	-	1,123,463	1,790,606
Fines	555,904	-	-	-	555,904
Interest income	45,637	-	-	14,567	60,204
Other	1,068,092	-	-	6,183	1,074,275
Total revenues	<u>49,398,303</u>	<u>-</u>	<u>9,885,224</u>	<u>15,276,345</u>	<u>74,559,872</u>
EXPENDITURES					
Current:					
General government	13,650,319	-	4,586,547	1,565,089	19,801,955
Public safety	25,099,773	-	77,875	1,807,016	26,984,664
Highways and streets	3,960,876	-	4,014,065	91,523	8,066,464
Health and welfare	3,200,954	-	-	-	3,200,954
Culture and recreation	6,794,920	-	22,789,400	-	29,584,320
Economic development	1,267,101	-	-	-	1,267,101
Debt service:					
Principal	1,727,562	-	1,025,667	3,877,256	6,630,485
Interest	96,979	-	182,449	2,987,720	3,267,148
Total expenditures	<u>55,798,484</u>	<u>-</u>	<u>32,676,003</u>	<u>10,328,604</u>	<u>98,803,091</u>
Excess (deficiency) of revenues over (under) expenditures	<u>(6,400,181)</u>	<u>-</u>	<u>(22,790,779)</u>	<u>4,947,741</u>	<u>(24,243,219)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in	8,788,820	-	8,954,428	1,703,300	19,446,548
Transfers (out)	(3,994,510)	-	-	(5,057,513)	(9,052,023)
Other contributions	-	-	302,313	648,287	950,600
Issuance of debt	1,788,000	-	-	-	1,788,000
Total other financing sources and uses	<u>6,582,310</u>	<u>-</u>	<u>9,256,741</u>	<u>(2,705,926)</u>	<u>13,133,125</u>
Net change in fund balance	182,129	-	(13,534,038)	2,241,815	(11,110,094)
Fund balance - beginning	29,050,416	9,641,006	27,683,716	8,985,749	75,360,887
Prior period adjustment	166,353	(9,641,006)	(2,210,918)	(444,722)	(12,130,292)
Fund balance - ending	<u>\$ 29,398,896</u>	<u>\$ -</u>	<u>\$ 11,938,761</u>	<u>\$ 10,782,844</u>	<u>\$ 52,120,500</u>

* PEDC presented as discretely component unit please see notes to the financial statement pg 40

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, 2021

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

	Net change in fund balances - total governmental funds	\$	(11,110,096)
(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	31,742,436	
	Depreciation expense	<u>(7,177,735)</u>	24,564,701
(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	286,934	
	Contributed capital - streets	<u>1,013,260</u>	1,300,194
(3)	Internal service funds are used by management to charge the costs of fleet management and workman's compensation to individual funds. 100% is allocated to governmental activities. This is the net revenue of certain activities of internal service funds		
	Garage	<u>140,817</u>	140,817
(4)	Repayment of bond principal is reported as an expenditure in governmental funds. For the city as a whole, however, the principal payments reduce the liabilities in the statement of net assets and do not result in an expense in the statement of activities. The city's bonded debt was reduced in due to principal payments made to bondholder's and the amortization of the debt issuance cost, premium/discount, and gain or loss on refunding, which results in an increase to interest expenses. Also, any new debt issuances are recorded as other financial sources but not counted as revenue in governmental activities. This is the result of debt activity		
	New lease/notes proceeds	(1,788,000)	
	Certificate of Obligation proceeds	-	
	Lease/Notes	2,281,657	
	Tax Notes Principal Paid	1,025,667	
	Bond Principal Paid	3,320,000	
	Loan Principal Paid	-	
	Unamortized debt activity	<u>334,687</u>	5,174,012
(5)	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	<u>56,944</u>	56,944
(6)	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	313,296	
	Paving	56,769	
	Library	(47,550)	
	Alarm Fees	<u>14,901</u>	337,415

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, 2021

(7)	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	(155,225)	
		Prior year accrual	177,966	
				22,741
(8)	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	(5,737,056)	
		Prior year	5,466,933	
				(270,123)
(9)	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	(5,839,427)	
		Current Year Warrant A/R	3,407,471	
				(2,431,956)
(10)	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	(118,869)	
		Trust fund contributions	-	
				(118,869)
(11)	GASB 68 recognition on Pension Expense requires an adjustment to reflect in Statement of Activities		845,029	\$ 845,029
	Rounding difference			(2)
	Change in net position of governmental activities		\$	18,510,807

CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
SEPTEMBER 30, 2021

		Business-type Enterprise Funds					
		Utility	EMS	Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total
<u>ASSETS</u>							
Current assets:							
Cash	\$	752,414	\$ 183,690	\$ 114,423	\$ 6,903,594	\$ 668,239	\$ 8,622,360
Receivables (net of allowance for uncollectible):							
Accounts		3,186,243	1,023,573	150,360	31,365	18,446	4,409,987
Other		-	-	-	-	-	-
Inventories		181,220	-	-	-	20,387	201,607
Restricted assets:							
Cash		40,173,329	-	-	40,601,753	-	80,775,082
Cash with Fiscal Agent		4,510,000	-	-	827,640	-	5,337,640
Intergovernmental Receivable		-	-	-	1,546,858	-	1,546,858
Total current assets		<u>48,803,206</u>	<u>1,207,263</u>	<u>264,783</u>	<u>49,911,210</u>	<u>707,072</u>	<u>100,893,534</u>
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)		9,189,000	2,134,029	-	3,393,054	275,453	14,991,536
Improvements other than buildings (net of acc. depreciation)		8,955,431	68,653	-	93,678	1,490,864	10,608,626
Machinery and equipment (net of acc. depreciation)		1,901,179	1,285,220	-	2,098,498	170,710	5,455,607
Infrastructure (net of acc. depreciation)		90,014,864	-	-	10,598,061	-	100,612,925
Construction in progress (nondepreciable)		<u>1,633,568</u>	<u>-</u>	<u>-</u>	<u>10,882,111</u>	<u>-</u>	<u>12,515,679</u>
Total capital assets		<u>119,437,169</u>	<u>4,273,126</u>	<u>-</u>	<u>27,885,047</u>	<u>2,936,369</u>	<u>154,531,711</u>
Total noncurrent assets		<u>119,437,169</u>	<u>4,273,126</u>	<u>-</u>	<u>27,885,047</u>	<u>2,936,369</u>	<u>154,531,711</u>
Total assets		<u>168,240,375</u>	<u>5,480,389</u>	<u>264,783</u>	<u>77,796,257</u>	<u>3,643,441</u>	<u>255,425,246</u>
<u>DEFERRED OUTFLOW OF RESOURCES</u>							
Unamortized loss on refunding of debt		<u>162,905</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>162,905</u>
Total deferred outflow of resources		<u>162,905</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>162,905</u>

Business-type Enterprise Funds						
	Utility	EMS	Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total
<u>LIABILITIES</u>						
Current liabilities payable:						
Accounts payable	464,537	254,304	-	629,859	34,180	1,382,880
Accrued liabilities	-	-	-	-	-	-
Due to other funds	517,248	1,573,540	17,615	170,729	99,089	2,378,221
Unearned revenue	-	-	-	5,500	49,930	55,430
Total current liabilities payable	981,785	1,827,844	17,615	806,088	183,199	3,816,531
Current liabilities payable from restricted assets:						
Customer deposits payable	577,598	-	-	-	-	577,598
Escrow payable	246,364	-	-	-	-	246,364
Matured accrued compensation	118,418	18,603	-	55,709	11,928	204,658
Matured capital lease	283,341	-	-	634,440	42,153	959,934
Matured bonds/notes, net	3,813,000	-	-	2,100,000	-	5,913,000
Total current liabilities payable from restricted assets	5,038,721	18,603	-	2,790,149	54,081	7,901,554
Total current liabilities	6,020,506	1,846,447	17,615	3,596,237	237,281	11,718,085
Noncurrent liabilities:						
Accrued compensation	355,254	55,810	-	167,126	35,785	613,975
Capital lease payable	666,971	-	-	982,294	117,004	1,766,270
Bonds/notes principal payable	59,921,000	-	-	36,030,000	-	95,951,000
Total noncurrent liabilities	60,943,225	55,810	-	37,179,420	152,790	98,331,245
Total liabilities	66,963,731	1,902,257	17,615	40,775,657	390,070	110,049,330
<u>DEFERRED INFLOW OF RESOURCES</u>						
Unamortized premium	1,982,024	-	-	8,064,610	-	10,046,634
Unearned Revenue-Intergovernmental	3,472,746	-	-	-	-	3,472,746
Unearned Revenue-Customers	-	-	-	384,914	-	384,914
Total deferred inflow of resources	5,454,770	-	-	8,449,524	-	13,904,294
<u>NET POSITION</u>						
Invested in capital assets, net of related debt	95,124,819	4,273,126	-	21,503,097	2,777,212	123,678,254
Restricted for:						
Debt service	3,720,457	-	-	2,100,000	-	5,820,457
Tourism	-	-	247,168	-	-	247,168
Unrestricted	(2,860,497)	(694,994)	-	4,967,981	476,160	1,888,650
Total net position	\$ 95,984,779	3,578,132	\$ 247,168	28,571,076	\$ 3,253,372	\$ 131,634,530

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, 2021

		Business-type Enterprise Funds					
		Utility	EMS	Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total
Operating revenues:							
Charges for sales and services:							
Water sales	\$	9,023,208	\$ -	\$ -	\$ -	\$ -	\$ 9,023,208
Sewer service		7,205,233	-	-	-	-	7,205,233
Tap fees		336,235	-	-	-	-	336,235
Toll fees		-	-	-	16,379,775	-	16,379,775
Golf services		-	-	-	-	811,258	811,258
Event Center		-	-	28,118	-	-	28,118
EMS		-	1,315,371	-	-	-	1,315,371
Other		40,878	-	-	584,265	70,093	695,236
Total operating revenues		<u>16,605,554</u>	<u>1,315,371</u>	<u>28,118</u>	<u>16,964,040</u>	<u>881,351</u>	<u>35,794,434</u>
Operating expenses:							
Personnel services		4,029,397	2,463,992	283,778	1,343,622	753,928	8,874,717
Supplies and Materials		2,047,773	317,562	29,377	166,873	160,993	2,722,578
Contractual Services		5,488,214	1,585,383	74,312	2,628,159	329,613	10,105,681
Depreciation		4,154,663	281,224	-	953,126	243,578	5,632,591
Total operating expenses		<u>15,720,047</u>	<u>4,648,161</u>	<u>387,467</u>	<u>5,091,780</u>	<u>1,488,112</u>	<u>27,335,567</u>
Operating income (loss)		<u>885,507</u>	<u>(3,332,790)</u>	<u>(359,349)</u>	<u>11,872,260</u>	<u>(606,761)</u>	<u>8,458,867</u>
Nonoperating revenues (expenses):							
Investment earnings		20,432	30	47	32,478	2,194	55,181
Interest expense		(1,307,820)	-	-	(91,606)	(5,282)	(1,404,708)
Amortization expense		363,824	-	-	36,421	-	400,245
Intergovernmental		360,675	-	-	3,245,246	-	3,605,921
Other		19,515	-	-	-	-	19,515
Issuance cost		(80,000)	-	-	-	-	(80,000)
Total nonoperating revenues (expenses)		<u>(623,374)</u>	<u>30</u>	<u>47</u>	<u>3,222,539</u>	<u>(3,088)</u>	<u>2,596,154</u>
Income before contributions and transfers		<u>262,133</u>	<u>(3,332,760)</u>	<u>(359,302)</u>	<u>15,094,799</u>	<u>(609,849)</u>	<u>11,055,021</u>
Transfers in		69,200	3,332,760	252,700	20,300	371,012	4,045,972
Transfers (out)		(3,511,200)	-	-	(11,107,067)	-	(14,618,267)
Capital contributions		1,412,457	-	-	-	-	1,412,457
		<u>(2,029,543)</u>	<u>3,332,760</u>	<u>252,700</u>	<u>(11,086,767)</u>	<u>371,012</u>	<u>(9,159,838)</u>
Changes in Net Position		<u>(1,767,410)</u>	<u>-</u>	<u>(106,602)</u>	<u>4,008,032</u>	<u>(238,837)</u>	<u>1,895,183</u>
Total net position - beginning		101,546,953	-	3,556,410	25,127,042	3,497,476	133,727,881
Prior period adjustment		(3,794,764)	3,578,132	(3,202,640)	(563,996)	(5,267)	(3,988,535)
Total net position - ending	\$	<u>95,984,779</u>	<u>3,578,132</u>	<u>247,168</u>	<u>28,571,076</u>	<u>3,253,372</u>	<u>\$ 131,634,530</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, 2021**

	Business-type Enterprise Funds						Governmental Activities - Internal Service Fund
	Utility	EMS	Pharr Event Center	Toll Bridge	Tierra Del Sol Golf Course	Total	
CASH FLOWS FROM OPERATING ACTIVITIES							
Receipts from customers	\$ 20,415,378	\$ 291,798	\$ 27,589	\$ 16,919,490	\$ 886,516	\$ 38,540,771	\$ 779,692
Payments to suppliers	(2,034,910)	(317,562)	(18,106)	(166,873)	(160,993)	(2,698,444)	13,476
Payments to employees	(4,050,509)	(2,389,579)	(302,405)	(1,313,913)	(772,548)	(8,828,954)	(189,789)
Payments for contractual services	(5,788,921)	(1,331,079)	(81,625)	(2,388,068)	(324,448)	(9,914,141)	(577,393)
Payments (to)/from others	46,178	30	-	584,265	-	630,473	-
Net cash flow (to)/from operating activities	8,587,216	(3,746,392)	(374,547)	13,634,901	(371,473)	17,729,705	25,986
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES							
Receipts from grants	360,675	-	-	1,698,388	-	2,059,063	-
Advances (to)/from other funds	338,379	1,573,540	(29,895)	107,955	41,316	2,031,295	6,748
Transfers in from other funds	69,200	3,332,760	252,700	20,300	371,012	4,045,972	36,892
Transfers out to other funds	(3,511,200)	-	-	(11,107,067)	-	(14,618,267)	-
Net cash provided/(used) by noncapital and related financing activities	(2,742,946)	4,906,300	222,805	(9,280,424)	412,328	(6,481,937)	43,640
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES							
Bond/Lease Proceeds	-	-	-	33,930,000	-	33,930,000	-
Acquisition and construction of capital assets	(2,068,167)	(976,218)	-	(6,983,027)	(26,261)	(10,053,673)	-
Principal paid on long-term debt	(779,596)	-	-	9,960,466	(55,240)	9,125,630	(10,594)
Interest paid on long-term debt	(1,307,820)	-	-	(91,606)	(5,282)	(1,404,708)	(10)
Other	(3,470,802)	-	(985)	(525,271)	(5,260)	(4,002,320)	(6,259)
Net cash provided/(used) by capital and related financing activities	(7,626,385)	(976,218)	(985)	36,290,562	(92,043)	27,594,929	(16,863)
CASH FLOWS FROM INVESTING ACTIVITIES							
Interest income received	20,433	-	48	32,478	2,194	55,153	-
Net cash provided/(used) by investing activities	20,433	-	48	32,478	2,194	55,153	-
NON CASH INVESTING/FINANCING ACTIVITIES							
Capital Contributions	1,412,457	-	-	-	-	1,412,457	-
Noncash provided/(used) by investing/financing	1,412,457	-	-	-	-	1,412,457	-
Net increase/(decrease) in cash	(349,225)	183,690	(152,679)	40,677,517	(48,994)	40,310,309	52,764
Cash beginning of fiscal year	45,784,968	-	267,104	7,655,470	717,232	54,424,774	46,909
Cash end of fiscal year	\$ 45,435,743	183,690	\$ 114,425	48,332,987	\$ 668,238	\$ 94,735,083	\$ 99,673

	Business-type Enterprise Funds						Governmental Activities - Internal Service Fund
	Utility	EMS	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)	\$ 885,525	(3,332,790)	(359,350)	11,872,261	(606,761)	\$ 8,458,885	\$ (30,508)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:							
Depreciation	4,154,663	281,224	-	953,126	243,578	5,632,591	14,467
(Increase) Decrease in Accounts and Other Receivables, net	300,684	(1,023,573)	3,538	154,802	(1,287)	(565,836)	-
(Increase) Decrease in Inventories	12,964	-	11,273	-	-	24,237	20,015
(Increase) Decrease in Other Assets	-	-	-	-	-	-	-
Increase (Decrease) in Accounts Payable	(300,825)	254,334	(7,313)	240,090	5,165	191,451	26,443
Increase (Decrease) in Accrued Compensation	(21,112)	74,413	(18,627)	29,710	(18,620)	45,764	(4,431)
Increase (Decrease) in Deferred/Escrow Revenue	3,478,046	-	(4,068)	384,913	6,452	3,865,343	-
Increase (Decrease) in Customer Deposits	77,272	-	-	-	-	77,272	-
Increase (Decrease) in Other Liabilities	-	-	-	-	-	-	-
Total adjustments	7,701,692	(413,602)	(15,197)	1,762,641	235,288	9,270,822	56,494
Net cash provided (used) by operating activities	\$ 8,587,216	(3,746,392)	\$ (374,547)	13,634,901	\$ (371,473)	\$ 17,729,705	\$ 25,986

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.

PEDC-Pharr Economic Development Corporation: is a separate non-profit entity created for the purpose of economic development with the use of sales taxes.

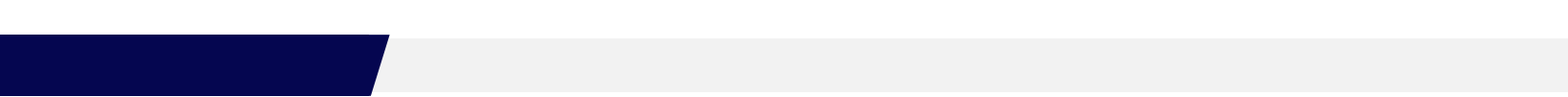
Greater Chamber of Commerce : is a separate non-profit entity created for the purpose of promoting tourism.

CITY OF PHARR, TEXAS
STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	Pharr Housning Finance Corporation	PHFC Jackson Place Apartments	Pharr Economic Development Corporation, Inc.	Greater Pharr Chamber	Total
<u>ASSETS</u>					
Current assets:					
Cash	\$ 115	\$ 641,545	\$ 3,393,935	\$ 258,004	\$ 4,293,599
Receivables (net of allowance for uncollectible)	-	-	-	-	-
Sales tax	-	-	1,147,511	-	1,147,511
Notes	-	-	604,635	-	604,635
Other	-	65,313	162,967	-	228,280
Prepaid Expenses	-	-	-	-	-
Land Available for Sale	-	-	3,517,699	-	3,517,699
Total current assets	<u>115</u>	<u>706,858</u>	<u>8,826,747</u>	<u>258,004</u>	<u>9,791,724</u>
NonCurrent assets:					
Restricted assets:	-	-	-	-	-
Cash	-	2,497,862	764,327	-	3,262,189
Capital assets not being depreciated:					
Land (nondepreciable)	-	1,500,000	4,858,106	-	6,358,106
Construction in Process	-	-	3,237,346	-	3,237,346
Capital assets net of accumulated					
Machinery and Equipment	-	53,652	72,531	23,301	149,485
Building	-	23,557,830	257,057	-	23,814,887
Improvement other than buildings	-	-	1,077,008	-	1,077,008
Total non-current assets	<u>-</u>	<u>27,609,344</u>	<u>10,266,375</u>	<u>23,301</u>	<u>37,899,020</u>
Total assets	<u>115</u>	<u>28,316,202</u>	<u>19,093,122</u>	<u>281,305</u>	<u>47,690,744</u>
<u>LIABILITIES</u>					
Current liabilities payable:					
Accounts payable -Vendors	877,467	4,138,449	95,895	15,020	5,126,831
Accounts Payable-City of Pharr	-	-	480,725	-	480,725
Interest Payable	-	-	18,014	-	18,014
Escrow accounts	-	-	11,661	-	11,661
Due with one year	-	692,170	2,569,976	-	3,262,147
Total current liabilities payable	<u>877,467</u>	<u>4,830,619</u>	<u>3,176,271</u>	<u>15,020</u>	<u>8,899,377</u>
Noncurrent liabilities:					
Other post employment benefit	-	-	-	-	-
Due in more than one year, net	-	31,545,921	89,073	-	31,634,994
Total non current liabilities	<u>877,467</u>	<u>36,376,540</u>	<u>3,265,344</u>	<u>15,020</u>	<u>40,534,371</u>
Total liabilities					
<u>NET POSITION</u>					
Net Invested in capital assets	-	(7,126,610)	11,214,098	23,301	4,110,789
Economic Development	-	-	-	-	-
Unrestricted	(877,352)	(933,729)	4,613,680	242,984	3,045,583
Total net position	<u>\$ (877,352)</u>	<u>\$ (8,060,340)</u>	<u>\$ 15,827,777</u>	<u>\$ 266,285</u>	<u>\$ 7,156,372</u>

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

	Pharr Housning Finance Corporation	PHFC Jackson Place Apartments	Pharr Economic Development Corporation, Inc.	Greater Pharr Chamber	Total
<u>Expenses</u>					
Salaries	\$ -	\$ 359,057	\$ 631,169	\$ 152,956	\$ 1,143,181
Supplies	-	-	-	8,909	8,909
Economic Development	10,675	-	1,149,139	51,613	1,209,840
Repairs and Maintenance	-	798,400	-	-	798,400
Depreciation Expense	-	1,208,921	132,587	7,170	1,348,678
Debt Interest	-	1,590,808	148,523	-	1,739,332
Total component unit	<u>10,675</u>	<u>3,957,186</u>	<u>2,061,418</u>	<u>220,648</u>	<u>6,248,340</u>
<u>General Revenues</u>					
Rent Revenue	-	2,917,699	-	-	2,917,699
Sales Taxes	-	-	6,504,170	-	6,504,170
Memberships	-	-	-	85,810	85,810
Investing earning	-	10	63,978	403	64,391
Other	-	348,061	53,760	3,742	405,564
Net City Contributions	-	-	(956,915)	238,531	(718,384)
Total General Revenues & transfers	<u>-</u>	<u>3,265,770</u>	<u>5,664,993</u>	<u>328,486</u>	<u>9,259,249</u>
Changes in net position	(10,675)	(691,416)	3,603,575	107,837	3,009,321
Net position - beginning	(866,677)	(7,368,924)	12,301,615	-	4,066,014
Prior Period Adjustment	-	-	(77,415)	158,450	81,035
Net position - ending	<u>\$ (877,352)</u>	<u>\$ (8,060,340)</u>	<u>\$ 15,827,777</u>	<u>\$ 266,285</u>	<u>\$ 7,156,372</u>



NOTES TO THE FINANCIAL STATEMENTS

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. General Statement

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

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

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

B. Financial Reporting Entity

The City's financial reporting entity comprises the following:

Primary Government: City of Pharr

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

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

Blended Component Unit

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

The city has two blended component units, 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, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Financial Reporting Entity

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

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

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

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

Discretely Presented Component Units

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

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 broader 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 primary government board members can also appoint and remove individuals from the component unit board. Primary government management is responsible for overseeing and approving financial operations and decisions concerning the organization. Separate financial statements issued by the PEDC can be obtained by request at the following address: PEDC- 1215 South Cage Blvd. Pharr, TX 78577.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

B. Financial Reporting Entity- (continued)

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

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

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

C. Government-Wide and Fund Financial Statements

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

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

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

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

C. Government-Wide and Fund Financial Statements

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

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

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

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

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

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

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

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

E. Fund Types and Major Funds

Governmental Funds

The City reports the following major governmental funds:

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

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

E. Fund Types and Major Funds

Proprietary Funds

The City reports the following major enterprise funds:

- *Utility Fund* – accounts for the provision of water and sewer services to the residents of the city.
- *Pharr EMS* – accounts for the operations of the emergency medical service provided by the city.
- *Event Center* – accounts for an 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 and health insurance. These are proprietary funds that are reported with governmental activities in the government-wide financial statements because most of the activity is for governmental activities. Direct expenses are not eliminated from the various functional categories, whereas indirect expenses are. Reimbursements are treated as a reduction of expenses.

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

1. Cash and Investments

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

2. Property Taxes

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

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

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

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

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

3. Inventories

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

4. Receivables and Payables

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

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

5. Transactions between Funds

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

6. Capital Assets

Capital assets, which include property, plant, and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements for proprietary funds. All capital assets are valued at historical cost or estimated historical cost if actual historical is not available. Donated assets or donated works of art are valued at their acquisition value on the donated date. Repairs and maintenance are recorded as expenses. Renewals and betterments are capitalized. Interest has not been capitalized during the construction period on property, plant, and equipment.

Assets capitalized have an original cost of \$5,000 or more and over three years of useful life. Depreciation has been calculated on each class of depreciable property using the straight-line method. Estimated useful lives are as follows:

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

7. Compensated Absences

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

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

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Nonexempt employees may accumulate no more than a maximum of two years allotment of vacation leave as set above, except for civil service nonexempt employees, which can accumulate more than the maximum. 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 are not expected to be collected in the next fiscal year, and the principal (corpus) of an endowment fund. The City has inventories that are considered non-spendable, an encumbrance, and a non-current advance to the PEDC II. The City does not have any prepaid items or non-spendable funds related to an endowment.

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

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

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

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

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

These funds shall be used only for emergencies, non-recurring expenditures, or major capital purchases that cannot be accommodated through current year savings. The use of these funds will be approved by the City Commission. Use of these funds will be disclosed to the City Commission. If the required amount goes below the stated policy amount, the City will set aside enough portion of the upcoming fiscal year's budget to meet the required reserve amount. Any surpluses realized at year-end shall be used first to meet reserve policies, then capital replacement purposes, then retirement/extinguishing of debt.

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

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

When an expense is incurred for purposes for which both restricted and unrestricted net positions are available, the City typically first applies restricted resources, as appropriate opportunities arise, but reserves the right to selectively defer the use thereof to a future project or replacement equipment acquisition. When an expenditure is incurred for which committed, assigned, or unassigned fund balances are available, the City considers amounts to having been spent first out of assigned, then unassigned, and finally committed funds.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budgetary Data

1. Budget Policy and Practice

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

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

Dates for public hearings, the purpose of which is to obtain taxpayers' comments, are set by the Board of Commissioners at the time the budget is submitted to that body. The Board of Commissioners may add to, subtract from, or change appropriations, but may not change the form of the proposed budget.

Any changes must be within the revenue and reserves estimated as available by the City Manager. Prior to September 25 of each year, the budget is legally enacted through the passage of an ordinance.

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

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

As of September 30, 2021, the City of Pharr Commissioners approved four (4) Budget Amendments with a net effect of \$2,073,600 in expenditures over revenues which was available in bank account.

B. Excess of General Fund Expenditures over Appropriations

In FY 20-21, expenses in certain general fund departments exceeded their budgeted amount. These expenditures over budget are mainly due to two major unexpected events, one been the winter storm that hit the region during February 2021 and the other one been a mayor repair in our public safety communication building, and two incentives payments cover by the excess of sales taxes. The departments and excess of expenditures are listed below.

<u>Department</u>	<u>Amount</u>
Sanitation	\$ 22,350
Brush	101,596
Non-depatmental	103,830
Economic Development	276,801
Library	12,019
Public Safety Communications	145,379
	<u>\$ 661,975</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

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:

<u>Violation</u>	<u>Action Taken</u>
None	Not applicable

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. Last fiscal year PEDC and Chamber were reported as blended component unit, for FY 20-21 both entities change to discretely component unit to comply with GABS 61. PPA of component units and other are listed below.

<u>Purpose of Prior Period Adjustment</u>	<u>Amount</u>	<u>Total</u>
Governmental Funds:		
<u>General Fund:</u>		
To correct prior year receivables	\$ 156,163	
To correct prior year receivables	(63,898)	
To correct accruals	(14,872)	
To correct TIRZ#2 contribution	397,795	
To correct TIRZ#1 contribution	(121,138)	
To correct cash in budget savings	(187,698)	
		<u>\$ 166,353</u>
<u>General CIP:</u>		
To correct prior-year unearned revenue	<u>(2,210,918)</u>	
		<u>(2,210,918)</u>
<u>PEDC:</u>		
To adjust PEDC 2020 ending balance	<u>(9,641,006)</u>	
		<u>(9,641,006)</u>
<u>Other:</u>		
To adjust prior receivables	(46,729)	
To adjust Chamber 2020 ending balance	(121,335)	
To correct TIRZ#2 contribution	(397,795)	
To correct TIRZ#1 contribution	<u>121,138</u>	
Total Governmental Fund Adjustment		<u>(444,721)</u>
		<u>(12,130,293)</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

II. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

F. Prior Period Adjustment

Government-Wide Adjustments

To adjust PEDC long-Term Debt	4,487,148	
To adjust Prior Long-Term Debt	(363,658)	
To adjust Prior Year capital assets	(300,882)	
To adjust Chamber and PEDC capital assets	(6,378,416)	
To adjust Prior City Garage adjustment	(21,916)	
To adjust PEDC Accrued interest	(18,016)	
To adjust PEDC compensated absences	106,540	
To adjust PEDC notes receivable	(923,365)	
To adjust PEDC contingency	600,000	
		<u>(2,812,565)</u>
Total Prior Period Adjustment		<u><u>\$ (14,942,858)</u></u>

During FY 20-21 event center closed their doors and EMS took all event center's capital assets, the PPA to adjust the transfer and correct other items are reflected in the table below.

<u>Purpose of Prior Period Adjustment</u>	<u>Amount</u>	<u>Total</u>
Proprietary Funds:		
<u>Enterprise Fund: Utility Fund:</u>		
To correct accounts receivable	\$ (2,480,421)	
To correct fixed assets	(1,412,457)	
To adjust prior year Payables	<u>98,114</u>	
		<u>\$ (3,794,764)</u>
<u>Enterprise Fund: EMS Fund</u>		
To adjust fixed assets	<u>3,578,132</u>	
		<u>3,578,132</u>
<u>Enterprise Fund: Event Center Fund:</u>		
To adjust fixed assets	<u>(3,202,640)</u>	
		<u>(3,202,640)</u>
<u>Enterprise Fund: Bridge Fund</u>		
To adjust prior year CIP's	<u>(563,996)</u>	
		<u>(563,996)</u>
<u>Enterprise Fund: Golf Fund</u>		
To adjust prior year lease payable	<u>(5,267)</u>	
		<u>(5,267)</u>
Total Proprietary Fund Adjustment		<u><u>\$ (3,988,535)</u></u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

A. Deposits and Investments

1. Deposits

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

On September 30, 2021, the carrying amount of all the City's bank deposits was \$142,797,583. The city has two depository accounts: Lone Star National Bank (LSNB) and Texas Regional Bank.

	Balance
<u>LSNB Depository Account-City of Pharr</u>	<u>September 30, 2021</u>
Insured	\$ 250,000
Security collateral issued by pledging bank's trust - Lonestar National bank	107,367,921
Security collateral issued by pledging bank's trust - Texas Regional Bank	37,701,663
(over-collateralized)/under-collateralized	<u>(2,522,001)</u>
Total Deposits	<u><u>\$ 142,797,583</u></u>

Also, as of September 30, 2021, the carrying amount of the city's discretely presented component unit was \$4,293,599. The units use Lone Star National bank as a depository bank

	Balance
<u>LSNB Depository Account- Componet units.</u>	<u>September 30, 2021</u>
Insured	\$ 250,000
Security collateral issued by pledging bank's trust department in the City's name	5,012,863
(over-collateralized)/under-collateralized	<u>(969,264)</u>
Total Deposits	<u><u>\$ 4,293,599</u></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, 2021, the City's bank balance was not exposed to custodial credit risk and was over-insured and over-collateralized.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

A. Deposits and Investments

1. Deposits

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

- a. Depository: **LSNB and Texas Regional Bank**
- b. The market value of securities pledged as of the date of the highest combined balance on deposit was **\$142,797,583.**
- c. The highest combined balances of cash accounts amounted to **\$122,352,912** and occurred during **July 2021.**
- d. The total amount of FDIC coverage at the time of the largest combined balance was \$250,000 during September 2021.

Restricted cash is defined as the cash balances restricted by the funder for a specific purpose. Total restricted cash at the end of September 30, 2021, amounted to \$101,235,473 with **\$7,036,894 that is classified as cash with fiscal agent**, which was covered by collateral held in the fiscal agents' trust departments, but not in the city's name. The rest of \$94,198,579 are bond proceeds under the city's name. The trust department pledges a pool of collateral against all trust deposits it holds. Banc of America leasing company, U.S. Bank corp. are the city's fiscal agents.

2. Investments

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

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

Analysis of Specific Deposit and Investment Risks:

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

a. Interest Rate Risk

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

b. Credit Risk

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

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

2. Investments

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.

The City of Pharr Investment activity as of September 30, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Additions</u>	<u>Retirements</u>	<u>Ending Balance</u>	<u>Market Value</u>
Texpool Investments	\$ 143,298	\$ 2,000,314	\$ -	\$ 2,143,612	\$ 2,143,612
Texpool Investments	-	5,000,329	-	5,000,329	5,000,329
LSNB-CD	300,000	9,437	-	309,437	309,437
LSNB-CD	300,000	-	-	300,000	300,000
Total	<u>\$ 743,298</u>	<u>\$ 7,010,080</u>	<u>\$ -</u>	<u>\$ 7,753,378</u>	<u>\$ 7,453,378</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.

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

B. Receivables

Receivables for the City on September 30, 2021, were as follows:

	Governmental Activities			Business-Type Activities					
	General	Other	Total	Utility	Event Center	EMS	Bridge	Golf	Total
Property taxes	\$ 2,306,402	\$ 899,467	\$ 3,205,869	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Warrants	14,192,094	-	14,192,094	-	-	-	-	-	-
Sales Tax	3,442,533	-	3,442,533	-	-	-	-	-	-
Notes	-	55,889	55,889	-	-	-	-	-	-
Accounts	1,218,079	119,651	1,337,730	4,109,722	-	1,023,573	31,365	18,446	5,183,106
Intergovernmental	-	11,552,749	11,552,749	-	-	-	-	-	-
Covid Grant	-	-	-	-	-	-	-	-	-
PEDC	200,000	-	200,000	-	-	-	-	-	-
Jackson Place Apts	4,959,245	-	4,959,245	-	-	-	-	-	-
Other	524,156	372,047	896,203	-	150,360	-	-	-	150,360
Gross receivables	26,842,507	12,999,803	39,842,310	4,109,722	150,360	1,023,573	31,365	18,446	5,333,466
Less; allowance for uncollectible	(11,586,584)	(69,850)	(11,656,434)	(923,479)	-	-	-	-	(923,479)
Net total receivable	\$ 15,255,923	\$ 12,929,953	\$ 28,185,876	\$3,186,242	\$ 150,360	\$ 1,023,573	\$ 31,365	\$ 18,446	\$ 4,409,986

B-1. Notes Receivable

In the Notes Receivables for the Pharr Economic Development Corporation the loans for Pharr Bridge investment and Big River brewery were paid off during this fiscal year, as for Stormy color and Moonbeans loans were written off as a bad debt expense. As September 30, 2021, the balances were as follows:

Note	Outstanding Balance As of 10/1/2020	Increases	Decreases	Outstanding Balance As of 9/30/2021
Reyes Garza, 05/13/2012, for the amount of \$27,021.68 at an interest rate of 6.00% with maturity on April 13, 2027.	\$ 14,948	\$ -	\$ 155	\$ 14,793
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	-
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	76,404	-	76,404	-
Rositas Taste of the Valley, 02/06/2017, for the amount of \$62,0000 at an interest rate of 5% with maturity on February 06, 2022.	27,725	-	7,474	20,251
Trancasa, 02/15/18, for the amount of \$600,000 at an interest rate of 6.00% with maturity on March 15, 2026.	480,573	200,000	110,982	569,591
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.	190,826	-	190,826	-
Totals	\$ 923,365	\$ 200,000	\$ 518,730	\$ 604,635

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

C. Payables

Payables for the City on September 30, 2021, were as follows:

	Governmental Activities	Business-Type Activities						
	Governmental	Utility	EMS	Event Center	Bridge	Golf	Business-Type Total	Total
Vendors	\$ 6,492,980	\$ 378,045	\$ 254,304	\$ -	\$ 533,924	\$ 84,110	\$ 1,250,383	\$ 7,743,363
Salaries & benefits	1,538,242	-	-	-	-	-	-	1,538,242
Retainage fees	1,439,333	-	-	-	-	-	-	1,439,333
Accrued interest	155,225	86,493	-	-	101,434	-	187,927	343,152
Customer deposit payable	-	577,598	-	-	-	-	577,598	577,598
Total payables	\$ 9,625,780	\$ 1,042,135	\$ 254,304	\$ -	\$ 635,358	\$ 84,110	\$ 2,015,908	\$ 11,641,688

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, 2021
Water & Sewer	\$ 169,283
Police	156,560
Media	51,620
Fire	98,220
Library	66,951
Public Works	217,144
Court	309,383
Subdivision and Improvements	1,412,471
Public Safety communications	56,893
Other administration	123,043
	<u>\$ 2,661,568</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

E. Interfund Balances

The City reports interfund balances between many of its funds. The total of all balances agrees with the sum of interfund balances presented in the statements of net position/balance sheets for governmental and enterprise funds. The interfund balances are operational and short-term in nature. Interfund balances on September 30, 2021, consisted of the following:

General Fund		PURPOSE
DUE FROM:		
Governmental Funds:		
CDBG	\$ 62,677	To advance funds for expenditures
Grant Fund	247,424	To advance funds for expenditures
City Garage	28,317	To advance funds for expenditures
Utility	517,248	To advance funds for expenditures
EMS	1,573,539	To advance funds for payroll expenditures
Event Center	17,615	To advance funds for payroll and operating expenditures
Bridge	170,729	To advance funds for payroll expenditures
Golf	99,089	To advance funds for payroll expenditures
General Fund	\$ 2,716,638	
General Fund	\$ 61,703	To advance funds for expenditures
Seized Assets	\$ 61,703	
Grand Total	\$ 2,778,342	

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

F. Capital Assets

Capital asset activity for the year ended September 30, 2021, was as follows:

	<u>Beginning Balance</u>	<u>Increases</u>	<u>Decreases</u>	<u>Adjustments</u>	<u>Ending Balance</u>
Primary Government					
Governmental Activities:					
<i>Capital assets, not being depreciated:</i>					
Land and right of way	\$ 14,818,552	\$ -	-	\$ -	\$ 14,818,552
Construction in Progress	22,234,539	18,167,988	-	(144,444)	40,258,084
Total capital assets, not being depreciated	37,053,092	18,167,988	-	(144,444)	55,076,636
<i>Capital assets, being depreciated:</i>					
Buildings	43,440,091	-	-	-	43,440,051
Machinery and equipment	32,102,641	1,646,463	-	(786)	33,748,318
Improvements other than buildings	50,624,822	11,932,354	-	-	62,557,175
Infrastructure	89,248,802	1,300,194	-	(11,400)	90,537,596
Total capital assets, being depreciated	215,416,356	14,879,011	-	(12,186)	230,283,140
Less accumulated depreciation for:					
Buildings	15,171,835	936,382	-	36,123	16,144,339
Machinery and equipment	23,869,320	2,016,652	-	-	25,885,972
Improvements other than buildings	5,481,430	2,542,178	-	108,129	8,131,737
Infrastructure	60,195,132	1,682,523	-	-	61,877,655
Total accumulated depreciation	104,717,717	7,177,735	-	144,252	112,039,704
Total capital assets, being depreciated, net	110,698,640	7,701,275	-	156,438	118,243,436
Governmental activities capital assets, net	<u>\$ 147,751,732</u>	<u>\$ 25,869,263</u>	<u>\$ -</u>	<u>\$ (300,882)</u>	<u>\$ 173,320,075</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

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	6,897,338	-	-		6,897,338
Construction in Progress	10,111,075	8,622,711	5,721,760	(496,347)	12,515,679
Total capital assets, not being depreciated	20,458,413	8,622,711	5,721,760	(496,347)	22,863,017
<i>Capital assets, being depreciated:</i>					
Buildings	32,502,500	2,246,102	-	-	34,748,599
Machinery and equipment	19,905,892	5,687,690	-	-	25,593,582
Improvements other than buildings	11,901,796	3,412,953	-	-	15,314,449
Infrastructure	154,918,942	2,399,993	-	5	157,319,779
Total capital assets, being depreciated	219,229,130	13,746,738	-	5	232,976,408
Less accumulated depreciation for:					
Buildings	19,030,467	726,596	-	-	19,757,063
Machinery and equipment	14,866,234	1,047,557	-	4,224,687	20,137,975
Improvements other than buildings	3,853,541	852,282	-	-	4,705,823
Infrastructure	52,015,064	4,707,599	-	(15,809)	56,706,854
Total accumulated depreciation	89,765,306	7,334,033	-	4,208,878	101,307,714
Total capital assets, being depreciated, net	129,463,824	6,412,705	-	(4,208,375)	131,668,695
Business-Type activities capital assets, net	149,922,237	15,035,415	5,721,760	(4,704,722)	154,531,712
Total Primary Government	\$ 297,673,969	\$ 40,904,679	\$ 5,721,760	\$ (5,005,604)	\$ 327,851,787

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

F. Capital Assets

Component Unit- Discretely PEDC

Capital assets, not being depreciated:

Land and right of way	\$ 4,858,106	\$ -	\$ -	\$ -	\$ 4,858,106
Construction in Progress	-	3,237,346	-	-	3,237,346
Total capital assets, not being depreciated	4,858,106	3,237,346	-	-	8,095,452

Capital assets, being depreciated:

Buildings	747,170	-	-	-	747,170
Improvement other than buildings	1,640,656	-	-	-	1,640,656
Machinery and equipment	144,340	49,345	-	-	193,685
Total capital assets, being depreciated	2,532,166	49,345	-	-	2,581,511

Less Accumulated Depreciation

Buildings	462,024	28,089	-	-	490,113
Improvement other than buildings	467,180	96,468	-	-	563,648
Machinery and equipment	113,123	8,031	-	-	121,154
Total Accumulated Depreciation	1,042,327	132,587	-	-	1,174,914
Total Capital assets, being depreciated, net	1,489,839	(83,242)	-	-	1,406,597

Component Unit - Discretely Chamber

Capital assets, being depreciated:

Buildings	-	-	-	-	-
Improvement other than buildings	-	-	-	-	-
Machinery and equipment	35,848	-	-	-	35,848
Total capital assets, being depreciated	35,848	-	-	-	35,848

Less Accumulated Depreciation

Buildings	-	-	-	-	-
Improvement other than buildings	-	-	-	-	-
Machinery and equipment	5,377	7,170	-	-	12,547
Total Accumulated Depreciation	5,377	7,170	-	-	12,547
Total Capital assets, being depreciated, net	30,471	(7,170)	-	-	23,301

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

F. Capital Assets

Component Unit-Discretely PHFC

PHFC Capital assets, not being depreciated:

Land and right of way	1,500,000	-	-	-	1,500,000
Total capital assets, not being depreciated	<u>1,500,000</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>1,500,000</u>

PHFC Capital assets, being depreciated:

Buildings	26,502,558	-	-	-	26,502,558
Improvement other than buildings	-	-	-	-	-
Machinery and equipment	153,683	-	-	-	153,683
Total capital assets, being depreciated	<u>26,656,241</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>26,656,241</u>

Less Accumulated Depreciation

Buildings	1,766,837	1,177,891	-	-	2,944,728
Improvement other than buildings	-	-	-	-	-
Machinery and equipment	69,001	31,030	-	-	100,031
Total Accumulated Depreciation	<u>1,835,838</u>	<u>1,208,921</u>	<u>-</u>	<u>-</u>	<u>3,044,759</u>
Total Capital assets, being depreciated, net	<u>24,820,403</u>	<u>(1,208,921)</u>	<u>-</u>	<u>-</u>	<u>23,611,482</u>
Component Unit-Blended capital assets, net	<u>32,668,348</u>	<u>1,279,247</u>	<u>-</u>	<u>-</u>	<u>34,636,832</u>
City-Wide capital assets, net	<u>\$ 330,342,317</u>	<u>\$ 42,183,926</u>	<u>\$ 5,721,760</u>	<u>\$ (5,005,604)</u>	<u>\$ 362,488,618</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

G. Long-Term Obligations

The following schedule summarizes the changes in long-term debt during the year ended September 30, 2021:

	Beginning Balance	Additions	Retirements	Ending Balance	Due Within One Year
Governmental Activities					
Refunding Bonds Payable	\$ 1,430,000	\$ -	\$1,430,000	\$ -	\$ -
Certificates of Obligation	68,975,000	-	1,890,000	67,085,000	2,940,000
Unamortized Premium/(Discount)	4,389,403	-	383,467	4,005,936	-
Capital Leases	6,358,366	1,788,000	1,983,984	6,162,382	1,543,835
CDBG Section 108 Note Payable	3,245,000	-	\$295,000	2,950,000	295,000
LSNB Tax Notes	4,683,166	-	\$1,025,667	3,657,499	1,071,504
Other Post Employment Benefits	1,384,039	297,596	-	1,681,635	-
Accrued Compensated Absences	5,466,932	3,029,438	2,759,315	5,737,055	1,434,264
Net Pension Liability-GASB 68	6,683,755	-	1,027,951	5,655,804	-
Total Governmental Activities	\$ 102,653,527	\$ 5,128,778	\$ 13,554,699	\$ 96,972,710	\$ 7,293,952

Deferred Outflow/Inflow of Resources

Unamortized Gain/(loss) on Refunding	\$ (48,780)	\$ -	\$ (48,780)	\$ -	\$ -
	\$ (48,780)	\$ -	\$ (48,780)	\$ -	\$ -

Business-Type

Revenue Bonds Payable	\$ 51,603,000	\$ 40,582,000	\$ 2,186,000	\$ 89,999,000	\$ 3,673,000
Refunding Revenue Bonds Payable	14,010,000	-	2,145,000	11,865,000	2,240,000
Unamortized Premium/(Discount)	2,446,660	-	430,521	2,016,139	-
Unamortized Premium/(Discount)	-	8,030,495	-	8,030,495	-
Capital Leases	3,911,038	-	1,189,447	2,721,591	959,934
Accrued Compensated Absences	777,479	929,032	883,266	823,245	204,658
Total Business-Type Activities	\$ 72,748,177	\$ 49,541,527	\$ 6,834,234	\$ 115,455,472	\$ 7,077,593

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

G. Long-Term Obligations

Long-term bonded and revenue supported obligations outstanding on September 30, 2021, 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	\$ -
	Subtotal-Refunding Bonds										-
	\$ 7,625,000	2012	Certificate of Obligation	CO	Annual	\$ 295,000	\$ 535,000	0.60%	4.98%	8/15/2032	\$ 3,735,000
	\$ 14,290,000	2016	Certificate of Obligation	CO	Annual	\$ 190,000	\$ 1,035,000	1.13%	3.60%	2/15/2036	13,505,000
	\$ 17,240,000	2017	Certificate of Obligation	CO	Annual	\$ 355,000	\$ 2,640,000	1.45%	2.79%	8/15/2031	13,530,000
	\$ 16,440,000	2018	Certificate of Obligation	CO	Annual	\$ 70,000	\$ 1,440,000	2.08%	3.52%	8/15/2038	14,830,000
	\$ 25,000,000	2020	Certificate of Obligation	CO	Annual	\$ 890,000	\$ 2,625,000	3.00%	3.00%	8/15/2039	21,485,000
	Subtotal-Certificate of Obligation										67,085,000
	\$ 7,300,000	2017	Tax Notes	TN	Monthly	\$ 941,000	\$ 1,167,000	4.25%	4.25%	12/1/2024	\$ 3,657,499
	Subtotal-Tax Notes										3,657,499
	\$ 5,600,000	2017	HUD Section 108 Loan	HUD 108	Annual	\$ 294,000	\$ 295,000	1.28%	1.73%	8/15/2031	\$ 2,950,000
	Subtotal-Section 108 Laon										2,950,000
Governmental Total										\$ 73,692,499	
Governmental Total										\$ 73,692,499	
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	\$ 6,010,000
	\$ 10,000,000	2007B	Revenue Bonds-NADBANK	WW & SS	Annual	\$ 385,000	\$ 685,000	3.75%	3.75%	9/1/2027	3,770,000
	\$ 8,725,000	2013	Revenue Bonds-DWSFR	WW & SS	Annual	\$ 255,000	\$ 400,000	0.00%	2.71%	91/1/2042	6,685,000
	\$ 1,762,000	2015	Revenue Bonds-DWSFR	WW & SS	Annual	\$ 72,000	\$ 117,000	0.59%	4.10%	9/1/2035	1,322,000
	\$ 18,150,000	2020A	Revenue Bonds-CWSFR	WW & SS	Annual	\$ 115,000	\$ 780,000	0.03%	0.22%	9/1/2049	17,950,000
	\$ 13,880,000	2020B	Revenue Bonds-CWSFR	WW & SS	Annual	\$ 115,000	\$ 590,000	0.04%	0.32%	9/1/2049	13,680,000
	\$ 37,425,000	2021	Revenue Bonds - CT&IBR	CT & IBR	Annual	\$ 1,395,000	\$ 2,850,000	3.00%	5.00%	8/15/2041	37,425,000
	\$ 3,157,000	2021	Renueue Bonds - CT&WR	WW & SS	Annual	\$ 105,000	\$ 106,000	0.00%	0.00%	8/15/2051	3,157,000
	Subtotal-Revenue Bonds										\$ 89,999,000
	\$ 9,755,000	2005A	Refunding Bonds	CT & IBR	Annual	\$ 510,000	\$ 740,000	3.63%	4.50%	8/15/2022	\$ 705,000
	\$ 18,000,000	2017	Refunding Bonds	WW & SS	Annual	\$ 1,220,000	\$ 2,160,000	3.29%	3.62%	8/15/2028	11,160,000
	Subtotal-Refunding Bonds										\$ 11,865,000
Business-Type Total										\$ 101,864,000	

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

G. Long-Term Obligations

1. Bonds Payable

Debt service requirements of bonds payable on September 30, 2021, are as follows:

Year Ended September 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 2,940,000	\$ 2,787,465	\$ 5,727,465	\$ 3,813,000	\$ 2,722,206	\$ 6,535,206
2023	4,338,660	2,553,626	6,892,286	3,925,000	2,509,676	6,434,676
2024	4,782,593	2,444,210	7,226,803	5,451,000	2,374,662	7,825,662
2025	3,445,500	2,314,516	5,760,016	5,658,000	2,168,026	7,826,026
2026	3,575,000	2,180,329	5,755,329	5,876,000	1,951,842	7,827,842
2027-2032	21,108,247	9,853,650	30,961,897	28,933,000	8,126,396	37,059,396
2033-2049	26,895,000	3,970,750	30,865,750	48,208,000	7,081,230	55,289,230
	<u>\$ 67,085,000</u>	<u>\$ 22,133,795</u>	<u>\$ 62,323,796</u>	<u>\$ 101,864,000</u>	<u>\$ 19,852,808</u>	<u>\$ 73,508,808</u>

2. Tax Notes Payable

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Total
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	299,568	2,150	301,718
	<u>\$ 3,657,499</u>	<u>\$ 268,567</u>	<u>\$ 3,990,970</u>

3. Notes Payable

Year Ended September 30,	Governmental Activities		
	Principal	Interest	Total
2022	\$ 295,000	\$ 91,627	\$ 386,627
2023	295,000	83,662	378,662
2024	295,000	75,078	370,078
2025-2030	2,065,000	271,429	2,336,429
	<u>\$ 2,950,000</u>	<u>\$ 521,796</u>	<u>\$ 3,471,796</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

G. Long-Term Obligations

4. Capital Leases Payable

Capital leases payable on September 30, 2021, 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.	\$ 48,556	\$ -	\$ 48,556
\$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	1,463,784	-	1,463,784
\$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	79,189	-	79,189
\$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	517,455	-	517,455
\$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	94,745	185,231	279,976
\$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.	115,537	9,520	125,057
\$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.	212,463	1,192,850	1,405,313
\$955,000 lease payable, due in quartely 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.	539,885	85,073	624,957
\$200,000 lease payable, due in quartely installments of \$10,827 including interest, through August 31 2023; interest 3.41% All funds used for International Bridge Security Camaras.	-	83,384	83,384
\$619,000 lease payable, due in quartely 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	53,070	-	53,070
\$212,000 lease payable, due in quartely 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.	93,028	5,582	98,610

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

G. Long-Term Obligations

4. Capital Leases Payable

Capital Leases	Governmental	Business-Type	Total
\$138,000 lease payable, due in quarterly installments of \$5,462 including interest, through October 31, 2024; interest 3.12% All funds used to purchase general fund equipment and Golf course Equipment.	77,240	9,419	86,659
\$3,695,500 lease payable, due in quarterly installments of \$193,031 including interest, through December 6, 2024; interest 2.37% All funds used to purchase general fund equipment and bridge office expansion.	1,279,062	1,150,531	2,429,593
\$1,788,000 lease payable. Due in quarterly installments of \$70,435 including interest, through November 23, 2030; interest 1.385% All funds used to purchase general fund equipment	1,588,367	-	1,588,367
	<u>\$ 6,162,381</u>	<u>\$ 2,721,591</u>	<u>\$ 8,883,972</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, 2021, are as follows:

Year Ended September 30,	Governmental Activities			Business-Type Activities		
	Principal	Interest	Total	Principal	Interest	Total
2022	\$ 2,048,114	\$ 140,119	\$ 2,188,233	\$ 1,294,015	\$ 43,092	\$ 1,337,107
2023	956,083	101,899	1,057,982	779,083	35,722	814,805
2024	997,446	72,914	1,070,360	480,844	24,101	504,945
2025	872,075	53,170	1,050,616	109,365	6,894	116,259
2026	760,508	14,839	886,913	58,284	2,512	60,796
2027-2030	528,156	19,156	779,664	-	-	--
	<u>\$ 6,162,381</u>	<u>\$ 402,097</u>	<u>\$ 7,033,768</u>	<u>\$ 2,721,591</u>	<u>\$ 112,321</u>	<u>\$ 2,328,967</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

G. Long-Term Obligations

5. Notes Payable

Long-term notes payable outstanding on September 30, 2021, is comprised of the following:

<u>Original Issuance</u>	<u>Issuer</u>	<u>Name</u>	<u>Payment Installments</u>	<u>Installments</u>		<u>Interest Rates</u>		<u>Payment Through</u>	<u>Current Balance</u>
				<u>Lowest</u>	<u>Highest</u>	<u>Lowest</u>	<u>Highest</u>		
\$5,600,000	Housing and Urban Development	CDBG HUD Section 108	Annual	\$ 294,000	\$ 295,000	0.49%	1.73%	8/1/2031	<u>\$ 2,950,000</u>
								Subtotal-City of Pharr Governmental	<u>\$ 2,950,000</u>

Debt service requirements of notes payable on September 30, 2021, are as follows:

Year Ended September 30,	<u>Governmental Activities</u>		
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>
2022	\$ 295,000	\$ 91,627	\$ 386,627
2023	295,000	83,662	378,662
2024	295,000	75,078	370,078
2025-2030	<u>2,065,000</u>	<u>271,429</u>	<u>2,336,429</u>
	<u>\$ 2,950,000</u>	<u>\$ 521,796</u>	<u>\$ 3,471,796</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

G. Long-Term Obligations

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, 2021, 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>\$ 5,543,000</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, 2021, the owning fund of the liability is as follows:

<u>Owning Fund of Liability</u>	<u>Amount</u>
General	\$ 5,736,357
Community Development	699
Garage	37,399
Utility	473,672
EMS	79,022
Bridge	222,835
Golf	47,714
	<u>\$ 6,597,698</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, 2021, 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, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

H. Interfund Transfers

The City reports interfund transfers between many of its funds. Interfund transfers for the year ended September 30, 2021, consisted of the following:

	TRANSFER FROM Governmental Funds							
	General	Parkland	Hotel/ Motel	Covid Relief	CIP	Paving & Drainage	CDBG	Total Governmental
General	\$ -	\$ 217,753	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 277,753
Capital Projects	2,777,428	-	380,700	-	-	1,066,300	-	4,224,428
Debt Service	326,100	-	-	-	-	-	-	326,100
Total governmental	3,103,528	217,753	440,700	-	-	1,066,300	-	4,828,281
Utility	69,200	-	-	-	-	-	-	69,200
Garage	36,892	-	-	-	-	-	-	36,892
Event Center	252,700	-	-	-	-	-	-	252,700
Health insurance	140,878	-	-	-	-	-	-	140,878
EMS	-	-	-	3,332,760	-	-	-	3,332,760
Bridge	20,300	-	-	-	-	-	-	20,300
Golf	371,012	-	-	-	-	-	-	371,012
Total enterprise	890,982	-	-	3,332,760	-	-	-	4,223,742
Total	\$ 3,994,510	\$ 217,753	\$ 440,700	\$ 3,332,760	\$ -	\$ 1,066,300	\$ -	\$ 9,052,024

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

The transfers on this page are related to Governmental transactions.

General Fund:

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

Other:

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

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

H. Interfund Transfers

		TRANSFER FORM				
		Enterprise Funds				
		Utility	Utility CIP	Bridge	Bridge CIP	Grand Total
TRANSFER TO	General	\$ 701,200	\$ -	\$ 7,809,867	\$ 1,920,000	\$ 10,431,067
	Capital Projects	-	2,810,000	-	-	\$ 2,810,000
	Debt Service	-	-	1,377,200	-	1,377,200
	Total governmental	701,200	2,810,000	9,187,067	1,920,000	14,618,267
	Utility	-	-	-	-	-
	Garage	-	-	-	-	-
	Event Center	-	-	-	-	-
	Health insurance	-	-	-	-	-
	EMS	-	-	-	-	-
	Bridge	-	-	-	-	-
	Golf	-	-	-	-	-
	Total enterprise	-	-	-	-	-
Total		\$ 701,200	\$ 2,810,000	\$ 9,187,067	\$ 1,920,000	\$ 14,618,267
						\$ 23,633,397

Enterprise Funds:

- The transfer from Utility to the general fund is to pay annual service fees for administrative services.
- The transfer from Bridge CIP to General CIP to reimburse expenses.
- The transfer from Bridge to the General Fund is for the following:

Purpose	FY 20/21
GF Operations	\$ 7,324,400
Golf Operations	485,467
Total	\$ 7,809,867

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

III. DETAILED NOTES ON FUNDS AND COMPONENT UNITS

I. Restricted Assets

The balances of the restricted asset as of September 30, 2021, are as follows:

Governmental Funds

Capital Outlay	\$ 1,699,254
Capital Improvement Projects	13,423,497
Grant Receivables	337,339
Grant Receivable - Covid	<u>14,116,434</u>
Total restricted assets-governmental funds	29,576,524

Business-Type Funds

Capital Outlay	827,640
Capital financing-Utility	40,303,397
Debt reserves - Utility	4,379,932
Capital financing-Bridge	40,210,143
Grants Receivable - FY 15 DAP	1,546,858
Debt reserves-Bridge	<u>391,611</u>
Total restricted assets-business-type funds	<u>\$ 87,659,580</u>

Total restricted assets \$ 117,236,104

IV. OTHER INFORMATION

A. Risk Management

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

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

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

IV. OTHER INFORMATION

1. Health Care Coverage

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

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

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

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, 2021

IV. OTHER INFORMATION

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 the one-year range from, \$1,500 per individual to \$3,000 per family.

B. Deferred Compensation Plan

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

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 Annual Comprehensive Financial Report (ACFR) that can be obtained at www.TMRS.com.

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

2. Benefits Provided

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

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

IV. OTHER INFORMATION

C. Pension Plan

2. Benefits Provided

	Plan Year 2020	Plan Year 2021
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, 2020, valuation and measurement date, the following employees were covered by the terms of the benefits:

	<u>2020</u>
Membership*	
Number of	
Inactives Employees currently receiving benefits	246
Inactives Employees entitled but not yet receiving benefits	208
Active Employees	<u>634</u>
Total	<u><u>1088</u></u>

Covered Payroll	\$ 31,013,497
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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, 2021

IV. OTHER INFORMATION

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

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

Discount Rate

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

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

IV. OTHER INFORMATION

4. Net Pension Liability

Changes in Net Pension Liability

On September 30, 2021, the City reported a liability of **\$5,655,804.**

The Net Pension Liability is based on an actuarial valuation performed as of December 31, 2021, and a measurement date of December 31, 2020; 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, 2021

IV. OTHER INFORMATION

4. Net Pension Liability

Changes in Net Pension Liability

The change in the City's net pension liability for TMRS pension for the fiscal year ended September 30, 2021, is as follows:

A Total Pension Liability

1 Total Service Cost	\$ 3,749,532
2 Interest on the Total Pension Liability	6,184,172
3 Current Period Benefit Changes	-
4 Difference between expected and actual experience	(80,063)
5 Changes of Assumptions	-
6 Benefit Payments, including refunds of employee contributions	<u>(4,217,477)</u>
7 Net change in total pension liability	5,636,164
8 Total pension liability-beginning	<u>91,851,335</u>
9 Total pension liability-ending	<u><u>\$ 97,487,499</u></u>

B Plan fiduciary net position

1 Contributions-employer	\$ 2,437,328
2 Contributions-employee	2,170,945
3 Net Investment income	6,454,440
4 Benefit payments, including refunds of employee contributions	(4,217,477)
5 Administrative Expense	(41,764)
6 Other	<u>(1,629)</u>
7 Net change in plan fiduciary net position	\$ 6,801,843
8 Plan fiduciary net position-beginning	<u>85,029,853</u>
9 Plan fiduciary net position-ending	<u><u>\$ 91,831,696</u></u>

C Net Pension Liability (A9-B9) \$ 5,655,804

D Plan fiduciary net position as a percentage
of the total pension liability (B9/A9) 94.20%

E Covered-employee Payroll 31,013,497

F Net Pension liability as a percentage
of covered employee payroll (C/E) 18.24%

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

IV. OTHER INFORMATION

4. Net Pension Liability

Sensitivity of the Net Position liability changes in the discount rate

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

1% Decrease 5.75%	Current Single Discount Rate Assumption 6.75%	1% Increase 7.75%
\$20,128,275	\$5,655,804	\$ (6,211,252)

Pension Plan Fiduciary Net Position

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

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

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

Schedule of Pension Expense

1 Total Service Cost	\$ 3,749,532
2 Interest on the Total Pension Liability	6,184,172
3 Current Period Benefit Changes	-
4 Employee Contributions (reduction of Expenses)	(2,170,945)
5 Projected Earnings on Plan Investments (Reduction of Expense)	(5,739,515)
6 Administrative Expense	41,764
7 Other Changes in Fiduciary Net Position	1,629
8 Recognition of Current Year Outflow (Inflow) of Resources-Liabilities	(13,547)
9 Recognition of Current Year Outflow (Inflow) of Resources-Assets	(142,985)
10 Amortization of Prior Year Outflows (Inflows) of Resources-Liabilities	290,924
11 Amortization of Prior Year Outflows (Inflows) of Resources-Assets	(746,448)
12 Total Pension Expense	<u>\$ 1,454,581</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

IV. OTHER INFORMATION

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

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

	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	5.91	\$ (80,063)	\$ (13,547)	\$ (66,516)
Difference in assumption changes actuarial (gains) or losses	5.91	\$ -	\$ -	\$ -
			<u>\$ (13,547)</u>	\$ (66,516)
<u>Due to Assets:</u>				
Difference in projected and actual earnings on pension plan investments actuarial (gains) or losses	5.00	\$ (714,925)	\$ (142,985)	\$ (571,940)
			<u>\$ (142,985)</u>	\$ (571,940)
<u>Total:</u>				<u>\$ (638,456)</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
2021	\$ (851,748)
2022	(90,422)
2023	(1,527,431)
2024	(236,070)
2025	(32,250)
Thereafter	-
Total	<u>\$ (2,737,921)</u>

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

IV. OTHER INFORMATION

D. Other Post Employment Benefit (OPEB) Programs

1. Plan Description

Texas Municipal Retirement System ("TMRS") administers a defined benefit group-term life insurance plan known as the Supplemental Death Benefits Fund ("SDBF"). This is a voluntary program in which participating member cities may elect, by ordinance, to provide group-term life insurance coverage for their active members, including or not including retirees. The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death). The death benefit for retirees is considered another post-employment benefit ("OPEB") and is a fixed amount of \$7,500. As the SDBF covers both active and retiree participants, with no segregation of assets, the SDBF is an unfunded OPEB plan (i.e. no assets are accumulated).

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

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

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

2. Supplemental Death Benefits (SDBF) Plan Contributions

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

Plan/Calendar Year	Total SDB Contribution (Rate)	Retiree Portion of SDB Contribution (Rate)
2021	0.18%	0.10%
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, 2021

IV. OTHER INFORMATION

3. OPEB Liability

The Other Post-Employment Benefits (OPEB) was measured as of December 31, 2020, and the Total Liability used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions: The Total OPEB Liability on December 31, 2020, 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, 2020

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

	<u>2020</u>
Membership*	
Number of	
Inactives Employees currently receiving benefits	195
Inactives Employees entitled but not yet receiving benefits	48
Active Employees	<u>634</u>
Total	<u><u>877</u></u>
 Covered Payroll	 \$ 31,013,497
 Changes in the Total OPEB Liability	
 Total OPEB Liability - Beginning of year	 1,384,039
Changes for the Year	
Service Cost	80,635
Interest on Total OPEB Liability	39,042
Changes of Benefits terms	-
Difference between expected and actual experience	(43,780)
Changes in assumptions or other inputs	231,003
Benefit Payments**	<u>(9,304)</u>
Net Changes	<u>297,596</u>
Total OPEB Liability-end of Year	<u><u>\$ 1,681,635</u></u>
 Total OPEB Liability as a percentage of Covered Payroll	 5.42%

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

IV. OTHER INFORMATION

Sensitivity of the Net Position liability changes in the discount rate

	1% Decrease 1.00%	Current Discount Rate 2.00%	1% Increase 3.00%
Total OPEB liability	\$2,065,759	\$1,681,635	\$1,383,208

4. OPEB Expense

For the year ended September 30, 2021, the city recognized OPEB expense of **\$167,669.**

Service cost	\$ 80,635
Interest on total OPEB liability	39,042
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	(16,243)
Changes in assumption or other inputs*	64,235
Total OPEB expense	<u><u>\$ 167,669</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, 2021, the city reported deferred outflows of resources and deferred inflows of resources related to the pension from the following sources:

	Deferred (Inflows) of Resources	Deferred Outflows of Resources
Differences between expected and actual experience	\$ (90,931.00)	\$ -
Changes in assumptions and other inputs	-	367,659.00
Contributions made subsequent to measurement date		147,145.00
Total (excluding contributions made subsequent to measurement date)	\$ (90,931.00)	\$ 514,804.00

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

IV. OTHER INFORMATION

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

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

	Net Deferred Outflows/(Inflows) of Resources
2020	\$ 22,275
2021	22,275
2022	22,275
2023	22,275
2024	17,820
Thereafter	30,577
Total	\$ 137,497

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, 2021.

3. Construction Commitments

The city has entered various significant construction commitments that are currently underway. As of September 30, 2021, they are as follows:

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

IV. OTHER INFORMATION

E. Commitments

3. Construction Commitments

Governmental:					
	Balance 10/1/2020	Additions	Completions	Adjustments	Balance 9/30/2021
ADMINISTRATION					
City Hall Renovations	877,947	2,531,204	3,390,348	(18,802)	-
UTRGV Nursing School	-	669,246	-	-	669,246
Total Administration	877,947	3,200,450	3,390,348	(18,802)	669,246
PARKS					
Jones Box - Splash Pad	-	200,980	-	-	200,980
Jones Box Park	1,002,246	95,512	1,097,758	-	-
New Nature Park	-	6,350	-	-	6,350
North Side Aquatic Facility	13,992,948	13,008,305	-	-	27,001,253
Total Parks	14,995,194	13,311,147	1,097,758	-	27,208,583
STREETS					
North Cana	46,788	-	-	-	46,788
Veterans Hike & Bike	-	955,530	-	-	955,530
Various Parking Improvements	-	503,943	-	-	503,943
Ditch Widening	559,152	2,555,374	3,065,524	(49,002)	-
Anaya Road	329,887	-	-	-	329,887
Hi-Line	959,409	160,539	1,153,776	33,828	-
Owassa Road	3,255,593	-	-	-	3,255,593
Bike Path Stripping	294,413	-	294,413	-	-
PSJA Tri-City Pedestrian	398,068	220,888	508,488	(110,468)	-
Railroad Crossing Replanking	230,817	45,896	-	-	276,713
Total Streets	6,074,127	4,442,170	5,022,201	(125,642)	5,368,454
LIBRARY					
North Side Facility	287,271	6,724,530	-	-	7,011,801
Total Streets	287,271	6,724,530	-	-	7,011,801
Total Governmental	\$ 21,069,321	\$ 17,753,317	\$ 6,119,959	\$ (125,642)	\$ 40,258,084
Business-Type:					
	Balance 10/1/2020	Additions	Completions		Balance 9/30/2021
UTILITY					
Hike & Bike Reallocation	\$ 259,643	\$ 25,264	\$ 284,907	\$ -	\$ -
Relocation W & SW	425,085	-	425,085.00	-	-
Moore Road Sewer Improvements	1,072,677	-	1,072,677.00	-	-
Oxidation ditches	492,251	-	492,251.00	-	-
South Detention Pound	-	466,912	-	-	466,912
Waterline 16"	502,966	-	502,966.00	-	-
Lift Station Elimination	311,950	177,185	-	-	489,135
SOUTH REGION INTERCEPTOR	194,000	269,250	-	-	463,250
WEST RIDGE WATER IMPROVEMENTS	301,522	-	301,522.00	-	-
WATER TRANS MAINS-CONSTRUCTION	396,250	-	396,250.00	-	-
Raw Water Reservoir	9,545	204,647	-	-	214,192
Total Utility	3,965,889	1,143,258	3,475,658	-	1,633,489
BRIDGE					
Bridge Expansion	1,168,949	\$ 2,225,221	-	-	3,394,170
Bridge Office Expansion	1,461,640	784,462	2,246,102	-	-
FY 15 DAP	1,048,401	4,351,702	-	98,170	5,498,273
FY 16 DAP	2,466,196	118,068	-	(594,595)	1,989,667
Total Bridge	\$ 6,145,186	\$ 7,479,453	\$ 2,246,102	\$ (496,425)	\$ 10,882,110
Total Business-Type:	\$ 10,111,075	\$ 8,622,711	\$ 5,721,760	\$ (496,425)	\$ 12,515,679
Grand Total	\$ 31,180,396	\$ 26,376,027	\$ 11,841,719	\$ (622,067)	\$ 52,773,763

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

IV. OTHER INFORMATION

E. Commitments

4. Economic Development Commitments

The PEDC, TIRZ, and the city have the following outstanding commitments as of September 30, 2021
:

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.

The summary land transactions are stated on the following table:

Project/Land	NRV Recorded 9.30.2020	Added/ (Removed)	Adjustment	Gain/(Loss) on Appraised Value	NRV Recorded 9.30.2021
Jackson Development Project	\$ 1,240,000	\$ -	\$ -	\$ -	\$ 1,240,000
Produce Park	420,012	-	-	-	420,012
Water Resvoir Commercial Portion	750,000	-	-	-	750,000
Total	\$ 2,410,012	\$ -	\$ -	\$ -	\$ 2,410,012

G. Related Party

None

City of Pharr, Texas
NOTES TO FINANCIAL STATEMENTS
September 30, 2021

IV. OTHER INFORMATION

H. New Accounting Principles

In fiscal year 2021, GASB Issued Statement No 95, it summarized as follows:

Statement 95, the objective of this statement is to provide temporary relief due to COVID19. This statement will postpone effective dates of certain Statements and Implementation Guides that became effective for periods beginning after June 2018, and later.

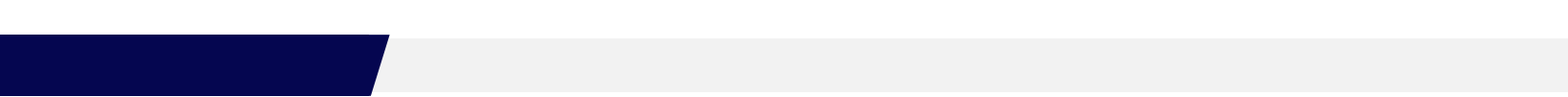
The following pronouncements were also issued by GASB but not applicable to City of Pharr as of September 30, 2021.

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

J. Subsequent Events

To report subsequent events, management has considered events occurring through (Date) 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 on February 28th, 2022, with a net effect in the General Fund of \$564,000 to cover for Christmas Bonus and salaries increases.
- In December 2021, the City of Pharr awarded US Bank Corp for the leasing of \$4.1 million in capital outlay for fiscal year 21-22.
- In October 2021, the city issued 23.7 million in bonds for the bridge expansion project.
- The launching of pharr.net, the new internet service that will bring a better quality of life to Pharr citizens.



REQUIRED SUPPLEMENTARY INFORMATION

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

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

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

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

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

Note to City: GASB 68 requires 10 fiscal years of data to be provided in this schedule.

City will be required to build this schedule over the next 10-year period.

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

Methods and Assumptions Used to Determine Contributions Rtae for 2020:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of payroll, Closed
Remaining Amortization Period	25 Years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 - 2018
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the public safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.

Other Information:

Notes There were no benefit changes during the year.

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, 2021

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
REVENUES				Basis	Budget Basis
Taxes:					
Property	\$	19,546,200	\$ 19,546,200	\$ 19,577,270	\$ 31,070
Sales		16,284,200	17,455,900	19,512,510	2,056,610
Franchise		2,171,700	2,171,700	2,512,805	341,105
Other		219,200	219,200	257,673	38,473
Licenses and permits		908,100	908,100	1,104,136	196,036
Intergovernmental		120,000	120,000	17,020	(102,980)
Fees and charges:					
Sanitation		3,022,000	3,022,000	2,929,891	(92,109)
Brush		1,247,700	1,247,700	1,150,222	(97,478)
Other		813,300	813,300	667,143	(146,157)
Fines		597,200	597,200	555,904	(41,296)
Interest income		150,500	150,500	45,637	(104,863)
Other		542,000	610,000	1,068,092	458,094
Total revenues		45,622,100	46,861,800	49,398,301	2,536,503
EXPENDITURES					
Current:					
General government		12,817,600	14,781,600	13,650,319	1,131,281
Public safety		25,349,600	26,174,100	25,099,773	1,074,327
Highways and streets		4,339,900	4,726,100	3,960,876	765,224
Health and welfare		2,878,900	2,878,900	3,200,954	(322,054)
Culture and recreation		7,234,900	7,457,600	6,794,920	662,680
Economic Development		990,300	990,300	1,267,101	(276,801)
Debt service:					
Principal		1,687,900	1,687,900	1,727,562	(39,662)
Interest		126,200	126,200	96,979	29,221
Total expenditures		55,425,300	58,822,700	55,798,484	3,024,216
Excess (deficiency) of revenues					
over (under) expenditures		(9,803,200)	(11,960,900)	(6,400,183)	(5,560,719)
OTHER FINANCING SOURCES (USES)					
Transfers in		9,115,200	9,259,900	8,788,820	471,080
Transfers (out)		(1,100,000)	(1,160,600)	(3,994,510)	2,833,910
Issuance of debt		1,788,000	1,788,000	1,788,000	-
Total other financing sources					
and uses		9,803,200	9,887,300	6,582,310	3,304,990
Net change in fund balance		-	(2,073,600)	182,126	(1,891,474)
Fund balance - beginning		-	-	29,050,416	29,050,416
Prior period adjustment		-	-	166,353	166,353
Fund balance - ending	\$	-	\$ (2,073,600)	\$ 29,398,896	\$ 27,325,297

COMBINING AND INDIVIDUAL FUND
INFORMATION AND OTHER SUPPLEMENTARY
INFORMATION

Non-Major Governmental Funds

Combining Financial Statements

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

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

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

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

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

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

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

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

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

CITY OF PHARR, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

	Special Revenue Funds				
	Asset Sharing	Community Development	Hotel/Motel	Parkland Dedication	Paving & Drainage
<u>ASSETS AND DEFERRED OUTFLOWS</u>					
Cash	\$ 1,095,133	\$ 479,782	\$ 2,002,255	\$ 30,136	\$ 759,810
Receivables (net of allowance for uncollectible):					
Property taxes	-	-	-	-	-
Notes	-	55,889	-	-	-
Accounts	-	-	-	-	119,651
Other	-	-	127,946	-	-
Due from other funds	61,703	-	-	-	-
Restricted assets:					
Cash	-	-	-	-	-
Intergovernmental receivable	-	67,049	-	-	-
Total assets	<u>\$ 1,156,836</u>	<u>\$ 602,720</u>	<u>\$ 2,130,201</u>	<u>\$ 30,136</u>	<u>\$ 879,461</u>
<u>LIABILITIES, DEFERRED INFLOW OF RESOURCES AND FUND BALANCE</u>					
Liabilities:					
Accounts payable	175,227	15,311	-	-	-
Due to other funds	-	62,677	-	-	-
Unearned revenue	-	-	-	-	-
Total liabilities	<u>175,227</u>	<u>77,988</u>	<u>-</u>	<u>-</u>	<u>-</u>
Deferred Inflows of Resources:					
Deferred property tax	-	-	-	-	-
Deferred accounts	-	-	-	-	211,169
Deferred notes	-	54,619	-	-	-
Total deferred inflows	<u>-</u>	<u>54,619</u>	<u>-</u>	<u>-</u>	<u>211,169</u>
Fund balances:					
Restricted:					
Debt service	-	-	-	-	-
Street paving and drainage	-	-	-	-	668,293
Tourism	-	-	2,130,201	-	-
Public safety	981,608	-	-	-	-
Parkland	-	-	-	30,136	-
Community development	-	470,113	-	-	-
Economic development	-	-	-	-	-
Assigned:					
Capital outlay	-	-	-	-	-
Total fund balances	<u>981,608</u>	<u>470,113</u>	<u>2,130,201</u>	<u>30,136</u>	<u>668,293</u>
Total liabilities and fund balances	<u>\$ 1,156,836</u>	<u>\$ 602,720</u>	<u>\$ 2,130,201</u>	<u>\$ 30,136</u>	<u>\$ 879,461</u>

CITY OF PHARR, TEXAS
COMBINING BALANCE SHEET
NONMAJOR GOVERNMENTAL FUNDS
SEPTEMBER 30, 2021

Special Revenue Funds					Debt Service Fund	Total Nonmajor Governmental Funds
Grants	Cares Act Grant	TIRZ No. 1	TIRZ No. 2	Total	Debt Service	
\$ 113,467	\$ -	\$ 2,179,141	\$ 1,555,385	\$ 8,215,109	\$ 2,320,849	\$ 10,535,957
-	-	-	181,683	181,683	382,498	564,181
-	-	-	-	55,889	-	55,889
-	-	-	-	119,651	-	119,651
-	-	265,436	-	393,382	-	393,382
-	-	-	-	61,703	-	61,703
-	10,784,003	-	-	10,784,003	-	10,784,003
270,290	14,116,434	-	-	14,453,773	-	14,453,773
<u>\$ 383,757</u>	<u>24,900,437</u>	<u>\$ 2,444,577</u>	<u>\$ 1,737,067</u>	<u>\$ 34,265,192</u>	<u>\$ 2,703,347</u>	<u>\$ 36,968,538</u>
28,780	-	-	-	219,318	-	219,318
247,424	-	-	-	858,175	-	858,175
107,554	24,900,437	-	-	25,007,991	-	25,007,991
<u>383,758</u>	<u>24,900,437</u>	<u>-</u>	<u>-</u>	<u>26,085,484</u>	<u>-</u>	<u>26,085,484</u>
-	-	-	-	-	382,498	382,498
-	-	-	-	211,169	-	211,169
-	-	-	-	54,619	-	54,619
<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>265,787</u>	<u>382,498</u>	<u>648,286</u>
-	-	-	-	-	2,320,849	2,320,849
-	-	-	-	668,293	-	668,293
-	-	-	-	2,130,201	-	2,130,201
-	-	-	-	981,608	-	981,608
-	-	-	-	30,136	-	30,136
-	-	-	-	470,113	-	470,113
-	-	2,444,577	1,737,067	3,633,570	-	3,633,570
-	-	-	-	-	-	-
<u>-</u>	<u>-</u>	<u>2,444,577</u>	<u>1,737,067</u>	<u>7,913,921</u>	<u>2,320,849</u>	<u>10,234,768</u>
<u>\$ 383,757</u>	<u>\$ 24,900,437</u>	<u>\$ 2,444,577</u>	<u>\$ 1,737,067</u>	<u>\$ 34,265,192</u>	<u>\$ 2,703,347</u>	<u>\$ 36,968,538</u>

CITY OF PHARR, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

		Special Revenue Funds					
		Asset Sharing	Community Development	Greater Pharr Chamber	Hotel/Motel	Parkland Dedication	Paving & Drainage
REVENUES							
Taxes:							
Property		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Other		-	-	-	681,443	-	-
Intergovernmental		293,757	1,302,222	-	-	-	-
Fees and charges:							
Other		-	-	-	-	29,858	1,093,606
Interest income		2,464	938	-	-	499	2,718
Other		-	-	-	6,183	-	-
Total revenues		<u>296,221</u>	<u>1,303,160</u>	<u>-</u>	<u>687,626</u>	<u>30,357</u>	<u>1,096,324</u>
EXPENDITURES							
Current:							
General government		-	607,607	-	-	-	-
Public safety		564,396	-	-	-	-	-
Highways and streets		-	-	-	-	-	91,523
Debt service:							
Principal		-	295,000	-	-	-	-
Interest		-	99,179	-	-	-	-
Total expenditures		<u>564,396</u>	<u>1,001,786</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>91,523</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(268,175)</u>	<u>301,374</u>	<u>-</u>	<u>687,626</u>	<u>30,357</u>	<u>1,004,801</u>
OTHER FINANCING SOURCES							
Contributions		-	(302,313)	-	(68,400.00)	-	-
Transfers in		-	-	-	-	-	-
Transfers (out)		-	-	-	(440,700)	(217,753)	(1,066,300)
Total other financing sources and uses		<u>-</u>	<u>(302,313)</u>	<u>-</u>	<u>(509,100)</u>	<u>(217,753)</u>	<u>(1,066,300)</u>
Net change in fund balances		(268,175)	(939)	-	178,526	(187,396)	(61,499)
Fund balance - beginning		1,249,784	470,032	121,335	1,951,675	217,531	729,792
Prior period adjustment		-	1,020	(121,335)	-	-	-
Fund balance - ending		<u>\$ 981,608</u>	<u>\$ 470,113</u>	<u>\$ -</u>	<u>\$ 2,130,201</u>	<u>\$ 30,136</u>	<u>\$ 668,293</u>

CITY OF PHARR, TEXAS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
NONMAJOR GOVERNMENTAL FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

Special Revenue Funds					Debt Service Fund Debt Service	Total Nonmajor Governmental Funds
Grants	COVID RELIEF Grant	TIRZ No. 1	TIRZ No. 2	Total		
\$ -	\$ -	\$ 667,998	\$ 478,017	\$ 1,146,015	\$ 5,137,967	\$ 6,283,982
-	-	-	-	681,443	-	681,443
1,280,488	4,290,242	-	-	7,166,709	-	7,166,709
-	-	-	-	-	-	-
-	-	-	-	1,123,464	-	1,123,464
-	-	4,032	3,915	14,566	-	14,566
-	-	-	-	6,183	-	6,183
<u>1,280,488</u>	<u>4,290,242</u>	<u>672,030</u>	<u>481,932</u>	<u>10,138,380</u>	<u>5,137,967</u>	<u>15,276,345</u>
-	957,482	-	-	1,565,089	-	1,565,089
1,242,620	-	-	-	1,807,016	-	1,807,016
-	-	-	-	91,523	-	91,523
-	-	-	-	-	-	-
-	-	-	-	295,000	3,582,256	3,877,256
-	-	-	-	99,179	2,888,541	2,987,720
<u>1,242,620</u>	<u>957,482</u>	<u>-</u>	<u>-</u>	<u>3,857,807</u>	<u>6,470,797</u>	<u>10,328,605</u>
<u>37,868</u>	<u>3,332,760</u>	<u>672,030</u>	<u>481,932</u>	<u>6,280,573</u>	<u>(1,332,830)</u>	<u>4,947,740</u>
-	-	-	-	(370,713)	1,019,000	648,287
-	-	-	-	-	1,703,300	1,703,300
-	<u>(3,332,760)</u>	<u>-</u>	<u>-</u>	<u>(5,057,513)</u>	<u>-</u>	<u>(5,057,513)</u>
-	<u>(3,332,760)</u>	<u>-</u>	<u>-</u>	<u>(5,428,226)</u>	<u>2,722,300</u>	<u>(2,705,926)</u>
37,868	-	672,030	481,932	852,347	1,389,470	2,241,814
9,881	-	1,651,408	1,652,932	8,054,370	931,379	8,985,749
<u>(47,749)</u>	<u>-</u>	<u>121,138</u>	<u>(397,795)</u>	<u>(444,721)</u>	<u>-</u>	<u>(444,721)</u>
\$ <u>-</u>	\$ <u>-</u>	\$ <u>2,444,577</u>	\$ <u>1,737,067</u>	\$ <u>8,461,995</u>	\$ <u>2,320,849</u>	\$ <u>10,782,842</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.

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

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

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

CITY OF PHARR, TEXAS
GENERAL FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Taxes:					
	Property				
	Current	\$ 18,646,200	\$ 18,646,200	\$ 18,356,716	\$ (289,484)
	Delinquent	600,000	600,000	721,267	121,267
	Penalty & interest	300,000	300,000	499,288	199,288
	Total property taxes	19,546,200	19,546,200	19,577,271	31,071
	Sales	16,284,200	17,455,900	19,512,510	2,056,610
	Franchise				
	Telephone	181,000	181,000	115,247	(65,753)
	Electric	1,787,300	1,787,300	1,906,320	119,020
	Cable	93,400	93,400	379,500	286,100
	Gas	110,000	110,000	111,738	1,738
	Total franchise taxes	2,171,700	2,171,700	2,512,805	341,105
	Other	219,200	219,200	257,673	38,473
	Total taxes	38,221,300	39,393,000	41,860,259	2,467,259
Licenses and permits					
	Building	504,500	504,500	739,164	234,664
	Vocational	103,900	103,900	109,825	5,925
	Other	299,700	299,700	255,238	(44,462)
	Total licenses & permits	908,100	908,100	1,104,227	196,127
Intergovernmental					
	Local school districts	120,000	120,000	-	(120,000)
	Other	-	-	17,020	17,020
	Total intergovernmental	120,000	120,000	17,020	(102,980)
Fees and charges:					
	Sanitation	3,022,000	3,022,000	2,929,891	(92,109)
	Brush	1,247,700	1,247,700	1,150,222	(97,478)
	Other	813,300	813,300	667,143	(146,157)
	Total fees & charges	5,083,000	5,083,000	4,747,256	(335,744)
Fines					
	Court	566,600	566,600	525,942	(40,658)
	Other	30,600	30,600	29,872	(728)
	Total fines	597,200	597,200	555,814	(41,386)
Interest income		150,500	150,500	45,637	(104,863)
Other		542,000	610,000	1,068,092	458,092
	Total revenues	\$ 45,622,100	\$ 46,861,800	\$ 49,398,303	\$ 2,536,503

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, 2021

EXPENDITURES		Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
		Original	Final		
Current:					
	General government				
	City manager	\$ 2,407,400	\$ 2,736,900	\$ 2,565,653	\$ 171,247
	Finance	725,900	685,700	658,626	27,074
	Purchasing	334,200	341,800	294,962	46,838
	IT	2,165,600	2,415,300	2,023,392	391,908
	Media	450,200	576,600	492,718	83,882
	Grants	273,500	484,400	311,641	172,759
	Office of Strategic Excellence	-	245,600	123,850	121,750
	Human Resources	769,000	795,500	744,436	51,064
	Development Services	1,516,600	1,566,200	1,499,555	66,645
	Engineering	746,100	753,500	651,647	101,853
	Non-departmental	3,429,100	4,180,100	4,283,930	(103,830)
	Total general government	12,817,600	14,781,600	13,650,408	1,131,192
	Public safety				
	Police	14,903,700	15,051,200	14,387,596	663,604
	Court	530,900	623,100	532,547	90,553
	Fire	8,145,500	8,346,400	7,880,851	465,549
	Communications	1,809,500	2,153,400	2,298,779	(145,379)
	Total public safety	25,389,600	26,174,100	25,099,773	1,074,327
	Highways and streets	4,339,900	4,726,100	3,960,876	765,224
	Health and welfare				
	Sanitation	1,991,100	1,991,100	2,213,450	(222,350)
	Brush	730,000	730,000	831,596	(101,596)
	Animal control	157,800	157,800	155,908	1,892
	Total health and welfare	2,878,900	2,878,900	3,200,954	(322,054)
	Culture and recreation				
	Library	1,486,900	1,521,200	1,533,219	(12,019)
	Parks	5,708,000	5,936,400	5,261,611	674,789
	Total culture and recreation	7,194,900	7,457,600	6,794,830	662,770
	Economic Development	990,300	990,300	1,267,101	(276,801)
	Debt service:				
	Principal	1,687,900	1,687,900	1,727,562	(39,662)
	Interest	126,200	126,200	96,979	29,221
		1,814,100	1,814,100	1,824,541	(10,441)
	Total expenditures	55,425,300	58,822,700	55,798,484	(3,024,217)
	Excess (deficiency) of revenues over (under) expenditures	\$ (9,803,200)	\$ (11,960,900)	\$ (6,400,181)	\$ 5,560,719

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, 2021

OTHER FINANCING SOURCES (USES)	Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
	Original	Final		
Transfers in				
Utility	\$ 701,200	\$ 701,200	\$ 701,200	\$ -
Bridge	8,354,000	8,354,000	7,809,867	(544,133)
Hotel	60,000	60,000	60,000	-
EMS	-	144,700	-	(144,700)
Parkland	-	-	217,753	217,753
Total transfers in	9,115,200	9,259,900	8,788,820	(471,080)
Transfers (out)				
Community Development	-	(1,900)	-	1,900
Capital Improvement Project	-	-	(2,777,428)	(2,777,428)
Debt Service	(326,000)	(326,000)	(326,100)	(100)
City Garage	-	(3,700)	(36,892)	(33,192)
Utility	-	(69,200)	(69,200)	-
Event Center	(244,400)	(187,700)	(252,700)	(65,000)
Bridge	-	(20,300)	(20,300)	-
Golf	(529,600)	(551,800)	(371,012)	180,788
Health Insurance	-	-	(140,878)	(140,878)
Total transfers (out)	(1,100,000)	(1,160,600)	(3,994,510)	(2,833,910)
Cost of Issuance	-	-	-	-
Bond/loan proceeds	1,788,000	1,788,000	1,788,000	-
Premium	-	-	-	-
Total	1,788,000	1,788,000	1,788,000	-
Total other financing sources and uses	9,803,200	9,887,300	6,582,310	(3,304,990)
Net change in fund balance	-	(2,073,600)	182,128	2,255,728
Fund balance - beginning	-	-	29,050,416	29,050,416
Prior period adjustment	-	-	166,353	166,353
Fund balance - ending	\$ -	\$ (2,073,600)	\$ 29,398,896	\$ 31,472,496

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, 2021

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
				Basis	Budget Basis
REVENUES					
Taxes:					
Intergovernmental		\$ -	\$ -	\$ 293,757	\$ 293,757
Interest income		-	-	2,464	2,464
Total revenues		<u>-</u>	<u>-</u>	<u>296,222</u>	<u>296,222</u>
EXPENDITURES					
Current:					
Public safety		550,000	550,000	564,395	(14,395)
Total expenditures		<u>550,000</u>	<u>550,000</u>	<u>564,395</u>	<u>(14,395)</u>
Excess (deficiency) of revenues					
over (under) expenditures		<u>(550,000)</u>	<u>(550,000)</u>	<u>(268,173)</u>	<u>281,827</u>
Net change in fund balance		(550,000)	(550,000)	(268,173)	281,827
Fund balance - beginning		-	-	1,249,784	1,249,784
Fund balance - ending		<u>\$ (550,000)</u>	<u>\$ (550,000)</u>	<u>\$ 981,608</u>	<u>\$ 1,531,611</u>

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, 2021

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
REVENUES				Basis	Budget Basis
Intergovernmental		\$ 1,131,400	\$ 1,131,400	\$ 1,302,221	\$ 170,821
Interest income		-	-	938	938
	Total revenues	<u>1,131,400</u>	<u>1,131,400</u>	<u>1,303,159</u>	<u>171,759</u>
EXPENDITURES					
Current:					
General government		725,500	727,400	607,607	119,793
Debt service:					
Principal		295,000	295,000	295,000	-
Interest		110,900	110,900	99,179	11,721
	Total expenditures	<u>1,131,400</u>	<u>1,133,300</u>	<u>1,001,786</u>	<u>131,514</u>
Excess (deficiency) of revenues					
over (under) expenditures		<u>-</u>	<u>(1,900)</u>	<u>301,373</u>	<u>303,273</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		-	1,900	-	1,900
Contributions		<u>-</u>	<u>-</u>	<u>(302,313)</u>	<u>302,313</u>
	Total other financing sources				
and uses		<u>-</u>	<u>1,900</u>	<u>(302,312)</u>	<u>304,213</u>
Net change in fund balance		-	-	(939)	(939)
Fund balance - beginning		-	-	470,032	470,032
Prior Year Adjustment		-	-	1,020	1,020.00
Fund balance - ending		<u>\$ -</u>	<u>\$ -</u>	<u>\$ 470,113</u>	<u>\$ 470,113</u>

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, 2021

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
				Basis	Budget Basis
REVENUES					
Taxes:					
Other		\$ 600,000	\$ 600,000	\$ 681,443	\$ 81,443
Other		-	-	6,183	6,183
	Total revenues	<u>600,000</u>	<u>600,000</u>	<u>687,626</u>	<u>87,626</u>
EXPENDITURES					
Current:					
	Culture and recreation	<u>90,900</u>	<u>90,900</u>	<u>-</u>	<u>90,900</u>
	Total expenditures	<u>90,900</u>	<u>90,900</u>	<u>-</u>	<u>90,900</u>
Excess (deficiency) of revenues					
over (under) expenditures		<u>509,100</u>	<u>509,100</u>	<u>687,626</u>	<u>178,526</u>
OTHER FINANCING SOURCES (USES)					
Transfers out		<u>(509,100)</u>	<u>(509,100)</u>	<u>(509,100)</u>	<u>-</u>
	Total other financing sources				
	and uses	<u>(509,100)</u>	<u>(509,100)</u>	<u>(509,100)</u>	<u>-</u>
	Net change in fund balance	<u>-</u>	<u>-</u>	<u>178,526</u>	<u>178,526</u>
	Fund balance - beginning	<u>-</u>	<u>-</u>	<u>1,951,675</u>	<u>1,951,675</u>
	Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 2,130,201</u>	<u>\$ 2,130,201</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, 2021

		Budgeted Amounts		Actual Budget Basis	Final Variance Budget Basis
		Original	Final		
REVENUES					
Fees and charges:					
Other		\$ 30,000	\$ 30,000	\$ 29,859	\$ (141)
Interest income		500	500	500	-
Total revenues		<u>30,500</u>	<u>30,500</u>	<u>30,359</u>	<u>(141)</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>30,500</u>	<u>30,359</u>	<u>(141)</u>
OTHER FINANCING SOURCES (USES)					
Transfers out		-	-	(217,753)	(217,753)
Total other financing sources and uses		<u>-</u>	<u>-</u>	<u>(217,753)</u>	<u>(217,753)</u>
Net change in fund balance		30,500	30,500	(187,394)	(217,894)
Fund balance - beginning		-	-	217,531	217,531
Fund balance - ending		<u>\$ 30,500</u>	<u>30,500</u>	<u>\$ 30,136</u>	<u>\$ (364)</u>

CITY OF PHARR, TEXAS
PAVING & DRAINAGE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
REVENUES				
Fees and charges:				
Other	\$ 1,051,300	\$ 1,051,300	\$ 1,093,606	\$ 42,306
Interest income	15,000	15,000	2,718	(12,282)
Total revenues	<u>1,066,300</u>	<u>1,066,300</u>	<u>1,096,323</u>	<u>30,024</u>
EXPENDITURES				
Current:				
Highways and streets	-	-	91,523	(91,523)
Total expenditures	<u>-</u>	<u>-</u>	<u>91,523</u>	<u>(91,523)</u>
Excess (deficiency) of revenues over (under) expenditures	<u>1,066,300</u>	<u>1,066,300</u>	<u>1,004,800</u>	<u>(61,499)</u>
OTHER FINANCING SOURCES (USES)				
Transfers out	(1,066,300)	(1,066,300)	(1,066,300)	-
Bond/loan proceeds	-	-	-	-
Total other financing sources and uses	<u>(1,066,300)</u>	<u>(1,066,300)</u>	<u>(1,066,300)</u>	<u>-</u>
Net change in fund balance	-	-	(61,500)	(61,500)
Fund balance - beginning	-	-	729,792	729,792
Fund balance - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 668,293</u>	<u>\$ 668,293</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, 2021

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Intergovernmental	\$	6,320,900	\$ 6,320,900	\$ 1,280,488	\$ (5,040,412)
Other			-	-	-
Total revenues		<u>6,320,900</u>	<u>6,320,900</u>	<u>1,280,488</u>	<u>(5,040,412)</u>
EXPENDITURES					
Current:					
Public safety		2,453,100	2,453,100	1,242,620	1,210,480
Streets		3,867,800	3,867,800	-	3,867,800
Total expenditures		<u>6,320,900</u>	<u>6,320,900</u>	<u>1,242,620</u>	<u>5,078,280</u>
Excess (deficiency) of revenues over (under) expenditures		<u>-</u>	<u>-</u>	<u>37,868</u>	<u>37,868</u>
Net change in fund balance		-	-	37,868	37,868
Fund balance - beginning		-	-	9,881	9,881
Prior period adjustment		<u>-</u>	<u>-</u>	<u>(47,749)</u>	<u>(47,749)</u>
Fund balance - ending	\$	<u>-</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>

CITY OF PHARR, TEXAS
DEBT SERVICE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
				Basis	Budget Basis
REVENUES					
Taxes:					
Current taxes	\$	4,948,500	\$ 4,948,500	\$ 4,871,602	\$ (76,898)
Delinquent taxes		80,000	80,000	149,600	69,600
Interest and penalty		50,000	50,000	106,103	56,103
Interest income		86,200	86,200	10,661	(75,539)
Total revenues		<u>5,164,700</u>	<u>5,164,700</u>	<u>5,137,966</u>	<u>(26,734)</u>
EXPENDITURES					
Debt service:					
Principal		4,985,700	4,985,700	3,582,256	1,403,444
Interest		2,901,200	2,901,200	2,888,541	12,659
Total expenditures		<u>7,886,900</u>	<u>7,886,900</u>	<u>6,470,797</u>	<u>1,416,103</u>
Excess (deficiency) of revenues over (under) expenditures		<u>(2,722,200)</u>	<u>(2,722,200)</u>	<u>(1,332,831)</u>	<u>1,389,369</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		2,722,200	2,722,200	2,722,300	100
Total other financing sources and uses		<u>2,722,200</u>	<u>2,722,200</u>	<u>2,722,300</u>	<u>100</u>
Net change in fund balance		-	-	1,389,469	1,389,469
Fund balance - beginning		-	-	931,379	931,379
Prior period adjustment		-	-	-	-
Fund balance - ending	\$	<u>-</u>	<u>-</u>	<u>2,320,849</u>	<u>2,320,849</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, 2021

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
REVENUES				Basis	Budget Basis
Taxes:					
Intergovernmental		\$ 5,000,000	\$ 5,000,000	\$ 9,885,224	\$ 4,885,224
	Total revenues	<u>5,000,000</u>	<u>5,000,000</u>	<u>9,885,224</u>	<u>4,885,224</u>
EXPENDITURES					
Current:					
General government		12,400,000	12,400,000	4,586,547	7,813,453
Public safety		-	-	77,875	(77,875)
Highways and streets		7,000,000	7,000,000	4,014,065	2,985,935
Culture and recreation		26,935,800	26,935,800	22,789,400	4,146,400
Debt Service					
Principal		982,700	982,700	1,025,667	(42,967)
Interest		225,500	225,500	182,449	43,051
	Total expenditures	<u>47,544,000</u>	<u>47,544,000</u>	<u>32,676,004</u>	<u>14,867,996</u>
Excess (deficiency) of revenues					
	over (under) expenditures	<u>(42,544,000)</u>	<u>(42,544,000)</u>	<u>(22,790,780)</u>	<u>(19,753,220)</u>
OTHER FINANCING SOURCES (USES)					
Transfers in		<u>1,447,000</u>	<u>1,447,000</u>	<u>9,256,741</u>	<u>7,809,741</u>
	Total other financing sources				
	and uses	<u>1,447,000</u>	<u>1,447,000</u>	<u>9,256,741</u>	<u>7,809,741</u>
Net change in fund balance		(41,097,000)	(41,097,000)	(13,534,039)	27,562,961
Fund balance - beginning		-	-	27,683,716	27,683,716
Prior period adjustment		-	-	(2,210,918)	(2,210,918)
Fund balance - ending		\$ (41,097,000)	\$ (41,097,000)	\$ 11,938,761	\$ 53,035,761

CITY OF PHARR, TEXAS
COVID RELIEF FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

		Budgeted Amounts		Actual	Final
		Original	Final	Budget	Variance
				Basis	Budget Basis
REVENUES					
Intergovernmental		\$ -	\$ -	\$ 4,290,242	\$ 4,290,242
	Total revenues	<u>-</u>	<u>-</u>	<u>4,290,242</u>	<u>4,290,242</u>
EXPENDITURES					
Current:					
Health and welfare		-	-	957,482	(957,482)
	Total expenditures	<u>-</u>	<u>-</u>	<u>957,482</u>	<u>(957,482)</u>
Excess (deficiency) of revenues					
over (under) expenditures		<u>-</u>	<u>-</u>	<u>3,332,760</u>	<u>3,332,760</u>
OTHER FINANCING SOURCES (USES)					
Transfers out		-	-	(3,332,760)	(3,332,760)
	Total other financing sources	<u>-</u>	<u>-</u>	<u>(3,332,760)</u>	<u>(3,332,760)</u>
Net change in fund balance		-	-	-	-
Fund balance - beginning		-	-	-	-
Fund balance - ending		<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</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, 2021

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Taxes:					
	Property	\$ 802,700	\$ 802,700	\$ 667,998	\$ (134,702)
Interest Income		-	-	4,032	4,032
	Total revenues	<u>802,700</u>	<u>802,700</u>	<u>672,030</u>	<u>(130,670)</u>
EXPENDITURES					
Current:					
	General Government	-	-	-	-
	Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues					
over (under) expenditures		<u>802,700</u>	<u>802,700</u>	<u>672,030</u>	<u>(130,670)</u>
Net change in fund balance		802,700	802,700	672,030	(130,670)
Fund balance - beginning		-	-	1,651,408	1,651,408
Prior Year Adjustment		-	-	121,138	121,138
Fund balance - ending		<u>\$ 802,700</u>	<u>\$ 802,700</u>	<u>\$ 2,444,577</u>	<u>\$ 1,641,876</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, 2021

		Budgeted Amounts		Actual	Final
		Original	Final	Budget Basis	Variance Budget Basis
REVENUES					
Taxes:					
	Property	\$ 669,200	\$ 669,200	\$ 478,017	\$ (191,183)
Interest Income		-	-	3,915	3,915
	Total revenues	<u>669,200</u>	<u>669,200</u>	<u>481,931</u>	<u>(187,269)</u>
EXPENDITURES					
Current:					
	General Government	-	-	-	-
	Total expenditures	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Excess (deficiency) of revenues					
over (under) expenditures		<u>669,200</u>	<u>669,200</u>	<u>481,931</u>	<u>(187,269)</u>
Net change in fund balance		669,200	669,200	481,931	(187,269)
Fund balance - beginning		-	-	1,652,932	1,652,932
Prior Year Adjustment		-	-	(397,795)	(397,795)
Fund balance - ending		<u>\$ 669,200</u>	<u>\$ 669,200</u>	<u>\$ 1,737,068</u>	<u>\$ 1,067,868</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.

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

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, 2021

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Water Sales	\$ 9,022,000	\$ 9,022,000	\$ 9,023,208	\$ 1,208
Sewer Fees	6,973,900	6,973,900	7,205,233	231,333
Tap Fees	343,200	343,200	336,235	(6,965)
Other	87,000	87,000	40,878	(46,122)
Total operating revenues	<u>16,426,100</u>	<u>16,426,100</u>	<u>16,605,555</u>	<u>179,455</u>
OPERATING EXPENSES				
Personnel services	4,351,200	4,420,400	4,029,397	391,003
Supplies and Materials	1,777,800	2,170,500	2,047,773	122,727
Contractual Services	34,810,800	34,660,700	5,488,214	29,172,486
Depreciation	-	-	4,154,663	(4,154,663)
Total operating expenses	<u>40,939,800</u>	<u>41,251,600</u>	<u>15,720,047</u>	<u>25,531,553</u>
Operating income (loss)	<u>(24,513,700)</u>	<u>(24,825,500)</u>	<u>885,508</u>	<u>25,711,008</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	93,400	93,400	20,432	(72,968)
Interest expense	(1,222,200)	(1,222,200)	(1,307,820)	(85,620)
Amortization expense	-	-	363,824	363,824
Intergovernmental	-	-	360,675	360,675
Other	6,000	6,000	19,515	13,515
Issuance cost	-	-	(80,000)	(80,000)
Total nonoperating revenues/				
(expenses)	<u>(1,122,800)</u>	<u>(1,122,800)</u>	<u>(623,374)</u>	<u>499,426</u>
Income before contributions				
and transfers	<u>(25,636,500)</u>	<u>(25,948,300)</u>	<u>262,134</u>	<u>26,210,434</u>
Transfers in	-	72,900	69,200	(3,700)
Transfers (out)	(1,441,500)	(1,441,500)	(3,511,200)	(2,069,700)
Capital Contributions	-	-	1,412,457	1,412,457
Changes in net position	<u>(27,078,000)</u>	<u>(27,316,900)</u>	<u>(1,767,409)</u>	<u>25,549,491</u>
Total net position - beginning	-	-	101,546,953	101,546,953
Prior period adjustment	-	-	(3,794,764)	(3,794,764)
Total net position - ending	<u>\$ (27,078,000)</u>	<u>\$ (27,316,900)</u>	<u>\$ 95,984,779</u>	<u>\$ 123,301,679</u>

CITY OF PHARR, TEXAS
PHARR EMERGENCY MEDICAL SERVICE
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Final
	Original	Final	Budget	Variance
			Basis	Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
EMS	\$ -	\$ 6,947,000	\$ 1,315,371	\$ (5,631,629)
Total operating revenues	<u>-</u>	<u>6,947,000</u>	<u>1,315,371</u>	<u>(5,631,629)</u>
OPERATING EXPENSES				
Personnel services	-	4,133,100	2,463,992	1,669,108
Supplies and Materials	-	112,500	317,562	(205,062)
Contractual Services	-	2,556,900	1,585,383	971,517
Depreciation	-	-	281,224	(281,224)
Total operating expenses	<u>-</u>	<u>6,802,500</u>	<u>4,648,162</u>	<u>2,154,338</u>
Operating income (loss)	<u>-</u>	<u>144,500</u>	<u>(3,332,790)</u>	<u>(3,477,290)</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	-	-	30	30
Total nonoperating revenues/(expenses)				
Income before contributions and transfers	<u>-</u>	<u>144,500</u>	<u>(3,332,760)</u>	<u>(3,477,260)</u>
Transfers (out)	-	(144,500)	3,332,760	3,477,260
Changes in net position	-	144,500	-	-
Total net position - beginning	-	-	-	-
Prior period adjustment	-	-	3,578,132	3,578,132
Total net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,578,132</u>	<u>\$ 3,578,132</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, 2021

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Other	\$ 489,500	\$ 432,800	\$ 28,118	\$ (404,682)
Total operating revenues	<u>489,500</u>	<u>432,800</u>	<u>28,118</u>	<u>(404,682)</u>
OPERATING EXPENSES				
Personnel services	307,600	226,000	283,778	(57,778)
Supplies and Materials	60,600	60,600	29,377	31,223
Contractual Services	121,300	111,300	74,312	36,988
Depreciation	-	-	-	-
Total operating expenses	<u>489,500</u>	<u>397,900</u>	<u>387,467</u>	<u>10,433</u>
Operating income (loss)	<u>-</u>	<u>34,900</u>	<u>(359,349)</u>	<u>(394,249)</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	-	-	47	47
Total nonoperating revenues/(expenses)	-	-	-	-
Income before contributions and transfers	<u>-</u>	<u>34,900</u>	<u>(359,302)</u>	<u>(394,202)</u>
Transfers in	-	-	252,700	252,700
Changes in net position	-	34,900	(106,602)	(141,502)
Total net position - beginning	-	-	3,556,410	3,556,410
Prior period adjustment	-	-	(3,202,640)	(3,202,640)
Total net position - ending	<u>\$ -</u>	<u>\$ 34,900</u>	<u>\$ 247,168</u>	<u>\$ 212,267</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, 2021

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Toll fees	\$ 14,100,000	\$ 15,300,000	\$ 16,379,775	\$ 1,079,775
Other	248,600	248,600	584,265	335,665
Total operating revenues	<u>14,348,600</u>	<u>15,548,600</u>	<u>16,964,039</u>	<u>1,415,439</u>
OPERATING EXPENSES				
Personnel services	1,378,100	1,393,400	1,343,622	49,778
Supplies and Materials	176,000	171,000	166,873	4,127
Contractual Services	1,509,900	2,719,900	2,628,159	91,741
Depreciation	-	-	953,126	(953,126)
Total operating expenses	<u>3,064,000</u>	<u>4,284,300</u>	<u>5,091,779</u>	<u>(807,479)</u>
Operating income (loss)	<u>11,284,600</u>	<u>11,264,300</u>	<u>11,872,260</u>	<u>607,960</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	66,200	66,200	32,478	(33,722)
Interest expense	(88,900)	(88,900)	(91,606)	(2,706)
Amortization expense	-	-	36,421	36,421
Intergovernmental	<u>20,849,000</u>	<u>20,849,000</u>	<u>3,245,246</u>	<u>(17,603,754)</u>
Total nonoperating revenues/(expenses)	<u>20,826,300</u>	<u>20,826,300</u>	<u>3,222,539</u>	<u>17,603,761</u>
Income before contributions and transfers	<u>32,110,900</u>	<u>32,090,600</u>	<u>15,094,799</u>	<u>(16,995,801)</u>
Transfers in	-	20,300	20,300	-
Transfers (out)	(9,731,200)	(9,731,200)	(11,107,067)	(1,375,867)
Debt Proceeds	<u>(680,700)</u>	<u>(680,700)</u>	<u>-</u>	<u>680,700</u>
Changes in net position	<u>21,699,000</u>	<u>21,699,000</u>	<u>4,008,032</u>	<u>(17,690,968)</u>
Total net position - beginning	-	-	25,127,042	25,127,042
Prior period adjustment	<u>-</u>	<u>-</u>	<u>(563,996)</u>	<u>(563,996)</u>
Total net position - ending	<u>\$ 21,699,000</u>	<u>\$ 21,699,000</u>	<u>\$ 28,571,076</u>	<u>\$ 6,872,076</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, 2021

	Budgeted Amounts		Actual	Final
	Original	Final	Budget Basis	Variance Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Golf Services	\$ 721,000	\$ 721,000	\$ 811,258	\$ 90,258
Other	95,000	95,000	70,093	(24,907)
Total operating revenues	<u>816,000</u>	<u>816,000</u>	<u>881,351</u>	<u>65,351</u>
OPERATING EXPENSES				
Personnel services	883,700	893,400	753,928	139,472
Supplies and Materials	244,500	179,500	160,993	18,507
Contractual Services	168,400	245,900	329,613	(83,713)
Depreciation	-	-	243,587	(243,587)
Total operating expenses	<u>1,296,600</u>	<u>1,318,800</u>	<u>1,488,122</u>	<u>(169,322)</u>
Operating income (loss)	<u>(480,600)</u>	<u>(502,800)</u>	<u>(606,771)</u>	<u>(103,971)</u>
NON OPERATING REVENUES/(EXPENSES):				
Investment earnings	11,800	11,800	2,203	(9,597)
Interest expense	(60,800)	(60,800)	(5,282)	55,518
Total nonoperating revenues/				
(expenses)	<u>(49,000)</u>	<u>(49,000)</u>	<u>(3,079)</u>	<u>45,921</u>
Income before contributions				
and transfers	<u>(529,600)</u>	<u>(551,800)</u>	<u>(609,850)</u>	<u>(58,050)</u>
Transfers in	<u>529,600</u>	<u>551,800</u>	<u>371,012</u>	<u>(180,788)</u>
Changes in net position	-	-	(238,838)	(238,838)
Total net position - beginning	-	-	3,497,476	3,497,476
Prior period adjustment	-	-	(5,267)	(5,267)
Total net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 3,253,372</u>	<u>\$ 3,253,372</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.

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

CITY OF PHARR, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
SEPTEMBER 30, 2021

	<u>City Garage</u>	<u>Health Care Insurance</u>	<u>TOTAL</u>
<u>ASSETS</u>			
Current assets:			
Cash	\$ 99,673	\$ 928,238	\$ 1,027,911
Inventories	41,401	-	41,401
Total current assets	<u>141,074</u>	<u>928,238</u>	<u>1,069,312</u>
Noncurrent assets:			
Capital assets (net of accumulated: depreciation):			
Buildings	321,617	-	321,617
Total capital assets, net of accumulated depreciation	<u>321,617</u>	<u>-</u>	<u>321,617</u>
Total noncurrent assets	<u>321,617</u>	<u>-</u>	<u>321,617</u>
Total assets	<u>462,690</u>	<u>928,238</u>	<u>1,390,928</u>
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	48,558	791,154	839,712
Due to other funds	28,317	-	28,317
Total current liabilities	<u>76,874</u>	<u>791,154</u>	<u>868,029</u>
Current liabilities payable from restricted assets:			
Matured accrued compensation	9,290	-	9,290
Matured capital lease	-	-	-
Total current liabilities payable from restricted assets	<u>9,290</u>	<u>-</u>	<u>9,290</u>
Noncurrent liabilities:			
Accrued compensation	28,109	-	28,109
Capital lease payable	2,665	-	2,665
Total noncurrent liabilities	<u>30,774</u>	<u>-</u>	<u>30,774</u>
Total liabilities	<u>116,938</u>	<u>791,154</u>	<u>908,093</u>
<u>NET POSITION</u>			
Net assets:			
Invested in capital assets, net of related debt	321,617	-	321,617
Unrestricted	24,136	137,083	161,219
Total net position	<u>\$ 345,752</u>	<u>\$ 137,083</u>	<u>\$ 482,835</u>

CITY OF PHARR, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN NET POSITION
FOR THE YEAR ENDED SEPTEMBER 30, 2021

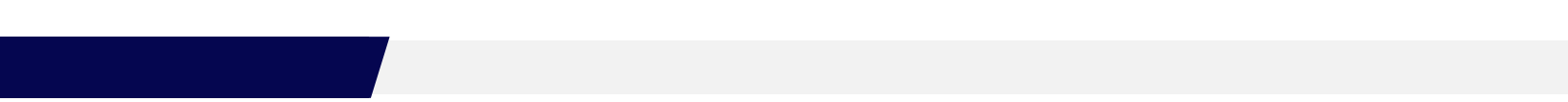
	City Garage	Health Care Insurance	TOTALS
Operating revenues:			
Charges services:	\$ 779,692	\$ -	\$ 779,692
Contributions	-	5,430,108	5,430,108
Total operating revenues	<u>779,692</u>	<u>5,430,108</u>	<u>6,209,800</u>
Operating expenses:			
Personnel services	185,358	-	185,358
Contractual Services	610,376	-	610,376
Depreciation	14,467	-	14,467
Self Insurance Claims	-	5,434,675	5,434,675
Total operating expenses	<u>810,200</u>	<u>5,434,675</u>	<u>6,244,875</u>
Operating income (loss)	<u>(30,508)</u>	<u>(4,567)</u>	<u>(35,075)</u>
Nonoperating revenues (expenses):			
Interest expense	(2,684)	-	(2,684)
Investment revenue	-	772	772
Total nonoperating revenues (expenses)	<u>(2,684)</u>	<u>772</u>	<u>(1,912)</u>
Income before contributions and transfers	(33,192.18)	(3,794.49)	(36,986.67)
Transfers in	<u>36,892.37</u>	<u>140,877.91</u>	<u>177,770.28</u>
Changes in net position	3,700.19	137,083.42	140,783.61
Total net position- beginning	363,934	-	363,934
Prior period adjustment	(21,882)	-	(21,882)
Total net position - ending	<u>\$ 345,752</u>	<u>\$ 137,083</u>	<u>\$ 482,836</u>

CITY OF PHARR, TEXAS
INTERNAL SERVICE FUNDS - GARAGE
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Final
	Original	Final	Budget	Variance
			Basis	Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Other	\$ 890,900	\$ 890,900	\$ 779,692	\$ (111,208)
Total operating revenues	<u>890,900</u>	<u>890,900</u>	<u>779,692</u>	<u>(111,208)</u>
OPERATING EXPENSES				
Personnel services	220,800	224,500	185,358	39,142
Supplies and Materials	10,600	10,600	6,539	4,061
Contractual Services	656,700	656,700	603,836	52,864
Depreciation	-	-	14,467	(14,467)
Total operating expenses	<u>888,100</u>	<u>891,800</u>	<u>810,200</u>	<u>81,600</u>
Operating income (loss)	<u>2,800</u>	<u>(900)</u>	<u>(30,509)</u>	<u>(29,609)</u>
NON OPERATING REVENUES/(EXPENSES):				
Interest expense	(2,800)	(2,800)	(2,684)	116
Total nonoperating revenues/ (expenses) income before contributions and transfers	<u>(2,800)</u>	<u>(2,800)</u>	<u>(33,193)</u>	<u>(29,493)</u>
Transfers in	-	-	36,892	36,892
Changes in net position	-	(3,700)	3,700	7,400
Total net position - beginning	-	-	363,934	363,934
Prior period adjustment	-	-	(21,882)	(21,882)
Total net position - ending	<u>\$ -</u>	<u>\$ (3,700)</u>	<u>\$ 345,752</u>	<u>\$ 349,452</u>

CITY OF PHARR, TEXAS
INTERNAL SERVICE FUNDS - HEALTH INSURANCE
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)
FOR THE YEAR ENDED SEPTEMBER 30, 2021

	Budgeted Amounts		Actual	Final
	Original	Final	Budget	Variance
			Basis	Budget Basis
OPERATING REVENUES				
Charges for sales and services:				
Other	\$ -	\$ -	\$ 5,430,108	\$ 5,430,108
Total operating revenues	<u>-</u>	<u>-</u>	<u>5,430,108</u>	<u>5,430,108</u>
OPERATING EXPENSES				
Self Insurance Claims	-	-	5,434,675	(5,434,675)
Total operating expenses	<u>-</u>	<u>-</u>	<u>5,434,675</u>	<u>(5,434,675)</u>
Operating income (loss)	<u>-</u>	<u>-</u>	<u>(4,567)</u>	<u>(4,567)</u>
NON OPERATING REVENUES/(EXPENSES):				
Interest expense	-	-	772	(772)
Total nonoperating revenues/ (expenses) income before contributions and transfers	<u>-</u>	<u>-</u>	<u>(3,794)</u>	<u>(3,794)</u>
Transfers in	-	-	140,878	140,878
Changes in net position	<u>-</u>	<u>-</u>	<u>137,083</u>	<u>137,083</u>
Total net position - beginning	-	-	-	-
Prior period adjustment	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total net position - ending	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 137,083</u>	<u>\$ 137,083</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. -116-

Revenue Capacity

These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax. -121-

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. -125-

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 -130-

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. -133-

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)

	<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>
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	<u>40,766</u>	<u>45,885</u>	<u>49,675</u>	<u>47,966</u>	<u>47,988</u>	<u>50,023</u>	<u>63,661</u>	<u>55,847</u>	<u>59,624</u>	<u>79,373</u>
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	<u>51,215</u>	<u>57,393</u>	<u>67,269</u>	<u>59,940</u>	<u>57,655</u>	<u>71,817</u>	<u>81,342</u>	<u>89,986</u>	<u>87,764</u>	<u>98,727</u>
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)	<u>10,399</u>	<u>37,395</u>	<u>21,175</u>	<u>10,260</u>	<u>10,286</u>	<u>41,680</u>	<u>12,641</u>	<u>39,696</u>	<u>27,784</u>	<u>31,454</u>
Special Items										
Gain/(Loss) on land available for sale valuation	-	-	(6,371)	-	(7,629)	-	1,566	(356)	-	-
Total special items	<u>-</u>	<u>-</u>	<u>(6,371)</u>	<u>-</u>	<u>(7,629)</u>	<u>-</u>	<u>1,566</u>	<u>(356)</u>	<u>-</u>	<u>-</u>
Net change in fund balances	<u>\$ (50)</u>	<u>\$ 25,887</u>	<u>\$ (2,790)</u>	<u>\$ (1,714)</u>	<u>\$ (7,010)</u>	<u>\$ 19,887</u>	<u>\$ (3,475)</u>	<u>\$ 5,201</u>	<u>\$ (356)</u>	<u>\$ 12,100</u>
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				
2012	\$ 14,300	\$ 7,600	\$ 21,500	\$ 3,405		\$ 55,385	\$ 537	\$ -		\$ 102,726	0.03%	\$ 1,417
2013	\$ 12,800	\$ 7,300	\$ 28,500	\$ 3,200		\$ 61,000	\$ 463	\$ -		\$ 113,263	0.03%	\$ 1,562
2014	\$ 11,295	\$ 7,025	\$ 24,064	\$ 4,101		\$ 58,442	\$ 389	\$ -		\$ 105,317	0.03%	\$ 1,452
2015	\$ 9,710	\$ 6,720	\$ 20,242	\$ 3,413		\$ 55,917	\$ 218	\$ -		\$ 96,219	0.04%	\$ 1,327
2016	\$ 7,440	\$ 20,705	\$ 14,254	\$ 8,541		\$ 52,092	\$ 27	\$ -		\$ 103,059	0.03%	\$ 1,347
2017	\$ 6,305	\$ 18,835	\$ 1,121	\$ 6,516		\$ 44,268	\$ 1,783	\$ -		\$ 78,827	0.05%	\$ 1,019
2018	\$ 5,898	\$ 32,565	\$ 6,819	\$ 7,377		\$ 41,097	\$ 3,539	\$ -		\$ 97,295	0.04%	\$ 1,224
2019	\$ 4,090	\$ 33,440	\$ 18,700	\$ 7,390		\$ 44,400	\$ 3,830	\$ -		\$ 111,850	0.04%	\$ 1,403
2020	\$ 1,430	\$ 47,560	\$ 4,683	\$ 6,478		\$ 65,613	\$ 3,249	\$ -		\$ 129,013	0.03%	\$ 1,625
2021	\$ -	\$ 67,085	\$ 3,657	\$ 6,160		\$ 101,864	\$ 2,722	\$ -		\$ 181,488	0.02%	\$ 2,277

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>
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	\$ 1,430	0.03%	\$ 18.0
2021	\$ -	0.00%	\$ -

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	1,430
Legal debt margin	\$ 260,538	\$ 262,620	\$ 273,085	\$ 284,071	\$ 303,388	\$ 330,972	\$ 393,881	\$ 442,107	\$ 395,433	\$ 425,068
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%	0.3%

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>1,430</u>
Legal debt margin	<u>\$ 425,068</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

SINGLE AUDIT SECTION



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Associates:

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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 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 aggregate discretely presented component units, the blended 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, 2021, and the related notes to the financial statements, which collectively comprise the City of Pharr, Texas' basic financial statements and have issued our report thereon dated April 12, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Pharr, Texas' internal control over financial reporting (internal control) as a basis for designing 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' internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Pharr, Texas' 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 have not been 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 certain deficiencies in internal control, described in the accompanying schedule of findings and questioned costs as item 2021-001 that we consider to be a significant deficiency.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Pharr, Texas' 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

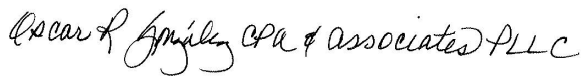
effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

City of Pharr, Texas's Response to Findings

City of Pharr, Texas' response to the findings identified in our audit is described in the accompanying schedule of findings and questioned costs. City of Pharr, Texas' 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.

Handwritten signature of Oscar R. Gonzalez in cursive script.

Oscar R. Gonzalez, CPA & Associates, PLLC
Certified Public Accountants

Pharr, Texas
April 12, 2022



Oscar R. Gonzalez CPA & Associates PLLC

Certified Public Accountants

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INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM GUIDANCE AND THE STATE OF TEXAS *SINGLE AUDIT CIRCULAR*

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

Report on Compliance for Each Major Federal and State Program

We have audited the City of Pharr, Texas' compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State of Texas Single Audit Circular* that could have a direct and material effect on each of the City of Pharr, Texas's major federal and state programs for the year ended September 30, 2021. City of Pharr, Texas' major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal and state statutes, regulations, and the terms and conditions of its federal and state awards applicable to its federal and state programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Pharr, Texas' major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) and the *State of Texas Single Audit Circular* (Circular). Those standards, Uniform Guidance and the Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal and state program occurred. An audit includes examining, on a test basis, evidence about the City of Pharr, Texas' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal and state program. However, our audit does not provide a legal determination of the City of Pharr, Texas' compliance.

Opinion on Each Major Federal and State Program

In our opinion, the City of Pharr, Texas, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2021.

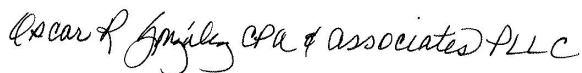
Report on Internal Control over Compliance

Management of the City of Pharr, Texas, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Pharr, Texas' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance and Circular, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Pharr, Texas' internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal and state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance the Circular. Accordingly, this report is not suitable for any other purpose.



Oscar R. Gonzalez, CPA & Associates, PLLC
Certified Public Accountant

Pharr, Texas
April 12, 2022

CITY OF PHARR, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED SEPTEMBER 30, 2021

Federal Grantor/Pass Through Grantor/ State Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Grant Expenditures	Expenditures to Subrecipients
FEDERAL AWARDS				
CDBG ENTITLEMENT GRANTS CLUSTER				
U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT				
Direct Programs				
Community Development Block Grant 2018	14.218	B-18-MC-48-0507	\$ 361,502	\$ 115,464
Community Development Block Grant 2019	14.218	B-19-MC-48-0507	162,619	5,306
Community Development Block Grant 2020	14.218	B-20-MW-48-0507	430,579	69,303
Community Development Block Grant- COVID19 (CARES ACT 2020)	14.218	B-20-MW-48-0507	236,556	60,127
Total U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT			\$ 1,191,256	\$ 250,200
Total CDBG Entitlement Grants Cluster			\$ 1,191,256	\$ 250,200
U.S. DEPARTMENT OF JUSTICE				
Direct Programs:				
(HOPE) COVID-19 Response Project - TX Office of the Governor	16.034	2020-VD-BX-0002	\$ 138,865	\$ -
Total Direct Programs			\$ 138,865	\$ -
Indirect Programs:				
Pass-through from Texas Office of the Governor-Criminal Justice Division (CJD)				
Human Trafficking Liaison Grant	16.575	2019-V2-GX-0011	\$ 41,736	\$ -
Crime Victims Liaison Grant	16.575	2019-V2-GX-0011	41,200	-
Domestic Violence Coordinator Project	16.575	2019-V2-GX-0011	39,592	-
Total Pass-through Texas Office of the Governor- Criminal Justice Division (CJD)			\$ 122,528	\$ -
Total U.S. DEPARTMENT OF JUSTICE			\$ 261,393	\$ -
U.S. DEPARTMENT OF THE TREASURY				
Pass-through Direct Programs:				
Operation Task Force	16.922	112SA1599	\$ 103,861	\$ -
Total U.S. DEPARTMENT OF TREASURY			\$ 103,861	\$ -
U.S. DEPARTMENT OF TRANSPORTATION				
HIGHWAY PLANNING AND CONSTRUCTION				
Pass-through Texas Department of Transportation (TXDOT)				
Federal-Aid Highway Program	20.205		\$ 2,438,649	\$ -
Total U.S. DEPARTMENT OF TREASURY			\$ 2,438,649	\$ -
HIGHWAY SAFETY CLUSTER				
NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION				
Pass-through Texas Department of Transportation (TXDOT)				
STEP - Commercial Motor Vehicle (CMV)	20.600	2021-PharrPD-S-CMV-00006	\$ 11,762	\$ -
STEP - Comprehensive Grant	20.600	2021-PharrPD-S-1YG-00015	11,969	-
Total State and Community Highway Safety			\$ 23,731	\$ -
Click it or Ticket	20.614	2021-PharrPD-CIOT-00035	\$ 7,527	\$ -
Click it or Ticket	20.614	2021-PharrPD-CIOT-THA-00010	2,917	-
Total National Traffic Safety Administration			\$ 10,444	\$ -
STEP - Impaired Driving Mobilization (IDM)	20.616	2021-PharrPD-IDM-00005	\$ 17,099	\$ -
Total National Priority Safety Programs			\$ 17,099	\$ -
Total Pass-through Texas Department of Transportation			\$ 51,274	\$ -
Total Highway Safety Cluster			\$ 51,274	\$ -

CITY OF PHARR, TEXAS

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS FOR THE YEAR ENDED SEPTEMBER 30, 2021

Federal Grantor/Pass Through Grantor/ State Grantor/Program Title	Federal CFDA Number	Pass-Through Entity Identifying Number	Grant Expenditures	Expenditures to Subrecipients
FEDERAL AWARDS				
<u>U.S. DEPARTMENT OF THE TREASURY</u>				
Direct Program				
American Recovery Act Plan (ARPA)	21.019	746001875	\$ 3,332,760	\$ -
Pass-through Direct Local Grant Program County of Hidalgo Coronavirus State and Local Fiscal Recovery Funds (COVID 19)	21.027		\$ 957,482	\$ -
Total U.S. DEPARTMENT OF TREASURY			\$ 4,290,242	\$ -
<u>TEXAS WATER DEVELOPMENT BOARD (TWDB) FIF LOAN & LOAN FORGIVENESS</u>				
Direct Program				
Clean Water State Revolving Fund	66.458		\$ 169,175	\$ -
Drinking Water State Revolving Fund	66.458		191,500	-
Total TEXAS WATER DEVELOPMENT BOARD			\$ 360,675	\$ -
<u>U.S. DEPARTMENT OF HOMELAND SECURITY</u>				
Direct Program				
2019 Staffing for Adequate Fire and Emergency Response (SAFER)	97.083	EMW-2019-FF-01465	\$ 107,289	\$ -
Total Direct Program			\$ 107,289	\$ -
Pass-through Governor's Division of Emergency Management:				
Operation Stonegarden	97.067	EMW-2019-SS-00034-S01	\$ 309,220	\$ -
HAZMAT Regional Equipment Project	97.067	EMW-2019-SS-00034-S01	61,823	-
Total Pass-through Governor's Division of Emergency Management			\$ 371,043	\$ -
Total U.S. DEPARTMENT OF HOMELAND SECURITY			\$ 478,332	\$ -
		TOTAL FEDERAL AWARDS	\$ 9,175,682	\$ 250,200
STATE AWARDS				
<u>TEXAS PARKS & WILDLIFE DEPARTMENT ARTICLE VI</u>				
Northside Library & Wellness Center	N/A		\$ 5,000,000	\$ -
<u>TEXAS DEPARTMENT OF MOTOR VEHICLES</u>				
South Texas Auto Theft Enforcement Task Force	N/A	608-21-0310100	\$ 91,124	\$ -
<u>TEXAS OFFICE OF THE ATTORNEY GENERAL</u>				
Victims Coordinator Liasion Grant (VCLG)	N/A	2106953	\$ 34,608	\$ -
<u>TEXAS GOVERNOR'S OFFICE DIVISION OF EMERGENCY MANAGEMENT</u>				
	N/A	2021-BL-ST-0016	\$ 185,561	\$ -
<u>TEXAS WATER DEVELOPMENT BOARD (TWDB) FIF GRANT & LOAN</u>				
	N/A	231-043	\$ 466,992	\$ -
		TOTAL STATE AWARDS	\$ 5,778,285	\$ -
		TOTAL FEDERAL AND STATE AWARDS	\$ 14,953,967	\$ 250,200

City of Pharr, Texas
NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
Year Ended September 30, 2021

1. General Statement

The accompanying Schedule of Expenditures of Federal Awards (Schedule) presents the activity of all the federal award activity of the City of Pharr, Texas, under programs of the federal government for the year ended September 30, 2021. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards* (Uniform Guidance). The City's reporting entity is defined in Note I.B. to the City's basic financial statements. All federal awards received directly from Federal agencies and federal awards passed through state agencies are included on the Schedule. Because the Schedule presents only a selected portion of the operations of the City, it is not intended to and does not present the financial position or changes in net position of City of Pharr, Texas.

2. Summary of Significant Accounting Policies

The federal grant funds were accounted for in the Grant Fund, a governmental fund type, and in an enterprise fund. The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The governmental fund types are accounted for using a current financial resources measurement focus. With the governmental fund type measurement focus, only current assets and current liabilities generally are included on the balance sheet. Operating statements of these funds present increases (i.e., revenues and other financing sources) and decreases (i.e., expenditures and other financing uses) in net current assets.

The modified accrual basis of accounting is used for the governmental fund types. This basis of accounting recognizes revenues in the accounting period in which they become susceptible to accrual, i.e., both measureable and available, and expenditures in the accounting period in which the fund liability is incurred, if measureable, except for certain compensated absences and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Enterprise funds are used to account for those operations that are financed and operated in a manner similar to private business or where the governing body has decided that the determination of revenues earned, costs incurred, and/or net income is necessary for management accountability. Enterprise funds are accounted for on the flow of economic resources measurement focus and use the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Federal grant funds are generally considered earned to the extent of expenditures made under the provisions of the grant, and accordingly, when such funds are received, they are recorded as deferred revenues until earned.

3. Indirect Cost Rate

The City has elected not to use the 10% *de minimis* indirect cost rate as allowed under the Uniform Guidance

4. Relationship to Federal Financial Status Reports

Amounts reported on the Schedule may not agree with the amounts reported in the related Federal financial status reports filed with grantor agencies, because of the effect of accruals made in the Schedule.

CITY OF PHARR, TEXAS
SCHEDULE OF FINDINGS AND QUESTIONED COSTS
FOR THE YEAR ENDED SEPTEMBER 30, 2021

A. Summary of Auditor's Results

1. Financial Statements

Type of auditor's report issued UNMODIFIED

Internal control over financial reporting:

One or more material weaknesses identified? YES X NONE REPORTED

One or more significant deficiencies identified that are not considered to be material weaknesses? X YES NONE REPORTED

Noncompliance material to financial statements noted? YES X NONE REPORTED

2. Federal and State Awards

Internal control over major programs:

• One or more material weakness identified? YES X NONE REPORTED

• One or more significant deficiencies identified that are not considered to be material weaknesses? YES X NONE REPORTED

Type of auditor's report issued on compliance for major programs: UNMODIFIED

Any audit findings disclosed that are required to be reported in accordance with section 200.516 of the Uniform Guidar YES X NO

Identification of major programs:

<u>CFDA Numbers</u>	<u>Name of Federal and State Program or Cluster</u>
14.218	Community Development Block Grants/Entitlement Grants
20.205	Highway Planning and Construction Cluster
21.019	Coronavirus Relief Fund
21.027	American Rescue Plan Act
N/A	Texas Parks & Wildlife, Northside Library Project

Dollar threshold used to distinguish between type A and type B programs: Federal State
\$ 750,000 \$ 750,000

Auditee qualified as low-risk auditee? YES X NO

City of Pharr, TX
Schedule of Findings and Responses
Year Ended September 30, 2021

II. FINANCIAL STATEMENT FINDINGS

Schedule Reference (2021-001) BRIDGE OPERATIONS - FINANCIAL MANAGEMENT SYSTEM

SIGNIFICANT DEFICIENCY

Criteria: The Bridge-Operations financial management system includes the related business processes relevant to financial reporting and communication of all financial transactions and individual crossings related to the Pharr International Bridge. This system should provide accurate and reliable financial information. The City should establish internal control procedures within both the financial management system and manual systems by which all transactions are initiated, authorized, recorded, processed, corrected as necessary, transferred to the general ledger, and reported in the financial statements.

Condition: During the audit, we noted ineffective controls related to the financial information provided by the financial management system of bridge operations. The daily bridge reports on several days throughout the fiscal year were materially inaccurate. Furthermore, the personnel reconciling the daily reports were aware they were not accurate and manually reported the amounts collected for the day in a separate excel spreadsheet. Though internal control procedures were in place, they were not followed as the supervisor still approved the financial information as reconciling to the bridge operation financial report knowing they were not matching. In interviewing the supervisor and personnel, we became aware the issue is a common occurrence with the system.

Cause: Controls relating to recording, processing, and correcting the financial management system of bridge operations were not adhered to. Personnel were not recording the information from the financial management system since they were aware it was inaccurate but were signing off on the daily reports that they did match, nor did they inform the finance department that the system was providing inaccurate information.

Effect: The lack of internal controls with the financial management system increases the risk of fraud. The deferred revenues and customer receivables cannot be accurately calculated based on reports generated from the system and create major discrepancies at year end with Finance Department for financial reporting purposes.

Recommendation: City Management should consider requiring the financial management system for bridge operations vendor to provide a Soc. 1, Type 2 report for their software. This will provide the City reliance that the software is suitably designed and provides operating effectiveness of controls. In addition, personnel related to reporting should comply with the internal controls that are in place.

III. FEDERAL AWARDS FINDINGS

None.



Pharr



MAYOR Ambrosio Hernandez, MD

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

Corrective Action Plan Year Ended September 30, 2021

Schedule Reference (2021-001), Bridge Operations-Financial Management System

Senior leaders and staff from Bridge, IT and Finance agree with this finding. An initial corrective action meeting took place on April 7th to discuss steps necessary to implement action plan to eliminate this significant deficiency.

The plan is to officially communicate to software provider and provide them an opportunity to comply with SOC reports; if such attempt fails, then City will officially communicate the need to terminate contract and City will request permission to City Commission to advertise for replacement with a full detail of criteria and specifications that include compliance with SOC reports and Financial Reporting capacity that allows Finance and Bridge staff to reconcile any unused AVI's and Tickets.



Contact Person responsible for corrective action:

Primary Government-City of Pharr, Texas

Edward Wylie-City Manager
118 S. Cage Blvd.
Pharr, Texas 78577
(956) 402-4100
Ed.wylie@pharr-tx.gov

Karla Saavedra-Finance Director
118 S. Cage Blvd.
Pharr, Texas 78577
(956) 402-4150
Karla.saavedra@pharr-tx.gov

Cynthia Garza-Grants Management Director
118 S. Cage Blvd.
Pharr, Texas 78577
(956) 402-4100
Cynthia.garza@pharr-tx.gov

Ignacio Amezcua-Purchasing Director
118 S. Cage Blvd.
Pharr, Texas 78577
(956) 402-4100
ignacio.amezcua@pharr-tx.gov

Jose Pena -IT Director
118 S. Cage Blvd.
Pharr, Texas 78577
(956) 402-4100
Jose.pena@pharr-tx.gov

Luis Bazan-Bridge Director
9900 S. Cage Blvd.
Pharr, Texas 78577
(956) 402-4100
luis.bazan@pharr-tx.gov

City of Pharr, TX
Schedule of Prior Year Findings
Year Ended September 30, 2021

SUMMARY OF AUDITORS RESULTS – PRIOR FISCAL YEAR.

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.

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.

Current Status: Item has been corrected.

III. FEDERAL AWARDS FINDINGS

Schedule Reference (2020-002) Community Development Block Grant (CDBG) – Special Test and Provisions – Environmental Reviews

SIGNIFICANT DEFICIENCY

Criteria: The auditor randomly selected subrecipients of the CDBG program during the audit year in scope. The subrecipient's activities as noted in the Activity Summary Report were described as "to provide housing rehabilitation to three (3) single-family residential units and two complete (2) reconstructions." After inquiry and documentation request, the auditor was unable to verify the City of Pharr, as the grantee, ensured pre-rehabilitation inspections were conducted, verified deficiencies were corrected, and work was properly completed in accordance with contract specifications. The special test was not met. Additionally, the City of Pharr was unable to provide the auditor evidence an environmental review for the selected project occurred, such as the Green Building Retrofit Checklist. The special test was not met.

Condition: Per the Compliance Supplement for CDBG, Environmental Reviews: Projects must have an environmental review unless they meet criteria specified in the regulations that would exempt or exclude them from RROF and environmental certification requirements.

Per 24 CFR Section 570.506 – Records to be maintained: Each recipient shall establish and maintain sufficient records to enable the Secretary to determine whether the recipient has met the requirements of this part.

Effect: The City of Pharr has not met the compliance requirement for rehabilitation projects. When CDBG funds are used for rehabilitation, the grantee must ensure that the work is properly completed (24 CFR section 570.506)

Cause: Weak departmental control over document retention and recent turnover in the CDBG department during the auditor's fieldwork has caused the City of Pharr failure to provide documentation to meet the special test for the selected subrecipient's activity.

Recommendation: The department should verify reporting requirements for all federal programs are met on a timely basis and evidence of such be available for auditor inspection during audit fieldwork.

Current Status: Not yet corrected.

Schedule Reference (2020-003) City-wide internal control effectiveness in relation to grant management

SIGNIFICANT DEFICIENCY

Criteria: During inquiry and request of policies and procedures within the grant department, the auditor noticed internal controls were properly designed within the CDBG department, which include controls in the forms of checklists, assignment of responsibilities, established deadlines, and monitoring procedures for compliance. Auditor selected a random sample of subrecipients to verify monitoring controls were effective. During auditor test of operating effectiveness, the auditor concluded ineffective controls due to a lack of evidence retention, empty checklists, and lack of monitoring of subrecipients as designed in the policies and procedures.

Condition: Per 2 CFR Section 200.303 (a) – Internal Controls: The Non-Federal entity must: establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in "Standards for Internal Control in the Federal Government" issued by the Comptroller General of the

United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Effect:

Auditor noted a lack of evidence and incomplete monitoring procedures, concluding ineffective operating controls over the grant.

Cause:

Per auditor inquiries, the City of Pharr’s management has informed the auditor the process for approving a grant-wide policy and procedure manual has been delayed. Additionally, reliance on the CDBG department for grant management has caused hierarchal issues when it relates to accountability of the City-wide grant-management department.

Recommendation: The auditor recommends the City of Pharr adopt an internal control standard, specifically, the Standards for Internal Control in the Federal Government, which is provided by the US Government Accountability Office, also known as the Green Book. The auditor recommends management review of Part 6 of the Compliance Supplement to gain insights related to internal controls for non-compliance. Additionally, management must enforce an internal accountability process to verify that designed controls are effective on a periodic basis.

Current Status: Not yet corrected.



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 9.A.

DATE SUBMITTED: April 26, 2022

MEETING DATE: May 2, 2022

FROM: Olga Garza, Public Works Director

DEPARTMENT: Public Works

DIRECTOR: Olga Garza

Agenda Item: Consideration and action, if any, on the purchase of three 6" Godwin pumps and one 12" Godwin pump for dewatering services from Xylem Dewatering Solutions out of Corpus Christi, Texas, in the amount of \$274,946.09 through HGAC CM02-21.

Classification: Regular

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

Issue: The purchase of additional pumps are needed for emergency response during bad weather and to allow rapid dewatering of flooded areas in the city.
(PROJECT # 2122-01-517-P026-001)

Fiscal Consideration: \$274,946.09

Staff Recommendation: Staff recommends approval of this purchase.

Alternatives: Rotation of current inventory of pumps in the different flood prone areas within the city.

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Olga Garza
Olga Garza
Annie Reeves
Patricia Rigney
Karla Saavedra
City Management Office

Created/Initiated - 4/26/2022
Approved - 4/26/2022
Approved - 4/26/2022
Approved - 4/26/2022
Approved - 4/27/2022
Final Approval - 4/29/2022

April 26, 2022

Mr. Ricardo De Hoyos
City of Pharr
PO Box 1729
Pharr, TX 78577-1729

Phone: 956-310-2903
Email: ricardo.dehoyos@pharr-tx.gov

**RE: CD300M and (3) CD150S HGAC Sale
Sale Quotation 121012872**

Dear Mr. De Hoyos:

Xylem Dewatering Solutions is pleased to provide the following HGAC CM02-21 cooperative sale quotation for your review.

Confidentiality:

The reader acknowledges that the information provided by Xylem Dewatering Solutions, Inc. is confidential; therefore, reader agrees not to disclose it without the express written permission of Xylem Dewatering Solutions, Inc. in all cases. It is acknowledged by reader, that information is in all respects confidential in nature, other than information which is in the public domain through other means and that any disclosure or use of same by the reader may cause serious harm or damage to Xylem Dewatering Solutions, Inc.

Thank you again for your interest in Xylem products and the services we provide. We appreciate the opportunity to be of service, and look forward to working with you. If you have any questions or concerns, please contact our local office at 361-879-0031 or you may contact me directly at 361-403-7201 or jonathan.cantu@xyleminc.com.

Sincerely,



Jonathan Cantu
Outside Sales Representative

JC / jrs

SALE QUOTATION

ITEM	QTY	DESCRIPTION	UNIT PRICE	SALE TOTAL
Contract Items:				
A	3	Dri-Prime CD150S Diesel Pump	\$ 38,647.70	\$ 115,943.10
		• 6" 150# Flange Suction and Discharge • Isuzu 4LE2X FT4 Diesel Engine • with Field Smart Technology • Road Going Trailer,ElecBrakes- 3" Pintle • Lights - DOT Standard • Pump Options • 6" FQD x 150#FL Mounting Kit • Suction Side • 6" MQD x 150#FL Mounting Kit • Discharge Side	266.79	800.37
			329.65	988.95
*With purchase of above pump(s) we recommend that you also purchase the PM Service Kit(s) listed below:				
	3	KTCD150ARS25 CD150S 1-2 yr Recommended Spares Kit	1,200.00	3,600.00
	3	KTISUZU4LE2XFK0 Isuzu 4LE2X T4 Engine Filter Kit	181.00	543.00
B	6	6" x 20' Black Water Suction Hose with Godwin QD Fittings	493.27	2,959.62
C	1	Dri-Prime CD300M Diesel Pump	130,410.80	130,410.80
		• 12" 150# Flange Suction and Discharge • John Deere 6068HC09 FT4 Diesel Engine • Includes PrimeGuard Engine Controller • Skid-mounted • Pump Options • Suction Side • 12" MQD x 150#FL Mounting Kit • Suction Side	710.89	710.89
*With purchase of above pump(s) we recommend that you also purchase the PM Service Kit(s) listed below:				
	1	KT6068HC08FK14 Deere 6068HC08,09 FT4 Engine Filter Kit	268.00	268.00

Please note all sale pricing is in U.S. Dollars. The price does not include freight, export boxing, duties, taxes, or any other items not specifically mentioned.

This pricing information is for internal use only. We ask that these items and terms be kept confidential. All applicable tax and freight charges will be added to invoices. All quotations are subject to credit approval. All quotations are valid for 30 days. All prices quoted in US dollars.

This order is subject to the Standard Terms and Conditions of Sale - Xylem Americas effective on the date the order is accepted which terms are available at <https://www.xylem.com/en-US/support/xylem-americas-standard-terms-and-conditions/> and incorporated herein by reference and made a part of the agreement between the parties.

SALE QUOTATION

ITEM	QTY	DESCRIPTION	UNIT PRICE	SALE TOTAL
	1	KTCD300MRS35 CD300M 1-2 yr Spares Kit	1,700.00	1,700.00
D	1	GL14 Drop In Trailer • for HL130/C9 (9562)	10,558.60	10,558.60
E	3	12" x 10' Black Water Suction Hose with Godwin QD Fittings	1,628.12	4,884.36
F	12	12" Godwin QD O-ring	18.54	222.48
G	1	12" One Piece Suction Screen with Female Godwin QD Fittings	411.06	411.06
H	1	PrimeGuard Float Set • w/ 65' Mechanical Floats	390.91	390.91
I	1	12" 90 Degree Godwin QD Bend	664.95	664.95
Open Market Items:				
A	1	Factory Freight	\$ 6,000.00	\$ 6,000.00
Our current delivery lead-times associated with this Quotation are best estimates at this time. Due to the outbreak of the COVID-19 virus pandemic and its global effects on commerce, supply chain, and logistics, these lead-times are an estimate only and not a commitment. Xylem is and will continue to use all commercially reasonable efforts to minimize any delivery delay impacts.				
Net Sale Total with Recommended PM Service Kits				\$ 281,057.09
NET SALE TOTAL				\$ 274,946.09

Please note all sale pricing is in U.S. Dollars. The price does not include freight, export boxing, duties, taxes, or any other items not specifically mentioned.

This pricing information is for internal use only. We ask that these items and terms be kept confidential. All applicable tax and freight charges will be added to invoices. All quotations are subject to credit approval. All quotations are valid for 30 days. All prices quoted in US dollars.

This order is subject to the Standard Terms and Conditions of Sale - Xylem Americas effective on the date the order is accepted which terms are available at <https://www.xylem.com/en-US/support/xylem-americas-standard-terms-and-conditions/> and incorporated herein by reference and made a part of the agreement between the parties.

H-GAC

Houston-Galveston Area Council

P.O. Box 22777 · 3555 Timmons · Houston, Texas 77227-2777

Cooperative Agreement - Xylem Dewatering Solutions, Inc. - Public Services - ID: 6183

GENERAL PROVISIONS

This Agreement is made and entered into, by and between the Houston-Galveston Area Council hereinafter referred to as H-GAC having its principal place of business at 3555 Timmons Lane, Suite 120, Houston, Texas 77027 and Xylem Dewatering Solutions, Inc., hereinafter referred to as the Contractor, having its principal place of business at 84 Floodgate Road, Bridgeport, NJ 08014.

WITNESSETH:

WHEREAS, H-GAC hereby engages the Contractor to perform certain services in accordance with the specifications of the Agreement; and

WHEREAS, the Contractor has agreed to perform such services in accordance with the specifications of the Agreement;

NOW, THEREFORE, H-GAC and the Contractor do hereby agree as follows:

ARTICLE 1: LEGAL AUTHORITY

The Contractor warrants and assures H-GAC that it possesses adequate legal authority to enter into this Agreement. The Contractor's governing body, where applicable, has authorized the signatory official(s) to enter into this Agreement and bind the Contractor to the terms of this Agreement and any subsequent amendments hereto.

ARTICLE 2: APPLICABLE LAWS

The Contractor agrees to conduct all activities under this Agreement in accordance with all applicable rules, regulations, directives, standards, ordinances, and laws, in effect or promulgated during the term of this Agreement, including without limitation, workers' compensation laws, minimum and maximum salary and wage statutes and regulations, and licensing laws and regulations. When required, the Contractor shall furnish H-GAC with satisfactory proof of its compliance therewith.

ARTICLE 3: INDEPENDENT CONTRACTOR

The execution of this Agreement and the rendering of services prescribed by this Agreement do not change the independent status of H-GAC or the Contractor. No provision of this Agreement or act of H-GAC in performance of the Agreement shall be construed as making the Contractor the agent, servant or employee of H-GAC, the State of Texas or the United States Government. Employees of the Contractor are subject to the exclusive control and supervision of the Contractor. The Contractor is solely responsible for employee related disputes and discrepancies, including employee payrolls and any claims arising therefrom.

ARTICLE 4: WHOLE AGREEMENT

The General Provisions, Special Provisions, and Attachments, as provided herein, constitute the complete Agreement ("Agreement") between the parties hereto, and supersede any and all oral and written agreements between the parties relating to matters herein. Except as otherwise provided herein, this Agreement cannot be modified without written consent of the parties.

ARTICLE 5: SCOPE OF SERVICES

The services to be performed by the Contractor are outlined in an Attachment to this Agreement.

ARTICLE 6: PERFORMANCE PERIOD

This Agreement shall be performed during the period which begins Feb 01 2021 and ends Jan 31 2023. All services under this Agreement must be rendered within this performance period, unless directly specified under a written change or extension provisioned under Article 14, which shall be fully executed by both parties to this Agreement.

ARTICLE 7: PAYMENT OR FUNDING

Payment provisions under this Agreement are outlined in the Special Provisions.

ARTICLE 8: REPORTING REQUIREMENTS

If the Contractor fails to submit to H-GAC in a timely and satisfactory manner any report required by this Agreement, or otherwise fails to satisfactorily render performances hereunder, H-GAC may terminate this agreement with notice as identified in Article 15 of these General Provisions. H-GAC has final determination of the adequacy of performance and reporting by Contractor. Termination of this agreement for failure to perform may affect Contractor's ability to participate in future opportunities with H-GAC. The Contractor's failure to timely submit any report may also be considered cause for termination of this Agreement.

Any additional reporting requirements shall be set forth in the Special Provisions of this Agreement.

ARTICLE 9: INSURANCE

Contractor shall maintain insurance coverage for work performed or services rendered under this Agreement as outlined and defined in the attached Special Provisions.

ARTICLE 10: SUBCONTRACTS and ASSIGNMENTS

Except as may be set forth in the Special Provisions, the Contractor agrees not to subcontract, assign, transfer, convey, sublet or otherwise dispose of this Agreement or any right, title, obligation or interest it may have therein to any third party without prior written approval of H-GAC. The Contractor acknowledges that H-GAC is not liable to any subcontractor or assignee of the Contractor. The Contractor shall ensure that the performance rendered under all subcontracts shall result in compliance with all the terms and provisions of this Agreement as if the performance rendered was rendered by the Contractor. Contractor shall give all required notices, and comply with all laws and regulations applicable to furnishing and performance of the work. Except where otherwise expressly required by applicable law or regulation, H-GAC shall not be responsible for monitoring Contractor's compliance, or that of Contractor's subcontractors, with any laws or regulations.

ARTICLE 11: AUDIT

Notwithstanding any other audit requirement, H-GAC reserves the right to conduct or cause to be conducted an independent audit of any transaction under this Agreement, such audit may be performed by the H-GAC local government audit staff, a certified public accountant firm, or other auditors designated by H-GAC and will be conducted in accordance with applicable professional standards and practices. The Contractor understands and agrees that the Contractor shall be liable to the H-GAC for any findings that result in monetary obligations to H-GAC.

ARTICLE 12: EXAMINATION OF RECORDS

The Contractor shall maintain during the course of the work complete and accurate records of all of the Contractor's costs and documentation of items which are chargeable to H-GAC under this Agreement. H-GAC, through its staff or designated public accounting firm, the State of Texas, and United States Government, shall have the right at any reasonable time to inspect, copy and audit those records on or

off the premises by authorized representatives of its own or any public accounting firm selected by H-GAC. The right of access to records is not limited to the required retention period, but shall last as long as the records are retained. Failure to provide access to records may be cause for termination of the Agreement. The records to be thus maintained and retained by the Contractor shall include (without limitation): (1) personnel and payroll records, including social security numbers and labor classifications, accounting for total time distribution of the Contractor's employees working full or part time on the work, as well as cancelled payroll checks, signed receipts for payroll payments in cash, or other evidence of disbursement of payroll payments; (2) invoices for purchases, receiving and issuing documents, and all other unit inventory records for the Contractor's stocks or capital items; and (3) paid invoices and cancelled checks for materials purchased and for subcontractors' and any other third parties' charges.

The Contractor further agrees that the examination of records outlined in this article shall be included in all subcontractor or third-party agreements.

ARTICLE 13: RETENTION OF RECORDS

The Contractor and its subcontractors shall maintain all records pertinent to this Agreement, and all other financial, statistical, property, participant records, and supporting documentation for a period of no less than seven (7) years from the later of the date of acceptance of the final payment or until all audit findings have been resolved. If any litigation, claim, negotiation, audit or other action involving the records has been started before the expiration of the retention period, the records shall be retained until completion of the action and resolution of all issues which arise from it, or until the end of the seven (7) years, whichever is later, and until any outstanding litigation, audit, or claim has been fully resolved.

ARTICLE 14: CHANGES AND AMENDMENTS

- A. Any alterations, additions, or deletions to the terms of this Agreement, which are required by changes in federal or state law or by regulations, are automatically incorporated without written amendment hereto, and shall become effective on the date designated by such law or by regulation.
- B. To ensure the legal and effective performance of this Agreement, both parties agree that any amendment that affects the performance under this Agreement must be mutually agreed upon and that all such amendments must be in writing. After a period of no less than 30 days subsequent to written notice, unless sooner implementation is required by law, such amendments shall have the effect of qualifying the terms of this Agreement and shall be binding upon the parties as if written herein.

ARTICLE 15: TERMINATION PROCEDURES

The Contractor acknowledges that this Agreement may be terminated for Convenience or Default.

- A. *Convenience*
H-GAC may terminate this Agreement at any time, in whole or in part, with or without cause, whenever H-GAC determines that for any reason such termination is in the best interest of H-GAC, by providing written notice by certified mail to the Contractor. Upon receipt of notice of termination, all services hereunder of the Contractor and its employees and subcontractors shall cease to the extent specified in the notice of termination.

The Contractor may cancel or terminate this Agreement upon submission of thirty (30) days written notice, presented to H-GAC via certified mail. The Contractor may not give notice of cancellation after it has received notice of default from H-GAC.

- B. *Default*

H-GAC may, by written notice of default to the Contractor, terminate the whole or any part of the Agreement, in any one of the following circumstances:

- (1) If the Contractor fails to perform the services herein specified within the time specified herein or any extension thereof; or
- (2) If the Contractor fails to perform any of the other provisions of this Agreement for any reason whatsoever, or so fails to make progress or otherwise violates the Agreements that completion of services herein specified within the Agreement term is significantly endangered, and in either of these two instances does not cure such failure within a period often (10) days (or such longer period of time as may be authorized by H-GAC in writing) after receiving written notice by certified mail of default from H-GAC.

ARTICLE 16: SEVERABILITY

H-GAC and Contractor agree that should any provision of this Agreement be determined to be invalid or unenforceable, such determination shall not affect any other term of this Agreement, which shall continue in full force and effect.

ARTICLE 17: FORCE MAJEURE

To the extent that either party to this Agreement shall be wholly or partially prevented from the performance of any obligation or duty placed on such party by reason of or through strikes, stoppage of labor, riot, fire, flood, acts of war, insurrection, accident, order of any court, act of God, or specific cause reasonably beyond the party's control and not attributable to its neglect or nonfeasance, in such event, the time for the performance of such obligation or duty shall be suspended until such disability to perform is removed. Determination of force majeure shall rest solely with H-GAC.

ARTICLE 18: CONFLICT OF INTEREST

No officer, member or employee of the Contractor or subcontractor, no member of the governing body of the Contractor, and no other public officials of the Contractor who exercise any functions or responsibilities in the review or Contractor approval of this Agreement, shall participate in any decision relating to this Agreement which affects his or her personal interest, or shall have any personal or pecuniary interest, direct or indirect, in this Agreement.

ARTICLE 19: FEDERAL COMPLIANCE

Contractor agrees to comply with all federal statutes relating to nondiscrimination, labor standards, and environmental compliance. Additionally, for work to be performed under the Agreement or subcontract thereof, including procurement of materials or leases of equipment, Contractor shall notify each potential subcontractor or supplier of the Contractor's federal compliance obligations. These may include, but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§ 1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) the Fair Labor Standards Act of 1938 (29 USC 676 et. seq.), (d) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), which prohibits discrimination on the basis of handicaps and the Americans with Disabilities Act of 1990; (e) the Age Discrimination in Employment Act of 1967 (29 USC 621 et. seq.) and the Age Discrimination Act of 1974, as amended (42 U.S.C. §§ 6101-6107), which prohibits discrimination on the basis of age; (f) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended, relating to nondiscrimination on the basis of drug abuse; (g) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to the nondiscrimination on the basis of alcohol abuse or alcoholism; (h) §§ 523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. 290 dd-3 and 290 ee-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (i) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. § 3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (j) any other nondiscrimination provisions in any specific statute(s)

applicable to any Federal funding for this Agreement; (k) the requirements of any other nondiscrimination statute(s) which may apply to this Agreement; (l) applicable provisions of the Clean Air Act (42 U.S.C. §7401 et seq.), the Federal Water Pollution Control Act, as amended (33 U.S.C. §1251 et seq.), Section 508 of the Clean Water Act (33 U.S.C. 1368), Executive Order 11738, and the Environmental Protection Agency regulations at 40 CFR Part 15; (m) applicable provisions of the Davis- Bacon Act (40 U.S.C. 276a - 276a-7), the Copeland Act (40 U.S.C. 276c), and the Contract Work Hours and Safety Standards Act (40 U.S.C. 327-332), as set forth in Department of Labor Regulations at 20 CFR 5.5a; (n) the mandatory standards and policies relating to energy efficiency which are contained in the state energy conservation plan issued in compliance with the Energy Policy and Conservation Act (P.L. 94-163).

ARTICLE 20: CRIMINAL PROVISIONS AND SANCTIONS

The Contractor agrees to perform the Agreement in conformance with safeguards against fraud and abuse as set forth by the H-GAC, the State of Texas, and the acts and regulations of any related state or federal agency. The Contractor agrees to promptly notify H-GAC of any actual or suspected fraud, abuse, or other criminal activity through the filing of a written report within twenty-four (24) hours of knowledge thereof. Contractor shall notify H-GAC of any accident or incident requiring medical attention arising from its activities under this Agreement within twenty-four (24) hours of such occurrence. Theft or willful damage to property on loan to the Contractor from H-GAC, if any, shall be reported to local law enforcement agencies and H-GAC within two (2) hours of discovery of any such act.

The Contractor further agrees to cooperate fully with H-GAC, local law enforcement agencies, the State of Texas, the Federal Bureau of Investigation and any other duly authorized investigative unit, in carrying out a full investigation of all such incidents.

The Contractor shall notify H-GAC of the threat of lawsuit or of any actual suit filed against the Contractor pertaining to this Agreement or which would adversely affect the Contractor's ability to perform services under this Agreement.

ARTICLE 21: INDEMNIFICATION AND RECOVERY

H-GAC's liability under this Agreement, whether for breach of contract, warranty, negligence, strict liability, in tort or otherwise, is limited to its order processing charge. In no event will H-GAC be liable for any loss of use, loss of time, inconvenience, commercial loss, lost profits or savings or other incidental, special or consequential damages to the full extent such use may be disclaimed by law. Contractor agrees, to the extent permitted by law, to defend and hold harmless H-GAC, its board members, officers, agents, officials, employees and indemnities from any and all claims, costs, expenses (including reasonable attorney fees), actions, causes of action, judgements, and liens arising as a result of Contractor's negligent act or omission under this Agreement. Contractor shall notify H-GAC of the threat of lawsuit or of any actual suit filed against Contractor relating to this Agreement.

ARTICLE 22: LIMITATION OF CONTRACTOR'S LIABILITY

Except as specified in any separate writing between the Contractor and an END USER, Contractor's total liability under this Agreement, whether for breach of contract, warranty, negligence, strict liability, in tort or otherwise, but excluding its obligation to indemnify H-GAC, is limited to the price of the particular products/services sold hereunder, and Contractor agrees either to refund the purchase price or to repair or replace product(s) that are not as warranted. In no event will Contractor be liable for any loss of use, loss of time, inconvenience, commercial loss, loss of profits or savings or other incidental, special or consequential damages to the full extent such use may be disclaimed by law. Contractor understands and agrees that it shall be liable to repay and shall repay upon demand to

END USER any amounts determined by H-GAC, its independent auditors, or any agency of State or Federal government to have been paid in violation of the terms of this Agreement.

ARTICLE 23: TITLES NOT RESTRICTIVE

The titles assigned to the various Articles of this Agreement are for convenience only. Titles shall not be considered restrictive of the subject matter of any Article, or part of this Agreement.

ARTICLE 24: JOINT WORK PRODUCT

This Agreement is the joint work product of H-GAC and the Contractor. This Agreement has been negotiated by H-GAC and the Contractor and their respective counsel and shall be fairly interpreted in accordance with its terms and, in the event of any ambiguities, no inferences shall be drawn against any party.

ARTICLE 25: DISPUTES

All disputes concerning questions of fact or of law arising under this Agreement, which are not addressed within the Whole Agreement as defined pursuant to Article 4 hereof, shall be decided by the Executive Director of H-GAC or his designee, who shall reduce his decision to writing and provide notice thereof to the Contractor. The decision of the Executive Director or his designee shall be final and conclusive unless, within thirty (30) days from the date of receipt of such notice, the Contractor requests a rehearing from the Executive Director of H-GAC. In connection with any rehearing under this Article, the Contractor shall be afforded an opportunity to be heard and offer evidence in support of its position. The decision of the Executive Director after any such rehearing shall be final and conclusive. The Contractor may, if it elects to do so, appeal the final and conclusive decision of the Executive Director to a court of competent jurisdiction. Pending final decision of a dispute hereunder, the Contractor shall proceed diligently with the performance of the Agreement and in accordance with H- GAC's final decision.

ARTICLE 26: CHOICE OF LAW: VENUE

This Agreement shall be governed by the laws of the State of Texas. Venue and jurisdiction of any suit or cause of action arising under or in connection with the Agreement shall lie exclusively in Harris County, Texas. Disputes between END USER and Contractor are to be resolved in accordance with the law and venue rules of the state of purchase. Contractor shall immediately notify H-GAC of such disputes.

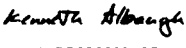
ARTICLE 27: ORDER OF PRIORITY

In the case of any conflict between or within this Agreement, the following order of priority shall be utilized: 1) General Provisions, 2) Special Provisions, 3) Scope of Work, and, 4) Other Attachments.

SIGNATURES:

H-GAC and the Contractor have read, agreed, and executed the whole Agreement as of the date first written above, as accepted by:

Xylem Dewatering Solutions, Inc.

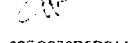
Signature 
1431DB55C3054C7

Name Kenneth Albaugh

Title Director of Sales, Rental & Equipment Sales

Date 2/26/2021

H-GAC 

Signature 
82EC270D5C91423...

Name Chuck Wemple

Title Executive Director

Date 2/26/2021

H-GAC

Houston-Galveston Area Council

P.O. Box 22777 · 3555 Timmons · Houston, Texas 77227-2777

Cooperative Agreement - Xylem Dewatering Solutions, Inc. - Public Services -

20-01660

SPECIAL PROVISIONS

Incorporated by attachment, as part of the whole agreement, H-GAC and the Contractor do, hereby agree to the Special Provisions as follows:

ARTICLE 1: BIDS/PROPOSALS INCORPORATED

In addition to the whole Agreement, the following documents listed in order of priority are incorporated into the Agreement by reference: Bid/Proposal Specifications and Contractor's Response to the Bid/Proposal.

ARTICLE 2: END USER AGREEMENTS ("EUA")

H-GAC acknowledges that the **END USER** may choose to enter into an End User Agreement ("EUA") with the **Contractor** through this Agreement, and that the term of the EUA may exceed the term of the current **H-GAC** Agreement. **H-GAC's** acknowledgement is not an endorsement or approval of the End User Agreement's terms and conditions. **Contractor** agrees not to offer, agree to or accept from the **END USER**, any terms or conditions that conflict with those in **Contractor's** Agreement with **H-GAC**. Contractor affirms that termination of its Agreement with H-GAC for any reason shall not result in the termination of any underlying EUA, which shall in each instance, continue pursuant to the EUA's stated terms and duration. Pursuant to the terms of this Agreement, termination of this Agreement will disallow the **Contractor** from entering into any new EUA with **END USERS**. Applicable **H-GAC** order processing charges will be due and payable to **H-GAC** on any EUAs, surviving termination of this Agreement between **H-GAC** and **Contractor**.

ARTICLE 3: MOST FAVORED CUSTOMER CLAUSE

Contractor shall provide its most favorable pricing and terms to H-GAC. If at any time during this Agreement, Contractor develops a regularly followed standard procedure of entering into agreements with other governmental customers within the State of Texas, and offers the same or substantially the same products/services offered to **H-GAC** on a basis that provides prices, warranties, benefits, and or terms more favorable than those provided to **H-GAC**, **Contractor** shall notify **H-GAC** within ten (10) business days thereafter, and this Agreement shall be deemed to be automatically retroactively amended, to the effective date of Contractor's most favorable past agreement with another entity. **Contractor** shall provide the same prices, warranties, benefits, or terms to **H-GAC** and its **END USER** as provided in its most favorable past agreement. H-GAC shall have the right and option at any time to decline to accept any such change, in which case the amendment shall be deemed null and void. If **Contractor** claims that a more favorable price, warranty, benefit, or term that was charged or offered to another entity during the term of this Agreement, does not constitute more favorable treatment, than **Contractor** shall, within ten (10) business days, notify **H-GAC** in writing, setting forth the detailed reasons **Contractor** believes the aforesaid offer is not in fact most favored treatment. **H-GAC**, after due consideration of Contractor's written explanation, may decline to accept such explanation and thereupon this Agreement between **H-GAC** and **Contractor** shall be automatically amended, effective retroactively, to the effective date of the most favored agreement, to provide the same prices, warranties,

benefits, or terms to H-GAC and the END USER.

EXCEPTION: *This clause shall not be applicable to prices and price adjustments offered by a bidder, Proposer or contractor, which are not within bidder's/proposer's control [example; a manufacturer's bid concession], or to any prices offered to the Federal Government and its agencies.*

ARTICLE 4: PARTY LIABILITY

Contractor's total liability under this Agreement, whether for breach of contract, warranty, negligence, strict liability, in tort or otherwise, is limited to the price of the particular products/services sold hereunder.

Contractor agrees either to refund the purchase price or to repair or replace product(s) that are not as warranted. Contractor accepts liability to repay, and shall repay upon demand to END USER, any amounts determined by H-GAC, its independent auditors, or any state or federal agency, to have been paid in violation of the terms of this Agreement.

ARTICLE 5: GOVERNING LAW & VENUE

Contractor and H-GAC agree that Contractor will make every reasonable effort to resolve disputes with the **END USER** in accord with the law and venue rules of the state of purchase. **Contractor** shall immediately notify **H-GAC** of such disputes.

ARTICLE 6: SALES AND ORDER PROCESSING CHARGE

Contractor shall sell its products to **END USERS** based on the pricing and terms of this Agreement. **H-GAC** will invoice **Contractor** for the applicable order processing charge when H-GAC receives notification of an **END USER** order. **Contractor shall remit to H-GAC** the full amount of the applicable order processing charge, after delivery of any product or service and subsequent **END USER** acceptance. Payment of the Order Processing Charge shall be remitted from Contractor to H-GAC, within thirty (30) calendar days or ten (10) business days after receipt of an **END USER's** payment, whichever comes first, notwithstanding Contractor's receipt of invoice. For sales made by **Contractor** based on this Agreement, including sales to entities without Interlocal Agreements, **Contractor** shall pay the applicable order processing charges to **H-GAC**. Further, **Contractor** agrees to encourage entities who are not members of H-GAC's Cooperative Purchasing Program to execute an **H-GAC** Interlocal Agreement. **H-GAC** reserves the right to take appropriate actions including, but not limited to, Agreement termination if **Contractor** fails to promptly remit the appropriate order processing charge to H-GAC. In no event shall **H-GAC** have any liability to **Contractor** for any goods or services an **END USER** procures from **Contractor**. At all times, **Contractor** shall remain liable to pay to **H-GAC** any order processing charges on any portion of the Agreement actually performed, and for which compensation was received by **Contractor**.

ARTICLE 7: LIQUIDATED DAMAGES

Contractor and H-GAC agree that Contractor shall cooperate with the **END USER** at the time an **END USER** purchase order is placed, to determine terms for any liquidated damages.

ARTICLE 8: INSURANCE

Unless otherwise stipulated in Section B of the Bid/Proposal Specifications, **Contractor** must have the following insurance and coverage minimums:

- a. **General liability** insurance with a Single Occurrence limit of at least \$1,000,000.00, and a General

Aggregate limit of at least two times the Single Occurrence limit.

Product liability insurance with a Single Occurrence limit of at least \$1,000,000.00, and a General Aggregate limit of at least two times the Single Occurrence limit for all Products except Automotive Fire Apparatus. For Automotive Fire Apparatus, see Section B of the Bid/Proposal Specifications.

Property Damage or Destruction insurance is required for coverage of **End User** owned equipment while in **Contractor's** possession, custody or control. The minimum Single Occurrence limit is \$500,000.00 and the General Aggregate limit must be at least two times the Single Occurrence limit. This insurance may be carried in several ways, e.g. under an Inland Marine policy, as part of Automobile coverage, or under a Garage Keepers policy. In any event, this coverage must be specifically and clearly listed on insurance certificate(s) submitted to **H-GAC**.

- b. Insurance coverage shall be in effect for the length of any contract made pursuant to the Bid/Proposal, and for any extensions thereof, plus the number of days/months required to *deliver* any outstanding order after the close of the contract period.
- c. Original Insurance Certificates must be furnished to **H-GAC** on request, showing **Contractor** as the insured and showing coverage and limits for the insurances listed above.
- d. If any Product(s) or Service(s) will be provided by parties other than **Contractor**, all such parties are required to carry the minimum insurance coverages specified herein, and if requested by **H-GAC**, a separate insurance certificate must be submitted for each such party.
- e. **H-GAC** reserves the right to contact insurance underwriters to confirm policy and certificate issuance and document accuracy.

ARTICLE 9: PERFORMANCE AND PAYMENT BONDS FOR INDIVIDUAL ORDERS

H-GAC's contractual requirements DO NOT include a Performance & Payment Bond (PPB); therefore, Contractor shall offer pricing that reflects this cost savings. **Contractor** shall remain prepared to offer a PPB to cover any order if so requested by the **END USER**. **Contractor** shall quote a price to **END USER** for provision of any requested PPB, and agrees to furnish the PPB within ten business (10) days of receipt of **END USER's** purchase order.

ARTICLE 10: CHANGE OF STATUS

Contractor shall immediately notify **H-GAC**, in writing, of **ANY** change in ownership, control, dealership/franchisee status, Motor Vehicle license status, or name. Contractor shall offer written guidance to advise **H-GAC** if this Agreement shall be affected in any way by such change. **H-GAC** shall have the right to determine whether or not such change is acceptable, and to determine what action shall be warranted, up to and including cancellation of Agreement.

ARTICLE 11: TEXAS MOTOR VEHICLE BOARD LICENSING

All that deal in motor vehicles shall maintain current licenses that are required by the Texas Motor Vehicle Commission Code. If at any time during this Agreement term, any required **Contractor** license is denied, revoked, or not renewed, **Contractor** shall be in default of this Agreement, unless the Texas Motor Vehicle

Board issues a stay or waiver. Contractor shall promptly provide copies of all current applicable Texas Motor Vehicle Board documentation to **H-GAC** upon request.

Attachment A

Xylem Dewatering Solutions, Inc.
Portable Construction & Maintenance Equipment
Contract No. CM02-21

Product Code	Model/Description	Bid Price
F. Portable "Self-Priming" Trash Pumps		
A. Godwin		
CM21FA01	Model GTP-50HX, 2" Trash Pump driven by Honda 5.5 Hp gasoline engine, Solids handling 1"	\$ 1,313.78
CM21FA02	Model GTP-80HX, 3" Trash Pump driven by Honda 8.0 Hp gasoline engine, Solids handling 1.5"	\$ 1,861.86
CM21FA03	Model GTP-100HX, 4" Trash Pump driven by Honda 11 Hp gasoline engine, Solids handling 2"	\$ 2,732.34
G. Portable "Priming-Assisted" Trash Pumps		
B. Godwin		
CM21GB01	Model CD140M, 4" x 4" Self-priming pump, John Deere 4045HFC04 diesel engine with Prime Guard Panel, Trailer Mounted; passes up to 3" solid, flow rates to 1240 USGPM	\$ 73,200.92
CM21GB02	Model CD 80M, 3" x 3" Self-priming pump, Yanmar 3TNV80FSDSA FT4 diesel engine, Trailer mounted, passes up to 1.6" solids; flow rates to 460 USGPM	\$ 26,952.64
CM21GB03	Model CD100S, 4" x 4" Self-priming pump, Yanmar 3TNV88C FT4 diesel engine, with Prime Guard, Trailer mounted, passes up to 1.8" solids; flow rates to 1010 USGPM	\$ 37,680.50
CM21GB04	Model CD103M, 4" x 4" Self-priming pump, Isuzu 4LE2T FT4 diesel engine, with Prime Guard, trailer mounted, passes up to 3" solids; flow rates to 1020 USGPM	\$ 37,736.92
CM21GB05	Model CD150S, 6" x 6" Self-priming pump, Isuzu 4LE2X FT4 diesel engine, with Prime Guard, Trailer mounted, passes up to 3" solids; flow rates to 2290 USGPM	\$ 38,647.70
CM21GB06	Model CD160M, 6" x 6" Self-priming pump, John Deere 4045HFC04 FT4 diesel engine with Prime guard Panel, Skid Mounted; Trailer Mounted, passes up to 3" solids; flow rates to 1880 USGPM	\$ 81,365.70
CM21GB07	Model CD225M, 8" x 8" Self-priming pump, John Deere 4045HFC04 FT4 diesel engine with Prime Guard panel, Trailer mounted, passes up 3" solids; flow rates to 3240 USGPM	\$ 74,564.94
CM21GB08	Model CD250M, 10" x 10" Self-priming pump, John Deere 4045HFC04 FT4 diesel engine with Prime Guard panel, trailer mounted passes up to 3" solids; flow rates to 3720 USGPM	\$ 80,100.28
CM21GB09	Model DPC300, 12" x 12" Self-priming pump, John Deere 4045HFC04 FT diesel engine with Prime Guard panel, skid mounted; oil lubricated mechanical seal, passes up to 3.7" solids; flow rates to 4660 USGPM	\$ 95,099.94

CM21GB10	Model CD400M, 18" x 18" Self-priming pump, John Deere 6090HC09 FT4 diesel engine with Prime Guard panel, skid mounted, oil bath mechanical seal, passes up to 5" solids, flow rates to 9770 USGPM	\$ 200,492.50
CM21GB11	Model CD500M, 24" x 18", Caterpillar C18-755HP Final Tier 4 diesel engine, with Prime Guard panel, skid mounted, passes up to 3" solids, flow rates up to 16120 USGPM	\$ 318,297.45
CM21GB12	Model NC80, 4" x 3" pump, Yanmar 3TNV80FSDSA FT4 Diesel Engine, trailer mounted, passes up to tank, flow rates to 520 USGPM	\$ 29,144.95
CM21GB13	Model NC100S, 4" x 4" pump, Yanmar 3TNV88C FT4 Diesel Engine, with Prime Guard, trailer mounted, flow rates up to 1070 USGPM	\$ 40,904.50
CM21GB14	Model NC150S, 6" x 6" pump, Isuzu 4LE2X FT4 Diesel Engine with Prime Guard, trailer mounted	\$ 46,498.14
CM21GB15	Model HL80M, 4"x 3", JCB TCAE-55 FT diesel engine, with Prime Guard, trailer mounted	\$ 42,621.28
CM21GB16	Model HL100M, 4"x 4", JCB TCAE-93 FT4 Diesel Engine with Prime Guard, trailer mounted, flow rates to 920 USGPM	\$ 68,647.02
CM21GB17	Model HL150M, 6" x 6", Caterpillar C7.1 FT4 diesel engine, with Prime Guard, trailer mounted, flow rates up to 1650 USGPM	\$ 111,631.00
CM21GB18	Model HL200M, 8" x 6", CAT C7.1 FT4 Diesel Engine with Prime Guard, trailer mounted, flow rates to 2540 USGPM	\$ 116,064.00
CM21GB19	Model HL225M, 10" x 8", John Deere 6090HC09 FT4 diesel engine, with Prime Guard, skid mounted, flow rates to 3660 USGPM	\$ 148,908.50
CM21GB20	Model HL250M, 12" x 10", Caterpillar C15-FT4 Diesel Engine with Prime Guard, skid mounted, flow rates to 5390 USGPM	\$ 214,960.20
CM21GB21	Model HL110M, 4" x 4" John Deere 4045HFC04 FT4 diesel engine, with Prime Guard, skid mounted, flow rates up to 500 USGPM	\$ 107,391.44
CM21GB22	Model HL130M, 6" x 4" John Deere 6090HC94 FT4 diesel engine, with Prime Guard, skid mounted, flow rates to 1500 USGPM	\$ 158,580.50
CM21GB23	Model HL160M, 8" x 6", Caterpillar C15 FT4 Diesel Engine, with Prime Guard, skid mounted, flow rates to 2140 USGPM	\$ 220,118.60
CM21GB24	Model HL260M, 10" x 10", Caterpillar C18-755HP FT4 diesel engine, with Prime Guard, skid mounted, flow rates to 5550 USGPM	\$ 257,484.76

H. Hydraulic Submersible Pumps

A. Godwin

CM21HA01	3" HS80 Pump End, GHPU10 Yanmar 3TNV80FSDSA FT4 trailer mounted diesel Power Pack, (2) 3/4"x50' hydraulic hose	\$ 26,380.06
CM21HA02	3" HS80 Pump End, GHPU10 Yanmar 3TNV80FSDSA FT4 skid diesel Power Pack, (2) 3/4"x50' hydraulic hose	\$ 24,606.86
CM21HA03	4" HS 100TD Pump End, GHPU10 Yanmar 3TNV88C FT4 trailer mounted diesel Power Pack w/ Prime Guard, (2) 3/4" x50' hydraulic hose	\$ 39,261.80
CM21HA04	4" HS 100TD Pump End, GHPU10 Yanmar 3TNV88C FT4 skid mounted diesel Power Pack w/ Prime Guard, (2) 3/4" x50' hydraulic hose	\$ 37,657.94
CM21HA05	4" HS 100SG Pump End, GHPU10SG Yanmar 3TNV88C FT4 trailer mounted diesel Power Pack w/ Prime Guard, (2) 1/45"x50' hydraulic hose, (2) 3/4"x50' hydraulic hose	\$ 44,022.12

CM21HA06	4" HS 100SG Pump End, GHPU10SG Yanmar 3TNV88C FT4 skid mounted diesel Power Pack w/ Prime Guard, (2) 1/45"x50' hydraulic hose, (2) 3/4"x50' hydraulic hose	\$ 42,337.58
CM21HA07	6" HS 150MR Pump End, GHPU30 JCB TCAE-55 FT4 trailer mounted diesel Power Pack w/ Prime Guard, (1) 1/2"x50' hydraulic hose, (2) 1"x50' hydraulic hose	\$ 49,520.64
CM21HA08	6" HS 150MR Pump End, GHPU30 JCB TCAE-55 FT4 skid mounted diesel Power Pack w/ Prime Guard, (1) 1/2"x50' hydraulic hose, (2) 1"x50' hydraulic hose	\$ 49,262.72
CM21HA09	6" HS 150V Pump End, GHPU30 JCB TCAE-55 FT4 trailer mounted diesel Power Pack w/ Prime Guard, (1) 1/2"x50' hydraulic hose, (2) 1"x50' hydraulic hose	\$ 49,770.50
CM21HA10	6" HS 150V Pump End, GHPU30 JCB TCAE-55 FT4 skid mounted diesel Power Pack w/ Prime Guard, (1) 1/2"x50' hydraulic hose, (2) 1"x50' hydraulic hose	\$ 49,512.58
CM21HA11	6" HS150SG Pump End, GHPU30SG JCB TCAE-55 FT4 trailer mounted diesel Power Pack w/ Prime Guard, (2) 1/4"x50' hydraulic hose, (1) 1/2"x50' hydraulic hose, (2) 1"x50' hydraulic hose	\$ 53,603.84
CM21HA12	6" HS150SG Pump End, GHPU30SG JCB TCAE-55 FT4 skid mounted diesel Power Pack w/ Prime Guard, (2) 1/4"x50' hydraulic hose, (1) 1/2"x50' hydraulic hose, (2) 1"x50' hydraulic hose	\$ 53,184.72
CM21HA13	8" HS200 Pump End, GHPU50 John Deere 4045HFC04 FT4 trailer mounted diesel Power Pack w/ Prime Guard, (1) 1/2"x50' hydraulic hose, (2) 1-1/4"x50' hydraulic hose	\$ 91,422.96
CM21HA14	8" HS200 Pump End, GHPU50 John Deere 4045HFC04 FT4 skid mounted diesel Power Pack w/ Prime Guard, (1) 1/2"x50' hydraulic hose, (2) 1-1/4"x50' hydraulic hose	\$ 88,134.48
CM21HA15	8" HS200SG Pump End, GHPU50 John Deere 4045HFC04 FT4 trailer mounted diesel Power Pack w/ Prime Guard, (2) 1/4"x50' hydraulic hose, (1) 1/2"x50' hydraulic hose, (2) 1-1/4"x50' hydraulic hose	\$ 97,029.50
CM21HA16	8" HS200SG Pump End, GHPU50 John Deere 4045HFC04 FT4 skid mounted diesel Power Pack w/ Prime Guard, (2) 1/4"x50' hydraulic hose, (1) 1/2"x50' hydraulic hose, (2) 1-1/4"x50' hydraulic hose	\$ 92,733.52
CM21HA17	10" HS250 Pump End, GHPU50 John Deere 4045HFC04 FT4 trailer mounted diesel Power Pack w/ Prime Guard, (1) 1/2"x50' hydraulic hose, (2) 1-1/4"x50' hydraulic hose	\$ 95,799.54
CM21HA18	10" HS250 Pump End, GHPU50 John Deere 4045HFC04 FT4 skid mounted diesel Power Pack w/ Prime Guard, (1) 1/2"x50' hydraulic hose, (2) 1-1/4"x50' hydraulic hose	\$ 91,503.56
CM21HA19	12" HS300 Pump End, GHPU90 Caterpillar C7.1 FT4 trailer mounted diesel Power Pack w/ Prime Guard, (1) 3/4"x50' hydraulic hose, (4)1-1/4"x50' hydraulic hose	\$ 157,340.87
CM21HA20	12" HS300 Pump End, GHPU90 Caterpillar C7.1 FT4 skid mounted diesel Power Pack w/ Prime Guard, (1) 3/4"x50' hydraulic hose, (4)1-1/4"x50' hydraulic hose	\$ 149,788.65
CM21HA21	4" HS103 Pump End, GHPU30 Isuzu 4LE2T FT4 trailer mounted diesel Power Pack w/ Prime Guard, (1) 1/2"x50' hydraulic hose, (2) 1"x50' hydraulic hose	\$ 46,151.56
CM21HA22	4" HS103 Pump End, GHPU30 Isuzu 4LE2T FT4 skid mounted diesel Power Pack w/ Prime Guard, (1) 1/2"x50' hydraulic hose, (2) 1"x50' hydraulic hose	\$ 44,547.62
I. Electric Submersible Pumps		
A. Godwin		
CM21IA01	Model GSP05, 2" Electric Submersible Pump, 1/2 HP, 115/230 volt	\$ 473.93
CM21IA02	Model GSP10, 2" Electric Submersible Pump, 1 HP, 115/230 volt	\$ 756.03

CM21IA03	Model GST 05, 2" Electric Submersible Trash Pump, 1/2 HP, 115/230 volt	\$ 473.93
CM21IA04	Model GST 10, 2" Electric Submersible Trash Pump, 1 HP, 115/230 volt	\$ 756.03
CM21IA05	Model GSP/ GST Piggy Back Float Switch 30'	\$ 96.72
CM21IA06	Model GSP/ GST Piggy Back Float Switch 50'	\$ 96.72

REQUEST FOR AVAILABILITY OF FUNDS

CONSTRUCTION ☐ PURCHASE ☒

PURCHASE & INSTALLATION ☐

DEPARTMENT SUBMITTING REQUEST:

SERVICE ☐ SUPPLY ☐

TYPE/PRINT NAME: OLGA GARZA

SIGNATURE: 

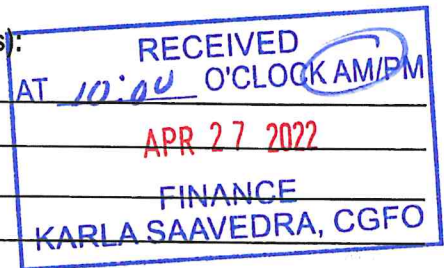
TITLE: PUBLIC WORKS DIRECTOR

DEPARTMENT: PUBLIC WORKS

DATE: 04/26/2022

PROJECT NAME AND DESCRIPTION (indicate special funding requirements):

PURCHASE OF WATER PUMPS AND ACCESSORIES



STATE/FEDERAL FUNDING (SPECIFY AGENCY(IES)):

STATE/FEDERAL GRANTS (SPECIFY AGENCY(IES)):

ACCOUNT NUMBER/PROJECT ID:

ESTIMATED COST:

ACCOUNT NUMBER/PROJECT ID:

ESTIMATED COST:

BUDGET INFORMATION:

BUDGETED ☒ NOT BUDGETED ☐

FUND NAME: CAPITAL OUTLAY/OTHER EQUIPMENT

ACCOUNT NUMBER(S): 01-51700-8804

INCLUDE PROJ.ID(S):

AMOUNT: \$ 274,946.09

FINANCE SIGNATURE:

TITLE: Karla Saavedra, Finance Director

DATE:

4/27/22

62,000
135,000
140,000

CITY MANAGER'S AUTHORIZATION TO SOLICIT BIDS:

APPROVED: ☐ SIGNATURE: _____

DATE: _____

DISAPPROVED: ☐ SIGNATURE: _____

DATE: _____



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 10.A.

DATE SUBMITTED: April 12, 2022

MEETING DATE: May 2, 2022

FROM: Moises Beas, Civil Engineer In Training

DEPARTMENT: Engineering

DIRECTOR: Maria Rangel

Agenda Item: Consideration and action, if any, authorizing City Manager to negotiate and enter into a contract with R. Gutierrez Engineering Corporation for Professional Engineering Services in the amount of \$17,500.00 for the subdivision plat and drainage plan for the new Parks & Recreation Department Warehouse property located on S. Nelson St. along W. Hall Acres Rd.

Classification: Regular

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

Issue: The City is requesting the authorization from City Commission on approving the City Manager to enter and negotiate a contract for Professional Engineering Services with R. Gutierrez Engineering Corporation in the amount of \$17,500.00 for the subdivision plat and drainage plan for the new Parks & Rec Department Warehouse located on S Nelson St. along W Hall Acres Rd.

Fiscal Consideration: Engineering Fee estimate is \$17,500.00

Staff Recommendation: Staff recommends approval and authorization to negotiate and enter into a contract with R. Gutierrez Engineering Corporation in the amount of \$17,500.00 for the subdivision plat and drainage plan for the new Parks & Rec Department Warehouse located on S Nelson St. along W Hall Acres Rd.

Alternatives: N/A

Exclude Material from Public Packet? No

Reason: N/A

ROUTING:

Moises Beas
Maria Rangel
Ignacio Amezcua
Karla Saavedra
Patricia Rigney
City Management Office

Created/Initiated - 4/12/2022
Approved - 4/26/2022
Approved - 4/27/2022
Approved - 4/27/2022
Approved - 4/27/2022
Final Approval - 4/29/2022

PROJECT AGREEMENT FOR PROFESSIONAL ENGINEERING SERVICES

THE STATE OF TEXAS §
 §
CITY OF PHARR §
 §
COUNTY OF HIDALGO §

This AGREEMENT is between **R Gutierrez Engineering Corporation** (hereafter referred to as “ENGINEER”); and **City of Pharr**, (hereinafter referred to as the “CLIENT”). ENGINEER is hereby authorized to perform professional services in connection with the **City of Pharr Parks & Rec Department Warehouse.**, hereinafter referred to as the Project.

Contract ID #: _____

Date: _____

CLIENT: City of Pharr, TX

Address: PO Box 1729, 118 S. Cage, Pharr, Texas 78577

Project: **COP Parks & Rec Department Warehouse**

Project Location: Pharr, Texas

Section 1

General Scope of Services and Project Description

This AGREEMENT is based on providing the following services for the Project as described in **Exhibit A-Scope of Services**. Should a conflict arise between the terms and conditions contained within this AGREEMENT and the Scope of Services, this AGREEMENT shall govern.

NOTICE: ENGINEER acknowledges that it is aware of local ordinances and other restrictions that may apply within the Project location area. It also acknowledges having received a copy of and understood the applicable provisions and restrictions contained within Resolution R-2010-06.

Section 2

Representations and Warranties

By executing this AGREEMENT, the undersigned representatives warrant, and claim that they are authorized to approve the transaction and provisions provided herein, and further authorized to bind the represented party to this AGREEMENT. Any amendment to any term shall comply with provisions contained in this AGREEMENT related to changes of terms or conditions, or amendments thereof.

Section 3

Engineer Insurance and Indemnification

3.1 ENGINEER will maintain throughout this AGREEMENT the following insurance: workmen's compensation insurance coverage, employer's liability, and comprehensive general liability insurance coverage. CLIENT will be named as an additional insured with respect to ENGINEER's liabilities hereunder in insurance coverage as mentioned above and ENGINEER waives subrogation against CLIENT as to said policies.

(a) Type of policies and coverage.

- (1) *General Liability Coverage.* Engineer shall maintain commercial general liability insurance in an amount not less than \$1,000,000 per occurrence for bodily injury, personal injury and property damage. If the form of insurance with a general aggregate limit is used, either the general aggregate limit shall apply separately to the work to be performed under this AGREEMENT or the general aggregate limit shall be at least twice the required occurrence limit.
- (2) *Automobile Liability Coverage.* Engineer shall maintain automobile liability insurance in an amount not less than \$1,000,000 combined single limit for each occurrence, for bodily injury and property damage.
- (3) *Workers' Compensation and Employer's Liability Coverage.* Engineer shall maintain workers' compensation insurance as required by the State of Texas and employer's liability insurance in an amount not less than \$1,000,000 per occurrence, for any and all persons employed by Engineer in connection with the performance of services under this AGREEMENT.
- (4) *Professional Liability Coverage.* Engineer shall maintain professional errors and omissions liability insurance in an amount not less than \$1,000,000 per claim, covering negligent acts, errors or omissions which may be committed by Engineer and/or any of Engineers agents, employees, and personnel acting in furtherance of its services under this AGREEMENT.

(b) Endorsements. Each general liability and automobile liability insurance policy shall contain, or be endorsed to contain, the following provisions to the extent applicable to each insurance policy:

- (1) The CLIENT, its officers, officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of activities performed by or on behalf of Engineer; products and completed operations of Engineer; premises owned, occupied or used by Engineer; or automobiles owned, leased, hired or borrowed by Engineer. The coverage shall contain no special limitations particular to the scope of protection afforded to CLIENT, its officers, officials, employees, agents or volunteers.
- (2) For any claims related to the Project subject to Article 3.4 of this Agreement, Engineer's insurance coverage shall be primary insurance as respects the CLIENT, its officers, officials, employees, agents and volunteers. Any insurance maintained by CLIENT, its officials, employees, agents or volunteers shall be excess of Engineer's insurance and shall not contribute with it.
- (3) Any failure of ENGINEER to comply with reporting or other provisions of the policies including breaches of warranties shall not affect coverage provided to CLIENT, its officers, officials, employees, or volunteers.
- (4) Engineer's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
- (5) Engineer's insurance coverage required and set forth in this Section 3 shall be endorsed in such a manner so as to not be suspended, voided, canceled or reduced in coverage or in limits except after thirty (30) days' prior written notice of cancellation or non-renewal and ten (10) days' notice for non-payment of premium. Notice to the CLIENT must be made by certified mail, return receipt requested.
 - (a) Deductibles. Any deductibles must be declared to and approved by CLIENT. At CLIENT's option, Engineer shall demonstrate financial capability for payment of such deductibles or self-insured retentions.
 - (b) Acceptability of Insurers. Insurance is to be placed with insurers having a current A.M. Best rating of no less than A, unless otherwise approved by CLIENT in writing.
 - (c) *Verification of coverage.* Engineer shall provide certificates of insurance with copies of original endorsements to CLIENT as

evidence of the insurance coverage required by this AGREEMENT. Certificates of such insurance shall be filed with CLIENT before commencement of work by Engineer. At the request of CLIENT, Engineer shall provide complete, certified copies of all required insurance policies, including endorsements affecting the coverage required by this AGREEMENT.

3.2 The ENGINEER shall indemnify and hold harmless CLIENT, CLIENT's officers, officials, city engineers, directors, members, managers, employees, and CLIENT's Consultants from and against any and all costs, losses, and damages (including but not limited to all fees and charges of ENGINEERS, attorneys, and other professionals, and all court or arbitration or other dispute resolution costs) arising out of delays of performance.

3.3 The ENGINEER agrees that it shall, at ENGINEER's sole expense, indemnify and hold harmless the CLIENT against liability for damage to the extent that the damage is caused by or results from an act of negligence, intentional tort, intellectual property infringement, or failure to pay a subcontractor or supplier committed by the indemnitor or indemnitor's agent, consultant under contract, or another entity over which the indemnitor exercises control. ENGINEER shall reimburse CLIENT reasonable attorney's fees.

Section 4

Termination

4.1 This contract will take effect immediately upon approval of both parties and terminate automatically at the completion of the project in accordance with the time schedule set forth in **Exhibit B-Work Schedule** or as otherwise allowed herein. Upon termination of the AGREEMENT, the obligations of each of the respective parties shall cease immediately except as herein provided otherwise. Upon the expiration of this contract, the contract may be renewed only with the consent of the City of Pharr Board of Commissioners.

4.2 This AGREEMENT may also be terminated for convenience on fifteen (15) days written notice, or for cause if either party fails substantially to perform through no fault of the other and does not attempt to cure any deficiency related to nonperformance no later than five (5) days following receipt of any written notice of deficiency. Termination may occur if it can reasonably be inferred by information exchanged that an anticipated breach will occur. Upon such anticipatory breach, the non-breaching party may immediately file a claim on bond or other necessary action so as to avoid harm, injury, and damages including delays.

4.3 If this AGREEMENT is terminated by CLIENT with cause or by ENGINEER without cause; the ENGINEER shall be paid the reasonable value of services performed by the ENGINEER prior to termination date, minus the cost to complete the scope of work under this Agreement. Expenses related to the PROJECT will be paid accordingly upon receiving invoices, timesheets and ENGINEER's requests for payment for all expenses

and services arising from work performed and expenses incurred prior to the date of termination. ENGINEER shall have thirty (30) days to submit its final request for payment from the date of termination along with all appropriate documentation in support of same. No other expenses related to this PROJECT or agreement prior to termination date will be paid. CLIENT shall have the right to review all expenses, if questions arise concerning expenses, no payment will be made until AGREEMENT is reached between CLIENT and ENGINEER. The parties are also bound by applicable state or federal requirements related to the use or payment of fees and expenses.

4.4 As CLIENT is a governmental entity, it is at all times subject to the budgetary considerations of any given year as well as changes that may occur during each fiscal year. If at any time the CLIENT believes that due to budgetary considerations it is no longer able to perform under this AGREEMENT, CLIENT shall provide written notification of its termination of the AGREEMENT, which shall be effective immediately upon notification. Upon termination of AGREEMENT, the obligation of each the respective parties shall cease immediately pursuant to Tex. Loc. Govt. Code Ann. §271.903.

4.5 Pre-Litigation Alternative Dispute Resolution Requirement. Except under an anticipatory breach, prior to the filing of any cause of action by either party in any court of competent jurisdiction, the claiming party shall refer any dispute to mediation. Upon acceptance by the non-claiming party, the parties shall mutually appoint a qualified mediator and thereafter schedule and participate in mediation.

Section 5

Professional Services Fee

5.1 The fee for providing the Scope of Services as described in **Exhibit C-Fee Estimate**.

5.2 For all services to be performed by ENGINEER under this AGREEMENT, ENGINEER shall be paid the amounts set forth in **Exhibit C-Fee Estimate** according to the completion of each task. In no event shall ENGINEER's total compensation exceed the sum of **\$17,500.00 Dollars** without additional written authorization from CLIENT. Payment by CLIENT under this AGREEMENT shall not be deemed a waiver of defects, even if CLIENT knew such defects at the time of payment.

Section 6

Reimbursable Expenses

6.1 Reimbursable expenses shall be approved by CLIENT before charges are rendered. Reimbursable expenses are in addition to the Professional Services Fee and will be invoiced at their direct cost plus five percent (5%). Reimbursable expenses include Reproduction of Documents; any other disbursements and expenses made on behalf of the CLIENT; with the CLIENT's approval. A reimbursable expense does not include postage, FedEx, UPS, DHL or any overnight delivery services. ENGINEER or ARCHITECT or any CONTRACTOR is not authorized to claim on behalf of service or goods providers or any sub-contractor liquidation or consolidation of claims for expenses and cost amounts that were invoiced and paid by CLIENT directly to ENGINEER, ARCHITECT or any CONTRACTOR.

6.2 The CLIENT or any duly authorized representative of the funding agency shall have access to any books, documents, papers and records of the ENGINEER which are directly pertinent to this project for the purpose of making audit, examination, excerpts, and transcriptions.

Section 7

Application for Payments (Invoices)

7.1 Payment in full of all invoices is due within thirty (30) business days after approval of CLIENT, only original invoices will be accepted, no faxes or copies of invoice(s) will be accepted for payments. If CLIENT objects to all or any portion of invoice(s), CLIENT shall notify ENGINEER, in writing, within 10 days of the nature of such objection and the amount in dispute. CLIENT shall pay when due the portion of the billing, if any, which is not in dispute. The ENGINEER and CLIENT will make every effort to settle the disputed invoice(s) through good faith negotiations.

Section 8

Qualifications on Obligation to Pay

8.1 CLIENT shall not be obligated to make payment to ENGINEER in the event one or more of the following conditions are in existence:

8.2 ENGINEER is in default of any of its obligations hereunder or otherwise is in default under this AGREEMENT or any of the Contract documents and CLIENT has provided written notice of such alleged default and provided ENGINEER a reasonable opportunity to cure.

8.3 Any part of such payment is attributable to services which are not performed in accordance with this AGREEMENT; for which CLIENT has provided written notice of such non-conformance to ENGINEER and provided ENGINEER a reasonable opportunity to cure; provided however, such payment shall be made as to the part thereof attributable to services which were performed in accordance with this AGREEMENT;

8.4 ENGINEER has failed to make payment promptly to Engineers or other third parties used in connection with the services for which CLIENT has made payment to ENGINEER;

8.5 If CLIENT, in its good faith judgment, determines that the portion of the compensation then remaining unpaid will not be sufficient to complete the services in accordance with this AGREEMENT, the CLIENT shall provide ENGINEER with written notice in reasonably sufficient detail of its basis for withholding payment and the portion of services CLIENT deems sufficient for payment to resume; no additional payments will be due ENGINEER hereunder unless and until ENGINEER, at its sole cost, performs a sufficient portion of the Services so that such portion of the compensation then remaining unpaid is determined by CLIENT to be sufficient to so complete the services;

8.6 No partial payment made hereunder shall be or construed to be final acceptance or approval of that part of the services to which such partial payment relates or relieves ENGINEER of any its obligations hereunder with respect thereto;

8.7 ENGINEER shall promptly pay all bills for labor performed and materials furnished by others in connection with the performance of the services.

8.8 ENGINEER acknowledges that ENGINEER's skill and expertise is a material consideration for CLIENT entering into this AGREEMENT. ENGINEER shall not assign, subcontract or delegate to any other party the performance of any to be rendered by ENGINEER under this AGREEMENT without prior written approval of CLIENT. If CLIENT consents to any subcontracting of work, ENGINEER shall be fully responsible to CLIENT for all acts or omissions of the sub-consultant (s).

Section 9

Final Payment

9.1 Final Payment After final completion of the work and acceptance thereof by CLIENT, ENGINEER shall submit a final invoice "Final Invoice" which shall set forth all amounts due and remaining unpaid to ENGINEER and upon approval thereof by CLIENT, CLIENT shall pay to ENGINEER the amount due "Final Payment" under such Final Invoice in accordance with Section 7 and 8.

9.2 WAIVER. The making of the Final Payment shall constitute a waiver of all claims by the CLIENT except those arising from (1) faulty or defective services appearing after

completion of the Work, (2) failure of the services to comply with the requirements of this AGREEMENT or the Contract documents or the Scope of Services or (3) terms of any special warranties required by this AGREEMENT or provided by law or in equity. The acceptance of Final Payment shall constitute a waiver of all claims for payment by the ENGINEER except those previously made in writing and identified by the ENGINEER as unsettled at the time of the Final Invoice for payment.

Section 10

Ownership and Reuse of Documents

10.1 The CLIENT will be entitled to retain ownership of the Project Documents. The CLIENT will retain original documents (Plans and Specifications, drawing, designs, invoices, subcontractor invoices, hourly time sheets, sub-contracts, and survey notes) developed in connection with services performed, CLIENT shall have sole right to use such materials at its discretion without further compensation to ENGINEER or to any other party. The ENGINEER may retain reproducible copies of such documents. The CLIENT will require copies of all final electronic (DWF, AutoCAD and pdf format) drawings of the Final PROJECT Construction Plans. CLIENT hereby agrees, to the extent permitted by law, to defend, indemnify, and hold ENGINEER harmless from any claim or liability for injury or loss allegedly arising from the CLIENT'S reuse of the project documents for any other project not related to this Project.

10.2 As-built drawings will be required to be signed and seal at the end of the project and will be required to submit one set of 11" x 17" drawings. The CLIENT will also require copies of any final electronic (DWF, AutoCAD and pdf format) drawings of the Final PROJECT As-Built Construction Plans.

Section 11

Other Conditions or Services

11.1 Notwithstanding anything to the contrary contained in this AGREEMENT, CLIENT and ENGINEER agree and acknowledge that CLIENT is entering into this AGREEMENT in reliance on ENGINEER's experience and abilities with respect to performing the Services outlined in the Scope of Services. ENGINEER represents to CLIENT that ENGINEER will use its best efforts, skill judgment and abilities to manage the project and to further the interests of CLIENT in accordance with CLIENT's requirements and procedures, in accordance with all applicable national, federal, state, and municipal laws, regulations, codes, ordinances, orders, and with those of any other body having jurisdiction.

11.2 ENGINEER must perform its services (1) with the professional skill and care ordinarily provided by competent engineers practicing in the same or similar locality and under the same or similar circumstances and professional license; and (2) as

expeditiously as is prudent considering the ordinary professional skill and care of a competent engineer.

11.3 The ENGINEER represents, covenants and agrees that the person directly in charge of the professional ENGINEER work is duly registered under applicable Texas Law.

11.4 The CLIENT and ENGINEER agree that certain increased cost and changes may be required because of design errors or omissions in the drawings and specifications prepared by the ENGINEER. In evaluating design errors and omissions related to underground utility work, conflicts due to insufficient knowledge of underground pipe locations, abandoned pipes unknown to designer or other conflicts related to city owned and third party utilities shall not be considered design errors or omissions unless such conflicts should have reasonably been known by ENGINEER. ENGINEER shall make every effort to contact all underground utilities to indicate the location of their fixtures with the project area, ENGINEER shall keep documentation that such effort were made and will be require to turn over such documentations upon request of CLIENT, calling DIGTESS or 811 or One-Call center for Utilities location does not constitute effort from ENGINEER. The CLIENT will provide ENGINEER information of their underground facilities.

11.5 The CLIENT understands and agrees that ENGINEER's contractual duties related to identifying the existence and general location of existing utilities within the project limits will be as follows: 1.) ENGINEER will contact known public and franchise utilities owners that serve the project area and request that such utilities owners provide record drawings identifying such utilities; 2.) ENGINEER will maintain documentation of contacts with utilities contacted and ENGINEER agrees to provide CLIENT with electronic copies of same upon request by the Client; 3.) ENGINEER/ENGINEER'S REPRESENTATIVE will visit the project location and use reasonable efforts to identify observed utilities and other visible markers which will be recorded on the project documentation; and 4.) ENGINEER will engage the services of a utility location service provider, which may be DIGTESS, and include the information provided by same in the project documentation. ENGINEER will use reasonable and customary efforts to identify known and observed underground utilities utilizing the methodologies identified above which will constitute a good faith effort by ENGINEER. CLIENT acknowledges that unknown, unidentified and unrecorded underground utilities that may be encountered during construction activities, assuming that ENGINEER has performed the steps identified above, shall be considered as unforeseen conditions.

11.6 Where a change order to the construction contract is caused by a design error or omission committed by ENGINEER and the cumulative cost of all such changes orders exceeds two percent (2%) of the original construction contract amount, ENGINEER shall be obligated to reimburse CLIENT for one hundred percent (100%) of such excess cost. The formula of such reimbursement is as follows: $[\text{Cost of Design Error or Omission Change Orders}] - [\text{Original Construction Contract Amount} \times 0.02] = \text{Required Reimbursement to CLIENT}$. ENGINEER shall not be required to reimburse CLIENT if

cumulative cost of design error change order(s) does not exceed two percent of the original construction contract amount.

Section 12

Special Provisions

12.1 This document constitutes the entire AGREEMENT between the CLIENT and ENGINEER and may be modified only by AGREEMENT of both parties. All modifications will be in the form of an amended written AGREEMENT.

12.2 If either party should default (the "Defaulting Party"), the non-defaulting party may be awarded its damages and/or specific performance for such default including attorney's fees to the extent allowed by law. A subsequent determination by a court of law of this State that any substantive portion of this AGREEMENT is illegal or unenforceable shall not affect the remaining portions of this AGREEMENT.

12.3 The parties agree that venue and jurisdiction shall lie exclusively in Hidalgo County, Texas, and further agree that Texas laws shall apply.

AGREED AS TO SUBSTANCE AND FORM

R Gutierrez Engineering Corporation
130 East Park, Pharr, TX 78577

Ramiro Gutierrez, P.E.
ENGINEER

By: _____
Signature
ENGINEER

SIGNED on this the _____ day of _____, 20 ____.

Ed Wylie
Interim City Manager
City of Pharr, Texas

SIGNED on this the _____ day of _____, 20 ____.

Attachment No. 1

Scope of Services

The following provides an outline of the services to be provided by the Engineer and Surveyor in the development of the Proposed Parks & Rec Warehouse Subdivision project.

The City of Pharr will be constructing a new warehouse facility for the Parks & Recreation Department at 1301 W Medina, south of Palmer Elementary School. The property has not been subdivided. R. Gutierrez Engineering Corporation is to develop a subdivision for this property, including a drainage report. RGEC will be responsible for processing this subdivision plat for approval through the City of Pharr, Hidalgo County, Hidalgo County Irrigation District No. 2, and Hidalgo County Drainage District No. 1.

The City of Pharr will be utilizing on-site retention to handle the rainfall runoff. Both residential streets (Nelson & Medina) leading to the subject property already get water level above top of curb after heavy rain events. The closest inlets are at the intersection of Nelson & W Hall Acres Road. Therefore, the City of Pharr wants all storm water runoff to be retained in the retention ponds to not affect the drainage of the nearby residential houses.

Work on this subdivision project is as follows:

Phase I – Conceptual Plan – Subdivision Schematic

- A. Project kick-off meeting with City staff to discuss project goals and requirements.
- B. Compile existing information on public utilities available to the site
- C. Prepare the City of Pharr and HCID2 documentation / applications for the subdivision process to commence.

Phase II - Data Collection and Site Reconnaissance

- A. Research title information and legal documents.
- B. Order Title Report of property, if one is not provided.
- C. Set Benchmark to establish vertical and horizontal datum on property.
- D. Perform detailed topographic survey obtaining existing natural ground elevations at 50-ft intervals.
- E. Obtain existing Top & Flowline elevations of existing nearby off-site drainage structures, curb & gutter, and roadway. Pick up nearby water meters, water valves, fire hydrants, sanitary sewer manholes, etc.
- F. Pick up existing utility information on and adjacent to property. (only utilities identified and marked by utility owners will be picked up)
- G. Create base mapping for subdivision plat and drainage plan.

Phase III – Drainage Analysis / Drainage Statement

- A. Perform Drainage Analysis utilizing accepted hydrology methods for the design of a retention pond for the proposed subdivision. No runoff will drain off the subdivision property.
- B. Present the hydrologic findings in a formal Drainage Statement to the Hidalgo County Drainage District No. 1 for approval.

Phase IV - Preliminary Plat and Engineering

- A. Prepare preliminary layout of the one (1) lot subdivision plat.
- B. Prepare preliminary plans for drainage improvements
- C. Develop preliminary profile for storm sewer pipe
- D. Submit preliminary plans to various public entities for review and comment.
- E. Address comments from respective public entities and obtain preliminary approval.
- F. Attend public meetings with Planning and Zoning and City Commission as necessary to represent Owner for Preliminary Plat Approval.

Phase V – Final Plat / Final Engineering

- A. Prepare final layout of the one (1) lot subdivision plat.
- B. Prepare final plans for drainage improvements
- C. Submit final plans to various public entities for final plan approval.
- D. Address comments and concerns from public entities as necessary.
- E. Attend public meetings with Planning and Zoning and City Commission as necessary to represent Owner for Final Plat Approval

Phase VI – Final Plat Recordation

- A. Set subdivision lot stakes.
- B. Prepare final documentation for recordation with County.
- C. Plat submittal to County.

Note: The City of Pharr will provide the Engineer and Surveyor with recent property title information for use in developing the subdivision plat.

Attachment No. 2

Fee Schedule

PHARR PARKS & RECREATION SUBDIVISION PLAT:

Phase I – Subdivision Schematic: _____	\$ 3,500.00
Phase II - Data Collection and Site Reconnaissance: _____	\$ 2,500.00
Phase III – Drainage Analysis / Drainage Statement: _____	\$ 6,000.00
Phase IV - Preliminary Plat and Engineering: _____	\$ 2,500.00
Phase V – Final Plat / Final Engineering: _____	\$ 2,500.00
Phase VI - Final Plat Recordation: _____	\$ 500.00
 Total Fee: _____	 \$ 17,500.00

Attachment No. 1

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- B. Prepare final plans for drainage improvements
- C. Submit final plans to various public entities for final plan approval.
- D. Address comments and concerns from public entities as necessary.
- E. Attend public meetings with Planning and Zoning and City Commission as necessary to represent Owner for Final Plat Approval

Phase VI – Final Plat Recordation

- A. Set subdivision lot stakes.
- B. Prepare final documentation for recordation with County.
- C. Plat submittal to County.

Note: The City of Pharr will provide the Engineer and Surveyor with recent property title information for use in developing the subdivision plat.

Attachment No. 2

Fee Schedule

PHARR PARKS & RECREATION SUBDIVISION PLAT:

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Phase IV - Preliminary Plat and Engineering: _____	\$ 2,500.00
Phase V – Final Plat / Final Engineering: _____	\$ 2,500.00
Phase VI - Final Plat Recordation: _____	\$ 500.00
 Total Fee: _____	 \$ 17,500.00



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 10.B.

DATE SUBMITTED: April 5, 2022

MEETING DATE: May 2, 2022

FROM: Daniel Ramirez, Director

DEPARTMENT: Emergency Medical Services

DIRECTOR: Daniel Ramirez

Agenda Item: Consideration and action, if any, authorizing City Manager to execute a Non-disclosure Agreement (NDA) with DHR Health Institute for Research and Development allowing the EMS department to participate in research studies.

Classification: Regular

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

Issue: DHR is conducting pre-hospital research using ultrasound devices to better treat patients and would like Pharr EMS to participate

Fiscal Consideration: no fiscal consideration

Staff Recommendation: Staff recommends approval

Alternatives: none at this time

Exclude Material from Public Packet? No

Reason: not excluded

ROUTING:

Daniel Ramirez

Created/Initiated - 4/5/2022

Daniel Ramirez

Approved - 4/8/2022

Karla Saavedra

Approved - 4/13/2022

Patricia Rigney

Approved - 4/13/2022

City Management Office

Final Approval - 4/29/2022



TO DISCOVER ♦ TO INNOVATE ♦ TO EXCEL

MUTUAL CONFIDENTIALITY AND NONDISCLOSURE AGREEMENT

THIS AGREEMENT is made this ____ day of _____, 2022 (hereinafter “**Effective Date**”) between DHR Health Institute for Research and Development (hereinafter “**INSTITUTE**”), a nonprofit organized under the Federal IRS code 501(c)(3), having its principal offices at 5323 S. McColl Road, Edinburg, TX, Med-Care EMS (“**Med-Care**”), and Pharr EMS (“**Pharr**”), and BFly Operations, Inc. (hereinafter “**COMPANY**”), with its principal offices located at 11 Madison Square North, 7th Floor, New York, NY 10010 (individually, “**Party**,” or collectively, “**Parties**”).

WHEREAS, the Parties desire to explore a potential business relationship (“**Purpose**”), and in the course of those discussions it is understood and agreed that certain information proprietary and confidential to a Party or its Affiliate (as defined below) may be disclosed (collectively, the “**Disclosing Party**”) to the other Party or its Affiliates (collectively, the “**Receiving Party**”);

WHEREAS, in consideration for the opportunity to engage in the Purpose, the Parties are willing to disclose and receive certain Confidential Information (as defined below) subject to the terms and conditions as set forth below.

NOW THEREFORE, in consideration of the foregoing premises, the Parties agree as follows:

ARTICLE I – DEFINITIONS.

- (a) “**Confidential Information**” shall mean any and all technical and non-technical information, data, or know-how, including, but not limited to, information which relates to the business, business relationships, services, products, personnel, operations, regulatory matters, technologies, finances, marketing, intellectual property, plans or strategies of the Disclosing Party which is observed by the Receiving Party, or disclosed by the Disclosing Party to the Receiving Party, either directly or indirectly, in writing, orally, or by graphic, electronic or other means, or by inspection or audit, and whether or not marked as “confidential.”

Confidential Information shall **not** include any information that: (i) had, at the time of disclosure, been previously made public; (ii) is made public after its disclosure, unless such publication is a breach of this Agreement or any other agreement between the Parties hereto; (iii) was, prior to disclosure to the Receiving Party, received from a third party who is lawfully in possession of such information and is free to disclose such information to the Receiving Party; (iv) is subsequently independently developed by the Receiving Party without reference to any information furnished pursuant to this Agreement, and written documentation is available to establish that such development predated this Agreement; or (v) is disclosed pursuant to a judicial or government request, requirement, or order, provided that the Receiving Party promptly gives written notice of such request, if legally permissible, to the Disclosing Party and cooperates with the Disclosing Party to provide the Disclosing Party with the opportunity to interpose any and all objections it may have to disclosure and seek a protective order or other appropriate relief.

- (b) “**Affiliate**” shall mean any person or entity which is, directly or indirectly, controlling, controlled by, or is under common control with a Party. The term “control” means to possess, directly or indirectly, the power to direct or cause the direction of management of said company through ownership, voting shares, contract or otherwise.

- (c) “**Representative**” shall mean the employees, Affiliates, directors, consultants, officers, contractors, advisors agents and clinical trial sites of a Party.

ARTICLE II – CONFIDENTIALITY AND NONDISCLOSURE. The Receiving Party agrees that it: (a) shall ensure that its Representatives shall not disclose the fact that it is engaged in any discussions or negotiations with the Disclosing Party regarding the Purpose; (b) shall not use the Confidential Information for its own use or for any purpose except to evaluate a potential business relationship with the Disclosing Party, or as may be necessary to carry out the terms of such business relationship; (c) shall not disclose the Confidential Information to any person other than its Representatives who have a reasonable need-to-know the Confidential Information and who have signed confidentiality agreements containing, or are otherwise bound by, confidentiality obligations at least as restrictive as those contained herein; (d) shall cause such Representatives who have access to Confidential Information to use reasonable security measures and best efforts to preserve, protect and prevent the unauthorized use, dissemination, disclosure, or publication of the Confidential Information

and shall be responsible for any breach of this Agreement by its Representatives; and (e) shall promptly advise the Disclosing Party in writing of any misappropriation or misuse of any Confidential Information of which it becomes aware.

ARTICLE III – DESTRUCTION OF CONFIDENTIAL INFORMATION. All documents, information, and other tangible objects containing or representing the Disclosing Party's Confidential Information, including all copies, embodiments or derivatives thereof, in the possession of the Receiving Party will be and remain the property of the Disclosing Party, and shall be destroyed by the Receiving Party upon the conclusion of the business relationship. The destruction of the Confidential Information shall not be deemed to release either Party from its obligations hereunder. Notwithstanding, the Receiving Party may retain copies of information produced in the normal course of creating electronic back-ups of computer system information or keep such Confidential Information of Disclosing Party as necessary to comply with applicable legal record keeping requirements or in accordance with the Receiving Party's archival policies. .

ARTICLE IV – REMEDIES. The Parties acknowledge that if the Receiving Party fails to comply with any of its obligations hereunder, the Disclosing Party would suffer irreparable harm. The Parties agree that, in addition to all other remedies provided at law or in equity, the Disclosing Party shall be entitled to seek injunctive relief and specific performance against any threatened breach, or the continuation of any such breach, without the necessity of proving actual damages or posting any bond or other security.

ARTICLE V – NO LICENSE OR RIGHTS GRANTED. Nothing contained in this Agreement shall be construed: (i) as requiring the Disclosing Party to disclose, or the Receiving Party to accept, any information; or (ii) as granting any license or rights, either expressed or implied, under any patent, copyright, trade secret or other intellectual property right now or hereafter owned, obtained, or licensable by the Disclosing Party. Nothing contained herein shall be construed to obligate either Party to enter into future agreements or be deemed to limit or restrict the rights of the Disclosing Party to assert claims for patent, copyright or trade secret infringement against any person or entity.

ARTICLE VI – TERM AND TERMINATION. This Agreement shall be effective as of the date shown on the first page of this Agreement and shall be in effect for a period of five (5) years from the date of execution. This Agreement may be terminated by either Party upon the issuance of thirty (30) days written notice. The duties and obligations under this Agreement shall survive termination for a period of five (5) years.

ARTICLE VII – COMPLIANCE WITH EXPORT LAWS AND REGULATIONS. Technical data exchanged hereunder may be subject to export laws and regulations. The Parties agree to strictly abide by and obtain any requisite license and approval for the export and re-export of technical data.

ARTICLE VIII – MISCELLANEOUS.

- (a) **Counterparts.** This Agreement may be executed in any number of counterparts, each of which, when executed and delivered, shall constitute an original, but all counterparts together shall constitute a single agreement. Transmission by fax or by electronic mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.
- (b) **Authority.** Each Party represents that it possesses all necessary powers, right and authority to lawfully enter into this Agreement and make the disclosures subject to and fulfill the obligations set forth in this Agreement.
- (c) **No Warranty.** All Confidential Information is provided "AS IS." The Parties do not make any warranties, express, implied or otherwise, regarding the accuracy, completeness or fitness for any purpose of any Confidential Information exchanged under this Agreement. Disclosing Party accepts no responsibility for any expenses or losses incurred or actions undertaken by Receiving Party as a result of the receipt or use of the Confidential Information.
- (d) **No Waiver.** The failure or delay of a Party to require performance of any provision or to resort to any remedy provided under this Agreement shall in no way affect the right of that Party to require performance or to resort to a remedy at any time thereafter, nor shall the waiver by any such Party of a breach be deemed to be a waiver of any subsequent breach.
- (e) **Governing Law, Jurisdiction, and Venue.** The Parties agree to remain silent on governing law, jurisdiction and venue.
- (f) **Assignment.** Neither Party shall assign or transfer its rights or obligations under this Agreement without the prior written consent of the other Party, which consent shall not be unreasonably withheld. This Agreement is binding upon, and inures to the benefit of, the Parties and their permitted successors and assigns.

- (g) **Severability.** If any provision of this Agreement is found to be invalid, illegal or unenforceable by a court of competent jurisdiction, such invalidity shall not affect the validity and operation of the rest of the Agreement.
- (h) **Attorneys' Fees.** The prevailing Party in any dispute arising hereunder shall be entitled to attorney's fees and court costs, extent allowed by law, through appeal, if any, in addition to any other relief which may be awarded.
- (i) **Entire Agreement.** This Agreement is the entire contract between the Parties concerning the Confidential Information and supersedes all prior agreements or understandings. This Agreement shall not be modified except by written instrument dated subsequent to the Effective Date and signed by both Parties.

IN WITNESS, WHEREOF, the Parties hereto have caused this Agreement to be duly executed by their authorized representatives.

**DHR Health Institute
For Research and Development**

BFLY Operations, Inc.

By: _____

By: _____

Name: Sohail Rao, MD, MA, DPhil

Name: _____

Title: President & CEO

Title: _____

Date: _____

Date: _____

City of Pharr

Med-Care EMS

By: _____

By: _____

Name: _____

Name: _____

Title: _____

Title: _____

Date: _____

Date: _____



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 10.C.

DATE SUBMITTED: April 22, 2022

MEETING DATE: May 2, 2022

FROM: Daniel Ramirez, Director

DEPARTMENT: Emergency Medical Services

DIRECTOR: Daniel Ramirez

Agenda Item: Consideration and action, if any, authorizing City Manager to enter into an affiliation agreement with RGV College for EMS student clinical rotations

Classification: Regular

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

Issue: This agreement will allow the students from RGV College to do their EMS clinic rideouts.

Fiscal Consideration: This agreement will not have an fiscal impact

Staff Recommendation: Staff recommends signing this agreement

Alternatives: no alternatives

Exclude Material from Public Packet? No

Reason: not excluded

ROUTING:

Daniel Ramirez

Created/Initiated - 4/22/2022

Daniel Ramirez

Approved - 4/22/2022

Karla Saavedra

Approved - 4/25/2022

Patricia Rigney

Approved - 4/28/2022

City Management Office

Final Approval - 4/29/2022

AFFILIATION AND PROGRAM AGREEMENT FOR CLINICAL EXPERIENCE

THIS AFFILIATION AND PROGRAM AGREEMENT FOR CLINICAL EXPERIENCE (“Agreement”) is made as of May 2, 2022 (the “Effective Date”) by and between City of Pharr, Texas, (“Affiliate”) and RGV College (“Educational Institution”). the EDUCATIONAL INSTITUTION and Affiliate may be referred to herein individually as a “Party” and collectively as the “Parties.”

W I T N E S S E T H:

WHEREAS, Educational Institution enrolls students in an approved Texas Department of State Health Services EMS program (the “EMS Program”);

WHEREAS, Affiliate operates a comprehensive EMS system located at 3000 N Cage Blvd Pharr, TX, 78577 (the “Facility”);

WHEREAS, EDUCATIONAL INSTITUTION desires to provide a clinical learning experience through the application of knowledge and skills in actual patient-centered treatment situations in a health care setting; and

WHEREAS, Affiliate will make the Facility available to EDUCATIONAL INSTITUTION for such clinical learning experience, subject to the terms and conditions of this Agreement.

NOW, THEREFORE, in consideration of the mutual promises contained herein, the Parties hereby agree as follows:

1. RESPONSIBILITIES OF EDUCATIONAL INSTITUTION.

(a) **Clinical Program**. EDUCATIONAL INSTITUTION will develop, implement, and operate the clinical learning experience (“Clinical Program”) component of the Accredited Program at the Facility in a form and format acceptable to Affiliate. EDUCATIONAL INSTITUTION may modify the Clinical Program from time to time, with Affiliate’s permission, and will promptly incorporate reasonable changes to the Clinical Program requested by Affiliate from time to time. With respect to the Clinical Program, EDUCATIONAL INSTITUTION will:

- (i) ensure the adequacy of Accredited Program resources, including up-to-date reference materials, and the academic preparation of students enrolled in the Accredited Program, including theoretical background, basic skills, professional ethics, and attitude and behavior, for participation in the Clinical Program and will assign to the Clinical Program only those students who have demonstrated the ability to successfully participate in the Clinical Program (each a “Participating Student”);
- (ii) advise each Program Participant (defined below) to attend training and orientation with respect to applicable Affiliate policies and procedures prior to the

commencement of each Clinical Program rotation during the Term (each a “Rotation”);

- (iii) provide training for Affiliate’s representatives who will support the Clinical Program regarding Clinical Program features and expectations, and Participating Student evaluations, as requested by Affiliate from time to time;
- (iv) identify to Affiliate each Program Participant who will participate in a Rotation as soon as that information is reasonably available to EDUCATIONAL INSTITUTION;
- (v) require Program Participants to comply with applicable laws and Affiliate policies and procedures when onsite at the Facility;
- (vi) require Program Participants to treat Affiliate patients, staff and Clinical Program supervisors with courtesy and respect and to not disrupt Facility operations or the provision of health care services for Affiliate’s patients;
- (vii) timely prepare and update with input from Affiliate rotation schedules for each Participating Student throughout each Rotation and coordinate the same with Affiliate;
- (viii) require Participating Students to arrive early for each scheduled Rotation, except when a Participating Student is ill or attending to a personal emergency;
- (ix) provide continuing oral and written communication with Affiliate regarding Participating Student Clinical Program performance and evaluations and other pertinent information;
- (x) participate and ensure that Program Participants participate in Affiliate's Quality Assurance and related programs, if any;
- (xi) participate and require Program Participants to participate in all reasonable or necessary Affiliate training sessions and programs from time to time; and
- (xii) promptly perform additional duties to facilitate operation of the Clinical Program as may be deemed reasonable or necessary by Affiliate from time to time.

(b) Responsibility.

- (i) EDUCATIONAL INSTITUTION will retain ultimate responsibility: for the appointment of faculty from the Accredited Program to support the Clinical Program; for educating and supervising Participating Students; and, for evaluating Participating Students’ performance with respect to the Clinical Program.
- (ii) Without limiting the foregoing, all Participating Students, Accredited Program faculty and other EDUCATIONAL INSTITUTION representatives onsite at the Facility (collectively “Program Participants”) shall be accountable to the Affiliate's

Administrator or other designated personnel while onsite at the Facility.

- (iii) EDUCATIONAL INSTITUTION will address all Program Participant complaints, claims, requests and questions regarding the Clinical Program. If necessary, EDUCATIONAL INSTITUTION's Program Representative will follow-up with Affiliate's Program Representative to address unresolved issues.
- (c) **Compliance with Program Requirements.** EDUCATIONAL INSTITUTION acknowledges that compliance by EDUCATIONAL INSTITUTION and each Program Participant with the terms and conditions of this Agreement and Affiliate policies and procedures is a condition precedent to Program Participant access to the Facility. Non-compliance or partial compliance with any such requirement may result in an immediate denial of access or re-access to the Facility.
- (d) **Dress Code, Meals, Transportation.** EDUCATIONAL INSTITUTION will cause Program Participants to conform to reasonable personal appearance standards imposed by Affiliate and wear ID badges as requested by Affiliate from time to time. EDUCATIONAL INSTITUTION will cause Program Participants to pay for their own meals at the Facility. EDUCATIONAL INSTITUTION acknowledges and will regularly inform Program Participants that Affiliate is not responsible for personal items lost or stolen at the Facility and is not responsible for providing transportation to and from the Facility.
- (e) **Use of the Facility.** EDUCATIONAL INSTITUTION will ensure that Program Participants use the Facility solely for the purpose of providing to Participating Students clinical learning experience pursuant to the Clinical Program.
- (f) **Records.** EDUCATIONAL INSTITUTION will cause each Program Participant to timely complete and save in Affiliate's systems, as directed by Affiliate, accurate records of all services provided by the Program Participant to an Affiliate patient ("Records"). All Records are and will remain the property of Affiliate, subject to the rights of patients with respect to such records and to the terms of applicable law. Affiliate will provide to EDUCATIONAL INSTITUTION a copy of Records for all lawful purposes, including defense of liability claims.
- (g) **Program Participants.** EDUCATIONAL INSTITUTION will provide to Affiliate information regarding each Program Participant, including immunization records, documentation attesting to the competency of Accredited Program faculty (e.g., state licensure, board certification in the relevant Specialty, *etc.*), background checks and drug screens as determined reasonably necessary in Affiliate's discretion from time to time.
- (h) **Program Participant Statements.** EDUCATIONAL INSTITUTION shall require each Program Participant to sign a Statement of Responsibility, in the form attached hereto as Exhibit A, and a Statement of Confidentiality and Security, in the form attached hereto as Exhibit B prior to each non-consecutive Rotation.

- (i) **Liability Insurance.** EDUCATIONAL INSTITUTION shall obtain and maintain general and professional liability insurance coverage in amounts not less than one million dollars (\$1,000,000.00) per occurrence and three million dollars (\$3,000,000.00) annual aggregate per Program Participant, with insurance carriers approved by Affiliate and covering the acts and omissions of Program Participants. EDUCATIONAL INSTITUTION will notify Affiliate at least thirty (30) calendar days in advance of any cancellation or modification of insurance coverage required hereunder and shall promptly provide to Affiliate, upon request, certificates of insurance evidencing the above coverage.

Nothing in this Agreement is intended to be construed or interpreted as (1) denying either EDUCATIONAL INSTITUTION or Affiliate any remedy or defense available to it under state laws; (2) the consent of the State of Texas to be sued; or (3) a waiver of sovereign immunity of the State of Texas or EDUCATIONAL INSTITUTION beyond any waiver explicitly provided for in state statutes.

- (j) **Health of Program Participants.** EDUCATIONAL INSTITUTION will require each Program Participant to maintain health insurance or student accident insurance and provide proof of health or student accident insurance to EDUCATIONAL INSTITUTION prior to participating in the Clinical Program. EDUCATIONAL INSTITUTION will cause Program Participants to provide to Affiliate proof of health insurance as requested by Affiliate from time to time.

In the event a Program Student is exposed to an infectious or environmental hazard or other occupational injury while at the Affiliate's facility, the Affiliate, upon notice of such incident from the Participating Student, will provide such emergency care as it provides for its employees. EDUCATIONAL INSTITUTION acknowledges that Affiliate is not and will not be financially responsible for a Program Participant's medical care or treatment regardless of the Program Participant's condition or injury or cause of injury whether occurring at the Facility or otherwise and regardless of fault or cause of injury.

EDUCATIONAL INSTITUTION will ensure that each Participating Student furnishes to Affiliate prior to each non-consecutive Rotation a complete copy of the following health records (Participating Students will not be allowed to access the Facility until all records are provided):

- (i) Tuberculin skin test performed within the past twelve (12) months or a negative chest X-ray within the last two (2) years;
- (ii) Proof of Mumps, Rubella and Rubeola immunity by positive antibody titers or two (2) doses of MMR;
- (iii) Proof of Varicella immunity, by positive antibody titer or two (2) doses of Varicella immunization;
- (iv) Proof of Influenza vaccination during the flu season, September 1 to March 31, (or dates defined by CDC); and

- (v) Proof of Hepatitis B immunization by positive antibody titer or three (3) doses of Hepatitis B immunizations.
- (k) **Performance.** All faculty provided by EDUCATIONAL INSTITUTION to support the Clinical Program shall be faculty members of the Accredited Program, duly licensed, certified or otherwise qualified to support the Clinical Program in the capacity proposed by EDUCATIONAL INSTITUTION. EDUCATIONAL INSTITUTION and all Program Participants shall perform its and their duties and services hereunder in accordance with all relevant local, state, and federal laws and shall comply with the standards and guidelines of all applicable accrediting bodies and the bylaws, rules and regulations of Affiliate and any non-conflicting rules and regulations of EDUCATIONAL INSTITUTION as may be in effect from time to time. Neither EDUCATIONAL INSTITUTION nor any Program Participant shall interfere with or adversely affect the operation of Affiliate or the performance of services therein.
- (l) **Background Checks.** EDUCATIONAL INSTITUTION will, at its sole expense and to the extent permitted by law, gather or otherwise obtain all reasonable and necessary background information and data concerning Program Participants and Program Faculty and make this information available to Affiliate.
- (m) **Student Documentation.** EDUCATIONAL INSTITUTION will maintain all documentation required to evidence compliance by each Program Participant with the terms and conditions of Subsections 1(g)- (l) of this Agreement during the Term and for at least three (3) years following expiration or termination of this Agreement.
- (n) **Access to Resources.** EDUCATIONAL INSTITUTION shall ensure that its department heads have authority to ensure faculty and Participating Student access to appropriate resources for the Participating Students' education.

2. RESPONSIBILITIES OF AFFILIATE.

- (a) Affiliate will make Facility access reasonably available to Program Participants and reasonably cooperate with EDUCATIONAL INSTITUTION's orientation of all Program Participants to the Facility. Affiliate shall provide Program Participants with access to appropriate clinical experience resources for the Clinical Program. Affiliate shall provide reasonable opportunities for Participating Students to observe and assist in various aspects of patient care to the extent permitted by applicable law and without disruption of patient care or Affiliate operations. Affiliate shall at all times retain ultimate control of the Affiliate and responsibility for patient care and quality standards.
- (b) Upon the request of EDUCATIONAL INSTITUTION, Affiliate shall assist EDUCATIONAL INSTITUTION in the evaluation of each Participating Student's performance in the Clinical Program. Any such evaluations shall be returned to EDUCATIONAL INSTITUTION in a timely manner. However, EDUCATIONAL INSTITUTION shall at all times remain solely responsible for the evaluation and education of Participating Students.

- (c) Affiliate will ensure that the Facility complies with applicable state and federal workplace safety laws and regulations. In the event a Participating Student is exposed to an infectious or environmental hazard or other occupational injury (*e.g.*, needle stick) while at the Facility, it shall provide, upon notice of such incident from the Participating Student, such emergency care as is provided to its employees, including, where applicable: examination and evaluation by Facility's emergency department or other appropriate facility as soon as possible after the injury; emergency medical care immediately following the injury as necessary; initiation of the HBV, Hepatitis C (HCV), and/or HIV protocol as necessary; and HIV counseling and appropriate testing as necessary. In the event that the Facility does not have the resources to provide such emergency care, Facility will refer such student to the nearest emergency facility.
- (d) To the extent Affiliate generates or maintains educational records for Participating Students that are subject to the Family Educational Rights and Privacy Act (FERPA), Affiliate will comply with applicable FERPA requirements. For purposes of this Agreement, EDUCATIONAL INSTITUTION shall designate Affiliate as a EDUCATIONAL INSTITUTION official with a legitimate educational interest in the educational records of Participating Students to the extent that access to EDUCATIONAL INSTITUTION'S records is required by Affiliate to carry out the Clinical Program.
- (e) Upon reasonable request, Affiliate will provide proof to EDUCATIONAL INSTITUTION that Affiliate maintains liability insurance in an amount that is commercially reasonable.
- (f) Affiliate will provide written notification to EDUCATIONAL INSTITUTION if a claim arises involving a Program Participant. Both Affiliate and EDUCATIONAL INSTITUTION agree to share such information in a manner that protects such disclosures from discovery to the extent possible under applicable federal and state peer review and joint defense laws.
- (g) Affiliate will resolve any situation in favor of its patients' welfare and may restrict a Participating Student to the role of observer when necessary, in Affiliate's discretion. Affiliate will notify EDUCATIONAL INSTITUTION's Program Representative (defined below) when such action has occurred.
- (h) Upon reasonable notice from EDUCATIONAL INSTITUTION, Affiliate will make the Facility reasonably available for inspection during normal business hours by organizations that provide or may provide academic accreditation for the Accredited Program. Such inspections must be accompanied at all times by an Affiliate representative and are contingent upon receipt by Affiliate of executed agreements that Affiliate believes are reasonably necessary or convenient to protect the confidentiality and security of Affiliate's information.
- (i) Affiliate shall provide Program Participants with access to and Participating Students with required training in the proper use of electronic medical records or paper charts, as applicable.

- (j) Affiliate shall provide student security badges or other means of secure access to Facility patient care areas.
- (k) Affiliate shall provide Program Participants with computer access, and access to call rooms, if necessary.
- (l) Affiliate shall provide secure storage space for Participating Students' personal items when at the Facility.
- (m) Affiliate shall provide qualified and competent staff members in adequate numbers for the instruction and supervision of students using the Facility.

3. **MUTUAL RESPONSIBILITIES.** The Parties shall cooperate to fulfill the following mutual responsibilities:

- (a) Each Party will identify to the other Party a Clinical Program representative (each a "Program Representative") on or before the execution of this Agreement. EDUCATIONAL INSTITUTION's Program Representative shall be a faculty member who will be responsible for teaching and assessments provided pursuant to this Agreement for Participating Students. Each Party will maintain a Program Representative for the Term and will promptly appoint a replacement Program Representative if necessary to comply with this Agreement. Each Party will ensure that its Program Representative is reasonably available to the other Party's Program Representative.
- (b) EDUCATIONAL INSTITUTION will provide qualified and competent Accredited Program faculty in adequate number for the instruction, assessment and supervision of Participating Students at the Facility.
- (c) Both EDUCATIONAL INSTITUTION and Affiliate will work together to maintain a Clinical Program emphasis on high quality patient care. At the request of either Party, a meeting or conference will promptly be held between the Parties' respective Program Representatives to resolve any problems in the operation of the Clinical Program.
- (d) EDUCATIONAL INSTITUTION acknowledges and will inform Participating Students that Participating Students are trainees in the Clinical Program and have no expectation of receiving compensation or future employment from Affiliate or EDUCATIONAL INSTITUTION. Participating Students are not to replace Affiliate staff and are not to render unsupervised patient care and/or services. Affiliate and its staff will provide such supervision of the educational and clinical activities as is reasonable and appropriate to the circumstances and to the Participating Student's level of training.
- (e) Any courtesy appointments to faculty or staff by either EDUCATIONAL INSTITUTION or Affiliate shall be without entitlement of the individual to compensation or benefits for the appointed party.

(f) Both EDUCATIONAL INSTITUTION and Affiliate will work together to create and maintain an appropriate learning environment for the Participating Students.

(g) EDUCATIONAL INSTITUTION, including its faculty, staff and residents, and the Affiliate share responsibility for creating an appropriate learning environment that includes both formal learning activities and the attitudes, values, and informal "lessons" conveyed by individuals who interact with the Participating Student. The parties will cooperate to evaluate the learning environment (which may include on-site visits) to identify positive and negative influences on the maintenance of professional standards, and to conduct and develop appropriate strategies to enhance the positive and mitigate the negative influences.

4. WITHDRAWAL OF PARTICIPATING STUDENTS. Affiliate may immediately remove a Participating Student from the Facility when, in Affiliate's discretion, his or her clinical performance is unsatisfactory or his or her behavior is disruptive or detrimental to Affiliate operations and/or Affiliate's patients. In such event, EDUCATIONAL INSTITUTION will immediately remove the Participating Student from the Clinical Program. It is understood that only EDUCATIONAL INSTITUTION can dismiss the Participating Student from the Clinical Program. EDUCATIONAL INSTITUTION may terminate a Participating Student's participation in the Clinical Program when it determines, in its sole discretion, that further participation by the student would no longer be appropriate.

5. FEES. All fees generated by or in connection with services provided by Program Participants to Affiliate patients belong to Affiliate. EDUCATIONAL INSTITUTION on behalf of itself and each Program Participant hereby assigns to Affiliate all right, title and interest (if any) in and to such fees. If EDUCATIONAL INSTITUTION or any Program Participant receives any fees or other reimbursement for services provided by Program Participants to Affiliate patients, EDUCATIONAL INSTITUTION will and will cause Program Participants to immediately deliver and endorse over to Affiliate all such amounts. EDUCATIONAL INSTITUTION will and will cause Program Participants not to bill Affiliate patients for services provided. EDUCATIONAL INSTITUTION will and will cause Program Participants to take all actions and execute all documents reasonably requested by Affiliate in order for Affiliate to collect fees and payments for health care services provided by Program Participants.

6. INDEPENDENT CONTRACTOR; NO OTHER BENEFICIARIES; EMPLOYMENT DISCLAIMER.

(a) The Parties hereby acknowledge that they are independent contractors, and neither EDUCATIONAL INSTITUTION nor any of its agents, representatives, Program Participants, or employees shall be considered agents, representatives, or employees of Affiliate. In no event shall this Agreement be construed as establishing a partnership or joint venture or similar relationship between the Parties. EDUCATIONAL INSTITUTION shall be liable for its own debts, obligations, acts and omissions, including the payment of all required withholding, social security and other taxes or benefits. No Program Participant shall look to Affiliate for any salaries, insurance or other benefits. No Program Participant or other third person is entitled to, and shall not, receive any rights under this Agreement. Neither Party shall have the right or

authority nor hold itself out to have the right or authority to bind the other Party and neither shall either Party be responsible for the acts or omissions of the other except as provided specifically to the contrary herein.

- (b) Each Party acknowledges that Participating Students will not be considered employees or agents of Affiliate or EDUCATIONAL INSTITUTION for any purpose. Participating Students will not be entitled to receive any compensation from Affiliate or EDUCATIONAL INSTITUTION or any benefits of employment from Affiliate or EDUCATIONAL INSTITUTION, including health care or workers' compensation benefits, vacation, sick time, or other direct or indirect benefit of employment.
- (c) EDUCATIONAL INSTITUTION acknowledges that Affiliate has not and is not obligated to implement or maintain insurance coverage for the benefit or protection of EDUCATIONAL INSTITUTION or Program Participants.

7. **NON-DISCRIMINATION.** There shall be no discrimination on the basis of race, national origin, religion, creed, sex, age, veteran status, or handicap in either the selection of Participating Students, or as to any aspect of the Clinical Program; provided, however, that with respect to handicap, the handicap must not be such as would, even with reasonable accommodation, in and of itself preclude the Program Participant's effective participation in the Clinical Program.

8. **INDEMNIFICATION.** To the extent permitted by applicable law and without waiving any defenses, each Party hereto shall indemnify and hold harmless the other Party and the other Party's officers, directors, trustees, medical and nursing staff, representatives and employees from and against all third-party liabilities, claims, damages and expenses, including reasonable attorneys' fees, relating to or arising out of any act or omission of either or any of its Program Participants, agents, representatives or employees in connection with this Agreement.

9. **CONFIDENTIALITY.** EDUCATIONAL INSTITUTION will, and will advise Program Participants, to keep strictly confidential and hold in trust all non-public information of Affiliate, including all patient information, and refrain from disclosing such confidential information to any third party without the express prior written consent of Affiliate, provided that the minimum necessary confidential information may be disclosed pursuant to valid legal process after Affiliate is permitted an opportunity to minimize the potential harmful effects of such disclosure. EDUCATIONAL INSTITUTION shall not disclose the terms of this Agreement to any person who is not a party to this Agreement, except as required by law or as authorized by Affiliate. These confidentiality requirements survive the termination or expiration of the Agreement. In addition to the requirements set forth in this Section, Program Participants shall abide by the terms of Exhibit B.

10. **TERM; TERMINATION.**

- (a) The term of this Agreement will commence on the Effective Date and will continue unless and until terminated as provided below (the "Term").
- (b) Either Party may terminate this Agreement at any time without cause upon at least sixty (60) calendar days prior written notice to the other Party, provided that all

Participating Students participating in the Program at the time of notice of termination, or who are already scheduled to train at the Facility, shall be given the opportunity to complete the then-current Program rotation or previously scheduled clinical assignment.

- (c) The Parties may terminate this Agreement at any time by mutual written agreement.
- (d) Affiliate may immediately terminate this Agreement at any time upon notice to EDUCATIONAL INSTITUTION in the event of a breach of Section 11 of this Agreement.

11. REPRESENTATIONS AND WARRANTIES.

- (a) EDUCATIONAL INSTITUTION hereby represents to Affiliate as of the Effective Date and warrants to Affiliate for the Term that EDUCATIONAL INSTITUTION and its Program Participants: (A) are not excluded, debarred, or otherwise ineligible to participate in the Federal health care programs as defined in 42 U.S.C. Section 1320a-7b(f) (the “Federal health care programs”); (B) are not convicted of a criminal offense related to the provision of health care items or services but has not yet been excluded, debarred or otherwise declared ineligible to participate in the Federal health care programs, and (C) are not under investigation or otherwise aware of any circumstances which may result in the EDUCATIONAL INSTITUTION, or a Program Participant being excluded from participation in the Federal health care programs; and
- (b) The representation and warranty set forth above is an ongoing representation and warranty for the Term of this Agreement. EDUCATIONAL INSTITUTION will immediately notify Affiliate, in writing, of any change in status of the representation and warranty set forth in this section.

12. TRAVEL EXPENSES. No expense of EDUCATIONAL INSTITUTION or of a Program Participant will be paid or reimbursed by Affiliate unless that expense is approved by Affiliate in writing in advance and is incurred and documented in accordance with applicable Affiliate travel and expense policies.

13. USE OF NAME OR LOGO. EDUCATIONAL INSTITUTION will not, and will cause Program Participants to not, use names, logos or marks associated with Affiliate without the express written consent of Affiliate in each case.

14. ENTIRE AGREEMENT. This Agreement and its Exhibits set forth the entire Agreement with respect to the subject matter hereof and supersedes all prior agreements, oral or written, and all other communications between the Parties relating to such subject matter. This Agreement may not be amended or modified except by mutual written agreement of the Parties. All continuing covenants, duties and obligations herein shall survive the expiration or earlier termination of this Agreement.

15. SEVERABILITY. If any provision of this Agreement is held to be invalid or unenforceable for any reason, this Agreement shall remain in full force and effect in accordance with its terms

disregarding such unenforceable or invalid provision.

16. **CAPTIONS.** The captions contained herein are used solely for convenience and shall not be deemed to define or limit the provisions of this Agreement.

17. **NO WAIVER.** Delay or failure to exercise any right or remedy hereunder will not impair such right or remedy or be construed as a waiver thereof. Any single or partial exercise of any right or remedy will not preclude any other or further exercise thereof or the exercise of any other right or remedy.

18. **GOVERNING LAW.** This Agreement shall be governed and construed in accordance with the laws of the state of Texas without regard to choice of law. Venue for all disputes arising in connection with this Agreement will be in the federal or state courts located in Hidalgo County, Texas.

19. **ASSIGNMENT; BINDING EFFECT.** EDUCATIONAL INSTITUTION may not assign or transfer any of its rights, duties or obligations under this Agreement, in whole or in part, without the prior written consent of Affiliate. This Agreement shall inure to the benefit of, and be binding upon, the Parties and their respective successors and permitted assigns.

20. **NOTICES.** All notices hereunder by either Party to the other shall be in writing, delivered personally, by certified or registered mail, return receipt requested, or by overnight courier, and shall be deemed to have been duly given when delivered personally or when deposited in the United States mail, postage prepaid, addressed as follows:

If to Affiliate: City of Pharr EMS
 3000 N. Cage
 Pharr, Texas
 78577
 Fax: 956-468-2175
 Email: ems@pharr-tx.gov
 Attention:
 EMS Chief Ramirez

Copy to: RGV College
 549 N. Cage Blvd.
 Pharr, Texas 78577
 Attention: Dr. Anabelle P. Rodriguez

or to such other person or place as either Party may from time to time designate by written notice to the other Party.

21. **COUNTERPARTS.** This Agreement may be executed in multiple parts (by facsimile transmission or otherwise) and each counterpart shall be deemed an original, and all of which together shall constitute but one agreement. Electronic signatures will be considered originals.

22. HIPAA REQUIREMENTS. To the extent applicable to this Agreement, EDUCATIONAL INSTITUTION agrees to comply with the Health Information Technology for Economic and Clinical Health Act of 2009 (the “HITECH ACT”), the Administrative Simplification provisions of the Health Insurance Portability and Accountability Act of 1996, as codified at 42 USC § 1320d through d-8 (“HIPAA”) and any current and future regulations promulgated under either the HITECH Act or HIPAA including without limitation the federal privacy regulations contained in 45 C.F.R. Parts 160 and 164 (the “Federal Privacy Regulations”), the federal security standards contained in 45 C.F.R. Parts 160, 162 and 164 (the “Federal Security Regulations”) and the federal standards for electronic transactions, all as may be amended from time to time, and all collectively referred to herein as “HIPAA Requirements”. EDUCATIONAL INSTITUTION further agrees not to use or disclose any Protected Health Information (as defined in 45 C.F.R. § 164.501) or Individually Identifiable Health Information (as defined in 42 USC § 1320d), other than as permitted by HIPAA Requirements and the terms of this Agreement. EDUCATIONAL INSTITUTION will, and will cause Program Participants, to enter into any further agreements as necessary to facilitate compliance with HIPAA Requirements.

23. NO REQUIREMENT TO REFER. Nothing in this Agreement requires or obligates EDUCATIONAL INSTITUTION to cause the admittance of a patient to Affiliate or to use Affiliate’s services. None of the benefits granted pursuant to this Agreement are conditioned on any requirement or expectation that the Parties make referrals to, be in a position to make or influence referrals to, or otherwise generate business for the other Party. Neither Party is restricted from referring any services to, or otherwise generating any business for, any other entity of their choosing.

24. NO PAYMENTS. Except as provided in Section 5, no payments will be made between the Parties or to the Program Participants in connection with this Agreement.

25. RECITALS. The Recitals to this Agreement shall be an enforceable part of this Agreement, binding on the Parties as if fully set forth herein.

26. EQUITABLE REMEDIES. EDUCATIONAL INSTITUTION acknowledges that the injury which might be suffered by Affiliate in the event of any breach by EDUCATIONAL INSTITUTION or non-compliance by Program Participants with the terms and conditions of this Agreement would be of a nature which could not be fully compensated for solely by a recovery of monetary damages, and accordingly agrees that in the event of any such breach or threatened breach, in addition to and not in lieu of any damages sustained by Affiliate and any other remedies which Affiliate may pursue hereunder or under applicable law, Affiliate shall have the right to equitable relief, including issuance of a temporary restraining order, preliminary injunction and/or permanent injunction by any court of competent jurisdiction, against the commission or continuation of such breach or threatened breach, without the necessity of proving any actual damages or the posting of any bond.

WHEREFORE, authorized representatives of each Party hereby execute this Agreement as of the Effective Date.

(EDUCATIONAL INSTITUTION)

By: _____

Title: _____

Date: _____

AFFILIATE

City of Pharr

By: _____

Title: _____

Date: _____

EXHIBIT A

STATEMENT OF RESPONSIBILITY

For and in consideration of the benefit provided to the undersigned in the form of experience in a clinical setting at City of Pharr EMS ("Affiliate"), the undersigned and his/her heirs, successors and/or assigns do hereby covenant and agree to assume all risks and be solely responsible for any injury or loss sustained by the undersigned while participating in the Program operated by ("EDUCATIONAL INSTITUTION") at Affiliate unless such injury or loss arises solely out of Affiliate's gross negligence or willful misconduct.

Signature of Program Participant/Print Name

Date

Parent or Legal Guardian
If Program Participant is under 18 / Print Name

Date

EXHIBIT B

Confidentiality and Security Agreement

I understand that the Affiliate or business entity (the “Affiliate”) for which I work, volunteer or provide services manages health information as part of its mission to treat patients. Further, I understand that the Affiliate has a legal and ethical responsibility to safeguard the privacy of all patients and to protect the confidentiality of their patients’ health information. Additionally, the Affiliate must assure the confidentiality of its human resources, payroll, fiscal, research, internal reporting, strategic planning information, or any information that contains Social Security numbers, health insurance claim numbers, passwords, PINs, encryption keys, credit card or other financial account numbers (collectively, with patient identifiable health information, “Confidential Information”).

In the course of assignment at the Affiliate, I understand that I may come into the possession of this type of Confidential Information. I will access and use this information only when it is necessary to perform my job-related duties in accordance with the Affiliate’s Privacy and Security Policies a copy of which have been made available to me. I further understand that I must sign and comply with this Agreement in order to obtain authorization for access to Confidential Information or Affiliate systems.

General Rules:

1. I will act in the best interest of the Affiliate and in accordance with its Code of Conduct at all times during my relationship with the Affiliate.
2. I understand that I should have no expectation of privacy when using Affiliate information systems. The Affiliate may log, access, review, and otherwise utilize information stored on or passing through its systems, including email, in order to manage systems and enforce security.
3. I understand that violation of this Agreement may result in disciplinary action, up to and including termination of employment, suspension, and loss of privileges, and/or termination of authorization to work within the Affiliate, in accordance with the Affiliate’s policies.

Protecting Confidential Information:

1. I understand that any Confidential Information, regardless of medium (paper, verbal, electronic, image or any other), is not to be disclosed or discussed with anyone outside those supervising, sponsoring or directly related to the learning activity.
2. I will not disclose or discuss any Confidential Information with others, including friends or family, who do not have a need to know it. I will not take media or documents containing Confidential Information home with me unless specifically authorized to do so as part of my job. Case presentation material will be used in accordance with Affiliate policies.
3. I will not publish or disclose any Confidential Information to others using personal email, or to any Internet sites, or through Internet blogs or sites such as Facebook or

Twitter. I will only use such communication methods when explicitly authorized to do so in support of Affiliate business and within the permitted uses of Confidential Information as governed by regulations such as HIPAA.

4. I will not in any way divulge, copy, release, sell, loan, alter, or destroy any Confidential Information except as properly authorized. I will only reuse or destroy media in accordance with Affiliate's standards and policies including any record retention policies.
5. In the course of treating patients, I may need to orally communicate health information to or about patients. While I understand that my first priority is treating patients, I will take reasonable safeguards to protect conversations from unauthorized listeners. Whether at the EDUCATIONAL INSTITUTION or at the Affiliate, such safeguards include, but are not limited to: lowering my voice or using private rooms or areas (not hallways, cafeterias or elevators) where available.
6. I will not make any unauthorized transmissions, inquiries, modifications, or purgings of Confidential Information. I will not access data on patients for whom I have no responsibilities or a need-to-know the content of the PHI concerning those patients.
7. I will not transmit Confidential Information outside the Affiliate network unless I am specifically authorized to do so as part of my job responsibilities. If I do transmit Confidential Information outside of the Affiliate using email or other electronic communication methods, I will ensure that the Information is encrypted according to Affiliate standards and policies.

Following Appropriate Access:

1. I will only access or use systems or devices I am officially authorized to access, and will not demonstrate the operation or function of systems or devices to unauthorized individuals.
2. I will only access software systems to review patient records or Affiliate information when I have a business need to know, as well as any necessary consent. By accessing a patient's record or Affiliate information, I am affirmatively representing to the Affiliate at the time of each access that I have the requisite business need to know and appropriate consent, and the Affiliate may rely on that representation in granting such access to me.

Using Portable Devices and Removable Media:

1. I will not copy or store Confidential Information on removable media or portable devices such as laptops, personal digital assistants (PDAs), cell phones, CDs, thumb drives, external hard drives, etc., unless specifically required to do so by my job. If I do copy or store Confidential Information on removable media, I will encrypt the information while it is on the media according to Affiliate standards and policies.
2. I understand that any mobile device (Smart phone, PDA, etc.) that synchronizes Affiliate data (*e.g.*, Affiliate email) may contain Confidential Information and as a result, must be protected. Because of this, I understand and agree that the Affiliate has the right to:
 - a. Require the use of only encryption capable devices.

- b. Prohibit data synchronization to devices that are not encryption capable or do not support the required security controls.
- c. Implement encryption and apply other necessary security controls (such as an access PIN and automatic locking) on any mobile device that synchronizes Affiliate data regardless of it being an Affiliate or personally owned device.
- d. Remotely "wipe" any synchronized device that: has been lost, stolen or belongs to a terminated employee or affiliated partner.
- e. Restrict access to any mobile application that poses a security risk to the Affiliate network.

Doing My Part – Personal Security:

1. I understand that I may be assigned a unique identifier to track my access and use of Confidential Information and that the identifier is associated with my personal data provided as part of the initial and/or periodic credentialing and/or verification processes.
2. I will:
 - a. Use only my officially assigned User-ID and password.
 - b. Use only approved licensed software.
 - c. Use a device with virus protection software.
3. I will never:
 - a. Disclose passwords, PINs, or access codes.
 - b. Use tools or techniques to break/exploit security measures.
 - c. Connect unauthorized systems or devices to the Affiliate network.
4. I will practice good workstation security measures such as locking up diskettes when not in use, using screen savers with activated passwords, and positioning screens away from public view.
5. I will immediately notify my manager at Affiliate if:
 - a. my password has been seen, disclosed, or otherwise compromised;
 - b. media with Confidential Information stored on it has been lost or stolen;
 - c. I suspect a virus infection on any system;
 - d. I am aware of any activity that violates either this Agreement or any privacy and security policies; or
 - e. I am aware of any other incident that could possibly have any adverse impact on Confidential Information or Affiliate systems.

Upon Termination:

1. I agree that my obligations under this Agreement will continue after termination of my employment, expiration of my contract, or my relationship ceases with the Affiliate.
2. Upon termination, I will immediately return any documents or media containing Confidential Information to the Affiliate.

3. I understand that I have no right to any ownership interest in any Confidential Information accessed or created by me during and in the scope of my relationship with the Affiliate.

By signing this document, I acknowledge that I have read this Agreement and I agree to comply with all the terms and conditions stated above.

Signature	Pharr EMS	Date:
Printed Name:	EDUCATIONAL INSTITUTION:	



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 10.D.

DATE SUBMITTED: April 25, 2022

MEETING DATE: May 2, 2022

FROM: Karla Saavedra, Finance Director

DEPARTMENT: Finance

DIRECTOR: Karla Saavedra

Agenda Item: Consideration and action, if any, ratifying agreement between City of Pharr and ClearGov for Budget Preparation Software Service Agreement.

Classification: Regular

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

Issue: New Budget Preparation software was acquired to facilitate overall Budget Process from Early kick off through Preparation of Budget Document to submit to GFOA to meet excellence standards.

Fiscal Consideration: \$36,000 a year

Staff Recommendation: To approve

Alternatives: To deny

Exclude Material from Public Packet? No

Reason: n/a

ROUTING:

Karla Saavedra

Created/Initiated - 4/25/2022

Karla Saavedra

Approved - 4/25/2022

Patricia Rigney

Approved - 4/25/2022

City Management Office

Final Approval - 4/29/2022



2 Mill & Main; Suite 630; Maynard, MA 01754

Service Order

Created by	Kristin Fine
Contact Phone	972-948-2999
Contact Email	kfine@cleargov.com

Order Date	Apr 13, 2022
Order valid if signed by	4/30/22

Customer Information			
Customer	City of Pharr, TX	Contact	Karla Saavedra
Address	118 S Cage Blvd	Title	Finance Director
City, St, Zip	Pharr, TX 78577	Email	karla.saavedra@pharr-tx.gov
Phone	956-249-9055	PO # (If any)	

This Service Order will be contracted through...	
Procurement Aggregator	ClearGov Contract
Buyboard	Buyboard Proposal No. #607-20

To be clear, you will be billed as follows...		
Billing Date(s)	Amount(s)	Notes
May 1, 2022	\$ 7,200.00	One Time Setup Fee
May 1, 2022	\$ 15,166.67	5 Month Pro-Rata Subscription Fee
Oct 1, 2022	\$ 36,400.00	Annual Subscription Fee
Additional subscription years and/or renewals will be billed annually in accordance with pricing and terms set forth herein.		

ClearGov will provide your Services according to this schedule...			
Period	Start Date	End Date	Description
Setup	May 1, 2022	May 1, 2022	ClearGov Setup Services
Pro-Rata	May 1, 2022	Sep 30, 2022	ClearGov Subscription Services
Initial	Oct 1, 2022	Sep 30, 2025	ClearGov Subscription Services

The Services you will receive and the Fees for those Services are...		
Set up Services		Tier/Rate
ClearGov Setup: Includes activation, onboarding and training for ClearGov solutions.		Tier 3
ClearGov Setup Bundle Discount: Discount for bundled solutions.		Tier 3
Total ClearGov Setup Service Fee - Billed ONE-TIME		\$ 7,200.00
Subscription Services		Tier
ClearGov Operational Budgeting - Civic Edition		Tier 3
ClearGov Personnel Budgeting - Civic Edition		Tier 3
ClearGov Capital Budgeting - Civic Edition		Tier 3
ClearGov Digital Budget Book - Civic Edition		Tier 3
ClearGov Transparency - Civic Edition		Tier 3
ClearGov Budget Cycle Management Bundle Discount: Discount for bundled solutions.		Tier 3
Total ClearGov Subscription Service Fee - Billed ANNUALLY IN ADVANCE		\$ 36,400.00
Billing Terms and Conditions		
Valid Until	Apr 30, 2022	Pricing set forth herein is valid only if ClearGov Service Order is executed on or before this date.
Payment	Net 30	All invoices are due Net 30 days from the date of invoice.
Rate Increase	3% per annum	After the Initial Service Period, the Annual Subscription Service Fee shall automatically increase by this amount.

Customer Upgrades (ClearGov internal use only)

This Service Order is a Customer Upgrade	No	If Yes: Original Service Order Date	
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General Terms & Conditions

Cancellation Option	This ClearGov Service Order is subject to the approval of the Pharr City Council (the "Board") as set forth herein. In the event that the Board does not approve this Service Order at its May 2022 meeting, Customer shall have the option to terminate this Service Order immediately by providing written notice. In the event that Customer exercises this option, Customer shall have no payment obligation under this Service Order.
Customer Satisfaction Guarantee	During the first thirty (30) days of the Service, Customer shall have the option to terminate the Service, by providing written notice. In the event that Customer exercises this customer satisfaction guarantee option, such termination shall become effective immediately and Customer shall be eligible for a full refund of the applicable Service Fees.
Statement of Work	ClearGov and Customer mutually agree to the ClearGov Service activation and onboarding process set forth in the attached Statement of Work.
Taxes	The Service Fees and Billing amounts set forth above in this ClearGov Service Order DO NOT include applicable taxes. In accordance with the laws of the applicable state, in the event that sales, use or other taxes apply to this transaction, ClearGov shall include such taxes on applicable invoices and Customer is solely responsible for such taxes, unless documentation is provided to ClearGov demonstrating Customer's exemption from such taxes.
Term & Termination	Subject to the termination rights and obligations set forth in the ClearGov Service Agreement, this ClearGov Service Order commences upon the Order Date set forth herein and shall continue until the completion of the Service Period(s) for the Service(s) set forth herein. Each Service shall commence upon the Start Date set forth herein and shall continue until the completion of the applicable Service Period.
Annual Termination for Convenience Option	Customer may terminate this Service Order for its convenience by providing notice at least thirty (30) days in advance of the then current annual Service Period. Such termination shall become effective as of the final day of the then current annual Service Period.
Appropriations	Customer shall have the option to terminate this ClearGov Service Order in advance of any annual Service Period in the event that the applicable appropriating body does not appropriate funds for such upcoming Service Period.
Agreement	This ClearGov Service Order shall become binding upon execution by both Parties. The signature herein affirms your commitment to pay for the Service(s) ordered in accordance with the terms set forth in this ClearGov Service Order and also acknowledges that you have read and agree to the terms and conditions set forth in the ClearGov Service Agreement found at the following URL: http://www.ClearGov.com/terms-and-conditions . This Service Order incorporates by reference the terms of such ClearGov Service Agreement.

Customer

Signature	
Name	Edward Wylie
Title	City Manager

ClearGov, Inc.

Signature	
Name	Bryan A. Burdick
Title	President

Please e-mail signed Service Order to Orders@ClearGov.com or Fax to (774) 759-3045

Statement of Work

This Statement of Work outlines the roles and responsibilities by both ClearGov and Customer required for the activation and onboarding of the ClearGov Service. ClearGov will begin this onboarding process upon execution of this Service Order. All onboarding services and communications will be provided through remote methods - email, phone and web conferencing.

ClearGov Responsibilities

- ClearGov will activate ClearGov Service subscription(s) as of the applicable Start Date(s). ClearGov will create the Initial Admin User account, and the Customer Admin User will be responsible for creating additional User accounts.
- ClearGov will assign a Client Success Manager (CSM) responsible for managing the activation and onboarding process. ClearGov CSM will coordinate with other ClearGov resources, as necessary.
- ClearGov CSM will provide a Kickoff Call schedule to Customer's Primary Contact - to be scheduled within two weeks after the Service Order has been executed.
- ClearGov will provide Customer with financial data requirements and instructions, based on the ClearGov Service subscription(s). If necessary, ClearGov will set up a Data Discovery call to assist with such requirements/instructions.
- ClearGov will review financial data files and confirm that data is complete, or request additional information, if necessary. Once complete financial data files have been received, ClearGov will format the data, upload it to the ClearGov platform and complete an initial mapping of the data.
- After initial mapping, ClearGov will schedule a Data Review call with a ClearGov Data Onboarding Consultant (DOC), who will present how the data was mapped, ask for feedback and get answers to open questions. Depending upon Customer feedback and the complexity of data mapping requests, there may be additional follow up calls or emails required to complete the data onboarding process.
- ClearGov will make Customer aware of all training, learning and support options. ClearGov recommends all Users attend training sessions and/or read Support Center articles before using the ClearGov Service to ensure a quick ramp and success. As needed, ClearGov will design and deliver one customized remote training session for Admins and one for End Users - via video conference - and these sessions will be recorded for future reference.
- ClearGov will make commercially reasonable efforts to complete the onboarding process in a timely fashion, provided Customer submits financial data files and responds to review and approval requests by ClearGov in a similarly timely fashion. Any delay by Customer in meeting these deliverable requirements may result in a delayed data onboarding process. Any such delay shall not affect or change the Service Period(s) as set forth in the applicable Service Order.

Customer Responsibilities

- Customer's Primary Contact will coordinate the necessary personnel to attend Kickoff Call within two weeks after the Service Order has been executed. If Customer needs to change the date/time of the Kickoff Call, the Primary Contact will notify the ClearGov CSM at least one business day in advance.
- Customer will provide requested financial data files (revenue, expense, chart of accounts, etc.) to ClearGov in accordance with the requirements provided by ClearGov.
- Customer's Primary Contact will coordinate the necessary personnel to attend the Data Review call. It is recommended that all stakeholders with input on how data should be mapped should attend. Based on the Data Review call and any subsequent internal review, Customer shall provide a detailed list of requested changes in a timely manner, and Customer will approve the final data mapping, once completed to Customer's satisfaction.
- Customer shall be solely responsible for inputting applicable text narrative, custom graphics, performance metrics, capital requests and personnel data and other such information for budget books, projects, dashboards, etc.

TITLE	ClearGov Service Order for Pharr, TX
FILE NAME	doc08459820220421150838.pdf
DOCUMENT ID	cbabdfabacb0f413d456e051adfb72e67e8c864f
AUDIT TRAIL DATE FORMAT	MM / DD / YYYY
STATUS	● Signed

Document History



SENT

04 / 21 / 2022

17:30:10 UTC-4

Sent for signature to Bryan Burdick (bburdick@cleargov.com)
from kfine@cleargov.com
IP: 104.182.177.191



VIEWED

04 / 21 / 2022

17:46:07 UTC-4

Viewed by Bryan Burdick (bburdick@cleargov.com)
IP: 96.233.75.233



SIGNED

04 / 21 / 2022

20:10:53 UTC-4

Signed by Bryan Burdick (bburdick@cleargov.com)
IP: 96.233.75.233



COMPLETED

04 / 21 / 2022

20:10:53 UTC-4

The document has been completed.



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 10.E.

DATE SUBMITTED: April 27, 2022

MEETING DATE: May 2, 2022

FROM: Maria Rangel, Engineer in Training

DEPARTMENT: Engineering

DIRECTOR: Edward Wylie

Agenda Item: Consideration and action, if any, authorizing City Manager to ratify Change Order Number 4 in the amount of \$290,395 for the Northside Aquatic Facility.

Classification: Regular

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

Issue: The work in Change Order Number 4 was approved and completed under various Change Requests, and paid out in Payment Applications #25, 26, 27 and 28.

Fiscal Consideration:

Original Contract: \$23,165,208.00

CO#1: -\$55,727.68

CO#2: \$0

CO#3: \$286,954.27

CO#4: \$290,395

Revised Contract Amount: \$23,686,829.59

Staff Recommendation: Staff recommends approval of ratification of Change Order Number 4 for the Northside Aquatic Facility.

Alternatives: No alternative.

Exclude Material from Public Packet? No

Reason: No exclusion.

ROUTING:

Maria Rangel

Ignacio Amezcua

Karla Saavedra

City Management Office

Created/Initiated - 4/27/2022

Approved - 4/27/2022

Approved - 4/28/2022

Final Approval - 4/29/2022



CHANGE ORDER

Contractor: D. Wilson Construction Co.

Change Order No.: 4

Project: City of Pharr Natatorium

Date: 5/2/2022

Project #1819-35-510-C011-051

Notice to Proceed Date: 1-Nov-19

Change Order Amount: \$ 290,395.00

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

1. \$2,963 - CR61
2. \$2,670 - CR62
3. \$864 - CR63
4. \$3,063 - CR64
5. \$29,179 - CR65
6. \$23,820 - CR67
7. \$25,392 - CR68
8. \$121,085 - CR69
9. \$124,088 - CR70
10. \$34,886.697 - CR71
11. \$5,495 - CR72
12. \$2,315 - CR73
13. \$11,505 - CR74

Reason for Change Order:

Noted on Change Requests.

	Contract Price	Contract Time(Calendar Days)
Original Contract:	\$ 23,165,208.00	Original Completion Date: 12-Oct-21
Previous Change Order: (+/-)	\$ 231,226.59	Additional Days: 84
This Change Order: (+/-)	\$ 290,395.00	Revised Completion Date: 4-Jan-22
Revised Contract Amount:	\$ 23,686,829.59	

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:

D. Wilson Construction Co.

Contractor

Authorized Signature

Date

Recommended:

The Warren Group Architect, Inc.

Architect

Authorized Signature

Date

Carlos del Angel, PMP

Construction Manager

Authorized Signature

Date

Maria Rangel, P.E.

Interim City Engineer

Authorized Signature

Date

Approved:

Ed Wylie

Deputy City Manager

Authorized Signature

Date



P.O. Box 3455
McAllen, TX 78502-3455
Ph : (956) 686-9573

Change Request

To: The Warren Group Architects
1801 S. 2nd Street
Suite 370
McAllen, TX 78503

Number: 61
Date: 8/24/21
Job: 20-084 City of Pharr/PSJA Aquatic
Phone: 956-682-7369

Description: Add Knox Boxes as required by Fire Marshall

We are pleased to offer the following specifications and pricing to make the following changes:

During the recent walk thru with Fire Department, they requested two knox boxes, one (1) at the front entrance and another at the fire riser room.

Description	Price
Add one Knox Box as per City of Pharr Fire Marshall's instruction at the exterior wall of the riser room and another at the front entrance	\$1,015.00
Labor to install knox boxes, remove and replace the EIFS to place knox box.	\$1,500.00
Subtotal:	\$2,515.00
Overhead \$2,515.00 10.00%	\$251.50
Profit \$2,766.50 5.00%	\$138.33
Insurance \$2,904.83 1.00%	\$29.05
Bond \$2,933.88 0.99%	\$29.12
Total:	\$2,963.00

If you have any questions, please contact me at 956-686-9573.

Submitted by: Claudio Velasco

Approved by: 
Date: 12-3-21



P.O. Box 3455
McAllen, TX 78502-3455
Ph : (956) 686-9573

Change Request

To: The Warren Group Architects
1801 S. 2nd Street
Suite 370
McAllen, TX 78503

Number: 62
Date: 10/18/21
Job: 20-084 City of Pharr/PSJA Aquatic
Phone: 956-682-7369

Description: Fire Alarm Issues as per Fire Department Walk Thru

Source: RFI # RFI 137

We are pleased to offer the following specifications and pricing to make the following changes:

Description	Price
As per a recent walk-thru with the City of Pharr Fire Department (authority having jurisdiction), NPA 72 2016 & NFPA 72 - the high volumen low speed fans requirie an automatic shut down and mus be connected to the FACP .	\$1,378.00
Run dedicated circuitis for power supply and amplifiers in Room 114 & 126 . The electrical drawings and panel schedules do not show any circuits for this equipment.	\$888.00
	Subtotal: \$2,266.00
Overhead	\$2,266.00 10.00% \$226.60
Profit	\$2,492.60 5.00% \$124.63
Insurance	\$2,617.23 1.00% \$26.17
Bond	\$2,643.40 1.01% \$26.60
	Total: \$2,670.00

If you have any questions, please contact me at 956-686-9573.

Submitted by: Claudio Velasco

Approved by: 
Date: 12-3-21

Change Request

To: The Warren Group Architects
1801 S. 2nd Street
Suite 370
McAllen, TX 78503

Number: 64
Date: 10/20/21
Job: 20-084 City of Pharr/PSJA Aquatic
Phone: 956-682-7369

Description: RFI 136 - Floor Drain required in Riser Room

We are pleased to offer the following specifications and pricing to make the following changes:

Description	Price
RFI 136 - Provide and install one (1) new 3" floor drain at the riser room as required for weekly maintenance/bleeding.	\$1,500.00
Rental equipment for concrete break.	\$600.00
Concrete patch rebar, mix and labor	\$500.00
	Subtotal: \$2,600.00
Overhead	\$2,600.00 10.00% \$260.00
Profit	\$2,860.00 5.00% \$143.00
Insurance	\$3,003.00 1.00% \$30.03
Bond	\$3,033.03 0.99% \$29.97
	Total: \$3,063.00

If you have any questions, please contact me at 956-686-9573.

Submitted by: Claudio Velasco

Approved by: 
Date: 12-3-21



P.O. Box 3455
McAllen, TX 78502-3455
Ph : (956) 686-9573

Change Request

To: The Warren Group Architects
1801 S. 2nd Street
Suite 370
McAllen, TX 78503

Number: 65
Date: 10/25/21
Job: 20-084 City of Pharr/PSJA Aquatic
Phone: 956-682-7369

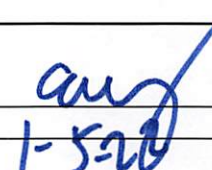
Description: Irrigation Booster Pump due to low water pressure

We are pleased to offer the following specifications and pricing to make the following changes:

Description	Price
Provide and install a Green Tech 5 HP Centrifugal Booster Pump Station	\$19,721.00
Provide electrical and run conduit for booster pump station.	\$5,044.00
	Subtotal: \$24,765.00
Overhead	\$24,765.00 10.00% \$2,476.50
Profit	\$27,241.50 5.00% \$1,362.08
Insurance	\$28,603.58 1.00% \$286.04
Bond	\$28,889.62 1.00% \$289.38
	Total: \$29,179.00

If you have any questions, please contact me at .

Submitted by: D Wilson Construction Co.

Approved by: 
Date: 1-5-20

Change Request

To: The Warren Group Architects
1801 S. 2nd Street
Suite 370
McAllen, TX 78503

Number: 67
Date: 11/9/21
Job: 20-084 City of Pharr/PSJA Aquatic
Phone: 956-682-7369

Description: ASI 27 - Power and Water to Pool Equipment per revised Drawings

Source: ASI # 27

We are pleased to offer the following specifications and pricing to make the following changes:

Description	Price
ASI 27 - Provide electrical to pool equipment as per changes to Sheet E1.02, E1.03 and E4.02 dated October 28, 2021.	\$15,447.00
Patch, Tape, Float and Paint	\$1,000.00
ASI 27 - Plumbing - Material and labor to run approximately 190 LF of 3/4" domestic water line with backflow preventor.	\$3,270.00
ASI 27 - Concrete patching for plumbing	\$500.00
	Subtotal: \$20,217.00
Overhead	\$20,217.00 10.00% \$2,021.70
Profit	\$22,238.70 5.00% \$1,111.94
Insurance	\$23,350.64 1.00% \$233.51
Bond	\$23,584.15 1.00% \$235.85
	Total: \$23,820.00

The schedule will be TBD.

If you have any questions, please contact me at 956-686-9573.

Submitted by: Claudio Velasco

Approved by: 

Date: 12-3-21



P.O. Box 3455
McAllen, TX 78502-3455
Ph : (956) 686-9573

Change Request

To: The Warren Group Architects
1801 S. 2nd Street
Suite 370
McAllen, TX 78503

Number: 68
Date: 11/9/21
Job: 20-084 City of Pharr/PSJA Aquatic
Phone: 956-682-7369

Description: PR 19 - Provide AC in Elevator Room with related electrical & plumbing

Source: RFI # PR19

We are pleased to offer the following specifications and pricing to make the following changes:

Description	Price
PR 19 - HVAC - Provide and install a mini-split unit to Elevator Equipment Room as per PR 19. Furnish the necessary insurance, labor, materials, tools, plant, and equipment for the installation of a 1-1/2 ton DX Mini Split as per PR 19.	\$12,364.00
PR 19 - Electrical - Add power for mini split in Elevator Equipment Room 129. Change existing outlet to GFCI outlet.	\$4,300.00
PR19 - Plumbing - Material & labor to run new 3/4" copper condensate drain line from new mini split to mop sink.	\$500.00
PR 19 - Drywall - Patch ceiling/walls where new mini-split will be installed.	\$500.00
PR 19 - Roofing - Flash-in one set of runners using TPO membrane for mini split as per mfg recommendations. Remove all debris,	\$1,400.00
PR 19 - Fire extinguishers - Provide a fire extinguisher as required by Elevator contractor for State Inspection.	\$245.00
PR 19 - Thybar Roof Curbs for condensing unit	\$2,242.00
	Subtotal: \$21,551.00
Overhead	\$21,551.00 10.00% \$2,155.10
Profit	\$23,706.10 5.00% \$1,185.31
Insurance	\$24,891.41 1.00% \$248.91
Bond	\$25,140.32 1.00% \$251.68
	Total: \$25,392.00

€10

If you have any questions, please contact me at 956-686-9573.

Submitted by: Claudio Velasco

Approved by: 
Date: 12-2-21

Change Request

To: The Warren Group Architects
1801 S. 2nd Street
Suite 370
McAllen, TX 78503

Number: 69
Date: 11/29/21
Job: 20-084 City of Pharr/PSJA Aquatic
Phone: 956-682-7369

Description: Bermuda Tifway 419 Sod in lieu of Hydromulch

We are pleased to offer the following specifications and pricing to make the following changes:

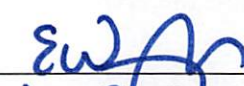
Sod availablr is 419 Tiffway Bermuda

Description				Price
Provide and install 419 Bermuda Tiffway Sod in lieu of Hydromulch.				\$110,400.00
Credit for Hydromulch				\$-7,630.00
			Subtotal:	\$102,770.00
	Overhead	\$102,770.00	10.00%	\$10,277.00
	Profit	\$113,047.00	5.00%	\$5,652.35
	Insurance	\$118,699.35	1.00%	\$1,186.99
	Bond	\$119,886.34	1.00%	\$1,198.66
			Total:	\$121,085.00

**NOTE: Bermuda Tiffway 419 Sod is
being proposed.**

If you have any questions, please contact me at 956-686-9573.

Submitted by: Claudio Velasco

Approved by: 

Date: 12-2-21

Change Request

To: The Warren Group Architects
1801 S. 2nd Street
Suite 370
McAllen, TX 78503

Number: 01
Date: 12/20/21
Job: 22-158 City of Pharr Aquatic-Add'l Sc
Phone: 956-682-7369

Description: PSJA Logos for wall and monument sign

We are pleased to offer the following specifications and pricing to make the following changes:

Pricing, duration, terms and conditions are only good through December 28, 2021.

Contract will be modified to include payment requirements outlined by the City-approved vendor without retainage for change order as presented.

Pricing subject to City-approved vendor (AAA Electrical Signs) executing DWCC subcontract.

The contract documents do not include design or performance requirements for the sign assembly as presented in this change order. DWCC provides no warranty, guarantee and bears no consequence for failing to meet the delivery date or performance of the sign assembly and that only certain select sections of the Prime Contract apply to this change order

Thid Proposal excludes the extended maintenance agreements.

NOTE: This work will require a 30 Day Extension of time from shop drawing approval.

Description	Price
As per AAA Proposal 24774, we propose to provide and install the PSJA Logo Type A -1 ea. 12'-8 X 15'0" single face pan Duralife 6000 Face with #7280 Clear Coat Copyright design #610-2021 with related custom frames, custom faces and Samsung White LED lighting as per quote; as per AAA Sign's proposal 24774R attached.	\$71,493.00
As per AAA proposal 24778R, provide two (2) PSJA logos for Monument sign as per attached 5'-5"X 6'-4"-102" single facepan formed face with embossed copy copyright design #609-2021, custome manufactured ename finish framed, custome formed embossed face with Samsung white LEDs	\$25,402.00
Equipment rentals (scaffolds, install and remove)	\$3,200.00
Carpentry Labor	\$550.00
EIFS - Repair EIFS at Sign Location	\$3,500.00
Waterproofing at sign.	\$375.00
Metal studs and drywall repair	\$450.00
Roof Protection	\$350.00
	Subtotal: \$105,320.00
Overhead	\$105,320.00 10.00% \$10,532.00
Profit	\$115,852.00 5.00% \$5,792.60
Insurance	\$121,644.60 1.00% \$1,216.45
Bond	\$122,861.05 1.00% \$1,226.95
	Total: \$124,088.00

If you have any questions, please contact me at .

Submitted by:

Approved by: 
Date:

Change Request

To: The Warren Group Architects
1801 S. 2nd Street
Suite 370
McAllen, TX 78503

Number: 71
Date: 12/11/21
Job: 20-084 City of Pharr/PSJA Aquatic
Phone: 956-682-7369

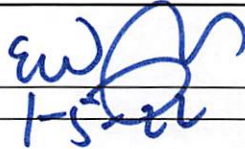
Description: PR 21 - Item 2 - Furnish and install pool heating pump, isolation valves and piping supports.

We are pleased to offer the following specifications and pricing to make the following changes:

Description	Price
PR 21 - AP CCN-K - Provide and install a Grundfos Pump 3095-7 VL, 240 GPM @ 80' cast iron, SS impeller; 10 HP 230/240/3/60; 1800 RPM TEFC Motor, Scotchkote coating, NSF 50, Lead Time 4-8 Weeks after approval. Includes Pump, Lift rental, CVPVC Pipe & Fittings, Hardware, Unistrut, 2 BF Valves, Labor, Freight and materials.	\$17,816.00
PR 21 - AP CCN-L - Provide and install a VFD for heated water pump 15HP 480U 3-Phase VFD for 10 HP circulation pump.	\$9,926.00
PR 21 - Item 1 - Power for Pump and VFD - labor and materials	\$1,868.00
Subtotal:	\$29,610.00
Overhead	\$29,610.00 10.00% \$2,961.00
Profit	\$32,571.00 5.00% \$1,628.55
Insurance	\$34,199.55 1.00% \$342.00
Bond	\$34,541.55 1.00% \$345.42
Total:	\$34,886.97

If you have any questions, please contact me at 956-686-9573.

Submitted by: Claudio Velasco

Approved by: 
Date: 1-5-22



P.O. Box 3455
McAllen, TX 78502-3455
Ph : (956) 686-9573

Change Request

To: The Warren Group Architects
1801 S. 2nd Street
Suite 370
McAllen, TX 78503

Number: 72
Date: 12/12/21
Job: 20-084 City of Pharr/PSJA Aquatic
Phone: 956-682-7369

Description: Conduit for Ethernet @ PAHUs & Gas Test Port Holes at Heaters

We are pleased to offer the following specifications and pricing to make the following changes:

Description				Price
COR 26 - Conduit and Flex to each Pool Air Handling Unit - (3 ea) for warranty and mfg monitoring of ethernet for AC Controls				\$3,464.00
COR 1210 - Material and labor to provide and install two 1-1/2" AGA Ball Valves and One 2" AGA Ball valve with test port at pool heaters.				\$1,200.00
Subtotal:				\$4,664.00
Overhead	\$4,664.00	10.00%		\$466.40
Profit	\$5,130.40	5.00%		\$256.52
Insurance	\$5,386.92	1.00%		\$53.87
Bond	\$5,440.79	1.00%		\$54.21
Total:				\$5,495.00

Submitted by: Claudio Velasco

Approved by: _____
Date: _____



P.O. Box 3455
McAllen, TX 78502-3455
Ph : (956) 686-9573

Change Request

To: The Warren Group Architects
1801 S. 2nd Street
Suite 370
McAllen, TX 78503

Number: 73
Date: 12/14/21
Job: 20-084 City of Pharr/PSJA Aquatic
Phone: 956-682-7369

Description: Power for pace clocks

Source: ASI # PR 22

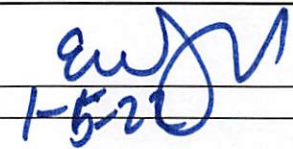
We are pleased to offer the following specifications and pricing to make the following changes:

Description			Price
PR 22 - Item 1 - Provide power for Pace Clocks at 8'-0" AFF			\$1,965.00
			Subtotal: \$1,965.00
Overhead	\$1,965.00	10.00%	\$196.50
Profit	\$2,161.50	5.00%	\$108.08
Insurance	\$2,269.58	1.00%	\$22.70
Bond	\$2,292.28	0.99%	\$22.72
			Total: \$2,315.00

OK

If you have any questions, please contact me at .

Submitted by:

Approved by: 

Date: 1-5-22

Change Request

To: The Warren Group Architects
1801 S. 2nd Street
Suite 370
McAllen, TX 78503

Number: 74
Date: 12/13/21
Job: 20-084 City of Pharr/PSJA Aquatic
Phone: 956-682-7369

Description: CR 22 - Item 2 - Provide doors at Restrooms 138 & 139 for privacy

Source: ASI # ASI 22

We are pleased to offer the following specifications and pricing to make the following changes:

Description				Price
CR 22 - Masonry walls at Restrooms 138 & 139				\$3,375.00
CR 22 - Provide two single doors, hardware and frames for Restrooms 138 & 139.				\$4,140.00
CR 22 - Paint new walls at restrooms 138 & 139.				\$1,900.00
CR 22 - Floor Protection				\$350.00
			Subtotal:	\$9,765.00
Overhead	\$9,765.00	10.00%		\$976.50
Profit	\$10,741.50	5.00%		\$537.08
Insurance	\$11,278.58	1.00%		\$112.79
Bond	\$11,391.37	1.00%		\$113.63
			Total:	\$11,505.00

If you have any questions, please contact me at .

Submitted by:

Approved by: 

Date: 1-5-22



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 10.F.

DATE SUBMITTED: April 28, 2022

MEETING DATE: May 2, 2022

FROM: Daniel Ramirez, Director

DEPARTMENT: Emergency Medical Services

DIRECTOR: Daniel Ramirez

Agenda Item: Consideration and action, if any, authorizing City Manager to negotiate and enter into a business agreement with Emergent Air authorizing the sharing of Protected Health Information (PHI) for flight services

Classification: Regular

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

Issue: In an effort to ensure that we are getting maximum reimbursement, we are partnering with Emergent Air, so that they may review and possibly bill our flight services

Fiscal Consideration: will not cost city anything

Staff Recommendation: Staff recommends approval of this agreement

Alternatives: no alternatives

Exclude Material from Public Packet? No

Reason: will not be excluded

ROUTING:

Daniel Ramirez

Created/Initiated - 4/28/2022

Daniel Ramirez

Approved - 4/28/2022

Karla Saavedra

Approved - 4/28/2022

Patricia Rigney

Approved - 4/28/2022

City Management Office

Final Approval - 4/29/2022

CITY OF PHARR BUSINESS ASSOCIATE ADDENDUM

This Business Associate Addendum ("**BAA**" or "**Addendum**") to the Underlying Agreement as referenced below is made and entered into as of the 2 day of May, 2022 (the "**Effective Date**"), by and between the **City of Pharr** ("**Covered Entity**") and Emergent Air ("**Business Associate**") (as defined below and collectively the "**Parties**") to comply with the Health Insurance Portability and Accountability Act of 1996 (HIPAA), privacy standards adopted by the U.S. Department of Health and Human Services as they may be amended from time to time, 45 C.F.R. parts 160 and 164 subparts A and E ("the Privacy Rule") and security standards adopted by the U.S. Department of Health and Human Services as they may be amended from time to time, 45 C.F.R. parts 160, 162 and 164, subpart C ("the Security Rule"), and the modifications to HIPAA provided by Division A, Title XIII of the American Recovery and Reinvestment Act of 2009, known as The Health Information Technology for Economic and Clinical Health, Act 42 U.S.C. §3000 et. seq., and implementing regulations and guidance, including the regulations implemented in 78 Fed. Reg. 5566 (January 25, 2013).

WHEREAS, Covered Entity and Business Associate have entered or are entering into an Agreement (the "**Underlying Agreement**") by which the Covered Entity has engaged Business Associate to perform services;

WHEREAS, Covered Entity possesses and is permitted to manage Protected Health Information (PHI) that is protected under HIPAA, House Bill 300 (HB 300)¹ and the HIPAA Regulations, HITECH Act and state law, including the Texas Medical Records Privacy Act (MRPA)², and Parties desire to comply with the privacy and security protections contained therein;

WHEREAS, Business Associate may receive such information from Covered Entity, or create, receive, maintain or transmit such information on behalf of Covered Entity, in order to perform certain of the services under the Underlying Agreement;

WHEREAS, Covered Entity wishes to ensure that Business Associate will appropriately safeguard Protected Health Information;

WHEREAS, the HIPAA Rules require that Covered Entity receive adequate assurances that Business Associate will comply with certain obligations with respect to the PHI received in the course of providing services to or on behalf of Covered Entity; and

WHEREAS, parties desire and agree to enter into this Addendum to the Underlying Agreement.

NOW THEREFORE, Covered Entity and Business Associate agree as follows:

A. Definitions. For purposes of this BAA:

1. "**Business Associate**" shall generally have the same meaning as the term "business associate" at 45 CFR 160.103, and in reference to the party to this Addendum, shall mean the person or entity indicated above.
2. "**Covered Entity**" shall generally have the same meaning as the term "covered entity" at 45 CFR 160.103, and in reference to the party to this Addendum, shall mean the City of Pharr
3. "**Individual**" shall have the same meaning as the term "individual" in 45 CFR § 164.103 and shall include a person who qualifies as a personal representative in accordance with 45 CFR § 164.502(g).
4. "**HIPAA Rules**" shall mean the Privacy, Security, Breach Notification, and Enforcement Rules and amendments codified and promulgated at 45 CFR Parts 160, 162, and 164 and the HITECH Act.
5. "**Protected Health Information**" or "PHI" shall have the same meaning as the term "protected health information" in 45 CFR § 164.103, limited to the information created or received by Business Associate from or on behalf of Covered Entity.
6. "**Required By Law**" shall have the same meaning as the term "required by law" in 45 CFR § 164.103.
7. "**Secretary**" shall mean the Secretary of the Department of Health and Human Services or his or her designee.
8. **Breach** shall have the meaning given such term under 45 C.F.R. § 164.402 as such regulation is revised from time to time.
9. **Breach of System Security** means unauthorized acquisition of computerized data that compromises the security, confidentiality, or integrity of Sensitive Personal Information maintained by a person, including data that is encrypted if the person accessing the data has the key required to decrypt the data.
10. All other capitalized terms used in this Addendum shall have the meanings set forth in the applicable definitions under the HIPAA Rules and the HITECH Act, as amended.

B. Obligations and Activities of Business Associate

¹ House Bill 300 passed by Texas Legislature on September 1, 2012, to enhance safeguards for Protected Health Information (PHI).

² Texas Medical Records Privacy Act, codified in Section 181 et seq. of the Texas Health and Safety Code and as implemented through regulations including the Standards Relating to the Electronic Exchange of Health Information, codified at Title 1, Section 390.1 et seq. of the Texas Administrative Code.

1. Business Associate agrees to not use or disclose PHI other than as permitted or required by this BAA or as Required by Law.
2. Business Associate agrees to use appropriate safeguards and comply with Subpart C of 45 CFR Part 164 with respect to electronic protected health information to prevent the use or disclosure of PHI other than as provided for by this BAA. Business Associate shall implement administrative, physical and technical safeguards that reasonably and appropriately protect the confidentiality, integrity, and availability of any paper or electronic PHI it creates, receives, maintains, or transmits on behalf of Covered Entity.
3. Business Associate shall have procedures in place to mitigate and agrees to mitigate, to the extent practicable, any harmful effect that is known to Business Associate of a use or disclosure of PHI by Business Associate in violation of the requirements of this BAA.
4. Business Associate agrees to report immediately, but no later than three (3) days, to Covered Entity any use or disclosure of PHI not provided for by this BAA of which it becomes aware including breaches of unsecured protected health information as required at 45 CFR 164.410, and any security incident of which it becomes aware. Breach notification will be written in plain language and will include, to the extent possible or available, the following:
 - a. The identification of the individual whose Unsecured PHI has been, or is reasonably believed by Business Associate to have been, accessed, acquired or disclosed during the Breach;
 - b. A brief description of what happened, including the date of the Breach and the date of the discovery of the Breach;
 - c. A description of the types of Unsecured Protected Health Information that were involved in the Breach (such as whether the full name, social security number, date of birth, home address, account number, diagnosis, disability code, or other types of information were involved);
 - d. Any steps Individuals who were subjects of the Breach should take to protect themselves from potential harm that may result from the Breach;
 - e. A brief description of what Business Associate is doing to investigate the Breach, to mitigate the harm to individuals, and to protect against further Breaches; and
 - f. Contact procedures for individuals to ask questions or learn additional information, including a toll free telephone number, an email address, Web site, or postal address.
5. Business Associate will pay or reimburse Covered Entity for all costs and penalties incurred by Covered Entity in connection with any incident giving rise to a Breach of PHI and/or a Breach of System Security, including without limitation all costs related to any investigation, any notices to be given, reasonable legal fees, credit monitoring (where applicable), and other efforts to mitigate the harm to Individuals or other actions taken to comply with HIPAA, the HITECH Act, or any other applicable law or regulation, where (i) the PHI was in the custody or control of Business Associate when the Breach of PHI and/or Breach of System Security occurred, or (ii) the Breach of PHI and/or Breach of System Security was caused by the negligence or wrongful acts or omissions of Business Associate and its employees, directors, officers, subcontractors, agents or other members of its workforce.
6. Business Associate agrees to ensure that any agents or subcontractors that create, receive, maintain, or transmit protected health information on behalf of the Business Associate agree to the same restrictions, conditions, and requirements that apply to the business associate with respect to such information.
7. Business Associate agrees to provide access, at the request of Covered Entity, in a reasonable time and manner, to PHI in a Designated Record Set, to Covered Entity or, as directed by Covered Entity, to an Individual, in order to meet the requirements under 45 CFR § 164.524.
8. Business Associate agrees to make any amendment(s) to PHI in a Designated Record Set that the Covered Entity directs or agrees to pursuant to 45 CFR § 164.526 at the request of Covered Entity or an Individual, and in a reasonable time and manner.
9. Business Associate agrees to make internal practices, books, and records including policies and procedures and PHI relating to the use and disclosure of PHI received from, or created or received by Business Associate on behalf of, Covered Entity available to the Secretary, in a reasonable time and manner, for the purpose of permitting the Secretary to determine Covered Entity's compliance with the HIPAA Rules.

10. Business Associate agrees to document such disclosures of PHI and information related to such disclosures as would be required for Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR §164.528.
11. Business Associate agrees to provide to Covered Entity or an Individual, in a reasonable time, information collected in accordance with Section B.(10) of this BAA, to permit Covered Entity to respond to a request by an Individual for an accounting of disclosures of PHI in accordance with 45 CFR § 164.528.
12. Business Associate agrees, to the extent the Business Associate is to carry out one or more of Covered Entity's obligation(s) under Subpart E of 45 CFR Part 164, to comply with the requirements of Subpart E that apply to the Covered Entity in the performance of such obligation(s).
13. Training. Business Associate shall provide such training in the privacy and security of PHI to its Workforce (as that term is defined by 45 C.F.R. § 160.103) as is required for Business Associate's compliance with HIPAA, HIPAA Regulations, HITECH, and the MRPA.
14. Sanctions. Business Associate shall apply appropriate sanctions in accordance with Business Associate's policies against any employee, subcontractor or agent who uses or discloses Covered Entity's PHI in violation of this Addendum or applicable law.

C. Permitted Uses and Disclosures of PHI by Business Associate

1. Parties agree to comply with HIPAA, HIPAA Rules, HB 300, the HITECH Act, and the MRPA.
2. Performance of Services. Except as otherwise permitted by this Addendum, Business Associate may create, receive, maintain or transmit PHI on behalf of Covered Entity only in connection with the performance of the services contracted for in the Underlying Agreement or as Required by Law (as that term is defined by 45 C.F.R. § 164.103).
3. Business Associate may only use or disclose PHI as permitted by the HIPAA Rules. Business Associate may use or disclose PHI to perform, manage and administer the activities or services required under the Underlying Agreement or other such arrangement between Covered Entity and Business Associate, including the de-identification of PHI, provided that such use or disclosure would not violate the HIPAA Rules if done by Covered Entity.
4. Business associate agrees to make uses and disclosures and requests for protected health information consistent with covered entity's minimum necessary policies and procedures.
5. Business Associate may use PHI for the proper management and administration of the Business Associate or to carry out the legal responsibilities of the Business Associate.
6. Business Associate may disclose PHI for the proper management and administration of the Business Associate, provided that disclosures are Required By Law, or Business Associate obtains reasonable assurances from the person to whom the information is disclosed that it will remain confidential and used or further disclosed only as Required By Law or for the purpose for which it was disclosed to the person, and the person notifies the Business Associate of any instances of which it is aware in which the confidentiality of the information has been breached.
7. Minimum Necessary. Business Associate shall limit its uses and disclosures of, and requests for, PHI, to the minimum amount of PHI necessary to accomplish the intended purpose of the use, disclosure or request.
8. Business Associate may use PHI to report violations of law to appropriate Federal and State authorities, consistent with §164.502(j)(1).
9. Business associate may not use or disclose protected health information in a manner that would violate Subpart E of 45 CFR Part 164, or MRPA, if done by the Covered Entity itself, except for the specific uses and disclosures set forth above.

D. Obligations of Covered Entity

1. Covered Entity shall notify Business Associate of any limitations in its notice(s) of privacy practices in accordance with 45 CFR § 164.520 to the extent that such limitations may affect Business Associate's use or disclosure of PHI.

2. Covered Entity shall notify Business Associate of any changes in, or revocation of, permission by Individual to use or disclose PHI, to the extent such changes may affect Business Associate's use and disclosure of PHI.
3. Covered Entity shall notify Business Associate of any restriction to the use or disclosure of PHI that Covered Entity has agreed to in accordance with 45 CFR § 164.522 to the extent that such restriction may affect Business Associate's use or disclosure of PHI.

E. Restriction on Covered Entity

Covered Entity shall not request Business Associate to use or disclose PHI in any manner that would not be permissible under the HIPAA Rules if done by Covered Entity, except Business Associate may use or disclose PHI for data aggregation or management and administrative activities of Business Associate.

F. Term and Termination

1. Term. The Term of this BAA and the obligations herein shall be deemed effective on the Effective Date and shall continue unless or until this Addendum terminates, the Underlying Agreement terminates, or the Business Associate has completed performance of the services in the Underlying Agreement, whichever is earlier.
2. Termination for Cause. Upon Covered Entity's knowledge of a material breach by Business Associate, Covered Entity shall either:
 - a. Provide an opportunity for Business Associate to cure the material breach or end the violation and terminate this BAA and Covered Entity's participation in the Addendum if Business Associate does not cure the material breach or end the violation within the reasonable time specified by Covered Entity; or
 - b. Immediately terminate this BAA and Covered Entity's participation in the Addendum if Business Associate has breached a material term of this BAA and a cure is not possible.
3. Effect of Termination.
 - a. Upon termination of this BAA for any reason, Business Associate shall return or destroy all PHI received from Covered Entity, or created or received by Business Associate on behalf of Covered Entity. This provision shall apply to PHI that is in the possession of subcontractors or agents of Business Associate.
 - b. In the event that Business Associate determines that returning or destroying the PHI is not feasible, Business Associate shall provide to Covered Entity notification of the conditions that make return or destruction not feasible, including the need to retain PHI for audit, justification of work product or compliance with pharmacy or other applicable law. Business Associate shall extend the protections of this BAA to such PHI and limit further uses and disclosures of such PHI to those purposes that make the return or destruction not feasible, for so long as Business Associate maintains such PHI.
 - c. Injunctions. Covered Entity and Business Associate agree that any violation of the provisions of this Addendum may cause irreparable harm to Covered Entity. Accordingly, in addition to any other remedies available to Covered Entity at law or in equity, Covered Entity shall be entitled to seek an injunction or other decree of specific performance with respect to any violation of this Addendum or explicit threat thereof, without any bond or other security being required and without the necessity of demonstrating actual damages.
 - e. **Indemnification. This indemnification provision is enforceable against the Parties only to the extent authorized under the constitution and laws of the State of Texas. The Parties will indemnify, defend and hold harmless each other and each other's respective employees, directors, officers, subcontractors, agents or other members of its workforce, each of the foregoing hereinafter referred to as "indemnified party," against all actual and direct losses suffered by the indemnified party and all liability to third parties arising from or in connection with any breach of this Addendum or of any warranty hereunder or from any negligence or wrongful acts or omissions, including failure to perform its obligations under MRPA, HIPAA, the HIPAA Rules, and the HITECH Act by the indemnifying party or its employees, directors, officers, subcontractors, agents or other members of its workforce.**

G. Miscellaneous

1. Regulatory References. A reference in this BAA to a section in the HIPAA Rules means the section as in effect, or as amended, and for which compliance is required.
2. Amendment. The Parties agree to take such action as is necessary to amend this BAA from time to time as is necessary for Covered Entity to comply with the requirements of and changes in state and federal laws and regulations relating to the privacy, security and confidentiality of PHI. This BAA may be amended only in writing when signed by a duly authorized representative of each Party.
3. Survival. The respective rights and obligations of Business Associate under Section F.(3) of this BAA shall survive the termination of this BAA.
4. Interpretation. Any ambiguity in this BAA or in the Underlying Agreement shall be resolved in favor of a meaning that permits Covered Entity to comply with the HIPAA Rules.
5. Conflicts. To the extent that this BAA may conflict with the Underlying Agreement, this BAA shall govern.
6. Governing Law. This Addendum is governed by, and shall be construed in accordance with, applicable federal law and the laws of the State of Texas without regard to choice of law principles.
7. Notice. Except as may be otherwise specifically provided in this Addendum, all notices, demands, requests or communications required or permitted hereunder shall be in writing and shall either be (i) personally delivered against a written receipt, or (ii) sent by registered or certified mail, return receipt requested, postage prepaid and addressed to the parties at the addresses set forth in the Underlying Agreement with copy to:

City of Pharr
Attn: City Manager Andy Harvey
Pharr, Texas
78577

Each notice, demand, request or communication which shall be delivered or mailed in the manner described above shall be deemed sufficiently given for all purposes at such time as it is personally delivered to the addressee or, if mailed, at such time as it is deposited in the United States mail.

8. No Third Party Beneficiaries. Nothing express or implied in this Addendum is intended or shall be deemed to confer upon any person other than Covered Entity, Business Associate, and their respective successors and assigns, any rights, obligations, remedies or liabilities.
9. Written Authorization. Nothing in this Addendum shall be construed to require Business Associate to use or disclose PHI without written authorization from an individual who is a subject of the PHI, or written authorization from any other person, where such authorization would be required under state law for such use or disclosure.
10. Offshore Work. In performing the functions, activities or services for, or on behalf of Covered Entity, Business Associate shall not, and shall not permit any of its agents or subcontractors who receive Covered Entity's PHI to, transmit or make available any PHI to any entity or individual outside the United States without prior written consent of Covered Entity.
11. Privilege. Notwithstanding any other provision in this Addendum, this Addendum shall not be deemed to be an agreement by Business Associate to disclose information that is privileged, protected, or confidential under applicable law to the extent that such privilege, protection or confidentiality (a) has not been waived or (b) is not superseded by applicable law.

IN WITNESS WHEREOF, the Parties have caused this Addendum to be executed by their respective duly authorized representatives in the manner legally binding upon them as of the effective date first written above.

BUSINESS ASSOCIATE:

Emergent Air

COVERED ENTITY:

CITY OF PHARR

By: _____
(Authorized Signature)

By: _____
(Authorized Signature)

Name: _____
(Type or Print)

Name: _____
(Type or Print)

Title: _____

Title: _____

Date: _____

Date: _____



AGENDA MEMORANDUM



BOARD: City Commission

AGENDA ITEM #: 10.G.

DATE SUBMITTED: April 26, 2022

MEETING DATE: May 2, 2022

FROM: Maria Rangel, Engineer in Training

DEPARTMENT: Engineering

DIRECTOR: Edward Wylie

Agenda Item: Consideration and action, if any, authorizing City Manager to negotiate and enter into agreement with an Engineer on the approved Professional Engineering Services Pool for the platting of the property for the proposed Emergency Management Service (EMS) and Fire Department (FD) developments on North Knights Drive.

Classification: Consent

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

Issue: The property on which the proposed EMS and FD developments are to be constructed is not subdivided. In order to meet the City of Pharr's own requirements, the property must be platted.

Fiscal Consideration: The fee is to be negotiated.

Staff Recommendation: Staff recommends authorizing the City Manager to take the steps necessary to engage an Engineer to complete the platting of the property for the future EMS and FD developments on North Knights Drive.

Alternatives: The property must be subdivided to meet the City of Pharr's own requirements. Selecting an Engineer from the approved pool will speed up the process. Otherwise, the City will need to solicit a Request for Qualifications (RFQ).

Exclude Material from Public Packet? No

Reason: No exclusion.

ROUTING:

Maria Rangel
Ignacio Amezcua
Karla Saavedra
City Management Office

Created/Initiated - 4/26/2022
Approved - 4/28/2022
Approved - 4/28/2022
Final Approval - 4/29/2022