

Annual Comprehensive Financial Report







Annual Comprehensive Financial Report

For the Fiscal Year Ended September 30, 2021

Prepared by: Department of Finance



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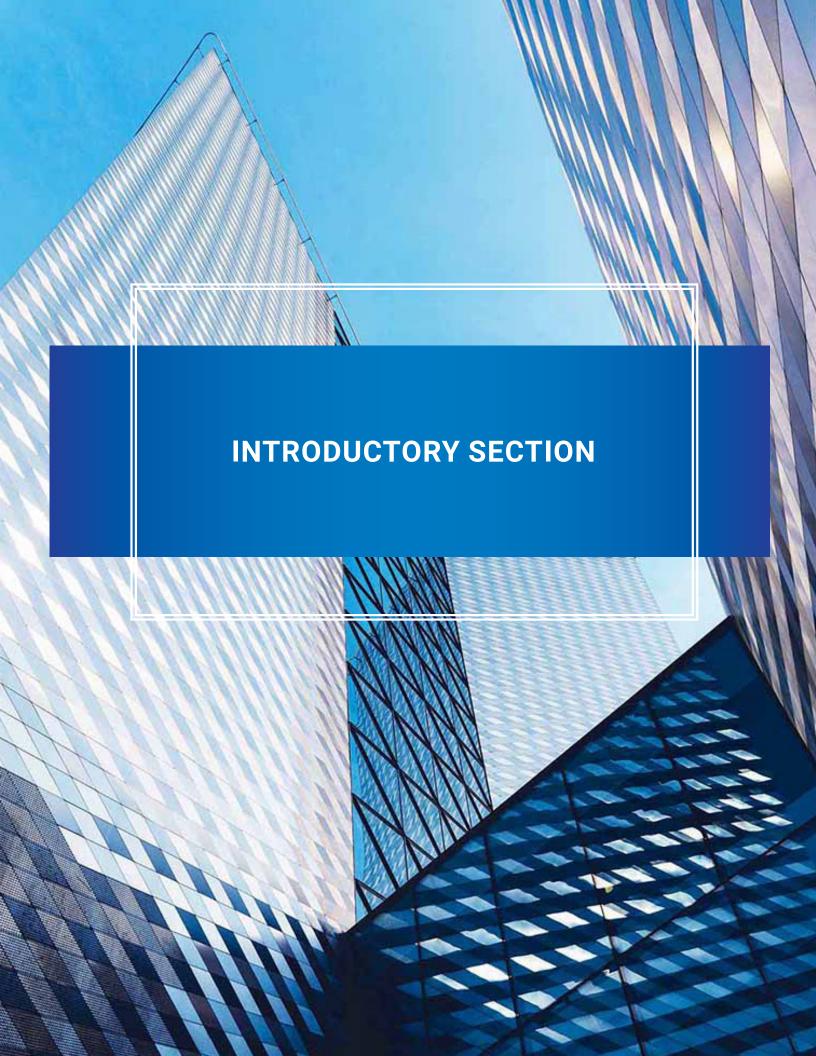
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JAVIER VILLALOBOS, Mayor
JOAQUIN ZAMORA, Mayor Pro Tem & Commissioner District 2
ANTONIO "TONY" AGUIRRE, JR., Commissioner District 1
J. OMAR QUINTANILLA, Commissioner District 3
RODOLFO "RUDY" CASTILLO, Commissioner District 4
VICTOR "SEBY" HADDAD, Commissioner District 5
PEPE CABEZA DE VACA, Commissioner District 6

ROEL "ROY" RODRIGUEZ, P.E., City Manager

March 24, 2022

To the Honorable Mayor, Members of the City Commission, Members of the Public Utility Board of Trustees and Citizens of the City of McAllen:

State and local law requires that the City of McAllen publish annually a complete set of audited financial statements. This report, the Annual Comprehensive Financial Report of the City of McAllen, is published to meet that requirement for the fiscal year ended September 30, 2021.

Management assumes full responsibility for the completeness and reliability of the information presented in this report, based upon a comprehensive internal control framework that it has established for this purpose. Since 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.

The firm of Weaver and Tidwell, LLP, Certified Public Accountants and Advisors, was selected by the City to perform the audit and have issued an unmodified ("clean") opinion on the City of McAllen's financial statements for the year ended September 30, 2021. In addition to meeting the requirements set forth in state statutes, the audit was also designed to meet the requirements of the Single Audit Act and 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 that are included in the financial section of this report. The auditors' reports 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 complements this letter of transmittal and should be read in conjunction with it.

The City of McAllen is required to undergo an annual single audit in conformity with the provisions of the Single Audit Act of 1984 and the Uniform Guidance and the State of Texas Single Audit Circular. Information related to this single audit, including a schedule of expenditures of federal and state awards, the report of independent public accountants 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.

PROFILE OF THE GOVERNMENT

The City of McAllen, incorporated in 1911 and the largest city in Hidalgo County, is located at the intersection of U.S. Highway 83 and State Highway 336. It is approximately 230 miles south of San Antonio, 150 miles north of Monterrey, Nuevo Leon, Mexico, a city with a population of over 5.9 million including the surrounding suburbs, and just 7 miles north of Reynosa, Tamps. Mexico. Within a 150-mile radius of McAllen, its trade area represents approximately 10 million people. According to the 2020 U.S. Census, McAllen's estimated population was 142,210, increasing 12,333 or 9.5% over that of the 2010 census, 129,877. Using the latest census number and local estimates as a base, it is estimated that as of September 30, 2021 the City's population is closer to 153,622. The City is empowered to levy a property tax on both real and business personal property located within its boundaries. The City also has the power by state statute to extend its corporate limits by annexation, which it has done from time to time, as deemed appropriate by the City Commission.

The City has operated under the council-manager form of government since 1911. Policymaking and legislative authority is vested in the City Commission, which currently consists of a mayor and a six-member commission. The City Commission is responsible, among other things, for passing ordinances, adopting the budget, appointing committees and hiring the City Manager, City Secretary, Police Chief, Fire Chief, the City Attorney and the Municipal Judges. The City Manager is responsible for carrying out the policies and ordinances of the City Commission, for overseeing the day-to-day operations of the City, and for appointing the heads of the City's departments. The City Commission is elected on a non-partisan basis. In May 2000, the voters decided in favor of single member district representation. Under this system, City Commission members are elected to four-year staggered terms with three elected every two years. The Mayor was and will continue to be elected at large to four-year terms.

The financial reporting entity (the government) includes all the funds of the primary government (i.e., the City of McAllen as legally defined). The City of McAllen provides a full range of services including public safety (primarily police and fire protection), highways and streets, health and welfare, recreational and cultural activities, water, wastewater, sanitation and recycling services, a municipal golf course, a convention center, an international airport, intermodal transit terminal, a transit system and two international toll bridge operations.

The City acts in the capacity of fiduciary for the Firemen's Relief and Retirement Fund and Rio Grande Valley Radio Communications Group; therefore, these activities are included in the reporting entity. However, the McAllen Independent School District (MISD), McAllen Chamber of Commerce (MCC), McAllen Economic Development Corporation (MEDC), McAllen Affordable Homes of South Texas, Inc., and the Texas Municipal Retirement System (TMRS) do not meet the established criteria for inclusion in the reporting entity, and accordingly are excluded from this report.

The City Commission is required to adopt a final budget by no later than the close of the fiscal year. This annual budget serves as the foundation for the City of McAllen financial planning and control. The budget is prepared by fund, function (e.g., public safety), and department (e.g., police). The legal level of control is at the department level.

LOCAL ECONOMY

Over the last 20 to 25 years, the City's economy has undergone a significant transformation, characterized by a decreasing reliance on agriculture. As a consequence of this transformation, the City has experienced substantial economic growth that has spurred an increase in employment and a decline in its unemployment rate.

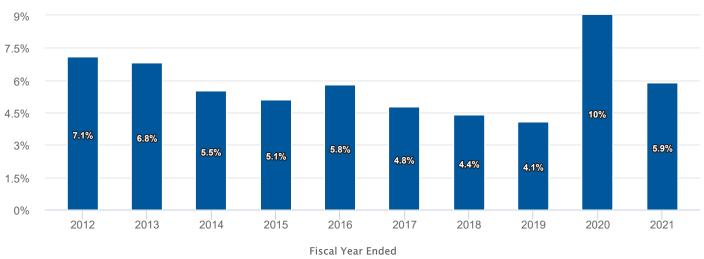
According to the U.S. Bureau of Labor Statistics, over the last 10 years the McAllen-Edinburg-Mission MSA employment has grown from 287,526 in September 30, 2011 to 338,441 in September 30, 2021 — a 12.7% increase. At this level, the unemployment rate is 8%. Some of the more significant employment numbers by industry include government; trade, transportation and utilities; education and health services; professional and business services; and leisure and hospitality.

The City's location has historically positioned it to take advantage of The Maquiladora "Twin Plant" Program, under which U.S. firms locate manufacturing facilities in Mexico accompanied by warehousing facilities in McAllen's foreign trade zone in order to cut labor costs and remain competitive, has been responsible for a large part of the job growth. Since 1988 through 2022, the McAllen Economic Development Corporation has been responsible for bringing 336 new companies, which including expansions, has created 39,886 jobs in McAllen. Its efforts have also resulted in 375 new companies, which including expansions, has created 188,557 new jobs in Reynosa, Mexico. Overall, 288,443 jobs have been created.

The impact of the Renegotiated North American Free Trade Agreement (NAFTA) now known as the new United States-Mexico-Canada Agreement (USMCA), as it continues to develop, has also played a major role in increased trade with Mexico for the City as well as the State of Texas. During 2020, Texas exported \$89 billion to Mexico, which represented over 32.9% of Texas' total exports—making Mexico its Number One Trading Partner according to the U.S.Census Bureau. As USMCA continues to mature, the City of McAllen's International Toll bridge, connecting Hidalgo, Texas with Reynosa, will continue to facilitate trade between Mexico and the U. S.; and, more particularly the City with its proximity to Mexico and strong social, economic and cultural ties with the people of Mexico. The Anzalduas International Crossing also provides another bridge to connect the people of the U.S. and Mexico and facilitate economic development opportunities between the two countries.

The City's unemployment rate had steadily declined from 2011 to 2019, decreasing from 8.1% to 4.1%; however, due to the coronavirus pandemic in 2020, unemployment increased to 10%. As of September 30, 2021, the unemployment rate decreased to 5.9%. The following chart shows the unemployment rate trend for the past ten years.

City of McAllen's Unemployment Rate Ten Year History



Source: Texas Workforce Commission

Another useful source of information for assessing the City's economy is the *McAllen Area Economic Pulse* report, published by the McAllen Chamber of Commerce. This year's report indicates economic growth over last year. According to the latest report available, September 2021, the economic index for the McAllen Area increased from 185.1 in September 2020 to 205.3 in September 2021. This index reflects, for the McAllen area economy, an increase in September retail sales of 20.6%, airline boarding of 193.5%, and Hidalgo Bridge Crossings of 48%.

Some of the City's more significant statistics, reflective of its economy, are positive. From fiscal year 2012 to 2021, property values have grown 41.8% resulting in an increase of property tax revenue. Property tax revenue has increased by 59.6% from fiscal year 2012 to fiscal year 2021. During the same period, sales tax revenue has increased by 34.6% resulting in property tax relief for residents of McAllen. The City of McAllen has also maintained one of lowest property tax rates in the region.

LONG-TERM FINANCIAL PLANNING

As of September 30, 2021 the City's General Fund unassigned fund balance amounted to \$72M, which represents 186 days of operating expenses appropriated in next year's budget. This amount exceeds the City's 140-day policy by 46 days.

RELEVANT FINANCIAL POLICIES

During this fiscal year, the City adopted no new financial policies, which would have a significant impact on the current year's financial statements.

MAJOR INITIATIVES

For the Year 2020-21

The City's staff, following specific directives of the City Commission and the City Manager, have been involved in a variety of projects throughout the year. These projects reflect the City's commitment of ensuring that its citizens are able to live and work in a highly desirable community and include the following:

The goals adopted by the Mayor and City Commission for FY 2020-21, as well as the status, follows:

Continue to implement City Business Plan

South Pole Illuminated Drive

Management's Response: In an effort to continue the Holiday spirit in a safe manner to limit the spread of COVID-19. The City introduced an illuminated driving experience consisting of millions of lights and sounds in a one-mile drive through the McAllen Convention Center. The event was a massive success with over 175,000 estimated attendees and over 32,000 vehicles.

Dinos Dragons Adventure Park

Management's Response: A family friendly event was introduced that featured a mile-long walking adventure with 114 animated Dinos and Dragons held at the McAllen Convention Center.

Complete City assets currently in progress

McAllen Public Works Automotive Warehouse Expansion and Elevator

Management's Response: The project provides an expansion and new addition to the existing Public Works warehouse building. It includes an elevator, a new site work, mechanical, plumbing, electrical, communications, and fire suppression with alarm system and wall accessories.

Parks Administration Facility

Management's Response: Design completed for new Park's administration facility, which will compose of 10,820 square feet of office space; 9,400 square feet of warehouse and building space; parking areas for vehicles and trailers; equipment storage area; chemical storage building; and necessary site infrastructure. Project began construction in August 2021.

Quinta Mazatlan Palm House

Management's Response: The project will create a destination venue and promote environmental conservation to the public. A park and ride will be included as part of the project. Design completed and construction has begun on the Palm House.

Improve City Traffic flow

Bicentennial Boulevard Extension

Management's Response: This project consists of the extension of a 4-lane urban curb and gutter paved roadway from Trenton Road to State Highway 107 (University Drive). The extension of Bicentennial Boulevard is 2.80 miles and includes a stormwater management system, potable water and sanitary sewer infrastructure. Project expected to be completed December 2021.

• Kennedy: Ware to Bentsen Construction

Management's Response: The project consists of the construction of one-half (0.5) mile of new roadway consisting of an urban two-lane section with adjacent sidewalks, stormwater, management system, bicycle lanes, water, and sanitary sewer utilities to allow for the connection between Bentsen Road and Ware Road. Project completed March 2021.

Improve City Storm Drainage

Marigold Avenue Drainage Improvements

Management's Response: This project consists of grading and paving improvements to convey runoff to a nearby storm sewer system. Project completed April 2021.

North 12th Street at Esperanza Avenue Drainage Improvements

Management's Response: This project consists of upgrading existing catch basins and replacing undersized storm sewer lines. Project completed April 2021.

Harvey Avenue at North Main Street Drainage Improvements

Management's Response: This project consists of upgrading undersized catch basins and related storm sewer lines. Project completed April 2021.

• Iris Avenue at Cynthia Avenue Drainage Improvements

Management's Response: The project consists of improving surface flows and replacing undersized catch basins. Project completed April 2021.

Leisure, Cultural and Entertainment

• McHi Re-lamp Tennis Court

Management's Response: In conjunction with McAllen Independent School District, the City updated the McAllen High School tennis courts lighting system by removing current light fixtures and replacing them with LED energy efficient, timer-controlled lights. Project completed September 2021.

La Vista Park

Management's Response: Multiple improvements made to La Vista Park inclusive of improvements to pavilion, parking lot, picnic tables, quick built shelters, lighting, chess table, and new restroom unit. Project completed August 2021.

Oval Park Restroom Facilities

Management's Response: Provide the public with access to restroom amenities while visiting Oval Park. Project completed April 2021.

AWARDS AND ACKNOWLEDGEMENTS

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its comprehensive annual financial report for the year ended September 30, 2020. This was the thirty-fourth consecutive year and the thirty-fifth overall that the City has received this prestigious award. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized comprehensive annual financial report. This report satisfies both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We believe that our current comprehensive annual financial report continues to meet the Certificate of Achievement Program's requirements and we are submitting it to the GFOA to determine its eligibility for another certificate.

In addition, the City also received the GFOA's Award for Distinguished Budget Presentation for its annual appropriated budget dated October 1, 2020. The budget for October 1, 2021 has been submitted for review and notification of an award is awaited. 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 and organization.

The preparation of this report could not have been accomplished without the efficient and dedicated services of the entire Finance Department staff. Due credit also should be given to the Mayor, City Commission, McAllen Public Utilities Board of Trustees, the Bridge Board, Development Corporation Board and City Management for their interest and support in planning and conducting the operations of the City in a responsible and progressive manner.

Respectfully submitted,

Roel "Roy" Rodriguez, P.E. City Manager Sergio Villasana Jr., CPA Finance Director

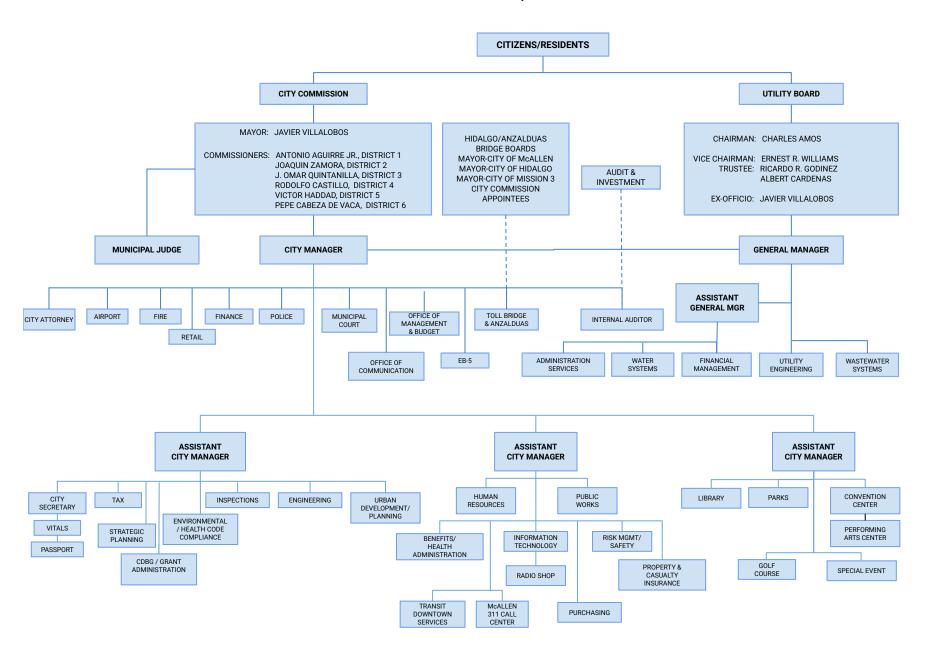
CITY OF McALLEN, TEXAS

LIST OF PRINCIPAL OFFICIALS

SEPTEMBER 30, 2021

Mayor	Javier Villalobos
Commissioner District 1	Antonio "Tony" Aguirre, Jr.
Commissioner District 2	Joaquin "J.J." Zamora
Commissioner District 3	J. Omar Quintanilla
Commissioner District 4	Rodolfo "Rudy" Castillo
Commissioner District 5.	Victor "Seby" Haddad
Commissioner District 6.	Pepe Cabeza de Vaca
Public Utility Board Chairman Place A	Charles Amos
Public Utility Board Vice-Chairman Place D	Ernest R. Williams
Trustee Place B	Ricardo R. Godinez
Trustee Place C	Albert Cardenas
Ex-Officio Member	Javier Villalobos
City Manager	Roel Rodriguez, P.E.
only management	•
MPU General Manager	
	Marco A. Vega, P.E.
MPU General Manager	Marco A. Vega, P.E. Jeff Johnston
MPU General Manager Assistant City Manager	Marco A. Vega, P.E. Jeff Johnston Joe Vera
MPU General Manager. Assistant City Manager. Assistant City Manager.	Marco A. Vega, P.EJeff JohnstonJoe VeraMichelle Rivera
MPU General Manager Assistant City Manager Assistant City Manager Assistant City Manager	Marco A. Vega, P.EJeff JohnstonJoe VeraMichelle RiveraIsaac Tawil
MPU General Manager. Assistant City Manager. Assistant City Manager. Assistant City Manager. Attorney.	Marco A. Vega, P.EJeff JohnstonJoe VeraMichelle RiveraIsaac TawilSergio Villasana Jr.
MPU General Manager Assistant City Manager Assistant City Manager Assistant City Manager Attorney Finance Director	Marco A. Vega, P.EJeff JohnstonJoe VeraMichelle RiveraIsaac TawilSergio Villasana JrElizabeth Suarez
MPU General Manager Assistant City Manager Assistant City Manager Assistant City Manager Attorney Finance Director Aviation Director	Marco A. Vega, P.EJeff JohnstonJoe VeraMichelle RiveraIsaac TawilSergio Villasana JrElizabeth SuarezJuan Olaguibel
MPU General Manager Assistant City Manager Assistant City Manager Assistant City Manager Attorney Finance Director Aviation Director Bridge Superintendent	Marco A. Vega, P.EJeff JohnstonJoe VeraMichelle RiveraIsaac TawilSergio Villasana JrElizabeth SuarezJuan OlaguibelPerla Lara
MPU General Manager Assistant City Manager Assistant City Manager Assistant City Manager Attorney Finance Director Aviation Director Bridge Superintendent City Secretary	Marco A. Vega, P.EJeff JohnstonJoe VeraMichelle RiveraIsaac TawilSergio Villasana JrElizabeth SuarezJuan OlaguibelPerla LaraJames Schultz
MPU General Manager Assistant City Manager Assistant City Manager Assistant City Manager Attorney Finance Director Aviation Director Bridge Superintendent City Secretary Fire Chief	Marco A. Vega, P.EJeff JohnstonJoe VeraMichelle RiveraIsaac TawilSergio Villasana JrElizabeth SuarezJuan OlaguibelPerla LaraJames SchultzDenny Meline

CITY OF McALLEN, TEXAS





Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of McAllen Texas

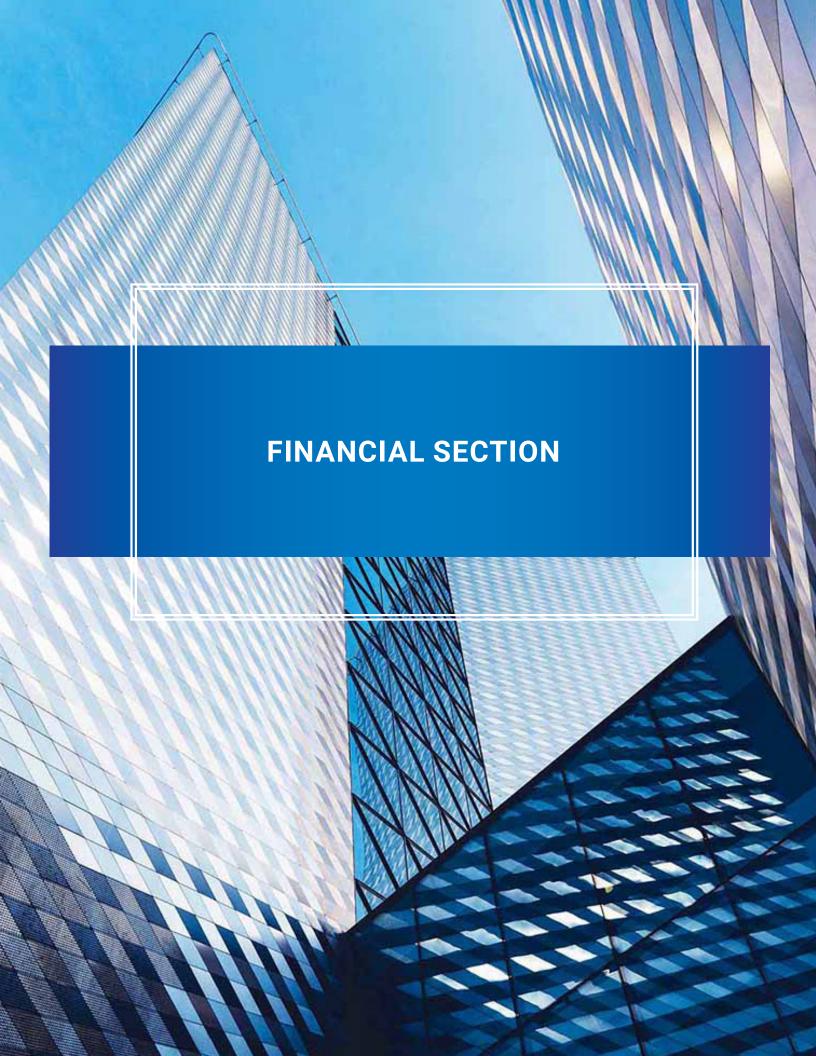
For its Annual Comprehensive Financial Report For the Fiscal Year Ended

September 30, 2020

Christopher P. Morrill

Executive Director/CEO









Independent Auditor's Report

Honorable Mayor, Members of the City Commission and Public Utility Board of Trustees City of McAllen, Texas

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of McAllen, Texas (the City), 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 misstatements, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the City'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 City'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.

Weaver and Tidwell, L.L.P.
1601 South MoPac Expressway, Suite D250 | Austin, Texas 78746
Main: 512.609.1900

CPAs AND ADVISORS | WEAVER.COM

Honorable Mayor, Members of the City Commission and Public Utility Board of Trustees City of McAllen, Texas

Opinions

In our opinion, the financial statements referred to previously present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City as of September 30, 2021, and the respective changes in financial position and, where applicable, cash flows thereof and the respective budgetary comparison for the General Fund and the Development Corporation Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1 to the basic financial statements, during the year ended September 30, 2021, the City implemented Governmental Accounting Standards Board (GASB) Statement No. 84, Fiduciary Activities. Beginning net position for the fiduciary fund has been restated as a result of the implementation of this statement. Our opinions are not modified with respect to this matter.

Other Matters

<u>Required Supplementary Information</u>

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, Texas Municipal Retirement System schedule of changes in net pension liability and related ratios, Texas Municipal Retirement System schedule of contributions, Firemen's Relief and Retirement Fund schedule of changes in net pension liability and related ratios, Firemen's Relief and Retirement Fund schedule of contributions, and Post Employment Benefit Plan schedule of changes in total OPEB liability and ratios, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which 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's basic financial statements. The introductory section, combining fund financial statements, individual budget schedules, and statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedule of expenditures of federal and state awards is presented for purposes of additional analysis as required by Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) and Texas Uniform Grant Management Standards, and is also not a required part of the basic financial statements.

Honorable Mayor, Members of the City Commission and Public Utility Board of Trustees City of McAllen, Texas

The combining fund financial statements, individual budget schedules, and schedule of expenditures of federal and state awards 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 fund financial statements, individual budget schedules, and schedule of expenditures of federal and state awards are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, we have also issued our report dated March 22, 2022, on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the City's internal control over financial reporting and compliance.

Weaver and Siduell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas March 22, 2022



Management's Discussion and Analysis (Unaudited) September 30, 2021

This discussion and analysis is intended to provide an overview of the City's financial performance for the fiscal year ended September 30, 2021 and the related effect on the City's financial condition. Please read it in conjunction with the transmittal letter on pages i-v and the City's financial statements, which begin on page 15.

FINANCIAL HIGHLIGHTS

City's Change in Net Position - Governmental and Business-Type Activities

Total government-wide net position increased \$79M as a result of this year's operations. Governmental activities increased by \$60M while business-type activities increased \$19M.

- Governmental Activities Revenues and Expenses Compared to Last Year Total revenues in the aggregate increased \$29M over last year. The increase was largely attributable to an increase in operating grants and contributions of \$14M and the net result of a \$13M increase in Sales Tax Revenue, a \$1M increase in charges for services, a \$2M increase in property tax revenue and a \$1M decrease in other general revenues. The decrease in other general revenues includes a \$2M decrease in investment income. The increase in operating grants and contributions is a result of funds awarded thru the Coronavirus State and Local Fiscal Recovery funds. Expenses decreased \$11M or 6.9% from last year of which \$5M is attributable to public safety, \$3M to highway and streets, \$1M to health and welfare, \$2M to culture and recreation and \$1M to interest and long term debt. Decreases to expenses were offset by \$1M increase in general government.
- Business-Type Activities Revenues and Expenses Compared to Last Year Total revenues reflected an increase
 of \$14M from last year. The increase is primarily due to a \$8M increase in capital grants and Contributions and
 a \$4M increase in operating grants and contributions. Expenses increased \$6M or 6.5% from last year which
 \$3M is attributable to the Anzalduas International Bridge, \$1M to the Airport, and \$1M to Sanitation.

USING THE ANNUAL REPORT

The annual report consists of a series of financial statements. The Statement of Net Position and the Statement of Activities (on pages 15 and 16-17) provide information about the activities of the City as a whole and present a longer-term view of the City's finances. Fund financial statements start on page 18. For governmental activities, these statements tell how these services were financed in the short term as well as what remains for future spending. Fund financial statements also report the City's operations in more detail than the government-wide statements by providing information about the City's most significant funds. The remaining statements provide financial information about activities for which the City acts solely as a trustee or agent for the benefit of those outside of the government.

Reporting the City as a Whole The Statement of Net Position and the Statement of Activities

One of the central concerns in assessing any City's finances could be summarized in the question, "Is the City as a whole better off or worse off as a result of the year's activities?" Our analysis addressing this question begins on page 7-8. The analysis includes a condensed summary of the government-wide financial statements — The Statement of Net Position and the Statement of Activities, which present information about the City in a way that facilitates answering this question. These statements are presented much like the private-sector companies — including *all* assets and liabilities using the *accrual basis of accounting*. All revenues and expenses for the current year are reported without regard to when cash is received or paid.

These government-wide financial statements report both net position and changes thereto. Net position is reported in the Statement of Net Position. The City's net position, which is the difference between assets and deferred outflows of resources and liabilities and deferred inflows of resources, is one indicator of the City's financial well-being or *financial position* at one point in time. Increases or decreases to net position over a period of time is an indication whether its financial well-being is improving or deteriorating. Of course, other non-financial considerations enter into the determination of the City's overall health, which would include such things as changes in the City's property tax base and the condition of its streets.

Changes to net position are reported in the Statement of Activities, which divides all City functions into two categories:

Governmental activities — Most of the City's basic services are reported in this category, which includes public safety (including police and fire), highways and streets, health and welfare, culture and recreation, and general administration. These activities are primarily supported by sales and property taxes, and franchise fees.

Business-type activities — Certain services that the City provides are paid for from fees that are charged to customers. Water, wastewater, garbage collection, performing arts center, convention center, golf course, airport, transit terminal, transit services and the bridges are activities that are reported in this category.

Reporting the City's Most Significant Funds Fund Financial Statements

Our analysis of the City's major funds commences on page 9. The fund financial statements are presented on pages 18 through 41. These statements present detailed information about the City's more significant funds as opposed to the City as a whole. Funds are established for various reasons — some are required by state law; others by bond covenants. Some funds are established by the City Commission to assist in managing money that is to be spent for particular purposes. For example, the Community Development Block Grant Fund was established to demonstrate that the money received from the U. S. Department of Housing and Urban Development was used for purposes established by the federal government. The City has two categories of funds, which can be used for public purpose — governmental and proprietary. Each category uses a different accounting approach.

Governmental funds — Most of the City's basic services are reported in governmental funds. These funds focus on the flow of money into and out of the funds and the balance left over at the end of the year that is available for future spending. Governmental funds use a method of accounting called modified accrual. The purpose of this method is to measure cash and other *financial* assets that can readily be converted to cash. This approach provides a detailed short-term perspective of the City's general government operations and the basic services it provides. This view of the City's operations provides information that helps to determine the extent to which financial resources are available to spend in the near future to finance City programs. The relationship between these governmental fund financial statements and the governmental activities column shown in the government-wide financial statements is shown in the form of a reconciliation presented on the page following each governmental fund financial statement.

Proprietary funds — Services provided to either outside customers or to another unit of the City, where a fee is charged, are generally reported in proprietary funds. Proprietary funds are reported the same way that is used in the government-wide financial statements. Matter of fact, the City's enterprise funds (a component of proprietary funds) are substantially the same as the business-type activities column of the government-wide financial statements but provide more detail including cash flows. The other component of proprietary funds is internal service funds. These funds are used to report services that are provided for other City funds — such as the Fleet and Materials Management Fund, which reports maintenance activities for all City vehicles.

The City as Trustee Reporting the City's Fiduciary Responsibilities

The City is the trustee, or fiduciary, for the Firemen's Pension Fund and the Rio Grande Valley Radio Communications Group Fund. This activity is reported in separate Statements of Fiduciary Net Position and Statement of Changes in Fiduciary Net Position on pages 42 - 43. These activities are not included with the City's other government-wide financial information since the City cannot use these assets to finance its programs or operations. The City is responsible for ensuring that these funds are used for their intended purpose.

THE CITY AS A WHOLE

The City's Condensed Net Position Information is presented in the table below.

Net Position Information (in Millions)

			Governmental Activities			Business-type Activities				Total Primary Government			
	2	2021		2020	_	2021		2020	_	2021	_	2020	
Current and other assets	\$	259	\$	190	\$	149	\$	147	\$	408	\$	337	
Capital assets		352	·	336		500	•	496		852	·	832	
Total assets		611		526		649		643		1,260		1,169	
Deferred outflows of resources		27		27	_	4	_	5		31	_	32	
Long-term debt outstanding		132		133		157		166		289		299	
Other liabilities		101		75		18		23		119		98	
Total liabilities		233		208		175		189		408		397	
Deferred inflows of resources		35		35	_	7	_	7	_	42	_	42	
Net position:													
Net investment in capital assets		240		226		347		339		587		565	
Restricted		63		53		70		70		133		123	
Unrestricted		67		31		54		43		121		74	
Total net position	\$	370	\$	310	\$	471	\$	452	\$	841	\$	762	

Net position of the City's governmental activities increased by \$60M over last year as a net result from total assets increasing \$85M and total liabilities increasing \$25M. The City's unrestricted net position increased by \$36M. The unrestricted net position is the portion of net position, which can be utilized to finance day-to-day operations, free of any constraints established by debt covenants, enabling legislation or other legal requirements.

The net position of the City's business-type activities increased \$19M over last year's amount, which can be attributed to a total assets and deferred outflows increasing \$5M, and total liabilities decreasing \$14M.

Changes in Net Position Information (in Millions)

		nmental vities		ess-type vities	Total Primary Government			
	2021	2020	2021	2020	2021	2020		
Revenues								
Program revenues:								
Charges for services	\$ 9	\$ 8	\$ 90	\$ 87	\$ 99	\$ 95		
Operating grants and contributions	36	22	9	5	45	27		
Capital grants and contributions	11	11	19	11	30	22		
Property taxes	53	51	-	-	53	51		
Sales tax	80	67	-	-	80	67		
Other taxes	11	11	-	-	11	11		
Other general revenues	8	9	1	2	9	11		
Total revenues	208	179	119	105	327	284		
Program expenses								
General government	31	30	-	-	31	30		
Public safety	64	69	-	-	64	69		
Highways and streets	19	22	-	-	19	22		
Health and welfare	7	8	-	-	7	8		
Culture and recreation	24	26	-	-	24	26		
Interest on long term debt	4	5	-	-	4	5		
Water	-	-	20	21	20	21		
Wastewater	-	-	19	18	19	18		
Sanitation	-	-	21	20	21	20		
Golf	-	-	2	1	2	1		
Transit terminal	-	-	2	2	2	2		
Bus	-	-	4	4	4	4		
Performing arts center	-	-	2	2	2	2		
Convention center	-	-	6	6	6	6		
Airport	-	-	11	10	11	10		
Anzalduas international crossing	-	-	6	3	6	3		
McAllen Int.'I toll bridge			6	6	6	6		
Total expenses	149	160	99	93	248	253		
Excess (Loss) before transfers	59	19	20	12	79	31		
Transfers	1	5	(1)	(5)				
Change in net position	60	24	19	7	79	31		
Net position, beginning	310	286	452	445	762	731		
Ending net position, September 30	\$ 370	\$ 310	\$ 471	\$ 452	\$ 841	\$ 762		

Total revenues generated from both governmental and business-type activities this year amounted to \$327M, representing an increase of \$43M or 15.1% over last year due primarily to an increase in operating grants and contributions of \$18M and a \$13M increase in sales tax revenue.

Governmental Activities

Total revenues generated from governmental activities this year amounted to \$208M. Expenses came in at \$149M, leaving an \$59M excess before transfers-in of \$1M, thus increasing net position by \$60M.

The cost of all governmental activities this year was \$149M. To finance these programs, a total of \$56M was paid mainly by grants, bond construction proceeds, those who directly benefited from them, and by other governments that subsidized certain programs with grants. The amount that our taxpayers ultimately financed for these activities through taxes and other general revenues was \$94M as shown on the Statement of Activities on pages 16-17.

The table below presents the net cost of each of the City's programs (total cost less revenues generated by the activities). The net cost shows the financial burden that was placed on the City's taxpayers by each of these functions.

Governmental Activities (in Millions)

Net Cost of Services

	2	021	2020
General government	\$	14	\$ 29
Public safety		40	44
Highways and streets		9	10
Health and welfare		6	7
Culture and recreation		21	24
Interest on long-term debt		4	5
Total	\$	94	\$ 119

Business-type Activities

Total revenues generated from business-type activities this year amounted to \$119M. Expenses came in at \$99M leaving \$20M before transfers-out of \$1M, which, resulted in a net increase to net position of \$19M. More details will be provided about governmental and business-type activities' operations later in this discussion and analysis.

GOVERNMENTAL FUNDS – A Detailed Discussion

(General Fund, Special Revenue Funds, Debt Service Fund and Capital Project Funds)

As a result of this year's operations, governmental funds (as reflected in the balance sheet on page 18) combined fund balance totaled \$174M or an increase of \$34M from last year. The net increase is a result of revenues exceeding expenses. Sales tax revenues performed well exceeding last year by \$12M. In FY 2021, the City received funding from the Emergency Food and Shelter program and from the Department of Treasury which contributed to an intergovernmental revenue increase of \$11M.

Revenues and Transfers-In and Other Financing Sources

The following table presents a summary of general fund, special revenue funds, debt service fund and capital projects funds revenues and transfers-in and other financing sources for the years ended September 30, 2021 and 2020.

Revenues, transfers-in and Other Financing Sources	_	2021 Amount	% of Total		2020 Amount	_	Amount of Increase (Decrease)	% Increase (Decrease)
Taxes	\$	143,496,240	45.57%	\$	128,174,571	\$	15,321,669	11.95%
Licenses and permits		2,653,536	0.84%		2,246,575		406,961	18.11%
Intergovernmental		41,074,008	13.04%		29,354,952		11,719,056	39.92%
Charges for services		7,606,530	2.42%		6,519,087		1,087,443	16.68%
Fines and forfeitures		1,063,885	0.34%		1,426,744		(362,859)	-25.43%
Investment income		639,158	0.20%		2,413,884		(1,774,726)	-73.52%
Miscellaneous		7,600,301	2.41%		7,566,655		33,646	0.44%
Other Financing Sources (uses)		110,730,354	35.17%	_	22,757,119	_	87,973,235	386.57%
Totals	\$	314,864,012	100.00%	\$	200,459,587	\$	114,404,425	<u>57.07%</u>

In fiscal year 2021, the City experienced an increase in revenues and other financing sources of \$114M . Other financing sources had an overall increase of \$88M as a result of refunding bonds totaling \$42M and an increase of \$45M in transfers in between funds. The City's taxes increased by \$15M mostly due to an increase in sales tax revenue of \$12M. Funding from the Emergency Food and Shelter National Board Program and funding from the Department of Treasury resulted in a \$11M intergovernmental revenues increase. Unfavorable interest rates continued into FY 2021 resulting in a decrease of investment income of \$2M.

Expenditures and Transfers-Out

The following table presents a summary of general fund, special revenue funds, debt service fund and capital projects funds expenditures, transfers-out for the years ended September 30, 2021 and 2020.

Expenditures and Transfers-out.	 2021 Amount	% of Total	_	 2020 Amount	 Amount of Increase (Decrease)	% Increase (Decrease)
General government	\$ 42,140,985	14.9)%	\$ 37,116,135	\$ 5,024,850	13.54%
Public safety	64,868,699	23.0	3%	66,576,738	(1,708,039)	-2.57%
Highways and streets	25,221,792	8.9	7%	28,001,902	(2,780,110)	-9.93%
Health and welfare	7,370,130	2.6	2%	7,588,966	(218,836)	-2.88%
Culture and recreation	22,789,220	8.1	%	23,220,801	(431,581)	-1.86%
Debt service:						
Principal	3,928,921	1.4)%	7,621,306	(3,692,385)	-48.45%
Interest and fiscal						
charges	4,590,604	1.6	3%	5,562,384	(971,780)	-17.47%
Other Financing Sources(uses)	110,128,424	39.1)%	18,703,441	91,424,983	488.81%
Totals	\$ 281,038,775	100.0)%	\$ 194,391,673	\$ 86,647,102	44.57%

In fiscal year 2021, the City experienced an increase in expenditures and other financing uses of \$87M. Other financing uses had an overall increase of \$91M as a result of refunding bonds totaling \$42M and an increase of \$48M in transfers out between funds. General government expenditures increased by \$5M mostly as a net result of decreased spending of \$8M from the Development Corporation funds and an increase of \$12M in spending for the Emergency Food and Shelter National Board Program. Refunding of bonds resulted in a decrease in principal payments of \$4M. Highways and Streets decreased by \$3M largely due to almost \$2M in drainage and street projects completed out of the Development Corporation fund in FY 2020.

Fund Balances

The governmental fund balances increased by \$34M, from \$140M in the prior year to \$174M in the current year. The net change in fund balance is mostly attributable to the net change of the Development Corporation Fund balance of \$9M and \$25M from the Infrastructure and Improvement fund. The increase for the fund balance of these funds is directly attributable to capital projects that were not completed or started from their respective funds.

Fund balances by major funds are discussed in the following paragraphs.

General Fund

As a result of this year's operations, total fund balance decreased by \$3M —from \$79M to \$76M. Applying GASB 54 pronouncements, fund balances categories reflect \$4M nonspendable and \$72M unassigned. During fiscal year 1997-98, the City adopted, by resolution, a financial policy requiring a minimum of 140 days of operating expenses in fund balance. Based upon next year's original operating budget, exclusive of capital outlay and transfers-out, unassigned fund balance represents 186 days of operations, which is 46 days in excess of the minimum requirement.

Development Corp Fund

The fund balance in the Development Corporation Fund reflected an increase of \$9M, leaving the ending restricted fund balance at \$16M.

PROPRIETARY FUND TYPES (Enterprise Funds and Internal Service Funds) Enterprise Funds

The City's enterprise operations consist of the McAllen Public Utility (Water and Wastewater Funds), Sanitation Fund, Palm View Golf Course Fund, Transit Terminal Fund, Performing Arts Center Fund, McAllen Convention Center, McAllen International Airport Fund, Metro McAllen Fund, McAllen International Toll Bridge Fund, and the Anzalduas International Crossing Fund. In the aggregate, the proprietary funds reported a \$19M increase to net position. Of that amount, the Water and Wastewater Funds had a \$5M increase, the Sanitation Fund a \$2M increase, and the Airport Fund had a \$6M increase. The McAllen International Toll Bridge, the Anzalduas Bridge and non-major proprietary funds combined generated a net increase amounting to \$6M.

McAllen Public Utilities (MPU) – Water and Wastewater Funds Water Fund

Operating revenues and expenditures remained flat as compared to last year. Total operating revenues amounted to \$21M while operating expenses totaled \$19M resulting in operating income of \$1M. After non-operating revenues, expenses, transfers and capital contributions, the change to net position was approximately \$1M. Combined Water and Wastewater Fund working capital is in excess of the board policy of 120 days of operating expenses.

Wastewater Fund

Both Operating revenues and expenses increased by 4.2% from last year. Total operating revenues amounted to \$20M while operating expenses totaled \$18M resulting in operating income of \$2M. After non-operating revenues, expenses, transfers and capital contributions, the change to net position was approximately \$3M. Combined Water and Wastewater Fund working capital is in excess of the board policy of 120 days of operating expenses.

Sanitation Fund

This year's operating revenues, representing charges for services, increased \$954K or 4.2% over prior year. Operating expenses increased \$1M or 4.9% from last year. After non-operating revenues, expenses, transfers and capital contributions, the change to net position was approximately \$1M. Working capital as of year-end amounted to \$16M.

McAllen International Airport Fund

Operating revenues for the McAllen International Airport had an increase of 8.9% or \$569K. Operating expenses increased by 7.6% or \$793K. The Airport Fund sustained an operating loss of \$4M before non-operating expenses, capital contributions and transfers out. Capital contributions from the Passenger Facility Charge, as well as the FAA, amounted to \$12M. Transfers-out to the City amounted to \$1M to reimburse for public safety personnel assigned to the Airport. As a result, an increase in net position of \$6M is reported. This years' working capital is reflected at \$13M, including liabilities payable from restricted assets, which are included in current liabilities.

McAllen International Toll Bridge Fund

The table below reflects three types of crossings for 2021, as well as 2020.

Category	FY 20-21	FY 19-20	Increase (Decrease)	% Increase (Decrease)
Cars	1,647,489	1,890,935	(243,446)	-12.87%
Non-Commercial Trucks & Buses	16,489	19,326	(2,837)	-14.68%
Passengers in cars	4,118,723	4,727,338	(608,615)	-12.87%

Southbound car crossings decreased 12.9% and operating revenues came in at \$10M, a decrease of \$529K from last year. The decrease in revenue is attributable to decreased traffic crossings. Operating expenses decreased 9.6% or \$365K compared to the prior fiscal year. After considering all other non-operating revenues and expenses, changes in this year's net position totaled increased by \$479K. Working capital, including liabilities payable from restricted assets, which are included in current liabilities, at year-end amounted to \$2M.

Anzalduas International Crossing

The table below reflects four types of crossings for 2021, as well as 2020. All categories of crossings reflect increases, except for buses, which are noted below.

Category	FY 20-21	FY 19-20	(Decrease)	% increase (Decrease)
Cars	724,838	724,046	792	0.11%
Trucks - empties	27,577	19,359	8,218	42.45%
Buses	1,184	1,194	(10)	-0.84%
Passengers in cars	1,812,095	1,810,115	1,980	0.11%

Southbound car crossings increased 792 or 0.1% while empty truck traffic increased by 8,218 or 42.5%. Operating revenues totaled \$3M, an increase of \$154K from last year. Operating expenses totaled \$5M. Operating expenses increased by \$3M due to non-capital expenses for improvements on the northbound inspection station. This increase is offset by capital contributions of \$2M. After non-operating expenses of \$1M and a transfer-in of \$846K, the net position decreased by \$250K resulting in an ending net position deficit of \$2M.

Unrestricted net position is reflected as a deficit in the amount of \$18M, largely as a result of the start up fund and board advances made to it by the McAllen International Toll Bridge Fund.

General Fund Budgetary Highlights

During the year, the City Commission amended the budget several times. The revenue budget was increased by almost \$9M as sales tax revenue performed better than anticipated. Sales tax revenue out performed the original budget by \$13M. Original appropriations to the final budget appropriations were increased by approximately \$2M. This increase was primarily related to address department budget needs as original budgets had been estimated conservatively.

Pensions and Retiree Healthcare

Effective for fiscal year 2015, Governmental Accounting Standards Board (GASB) Statement No. 68, "Accounting and Financial Reporting for Pensions" created specific reporting requirements for pensions that are different than that used for funding purposes. Valuations are important as the reporting valuation provides a rigorous standard measure that can be used to compare the City's pension liabilities to other governments from around the nation. The funding valuation is important as the actuarial methods used including strategies for repaying any unfunded actuarial accrued liabilities combined with the City's history of making those contributions provides insights regarding the City's commitment to and the effectiveness of its funding strategy. Information contained in the financial statements themselves including the first schedule of Required Supplementary Information (RSI), Schedule of Changes in Net Pension Liability and Related Ratios, is based on the reporting valuation. The second schedule in the RSI, Schedule of Contributions, is based on the funding valuation. On a reporting basis, the City's financial statements reflect a Net Pension Liability as of September 30, 2021 of \$12M, which is 15.5% of the City's annual covered payroll of \$79M.

The Firemen's Relief & Retirement Fund (the Plan) reflects a Net Pension Liability as of September 30, 2021 of \$20M, which is 150.2% of the Plan's annual covered payroll of \$13M. Information contained in the financial statements themselves including the third schedule of Required Supplementary Information (RSI), Schedule of Changes in Net Pension Liability and Related Ratios, is based on the reporting valuation. The fourth schedule in the RSI, Schedule of Contributions, is based on the funding valuation.

Retiree health care's net OPEB liability has been calculated in accordance with GASB Statement No.75, "Accounting and Financial Reporting by Employers for Postemployment Benefits Other Than Pensions," to be \$12M, as of September 30, 2021.

CAPITAL ASSET AND DEBT ADMINISTRATION Capital Assets

At the end of the fiscal year, the City had \$852M in net capital assets, which is reflected below:

Capital Assets at Year-end (In Millions)

	Governmental Activities				Busine Acti		Total Primary Government				
	 2021		2020		2021	_	2020		2021		2020
Land	\$ 89	\$	89	\$	22	\$	22	\$	111	\$	111
Buildings and improvements	192		172		731		704		923		876
Equipment	96		92		81		74		177		166
Infrastructure	259		242		-		-		259		242
Construction in progress	29		36		40		44		69		80
Water rights	-		-		16		16		16		16
Accumulated depreciation	 (313)	_	(295)	_	(390)	_	(364)	_	(703)	_	(659)
Net Capital Assets	\$ 352	\$	336	\$	500	\$	496	\$	852	\$	832

This year's major additions included the following projects (in millions):

Police Parking Garage	\$ 5
Texas A&M Building - Tres Lagos	10
Municipal Softball Park	4
Westway Heights Drainage Improvements	3
Kennedy:Ware to Bentsen Improvements	1
29th Oxford to SH 107 Improvements	3
Bicentennial - Trenton to 107 Improvements	3
Bicentennial Blueline Improvements	1
Northwest Blueline Regrade Improvements	2
Anzalduas Cargo Design	 1
Total	\$ 33

For more detailed information on capital asset activity, refer to the notes to financial statements (refer to page 59 - 60).

Debt

At the end of the fiscal year, the City had \$278M in bonds outstanding-as shown in the following table:

Outstanding Debt at Year-end (in Millions)

	Governmental Activities				Busine Activ		Total Primary Government				
	 2021	_	2020	_	2021	_	2020	_	2021	_	2020
General/certificate of obligation bonds/ note (backed by the City) Revenue bonds backed by	\$ 105	\$	106	\$	-	\$	-	\$	105	\$	106
Specific tax and fee revenues	 21		19	_	152		160	_	173	_	179
Totals	\$ 126	\$	125	\$	152	\$	160	\$	278	\$	285

For more detailed information on long-term debt activity, refer to the notes to financial statements (refer to page 67).

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

During the budget process for fiscal year 2021-22 the elected and appointed officials considered many factors including the forces driving the economy-among which were the pandemic recovery, job growth, bank deposits, retail sales growth, the unemployment rate, peso devaluation, and inflation. As a result of the deliberations, within the General Fund, total revenues were budgeted with a \$3M increase or 2.8% more than FY 2021 budget. Management anticipates revenues will maintain a positive trend. Total appropriations were budgeted with a \$4M increase or 3.5% more than FY 2021 budget. The FY 2022 budget reflects the City's healthy financial position due to a faster recovery from the fiscal impact of the Covid-19 pandemic. The estimated FY 2022 budget fund balance covers a total of 161 days of operating expenditures which is in excess of the minimum fund balance policy of 140 days.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to inform the citizens, taxpayers and customers of the City of McAllen as well as its investors and creditors about the City's finances and to provide accountability for the public support that it receives. If you have any questions about the report or need additional financial information, contact the Finance Director's Office at the City of McAllen, 1300 Houston, McAllen, Texas 78501.

Roel "Roy" Rodriguez, P.E. City Manager

Sergio Villasana Jr., CPA Finance Director

STATEMENT OF NET POSITION September 30, 2021

Sep	ptember 30, 2021							Component Unit		
			Prin	nary Governmer	ıt		Tres Lagos Public			
	_	Governmental Activities	_	Business-type Activities	_	Total	_	Improvement District		
ASSETS Cash	\$	27,355,315	\$	650,526	\$	28,005,841	\$	40,902		
Certificate of deposits	Ÿ	59,779,847	Ÿ	15,722,833	٧	75,502,680	٧	-		
Investments		137,593,572		42,238,634		179,832,206		-		
Receivables, net		30,297,005		10,522,549		40,819,554		40,466		
Internal balances		421,067		(421,067)		-		-		
Inventories		-		765,079		765,079		-		
Prepaid items		99,805		5,171		104,976		-		
Restricted assets		-		79,732,636		79,732,636		-		
Capital assets not being depreciated: Land		89,054,753		21,762,969		110,817,722		19,072,352		
Construction in progress		29,482,362		40,258,309		69,740,671		19,072,332		
Water rights (perpetual)		29,402,302		14,323,738		14,323,738		_		
Capital assets being depreciated:				1 1,020,700		1 1,020,700				
Buildings and systems		114,684,880		465,033,349		579,718,229		4,274,829		
Equipment		95,545,719		80,784,082		176,329,801		-		
Improvements		77,047,906		265,801,670		342,849,576		-		
Infrastructure		259,083,592		-		259,083,592		-		
Water rights		-		2,200,000		2,200,000		-		
Accumulated depreciation		(312,646,884)		(390,424,831)		(703,071,715)		-		
Other long term assets	_	4,151,805	_	177,415	_	4,329,220	_			
Total assets	_	611,950,744	_	649,133,062	_	1,261,083,806	_	23,428,549		
Deferred outflows of resources:		0.007.050		0.505.000		4 000 000				
Deferred charges on refunding		2,307,053		2,595,230		4,902,283		-		
Deferred charges-pensions and OPEB Plan Total deferred outflows of resources	_	24,634,981 26,942,034		1,797,051 4,392,281	-	26,432,032 31,334,315	_			
Total assets and deferred outflows of resources	<u>.</u>		<u>.</u>		_ ċ		<u> </u>	22 429 540		
	<u>\$</u>	638,892,778	\$	653,525,343	Ş	1,292,418,121	\$	23,428,549		
LIABILITIES Accounts payable and accrued liabilities	\$	19,463,823	\$	10,814,266	\$	30,278,089	\$	11,570		
Unearned revenues	Ą	21,633,817	Ą	928,490	Ş	22,562,307	Ą	11,370		
Other		6,589,524		499,575		7,089,099		2,929,500		
Non-current liabilities:		0,003,021		133,070		7,000,000		2,727,000		
Due within one year		11,479,637		10,956,869		22,436,506		-		
Due in more than one year		133,953,389		148,453,856		282,407,245		-		
Net OPEB obligation - due in more than one year		11,934,060		-		11,934,060		-		
Net pension liability -Firemen's Pension - due in more than one		10710000				10.710.000				
year		19,718,033		2 (02 105		19,718,033		-		
Net pension liability-TMRS - due in more than one year	_	8,533,975	_	3,693,195	-	12,227,170	_			
Total liabilities Deferred inflows of resources:	_	233,306,258	_	175,346,251	_	408,652,509	_	2,941,070		
Deferred charges on refunding		_		3,558,631		3,558,631		-		
Deferred charges-pensions and OPEB Plan		35,383,998		2,907,211		38,291,209		-		
Total deferred inflows of resources		35,383,998		6,465,842		41,849,840		-		
Total liabilities and deferred inflows of resources		268,690,256		181,812,093		450,502,349		2,941,070		
NET POSITION										
Net investment in capital assets		240,339,983		347,494,167		587,834,150		23,347,181		
Restricted for:										
Capital projects		35,510,721		57,877,417		93,388,138		-		
Federal and state grant awards		1,146,663		-		1,146,663		-		
Hotel tourism		525,766		-		525,766		-		
Parks		2,944,568		0.705.100		2,944,568		-		
Debt service		4,227,658		8,705,136		12,932,794		-		
Economic development Distribution of net surplus revenues		16,387,392		- 3,389,077		16,387,392 3,389,077		-		
Other purposes		1,941,572		3,309,077 -		1,941,572		-		
Unrestricted		67,178,199		54,247,453		121,425,652		(2,859,702)		
Total net position		370,202,522		471,713,250	_	841,915,772		20,487,479		
Total liabilities, deferred inflows of resources, and net position	¢	638,892,778	Ś	653,525,343	¢	1,292,418,121	Ś	23,428,549		
The notes to the financial statements are an integral part of this statement	<u>২</u> ent.	000,092,770	<u>ب</u>	000,020,040	<u>v</u>	1,272,410,121	<u>v</u>	20,420,049		

STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2021

				_	Program Revenues		
	Expenses		Charges for Services	Operating Grants and Contributions			Capital Grants and Contributions
Functions/Programs							
Governmental activities:							
General government	\$	30,996,336	\$ 3,788,132	\$	13,089,935	\$	47,910
Public safety		64,284,810	1,662,726		22,069,040		46,113
Highways and streets		19,239,375	1,940,423		-		8,195,715
Health and welfare		7,309,487	845,614		716,936		13,294
Culture and recreation		24,234,654	883,556		36,943		2,684,538
Interest on long-term debt		4,320,581	-		-		-
Total governmental activities		150,385,243	9,120,451		35,912,854		10,987,570
Business-type activities:							
Water services		20,373,834	20,692,360		-		1,216,061
Wastewater services		18,608,627	20,002,986		-		1,869,270
Sanitation services		21,140,272	22,646,597		-		116,481
Golf course services		1,637,471	1,876,606		-		1,026
Performing arts center services		1,708,565	467,764		-		615,143
Convention center services		6,257,533	5,068,422		-		78,414
Airport services		11,220,628	6,375,447		4,230,484		8,045,666
Transit services		1,896,225	3,047		743,272		4,352,870
Bus services		3,916,422	321,016		3,824,560		-
Bridge servicesAnzalduas		6,107,458	3,135,681		-		2,635,200
Bridge services-Hidalgo		6,144,256	 10,195,727		-		11,098
Total business-type activities		99,011,291	90,785,653		8,798,316		18,941,229
Total primary government	\$	249,396,534	\$ 99,906,104	\$	44,711,170	\$	29,928,799
Component Unit -				_			
Tres Lagos Public Improvement District	\$	983,888	\$ 	\$		\$	8,873,570

General revenues:

Property taxes

Hotel occupancy tax

Sales taxes

Franchise taxes

Mixed beverage taxes

Unrestricted investment earnings

Miscellaneous

Transfers

Total general revenues, special items, and transfers

Change in net position

Net position - beginning

Net position - ending

Net (Expenses) Revenues and Changes in Net Position

		rimary Governmen		Component Unit			
G	overnmental Activities	Business-type Activities	_	Total		Lagos Public vement District	
\$	(14070 250)	\$ -	\$	(14 070 250)	\$		
Ş	(14,070,359)	Ş -	Ş	(14,070,359)	Ş	_	
	(40,506,931) (9,103,237)	-		(40,506,931) (9,103,237)		_	
	(5,733,643)			(5,733,643)			
	(20,629,617)	_		(20,629,617)			
	(4,320,581)	-		(4,320,581)			
_	(94,364,368)		_	(94,364,368)		-	
	(, ,,		_	(, ,,			
	-	1,534,587		1,534,587		-	
	-	3,263,629		3,263,629		-	
	-	1,622,806		1,622,806		-	
	-	240,161		240,161		-	
	-	(625,658)		(625,658)		-	
	-	(1,110,697)		(1,110,697)		-	
	-	7,430,969		7,430,969		-	
	-	3,202,964		3,202,964		-	
	-	229,154		229,154		-	
	-	(336,577)		(336,577)		-	
		4,062,569	_	4,062,569			
	_	19,513,907		19,513,907		_	
\$	(94,364,368)	\$ 19,513,907	\$	(74,850,461)	\$	_	
<u>*</u>	(2.1,00.1,000)	<u> </u>	<u>~</u>	(7.)000,101)	<u>*</u>		
\$		\$ -	\$		\$	7,889,682	
	52,947,964	-		52,947,964		186,142	
	4,178,181	-		4,178,181		-	
	79,887,252	-		79,887,252		-	
	6,496,154	-		6,496,154		-	
	1,112,755	-		1,112,755		-	
	793,169	677,190		1,470,359		-	
	7,073,997	-		7,073,997		95,961	
	1,465,033	(1,465,033)	_				
	153,954,505	(787,843)		153,166,662		282,103	
	59,590,137	18,726,064		78,316,201		8,171,785	
	310,612,385	452,987,186	_	763,599,571		12,315,694	
\$	370,202,522	\$ 471,713,250	\$	841,915,772	\$	20,487,479	

BALANCE SHEET GOVERNMENTAL FUNDS

September 30, 2021

ASSETS Cash \$ 22,830,073 \$ - \$ 25,010 \$ - \$ 1,919,662 \$ 24,774,745 Certificate of deposit 29,444,694 5,503,283 - 63,557,132 21,303,683 56,251,660 Investments 21,498,430 9,175,128 27,524,651 - 63,557,132 121,755,341 Receivables, net: Taxes 15,254,371 3,515,077 - 6 - 352,222 19,121,670 Accounts 1,791,539 - 6 - 6 51,542,787 3,334,326 Accoued interest 15,492 4,910 - 6 3,274 23,676 Other 566,135 110,081 - 7 50,000 750,954 179,925 4,254,839 Due from other funds 2,823,960 - 7 - 7 4,646,259 6,323,504 Prepaids 91,555 - 7 - 8,250 99,805 Board advances 4,151,465 - 7 - 8,250 99,805 Board advances 99,296,069 18,918,975 28,288,055 750,954 93,513,194 240,767,247
Certificate of deposit Investments 29,444,694 (19,48,430) 5,503,283 (19,15)
Investments 21,498,430 9,175,128 27,524,651 - 63,557,132 121,755,341 Receivables, net: Taxes
Receivables, net: Taxes 15,254,371 3,515,077 - - 352,222 19,121,670 Accounts 1,791,539 - - - 1,542,787 3,334,326 Accrued interest 15,492 4,910 - - 3,274 23,676 Other 566,135 110,081 - - - 676,216 Due from other funds 2,823,960 - 500,000 750,954 179,925 4,254,839 Due from other governments 828,355 610,496 238,394 - 4,646,259 6,323,504 Prepaids 91,555 - - - 8,250 99,805 Board advances 4,151,465 - - - 8,250 99,805 Total assets \$99,296,069 \$18,918,975 \$28,288,055 \$750,954 \$93,513,194 \$240,767,247 LIABILITIES AND FUND BALANCES Liabilities - - - \$1,849,181 \$13,036,940
Taxes 15,254,371 3,515,077 - - 352,222 19,121,670 Accounts 1,791,539 - - - 1,542,787 3,334,326 Accrued interest 15,492 4,910 - - 3,274 23,676 Other 566,135 110,081 - - - 676,216 Due from other funds 2,823,960 - 500,000 750,954 179,925 4,254,839 Due from other governments 828,355 610,496 238,394 - 4,646,259 6,323,504 Prepaids 91,555 - - - 8,250 99,805 Board advances 4,151,465 - - - 8,250 99,805 Total assets \$99,296,069 \$18,918,975 \$28,288,055 \$750,954 \$93,513,194 \$240,767,247 LIABILITIES AND FUND BALANCES Liabilities: - - \$1,849,181 \$13,036,940 Accrued liabilities 1,874,348 3,055 - -
Accounts 1,791,539 - - - 1,542,787 3,334,326 Accrued interest 15,492 4,910 - - 3,274 23,676 Other 566,135 110,081 - - - 676,216 Due from other funds 2,823,960 - 500,000 750,954 179,925 4,254,839 Due from other governments 828,355 610,496 238,394 - 4,646,259 6,323,504 Prepaids 91,555 - - - 8,250 99,805 Board advances 4,151,465 - - - 8,250 99,805 Total assets \$ 99,296,069 \$ 18,918,975 \$ 28,288,055 \$ 750,954 \$ 93,513,194 \$ 240,767,247 LIABILITIES AND FUND BALANCES Liabilities: Accounts payable \$ 1,845,732 \$ 582,036 \$ 8,759,991 \$ - \$ 1,849,181 \$ 13,036,940 Accrued liabilities 1,874,348 3,055 - - 932,762 2,810,165
Accrued interest 15,492 4,910 - - 3,274 23,676 Other 566,135 110,081 - - - 676,216 Due from other funds 2,823,960 - 500,000 750,954 179,925 4,254,839 Due from other governments 828,355 610,496 238,394 - 4,646,259 6,323,504 Prepaids 91,555 - - - 8,250 99,805 Board advances 4,151,465 - - - 8,250 99,805 Total assets \$99,296,069 \$18,918,975 \$28,288,055 \$750,954 \$93,513,194 \$240,767,247 LIABILITIES AND FUND BALANCES Liabilities: Accounts payable \$1,845,732 \$582,036 \$8,759,991 \$- \$1,849,181 \$13,036,940 Accrued liabilities 1,874,348 3,055 - - 932,762 2,810,165 Due to other funds 1,258,143 15,415 378,586 -
Other 566,135 110,081 - - - 676,216 Due from other funds 2,823,960 - 500,000 750,954 179,925 4,254,839 Due from other governments 828,355 610,496 238,394 - 4,646,259 6,323,504 Prepaids 91,555 - - - 8,250 99,805 Board advances 4,151,465 - - - - 4,151,465 Total assets \$ 99,296,069 \$ 18,918,975 \$ 28,288,055 \$ 750,954 \$ 93,513,194 \$ 240,767,247 LIABILITIES AND FUND BALANCES Liabilities: Accounts payable \$ 1,845,732 \$ 582,036 \$ 8,759,991 \$ - \$ 1,849,181 \$ 13,036,940 Accrued liabilities 1,874,348 3,055 - - - 932,762 2,810,165 Due to other funds 1,258,143 15,415 378,586 - 1,862,234 3,514,378 Unearned revenues 484,630 - 19,156,235 750,954
Due from other funds 2,823,960 - 500,000 750,954 179,925 4,254,839 Due from other governments 828,355 610,496 238,394 - 4,646,259 6,323,504 Prepaids 91,555 - - - 8,250 99,805 Board advances 4,151,465 - - - - 4,151,465 Total assets \$ 99,296,069 \$ 18,918,975 \$ 28,288,055 \$ 750,954 \$ 93,513,194 \$ 240,767,247 LIABILITIES AND FUND BALANCES Liabilities: - - - - - 4,849,181 \$ 13,036,940 Accounts payable \$ 1,845,732 \$ 582,036 \$ 8,759,991 \$ - \$ 1,849,181 \$ 13,036,940 Accrued liabilities 1,874,348 3,055 - - 932,762 2,810,165 Due to other funds 1,258,143 15,415 378,586 - 1,862,234 3,514,378 Unearned revenues 484,630 - 19,156,235 750,954 1,241,658 2
Due from other governments 828,355 610,496 238,394 - 4,646,259 6,323,504 Prepaids 91,555 8,250 99,805 Board advances 4,151,465 4,151,465 Total assets \$ 99,296,069 \$ 18,918,975 \$ 28,288,055 \$ 750,954 \$ 93,513,194 \$ 240,767,247 LIABILITIES AND FUND BALANCES Liabilities: Accounts payable \$ 1,845,732 \$ 582,036 \$ 8,759,991 \$ - \$ 1,849,181 \$ 13,036,940 Accrued liabilities 1,874,348 3,055 932,762 2,810,165 Due to other funds 1,258,143 15,415 378,586 - 1,862,234 3,514,378 Unearned revenues 484,630 - 19,156,235 750,954 1,241,658 21,633,477
Prepaids Board advances 91,555 4,151,465 - - - 8,250 4,151,465 99,805 4,151,465 Total assets \$ 99,296,069 \$ 18,918,975 \$ 28,288,055 \$ 750,954 \$ 93,513,194 \$ 240,767,247 \$ 240,767,247 LIABILITIES AND FUND BALANCES Liabilities: Accounts payable \$ 1,845,732 \$ 582,036 \$ 8,759,991 \$ - \$ 1,849,181 \$ 13,036,940 \$ 1,874,348 \$ 3,055 \$ - \$ - \$ 932,762 \$ 2,810,165 \$ 932,762 \$ 2,810,165 \$ 240,767,247 Due to other funds 1,874,348 \$ 3,055 \$ - \$ - \$ 932,762 \$ 2,810,165 \$ 1,862,234 \$ 3,514,378 \$ 378,586 \$ - \$ 1,862,234 \$ 3,514,378 \$ 1,633,477 Unearned revenues 484,630 \$ - \$ 19,156,235 \$ 750,954 \$ 1,241,658 \$ 21,633,477 \$ 21,633,477
Board advances 4,151,465 - - - - 4,151,465 Total assets \$ 99,296,069 \$ 18,918,975 \$ 28,288,055 \$ 750,954 \$ 93,513,194 \$ 240,767,247 LIABILITIES AND FUND BALANCES Liabilities: Accounts payable \$ 1,845,732 \$ 582,036 \$ 8,759,991 \$ - \$ 1,849,181 \$ 13,036,940 Accrued liabilities 1,874,348 3,055 - - 932,762 2,810,165 Due to other funds 1,258,143 15,415 378,586 - 1,862,234 3,514,378 Unearned revenues 484,630 - 19,156,235 750,954 1,241,658 21,633,477
Total assets \$ 99,296,069 \$ 18,918,975 \$ 28,288,055 \$ 750,954 \$ 93,513,194 \$ 240,767,247 LIABILITIES AND FUND BALANCES Liabilities: Accounts payable \$ 1,845,732 \$ 582,036 \$ 8,759,991 \$ - \$ 1,849,181 \$ 13,036,940 Accrued liabilities 1,874,348 3,055 932,762 2,810,165 Due to other funds 1,258,143 15,415 378,586 - 1,862,234 3,514,378 Unearned revenues 484,630 - 19,156,235 750,954 1,241,658 21,633,477
LIABILITIES AND FUND BALANCES Liabilities: Accounts payable \$ 1,845,732 \$ 582,036 \$ 8,759,991 \$ - \$ 1,849,181 \$ 13,036,940 Accrued liabilities 1,874,348 3,055 - - 932,762 2,810,165 Due to other funds 1,258,143 15,415 378,586 - 1,862,234 3,514,378 Unearned revenues 484,630 - 19,156,235 750,954 1,241,658 21,633,477
Liabilities: Accounts payable \$ 1,845,732 \$ 582,036 \$ 8,759,991 \$ - \$ 1,849,181 \$ 13,036,940 Accrued liabilities 1,874,348 3,055 932,762 2,810,165 Due to other funds 1,258,143 15,415 378,586 - 1,862,234 3,514,378 Unearned revenues 484,630 - 19,156,235 750,954 1,241,658 21,633,477
Accounts payable \$ 1,845,732 \$ 582,036 \$ 8,759,991 \$ - \$ 1,849,181 \$ 13,036,940 Accrued liabilities 1,874,348 3,055 932,762 2,810,165 Due to other funds 1,258,143 15,415 378,586 - 19,156,235 750,954 1,241,658 21,633,477 Unearned revenues 484,630 - 19,156,235 750,954 1,241,658 21,633,477
Accrued liabilities 1,874,348 3,055 - - 932,762 2,810,165 Due to other funds 1,258,143 15,415 378,586 - 1,862,234 3,514,378 Unearned revenues 484,630 - 19,156,235 750,954 1,241,658 21,633,477
Due to other funds 1,258,143 15,415 378,586 - 1,862,234 3,514,378 Unearned revenues 484,630 - 19,156,235 750,954 1,241,658 21,633,477
Unearned revenues 484,630 - 19,156,235 750,954 1,241,658 21,633,477
Total liabilities 6,569,909 600,606 28,294,812 750,954 11,367,154 47,583,435
Deferred inflows of resources 16,249,389 1,930,977 - 1,146,600 19,326,966
Total liabilities and deferred inflows of
resources <u>22,819,298</u> <u>2,531,583</u> <u>28,294,812</u> <u>750,954</u> <u>12,513,754</u> <u>66,910,401</u>
Fund balances:
Nonspendable 4,243,020 8,250 4,251,270
Restricted - 16,387,392 46,296,948 62,684,340
Committed 118,950 118,950
Assigned 34,591,046 34,591,046
Unassigned 72,233,751 - (6,757) - (15,754) 72,211,240
Total fund balances 76,476,771 16,387,392 (6,757) - 80,999,440 173,856,846
Total liabilities, deferred inflows of
resources, and fund balances \$ 99,296,069 \$ 18,918,975 \$ 28,288,055 \$ 750,954 \$ 93,513,194 \$ 240,767,247

RECONCILIATION OF THE BALANCE SHEET OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF NET POSITION

September 30, 2021

Total governmental fund balances (refer to page 18)

173,856,846

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

Capital assets used in governmental activities are not financial resources and therefore are not reported in the funds.

337,730,730

Other long-term assets are not available to pay for current-period expenditures and therefore are deferred in the funds. The amount consists of the following: property taxes - \$3,980,506 sales and

franchise taxes - \$7,898,128; weed and lot cleaning - \$970,666; others; \$2,326,201, and Mission repayment on Series B Bridge bonds, \$4,151,465

19,326,966

Internal service funds are used by management to charge the costs of certain activities to individual funds. The assets and liabilities of certain internal service funds are included in governmental activities in the statement of net position.

33,670,914

Some liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds, including unpaid compensated absences, (\$13,130,347), sales tax revenue bonds payable, (\$20,900,000), accrued interest, (\$401,927), certificates of obligation, (\$40,740,000), general obligations (\$64,665,000), capital lease (\$2,347,605), premium, (\$2,873,808),deferred inflows of resources, (\$35,383,998), Firemen's pension obligation (\$19,718,033), OPEB obligation (\$11,934,060), deferred outflows of resources, \$24,634,981, discount, (\$138,989),Deferred Charge on Refunding \$2,307,053, TMRS Pension Liability (\$8,533,975) and Winter Storm Fee, (\$557,225).

(194,382,934)

Net position of governmental activities

370,202,522

STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES GOVERNMENTAL FUNDS

For the Year Ended September 30, 2021

	General	Development Corp.	Miscellaneous Government Grants	American Rescue Plan Act	Other Governmental Funds	Total Governmental Funds
REVENUES	General	оогр.			i dild3	i unus
Taxes	\$ 113,755,478	\$ 19,690,295	\$ -	\$ -	\$ 10,050,467	\$ 143,496,240
Licenses and permits	2,642,610	-	-	-	10,926	2,653,536
Intergovernmental	332,194	492,527	12,264,040	20,210,098	7,775,149	41,074,008
Charges for services	5,219,593	-	-	-	2,386,937	7,606,530
Fines and forfeitures	969,878	-	-	-	94,007	1,063,885
Investment earnings	521,857	16,109	1,806	3,486	165,240	708,498
Net increase (decrease) in the fair value of	of					
investments	(59,174)	(3,551)	-	-	(6,615)	(69,340)
Other	2,824,242	129,172	193,641		4,453,246	7,600,301
Total revenues	126,206,678	20,324,552	12,459,487	20,213,584	24,929,357	204,133,658
EXPENDITURES Current						
Current: General government	19,552,104	7,721,875	11,812,406		3,054,600	42,140,985
Public safety	62,361,921	7,721,075	668,003		1,838,775	64,868,699
Highways and streets	12,002,402	736.068	-	_	12,483,322	25,221,792
Health and welfare	3,225,579	3,415,117	_	_	729,434	7,370,130
Culture and recreation	18,749,901	404,687	-	_	3,634,632	22,789,220
Debt service:		,			5,55 ,,55=	,,
Principal	424,845	-	-	-	3,504,076	3,928,921
Interest and fiscal charges	83,329	119,360			4,387,915	4,590,604
Total expenditures	116,400,081	12,397,107	12,480,409		29,632,754	170,910,351
Excess of revenues over (under)						
expenditures	9,806,597	7,927,445	(20,922)	20,213,584	(4,703,397)	33,223,307
			(==,===)		(1) (2)	
OTHER FINANCING SOURCES (USES)						
Transfers in	24,997,486	4,865,587	-	-	37,977,281	67,840,354
Transfers out	(37,436,500)	(3,230,702)	-	(20,213,584)	(6,704,592)	(67,585,378)
Issuance of debt	-	4,400,000	-	-	38,490,000	42,890,000
Payment to refunded bond escrow		(4001 540)			(20.0(1.50()	(40 540 046)
agent		(4,281,540)			(38,261,506)	(42,543,046)
Net other financing sources (uses)	(12,439,014)	1,753,345	_	(20,213,584)	31,501,183	601,930
riot other imaneing obtained (acce)	(:=,:=)			(20)2:0,00:1)		
Net change in fund balances	(2,632,417)	9,680,790	(20,922)	-	26,797,786	33,825,237
Fund balances at beginning of year	79,109,188	6,706,602	14,165	-	54,201,654	140,031,609
,						
Fund balances at end of year	\$ 76,476,771	\$ 16,387,392	\$ (6,757)	<u>\$</u>	\$ 80,999,440	<u>\$ 173,856,846</u>

RECONCILIATION OF THE STATEMENT OF REVENUES EXPENDITURES, AND CHANGES IN FUND BALANCES 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 (refer to page 20)	\$ 33,825,237
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 \$32,504,331 exceeded depreciation, (\$16,043,734), in the current period.	16,460,597
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	1,800,460
Repayment of bond principal is an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	(585,000)
Repayment of capital lease principal and winter storm debt ar an expenditure in the governmental funds, but the repayment reduces long-term liabilities in the statement of net position.	(128,305)
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds of which (\$1,332,401) is compensated absences, \$208,823 accrued interest expense, \$3,799,246 bond amortization expense.	2,675,668
Some expenses reported in the statement of activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds of which \$2,624,364 is pension expense, \$145,197 OPEB expense, \$2,219,124 is Firemen's net pension obligation.	4,988,685
Internal service funds are used by management to charge the costs of certain activities to individual funds. The net revenue (expense) of certain internal service funds is reported with governmental activities.	552,795
Change in net position of governmental activities	\$ 59,590,137



GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

For the Year Ended September 30, 2021

	Original Budget			Final Budget	Α.	ctual Amount	Variance with Final Budget Positive (Negative)		
REVENUES	Orig	inai budget	'	-ınaı budget	A	ctual Amount		(Negative)	
Taxes:									
Property	\$	45,944,513	\$	46,661,875	\$	47,292,928	\$	631,053	
Sales		47,031,949		55,613,766		60,183,645		4,569,879	
Franchise		6,303,000		6,303,000		6,278,905		(24,095)	
Total taxes		99,279,462		108,578,641		113,755,478		5,176,837	
Licenses and permits:									
Business licenses and permits		70,000		70,000		79,746		9,746	
Occupational		401,935		401,935		509,015		107,080	
Non-business licenses and permits		2,018,330		2,018,330		2,053,849		35,519	
Total licenses and permits		2,490,265		2,490,265		2,642,610		152,345	
Intergovernmental						332,194		332,194	
Charges for services:									
General government		2,527,863		2,527,863		2,869,807		341,944	
Public safety		849,000		849,000		598,841		(250,159)	
Highways and streets		8,000		8,000		21,775		13,775	
Health Culture and recreation		803,915		803,915		845,614		41,699 57,740	
		825,807		825,807		883,556		57,749	
Total charges for services		5,014,585		5,014,585		5,219,593		205,008	
Fines and forfeitures:									
Corporations court		800,000		859,485		955,663		96,178	
Other fines		37,350		37,350		14,215		(23,135)	
Total fines and forfeitures		837,350		896,835		969,878		73,043	
Investment earnings		1,279,093		642,616		521,857		(120,759)	
Net increase (decrease) in fair value of investments						(59,174)		(59,174)	
Other:									
Royalties		340,000		340,000		293,991		(46,009)	
Rents and concessions		5,500		5,500		68,284		62,784	
Reimbursements		752,144		768,444		1,678,452		910,008	
Other		202,400		202,400		783,515		581,115	
Total other revenues		1,300,044		1,316,344		2,824,242		1,507,898	
Total revenues		110,200,799		118,939,286		126,206,678		7,267,392	

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
EXPENDITURES				
General government:				
City commission	\$ 378,030	\$ 379,082	\$ 345,794	\$ 33,288
Special service	734,898	1,714,898	348,040	1,366,858
City manager	1,668,947	1,706,016	1,654,638	51,378
City secretary	605,820	613,801	545,807	67,994
Vital statistics	182,612	201,018	164,895	36,123
Passport facility	199,888	202,504	186,743	15,761
Audit office	230,287	233,161	221,879	11,282
Municipal court	1,624,512	1,703,297	1,376,159	327,138
Finance	1,494,614	1,511,514	1,412,519	98,995
Budget & management	492,808	499,133	446,597	52,536
Tax office	1,243,079	1,247,304	1,281,827	(34,523)
Purchasing and contracting	617,228	626,919	548,549	78,370
Legal	1,841,957	1,861,574	1,716,427	145,147
Grant administration	492,211	497,959	438,022	59,937
Human resources	839,641	850,614	717,198	133,416
Risk management	457,085	457,085	457,085	-
Planning	1,407,369	1,425,463	1,311,924	113,539
Information technology	3,586,798	3,643,734	3,296,144	347,590
Public information office	834,103	850,731	706,578	144,153
311 Call center	401,882	406,375	321,955	84,420
City hall	527,900	529,386	500,768	28,618
Development Center	120,182	124,497	114,511	9,986
Building maintenance	1,007,832	1,019,082	822,384	196,698
Non-departmental activities	594,850	594,850	590,236	4,614
Contingency	(1,803,033)	(1,803,033)	25,425	(1,828,458)
Total general government	19,781,500	21,096,964	19,552,104	1,544,860
Public safety:				
Police	26 760 207	27.256.042	26 760 247	406 E0E
	36,760,397	37,256,842	36,760,247	496,595
Animal control	357,248	362,069	340,392	21,677
Radio Shop	686,050	692,509	652,891	39,618
Fire	20,305,385	20,542,425	21,404,828	(862,403)
Traffic operations	2,495,633	2,517,147	2,265,492	251,655
Building code compliance	1,124,941	1,138,458	938,071	200,387
Total public safety	61,729,654	62,509,450	62,361,921	147,529
Highways and streets:	0.400.444	0.005.450		000 540
Engineering services	2,198,616	2,225,152	1,944,612	280,540
Street maintenance	6,530,171	6,557,535	5,770,540	786,995
Street lighting	2,224,065	2,224,065	2,280,357	(56,292)
Sidewalk construction	346,052	349,309	345,591	3,718
Drainage	1,574,127	1,587,156	1,661,302	(74,146)
Total highways and streets	12,873,031	12,943,217	12,002,402	940,815
Health and welfare:				
Health code compliance	2,038,116	2,066,435	2,026,804	39,631
Graffiti cleaning	157,201	158,670	166,019	(7,349)
Other agencies	802,276	954,193	1,032,756	(78,563)
Total health and welfare	2,997,593	3,179,298	3,225,579	(46,281)

GENERAL FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

For the Year Ended September 30, 2021

	Original Budget		Final Budget	Ad	ctual Amount	Variance with Final Budget Positive (Negative)		
Culture and recreation:								
Parks and recreation administration	\$	611,924	\$ 618,067	\$	546,684	\$	71,383	
Parks		8,626,989	8,721,351		8,180,065		541,286	
Recreation		1,881,676	1,889,332		1,211,367		677,965	
Pools		967,175	970,241		677,701		292,540	
Las palmas community center		403,840	407,554		358,170		49,384	
Recreation center-Lark		498,946	503,732		426,394		77,338	
Recreation center-Palmview		473,154	477,460		397,750		79,710	
Quinta mazatlan		975,558	984,900		845,134		139,766	
Library		3,684,063	3,730,363		3,471,176		259,187	
Library branch-Lark		507,395	513,492		471,803		41,689	
Library branch-Palmview		537,207	544,140		515,407		28,733	
Other agencies		969,000	969,000		964,750		4,250	
Museums		683,500	 683,500		683,500			
Total culture and recreation		20,820,427	 21,013,132		18,749,901		2,263,231	
Debt service:								
Principal		167,351	167,351		424,845		(257,494)	
Interest		95,823	 95,823		83,329		12,494	
Total debt service		263,174	 263,174		508,174		(245,000)	
Total expenditures		118,465,379	 121,005,235		116,400,081		4,605,154	
Excess of revenues over expenditures		(8,264,580)	 (2,065,949)		9,806,597		11,872,546	
OTHER FINANCING SOURCES (USES)								
Transfers in		5,545,029	29,528,982		24,997,486		(4,531,496)	
Transfers out	·	(4,460,817)	 (41,272,590)		(37,436,500)		3,836,090	
Net other financing sources (uses)		1,084,212	 (11,743,608)		(12,439,014)		(695,406)	
Net change in fund balances		(7,180,368)	(13,809,557)		(2,632,417)		11,177,140	
Fund balances at beginning of year		79,109,188	 79,109,188		79,109,188			
Fund balances at end of year	\$	71,928,820	\$ 65,299,631	\$	76,476,771	\$	11,177,140	

DEVELOPMENT CORPORATION FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

For the Year Ended September 30, 2021

	Original Budget		Final Budget		Actual Amount		F	ariance with inal Budget Positive (Negative)
REVENUES								
Sales tax	\$	15,427,317	\$	18,287,922	\$	19,690,295	\$	1,402,373
Intergovernmental Investment earnings		5,983,425 34,767		694,925 34,767		492,527 16,109		(202,398) (18,658)
Net increase (decrease) in the		34,707		34,707		10,109		(10,030)
fair value of investments		-		-		(3,551)		(3,551)
Other		130,000		130,000		129,172		(828)
Total revenues		21,575,509		19,147,614		20,324,552		1,176,938
EXPENDITURES								
Current:								
General government		8,660,202		9,909,102		7,721,875		2,187,227
Highways and streets Health and welfare		4,660,697 3,385,000		5,056,748 3,435,000		736,068 3,415,117		4,320,680 19,883
Culture and recreation		2,192,103		2,337,103		404,687		1,932,416
Debt service:		, , ,		, ,		. ,		, - ,
Interest and fiscal charges				118,460		119,360		(900)
Total expenditures		18,898,002		20,856,413		12,397,107		8,459,306
Excess (deficiency) of revenues over								
expenditures		2,677,507		(1,708,799)		7,927,445		(7,282,368)
OTHER FINANCING SOURCES (USES)								
Transfers in		-		4,865,587		4,865,587		-
Transfers out		(1,643,876)		(3,965,037)		(3,230,702)		734,335
Issuance of debt Payment to refunded bond escrow agent		-		4,400,000 (4,281,540)		4,400,000 (4,281,540)		-
,		(1.640.076)		, , , ,		, , , ,		704005
Total other financing uses		(1,643,876)		1,019,010	_	1,753,345		734,335
Net changes in fund balances		1,033,631		(689,789)		9,680,790		10,370,579
Fund balances-beginning		6,706,602		6,706,602		6,706,602		
Fund balancesending	\$	7,740,233	\$	6,016,813	\$	16,387,392	\$	10,370,579

AMERICAN RESCUE PLAN ACT FUND STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

For the Year Ended September 30, 2021

	Original Budget		Final Budget	Actual Amount		Variance with Final Budget Positive (Negative)	
REVENUES	•		0.4.75.4.500			(4.5.45.40.4)	
Intergovernmental Investment earnings	\$ -	- \$ 	24,756,582	\$ 20,210,098 3,486	\$	(4,546,484) 3,486	
Total revenues		_	24,756,582	20,213,584		(4,542,998)	
EXPENDITURES Current:							
General government Culture and recreation		:			_	<u>-</u>	
Total expenditures		: _					
Excess (deficiency) of revenues over expenditures		: _	24,756,582	20,213,584	_	(4,542,998)	
OTHER FINANCING SOURCES (USES) Transfers out			(24,756,582)	(20,213,584)	_	4,542,998	
Total other financing sources (uses)		: _	(24,756,582)	(20,213,584)	_	4,542,998	
Net changes in fund balances	-	-	-	-		-	
Fund balancesbeginning		_			_		
Fund balances-ending	\$ -	\$		<u>\$</u>	\$		

PROPRIETARY FUNDS STATEMENT OF NET POSITION

September 30, 2021

Business-type	Activities-Er	nterprise Funds
---------------	---------------	-----------------

		Water	Wa	astewater		Sanitation	_I	McAllen nternational Airport
ASSETS								
Current assets: Cash	\$	117,969	Ś		Ś	11,445	Ś	
Certificate of deposit	Ş	3,027,092	Ş	- 512,711	Ş	5,081,799	Ş	3,544,139
Investments		5,983,744		2,735,162		10,091,088		10,059,885
Receivables, net:		3,703,744		2,700,102		10,031,000		10,000,000
Accounts		2,162,418		2,061,232		2,362,343		281,687
Accrued interest		3,389		-,,		5,054		3,208
Other		-		82,738		-		113
Due from other funds		13,249		-		30,400		-
Due from other governments		8,256		25,166		58,922		1,062,002
Inventories, at cost		370,568		-		-		-
Prepaid items		1,993		-		1,434		1,192
Restricted assets: Cash and cash equivalents		173,247		320,913		169,412		161,717
Total current assets		11,861,925		5,737,922	-	17,811,897		15,113,943
		,				,,		,,.
Noncurrent assets: Restricted assets:								
Certificate of deposit		2.526.985		6,541,134		4.015.172		2,502,407
Investments		13,527,032		22,221,381		8,899,240		5,680,135
Accrued interest		2,487		6,645		4,904		601
Other		-		-		-		835,974
Total noncurrent restricted assets		16,056,504		28,769,160		12,919,316		9,019,117
Capital assets:								
Land		3,144,890		2,248,172		1,123,490		3,251,781
Buildings and systems		77,541,940	2	210,704,204		2,829,962		33,412,551
Improvements other than buildings		66,203,711		37,797,262		706,365		97,042,314
Machinery and equipment		10,524,271		10,272,669		29,433,947		5,079,102
Construction in progress		10,778,806		10,814,036		279,835		16,064,745
Water rights		16,523,738		-		-		-
Less accumulated depreciation		(00 700 (00)	,			(00.077.1.10)		(00 000 504)
and amortization		(90,723,628)	(1	109,245,077)	-	(23,277,143)		(82,289,591)
Total capital assets (net of accumulated depreciation and amortization)		93,993,728	1	162,591,266		11,096,456		72,560,902
Other noncurrent assets						,		
Loans receivable		81,585		95,830		_		_
Board advances		01,303		90,000		_		_
	-	04.505		05.000			_	
Total other noncurrent assets		81,585		95,830		-	_	-
Total noncurrent assets		10,131,817		191,456,256		24,015,772		81,580,019
Total assets	1	21,993,742	1	197,194,178	_	41,827,669	_	96,693,962
Deferred outflow of resources								
Deferred charges on refundings		2,595,230				-		
Deferred charges - pensions	<u> </u>	465,815	<u> </u>	278,424	_	474,090	_	118,818
Total assets and deferred outflows of resources	<u>\$ 1</u>	25,054,787	<u>\$ 1</u>	97,472,602	\$	42,301,759	\$	96,812,780

Busir	ness-type Activiti	es-Enterprise Funds		Governmental Activities		
McAllen International Toll Bridge	Anzalduas International Crossing	Other Proprietary Funds	Total	Internal Service Funds		
\$ 96,673	\$ 140,274	\$ 247,485	\$ 613,846	\$ 2,617,250		
-	-	3,557,092	15,722,833	3,528,187		
3,071,348	2,400,651	7,896,756	42,238,634	15,838,231		
-	-	5,436	6,873,116	606,483		
-	-	3,846	15,497	5,384		
30,042	-	-	112,893	407,074		
-		310,197	353,846	7,189		
206,484	58,400	1,858,250	3,277,480 370,568	42,235 394,511		
-	-	552	5,171	- 394,311		
93,778	131,207	4,811	1,055,085	-		
3,498,325	2,730,532	13,884,425	70,638,969	23,446,544		
-, -,-						
-	-	1,269,066	16,854,764	-		
5,581,029	2,754,407	2,308,822	60,972,046	-		
-	-	130	14,767	-		
-			835,974			
5,581,029	2,754,407	3,578,018	78,677,551			
787,486	2,922,772	8,284,378	21,762,969	6,774,733		
16,014,650	10,429,987	113,138,099	464,071,393	961,956		
4,957,133	40,729,289	18,232,773	265,668,847	132,823		
3,853,505	1,053,075	19,668,418	79,884,987	31,774,725		
939,887	338,651	1,038,370	40,254,330	3,979		
-	-	-	16,523,738	-		
(16,808,302)	(17,825,965)	(49,530,553)	(389,700,259)	(23,853,336)		
9,744,359	37,647,809	110,831,485	498,466,005	15,794,880		
-	-	-	177,415	340		
20,472,774			20,472,774			
20,472,774			20,650,189	340		
35,798,162	40,402,216	114,409,503	597,793,745	15,795,220		
39,296,487	43,132,748	128,293,928	668,432,714	39,241,764		
-	-	-	2,595,230	-		
82,168	21,872	291,430	1,732,617	64,434		
\$ 39,378,655	\$ 43,154,620	\$ 128,585,358	\$ 672,760,561	\$ 39,306,198		

PROPRIETARY FUNDS STATEMENT OF NET POSITION

September 30, 2021

Business-type Activities-Enterprise Funds McAllen International Water Wastewater Sanitation Airport LIABILITIES Current liabilities: 554,651 \$ \$ 601,074 \$ 749,361 \$ 520,040 Accounts payable Accrued expenses 801,913 613,595 208,597 732,549 Due to other funds 13,249 128,173 379,429 Due to other government agencies Customer deposits payable 2,938,531 Compensated absences 465,133 307,344 436,942 100,837 Current portion of revenue bonds 1,744,674 5,030,605 522,956 Current portion of capital lease 55,354 3,428 Current portion of note payable 139,543 175,875 89,262 Other 13,415 Total current liabilities 6,644,445 6,741,742 1,591,842 2,348,501 Other noncurrent liabilities: 29,867,740 89,604,575 5,289,390 Revenue bonds, net of current portion Compensated absences 220,373 227,400 248,734 121,335 Unearned revenues 317,863 14.626 130,774 112,821 Storm recovery fee payable 28,582 24,711 16,230 4,472 Capital lease payable 238,705 14,784 **Board advances** 904,042 545,336 918,887 242,902 TMRS net pension liability Total other non current liabilities 31,338,600 90,416,648 1,541,572 5,797,462 Total liabilities 37,983,045 97,158,390 3,133,414 8,145,963 Deferred inflows of resources-refunding 208,282 3,092,360 Deferred inflows of resources-pensions 753,580 450,427 766,968 192,220 Total liabilities and deferred inflows of resources 100,701,177 3,900,382 38,944,907 8,338,183 **NET POSITION** Net investments in capital assets 68,815,283 66,122,073 10,802,397 66,730,344 Restricted for: Capital projects 10,036,544 20,537,440 13,054,868 6,497,008 Debt service 548,973 5,864,287 250,641 Distribution of net surplus revenues Unrestricted 6,709,080 4,247,625 14,544,112 14,996,604 Total net position 86,109,880 88,474,597 96,771,425 38,401,377 Total liabilities, deferred inflows of resources,

125,054,787

197,472,602

42,301,759

96,812,780

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

and net position

Busin	ess-type Activitie	es-Enterprise Funds		Governmental Activities		
McAllen International Toll Bridge	Anzalduas International Crossing	Other Proprietary Funds	Total	Internal Service Funds		
\$ 75,251	\$ 29,645	\$ 1,068,904	\$ 3,598,926	\$ 1,823,725		
31,917	200,023	129,681	2,718,275	1,750,946		
2,775		251,287	774,913	326,583		
781,968	-	-	781,968	-		
, -	-	416,687	3,355,218	-		
70,073	9,452	238,200	1,627,981	117,019		
-	1,885,406		9,183,641	-		
1,875	-	9,854	70,511	630		
-	-	-	-	-		
		81,180	499,275	1,349		
963,859	2,124,526	2,195,793	22,610,708	4,020,252		
-	22,263,809	-	147,025,514	-		
98,411	12,209	92,089	1,020,551	37,138		
187,926	-	164,480	928,490	340		
, -	-	27,009	101,004	-		
8,085	-	42,496	304,070	2,717		
, -	20,472,774	· -	20,472,774	-		
208,947	85,561	652,870	3,558,545	134,650		
503,369	42,834,353	978,944	173,410,948	174,845		
1,467,228	44,958,879	3,174,737	196,021,656	4,195,097		
_	257,989	-	3,558,631	-		
132,928	35,384	471,465	2,802,972	104,239		
1,600,156	45,252,252	3,646,202	202,383,259	4,299,336		
9,734,399	13,240,604	110,779,133	346,224,233	15,791,533		
				, ,		
2,893,697	1,286,740	3,571,120	57,877,417	-		
538,589	1,502,646	-	8,705,136	-		
3,389,077	(10.107.600)	10 500 000	3,389,077	10.015.000		
21,222,737	(18,127,622)	10,588,903	54,181,439	19,215,329		
37,778,499	(2,097,632)	124,939,156	470,377,302	35,006,862		
\$ 39,378,655	\$ 43,154,620	\$ 128,585,358	\$ 672,760,561	\$ 39,306,198		

Concluded



RECONCILIATION OF THE STATEMENT OF NET POSITION OF THE PROPRIETARY FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF NET POSITION

September 30, 2021

Fund equity - total proprietary funds (page 31) \$ 470,377,302

Some amounts reported for business-type activities in the statement of net position are different because certain internal service fund assets and liabilities are included with business-type activities.

1,335,948

Net position of business-type activities \$471,713,250

PROPRIETARY FUNDS STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION

For the Year Ended September 30, 2021

Business-type Activities-Enterprise Funds

McAllen International Water Wastewater Sanitation Airport Operating revenues \$ 19,793,125 18,873,013 \$ Charges for services \$ 22,523,501 2,314,888 Rentals 4,010,273 Other 899,235 1,129,973 123,096 50,286 Total operating revenues 20,692,360 20,002,986 22,646,597 6,375,447 Operating expenses 1,960,022 Salaries, wages and employee benefits 7,636,434 4,543,519 8,117,744 Supplies 1,343,735 782,400 593,781 131,563 Contractual and other services 5,206,839 3,361,619 5,808,351 2,248,285 Repairs and maintenance 671,837 652,102 4,179,311 717,901 Depreciation and amortization 4,612,671 8,496,582 2,518,654 5,293,719 Self insurance claims Total operating expenses 19,471,516 17,836,222 21,217,841 10,351,490 Operating income (loss) 1,220,844 2,166,764 1,428,756 (3,976,043)Non operating revenues (expenses) Investment earnings 136.513 186,216 231,384 74.815 Net increase (decrease) in fair value of investments (26,250)(13,646)(13,829)(5,783)Interest expense (973,728)(1,333,563)(10,538)(274,479)Interest on board advances 522,554 Bond related charges--issuance cost 15,129 131,182 Gain (loss) on sale of capital assets 10,830 (2,910)40,945 (750,873)Net non-operating revenues (expenses) (824,902)235,541 (641,532)(825,138)Income (loss) before contributions and transfers 395,942 1,525,232 1,664,297 (4,801,181)Capital contributions 1,216,061 1,869,270 116,481 12,276,150 Transfers in Transfers out (101,370)(51,039)(103,496)(1,129,485)Change in net position 1,510,633 3,343,463 1,677,282 6,345,484 Total net position-beginning 84,599,247 93,427,962 36,724,095 82,129,113 Total net position-ending 86,109,880 96,771,425 38,401,377 88,474,597

_	G	Governmental Activities						
1	McAllen nternational Toll Bridge	Anzalduas International Crossing	Other Proprietary Funds		_	Total		Internal ervice Funds
\$	6,694,622 3,344,081	\$ 3,064,295 12,735	\$	4,519,454 2,553,416	\$	77,782,898 9,920,505	\$	9,007,941 -
_	157,024	58,651	_	1,263,985	_	3,682,250		17,016,960
_	10,195,727	3,135,681	_	8,336,855	_	91,385,653	_	26,024,901
	1,381,472 104,729 1,084,335 184,251 1,039,397	350,279 10,437 3,487,293 34,256 1,429,963		5,022,020 409,283 5,031,883 1,264,668 4,292,017		29,011,490 3,375,928 26,228,605 7,704,326 27,683,003		1,946,540 261,703 8,074,312 55,446 2,202,938 14,701,762
	3,794,184	5,312,228		16,019,871		94,003,352		27,242,701
	6,401,543	(2,176,547)		(7,683,016)		(2,617,699)		(1,217,800)
	23,110 - (357) 758,926	14,656 - (975,858) (758,926)		72,292 (2,288) (1,876)		738,986 (61,796) (3,570,399)		165,139 (11,128) (120)
	19,170 (2,382,592)	262,068 - (95,065)		(5,535) (23,326)		930,933 62,500 (3,251,856)		- 79,280 496,827
	(1,581,743)	(1,553,125)		39,267		(5,151,632)		729,998
	4,819,800	(3,729,672)	_	(7,643,749)		(7,769,331)		(487,802)
	11,098 - (4,351,390)	2,635,200 846,642 (2,836)		9,615,285 3,660,880 (218,053)		27,739,545 4,507,522 (5,957,669)		51,423 2,832,631 (1,637,460)
_	479,508	(250,666)	_	5,414,363	_	18,520,067		758,792
	37,298,991	(1,846,966)		119,524,793		451,857,235		34,248,070
\$	37,778,499	\$ (2,097,632)	\$	124,939,156	\$	470,377,302	\$	35,006,862
<u>~</u>		+ (=,5:.,002)	<u>~</u>	,,,,,,,,,	<u>~</u>	0,0,002	<u>~</u>	-0,000,002



RECONCILIATION OF THE STATEMENT REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION OF THE PROPRIETARY FUNDS TO THE GOVERNMENT-WIDE STATEMENT OF ACTIVITIES

For the Year Ended September 30, 2021

Change in net position - total proprietary funds (page 35)	\$ 18,520,067
Some amounts reported for business-type activities in the statement of activity are different because the net revenue (expense) of certain internal service funds is reported with business-type activities.	 205,997
Change in net position of business-type activities	\$ 18,726,064

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS

For the Year Ended September 30, 2021

	Business-type Activities-Enterprise Funds					
	Water	Wastewater	Sanitation	McAllen International Airport		
Cash flows from operating activities: Receipts from customers Payments to employees Payments to suppliers Cash received from other cash receipts	\$ 20,654,978 (7,757,683) (8,893,446)	\$ 19,629,834 (4,558,525) (5,467,896)	\$ 22,569,782 (8,201,073) (10,480,473)	\$ 6,535,922 (1,940,882) (3,212,974)		
Net cash provided (used) by operating activities	4,003,849	9,603,413	3,888,236	1,382,066		
Cash flows from noncapital financing activities: Transfers from other funds Transfers to other funds Subsidy from federal grant Distribution of income to City of Hidalgo	- (101,370) 1,119 	(51,039) 2,315 	(103,496) 4,006	(1,129,485) 3,577,501		
Net cash provided (used) by noncapital financing activities	(100,251)	(48,724)	(99,490)	2,448,016		
Cash flows from capital and related financing activities: Capital contributions Purchases of capital assets Proceeds from sale of capital assets Bond issuance cost Principal repayments-bonds and notes Interest paid	(6,174,077) 10,830 - (1,439,650) (985,054)	(6,361,181) 4,222 - (4,598,350) (1,345,534)	(2,120,014) 10,545 - (53,726) (10,538)	8,381,943 (7,654,572) - - (1,166,932) (276,885)		
Net cash provided (used) by capital and related financing activities	(8,587,951)	(12,300,843)	(2,173,733)	(716,446)		
Cash flows from investing activities: Proceeds from sales and maturities of investments Purchase of investments Receipt of interest	41,911,473 (37,377,083) 118,069	55,538,238 (53,034,448) 167,075	46,447,047 (48,438,834) 199,890	23,096,238 (26,368,156) 68,130		
Net cash provided (used) by investing activities	4,652,459	2,670,865	(1,791,897)	(3,203,788)		
Net increase (decrease) in cash	(31,894)	(75,289)	(176,884)	(90,152)		
Cash at beginning of year	323,110	396,202	357,741	251,869		
Cash at end of year	\$ 291,216	\$ 320,913	\$ 180,857	\$ 161,717		

	В	us	iness-type Activi	ties-	Enterprise Fund	ls		G	overnmental Activities	
Inte	McAllen International Toll Bridge				Oth	ner Proprietary Funds		Total	Int	ternal Service Funds
\$	10,195,108 (1,376,420) (1,653,093)	\$	3,135,681 (346,034) (582,168)	\$	9,243,284 (5,127,230) (6,437,417)	\$	91,964,589 (29,307,847) (36,727,467)	\$	25,849,331 (1,944,806) (22,032,211) 467,370	
	7,165,595	_	2,207,479		(2,321,363)	_	25,929,275		2,339,684	
	- (4,351,390) 3,927 (1,937,136)	_	846,642 (2,836) 325,371		3,575,537 (218,053) 4,853,273		4,422,179 (5,957,669) 8,767,512 (1,937,136)		3,611,237 (1,637,460) 9,188	
_	(6,284,599)	_	1,169,177	_	8,210,757	_	5,294,886		1,982,965	
	(598,945) 40,917 - (1,820) (357)		(62,957) - - (1,595,000) (980,175)		3,930,898 (4,078,342) 1,425 - (9,567) (1,876)		12,312,841 (27,050,088) 67,939 - (8,865,045) (3,600,419)		(1,890,229) 113,953 - (611) (120)	
	(560,205)		(2,638,132)		(157,462)		(27,134,772)		(1,777,007)	
	10,302,715 (10,656,846) 23,110		5,781,493 (6,694,907) 14,727		13,483,181 (19,440,231) 67,910	_	196,560,385 (202,010,505) 658,911		34,158,150 (34,567,480) 149,469	
	(331,021)	_	(898,687)		(5,889,140)		(4,791,209)		(259,861)	
	(10,230)		(160,163)		(157,208)		(701,820)		2,285,781	
_	200,681	_	431,644		409,504		2,370,751		331,469	
\$	190,451	\$	271,481	\$	252,296	\$	1,668,931	\$	2,617,250	

Continued

PROPRIETARY FUNDS STATEMENT OF CASH FLOWS

For the Year Ended September 30, 2021

	Business-type Activities-Enterprise Funds							
		Water		Wastewater		Sanitation		McAllen International Airport
Reconciliation of operating income (loss) to								
net cash provided (used) by operating activities								
Operating income (loss)	\$	1,220,844	\$	2,166,764	\$	1,428,756	\$	(3,976,043)
Adjustment to reconcile operating income (loss) to net cash								
provided (used) by operating activities:								
Depreciation and amortization		4,612,671		8,496,582		2,518,654		5,293,719
Other nonoperating revenues		-		-		-		-
(Increase) decrease in deferred contributions		-		-		-		
(Increase) decrease in deferred outflows of resources - pension		103,493		45,958		99,592		25,514
Increase (decrease) in deferred inflows of resources - pension		(78,579)		(23,722)		(71,583)		(18,750)
(Increase) decrease in accounts receivable		(184,695)		(198,152)		(90,125)		49,321
(Increase) decrease in due from other funds		(13,249)		-		- (4.40.4)		- (1.100)
(Increase) decrease in prepaid items		(1,993)		-		(1,434)		(1,192)
(Increase) decrease in inventories		(183,385)		(750 157)		(05.760)		(540,050)
Increase (decrease) in accounts payable		(1,586,460)		(759,157)		(25,769)		(542,053)
Increase (decrease) in customer deposits payable		80,685		100,000		101 040		- 07.000
Increase (decrease) in compensated absences payable		146,145		130,939 96,987		191,843 35,522		87,822 54,670
Increase (decrease) in accrued liabilities		141,353		,		,		,
Increase (decrease) in due to other funds Increase (decrease) in net pension liability		(319,609)		13,249 (191,035)		128,173 (325,288)		379,429 (81,525)
Increase (decrease) in unearned revenue		66,628		(175,000)		(323,288)		111,154
			_				_	
Total adjustments	_	2,783,005	_	7,436,649	_	2,459,480	_	5,358,109
Net cash provided by (used) by operating activities	\$	4,003,849	\$	9,603,413	\$	3,888,236	\$	1,382,066
Reconciliation to statement of net position:								
Cash	\$	117,969	\$	-	\$	11,445	\$	-
Cash restricted	_	173,247	_	320,913		169,412	_	161,717
Total cash	\$	291,216	\$	320,913	\$	180,857	\$	161,717
Noncash investing, capital and financing activities:								
Contributions of capital assets	\$	1,206,686	\$	1,841,789	\$	53,553	\$	-
Decrease in fair value of investments		(13,646)		(13,829)		(26,250)		(5,783)

Business-type Activities-Enterprise Funds								G	Governmental Activities		
McAllen International Toll Bridge					Other Proprietary Funds Total				Internal Service Funds		
\$	6,401,543	\$	(2,176,547)	\$	(7,683,016)	\$	(2,617,699)	\$	(1,217,800)		
	1,039,397		1,429,963		4,292,017		27,683,003		2,202,938 467,370		
	_		3,126,452		-		3,126,452		407,370		
	34,464		2,183		90,539		401,743		15,750		
	(37,553)		222		(86,859)		(316,824)		(12,966)		
	(50,990)		-		737,530		262,889		(231,883)		
	-		-		-		(13,249)		-		
			-		77,898		73,279		-		
			-		-		(183,385)		23,249		
	(187,220)		(176,634)		194,785		(3,082,508)		852,972		
					204,993		285,678				
	59,430		15,142		80,778		712,099		72,026		
	(45,398)		1,705		91,471		376,310		(75,587)		
	(42,072)		- (1 F 0 0 7)		(36,141)		442,638		289,295		
	(56,377) 50,371		(15,007)		(199,959) (85,399)		(1,188,800) (32,351)		(44,210) (1,470)		
	764,052		4,384,026	_	5,361,653	_	28,546,974				
_		_		_		_			3,557,484		
\$	7,165,595	\$	2,207,479	\$	(2,321,363)	\$	25,929,275	\$	2,339,684		
\$	96,673	\$	140,274	\$	247,485	\$	613,846	\$	2,617,250		
	93,778		131,207		4,811		1,055,085				
\$	190,451	\$	271,481	\$	252,296	\$	1,668,931	\$	2,617,250		
\$	-	\$	-	\$	6,906	\$	3,108,934	\$	-		
	-		-		(2,288)		(61,796)		(11,128)		

Concluded

STATEMENT OF FIDUCIARY NET POSITION FIDUCIARY FUNDS

September 30, 2021

	Pension Trust Firemen's Relief and Retirement Fund	Custodial Fund Communications Group
ASSETS		
Cash and cash equivalents	\$ 3,259,994	\$ -
Receivables:		
Interest	33,974	-
Investments, at fair value:		
TexPool prime	-	5,022,402
Fixed income	3,322,966	-
Domestic and international equities	43,141,908	-
Alternative investments	16,628,674	
Total investments	63,093,548	5,022,402
Total assets	66,387,516	5,022,402
LIABILITIES		
Accounts payable	-	309,877
Due to brokers	43,380	
Total liabilities	43,380	309,877
NET POSITION		
Restricted for:		
Pensions	66,344,136	-
Organizations		4,712,525
Total net pension	\$ 66,344,136	\$ 4,712,525
The notes to the financial statements are an integral part of this statement		

STATEMENT OF CHANGES IN FIDUCIARY NET POSITION FIDUCIARY FUNDS

For the Year Ended September 30, 2021

	Pension Trust	Custodial Fund
	Firemen's Relief and Retirement Fund	Communications Group
ADDITIONS		
Contributions:		
Member	\$ 1,836,219	\$ -
Employer Other	1,969,448	- 1,705,977
Total contributions	2.005.667	
	3,805,667	1,705,977
Investment earnings: Interest and dividends	3.496.215	5,203
Net appreciation (depreciation) in fair value of investments	6,249,156	5,203
Total investment earnings	9,745,371	5,203
Less: investment expense	(370,444)	-,
•		
Net investment earnings	9,374,927	5,203
Total additions	13,180,594	1,711,180
DEDUCTIONS		
Benefits Refund of contributions	4,036,442 41,793	-
DROP payments	685.600	-
Administrative expense	28,852	1,427,735
Total deductions	4,792,687	1,427,735
Net increase in fiduciary net position	8,387,907	283,445
Net position-beginning as originally reported	57,956,229	
Cumulative effect of adoption of GASB 84		4,429,080
Net position-beginning as restated		4,429,080
Net positionending	\$ 66,344,136	\$ 4,712,525



NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting entity

The City of McAllen, Texas (the City) is a municipal corporation, which was incorporated February 20, 1911 under Article XI, Section 5 of the Texas Constitution. The City operates under the commission-manager form of government and provides a full range of municipal services as authorized by its charter. The governing body consists of an elected mayor and a six-member commission. Services provided include those typically provided by general-purpose local governments, namely public safety (principally police and fire), highways and streets, health and welfare, culture and recreation (principally library, parks and recreation). Other services provided include water and wastewater utilities, sanitation, civic center, convention center, International Airport, International Toll Bridge linking Hidalgo, Texas with downtown Reynosa, Tamaulipas, Mexico, International Toll Bridge linking south of the City of Mission with the west side of Reynosa, Tamaulipas, Mexico, golf course, bus transit system, and intermodal transit terminal.

The accompanying financial statements present the reporting entity, which consists of the primary government. Financial reporting standards also require the City to include, if any, legally-separate entities or organizations for which the primary government is financially accountable and other organizations for which the primary government is not accountable, but for which the nature and significance of their relationship with the primary government are such that exclusion could cause the City's basic financial statements to be misleading or incomplete.

Financial accountability exists if a primary government appoints a voting majority of an organization's governing Board and either is able to impose its will on that organization or there is a potential for the organization to provide specific financial benefits to, or impose specific financial burdens on, the primary government. A primary government may also be financially accountable for governmental organizations with a separately elected governing Board, a governing Board appointed by another government, or a jointly appointed Board that is fiscally dependent on the primary government.

Applying these tests to other entities and activities for possible inclusion in the reporting entity, the City has determined that the Development Corporation and the Local Government Finance Corporation meet the financial accountability tests and, therefore, are included as blended component units. Specifically, management of the primary government has operational responsibility for the Development Corporation and the Local Government Finance Corporation. Its Boards are appointed by the City Commission and serve as an advisory board to the City Commission.

The Tres Lagos Public Improvement District (PID) was created during the year ended September 30, 2015 for the purpose of financing the costs of maintaining improvements and providing services within or related to the Tres Lagos Development Project. The primary government adopts the PID's Service and Assessment Plans annually. The PID meets the criteria of financial accountability as the City appoints a majority of the PID's governing board and is able to impose its will on the PID and is presented as a discretely presented component unit of the City. Though there are financial relationships between the two, management has determined that the PID's governing board is not substantively the same as the City's, does not meet the reporting criteria related to providing services entirely, or almost entirely to, the City, and should not be included as a blended component unit.

The City of McAllen issues separate publicly available audited financial statements of the McAllen International Toll Bridge and the Anzalduas International Crossing, enterprise funds of the City, which may be obtained by writing to the City of McAllen Finance Department, 1300 Houston, P.O. Box 220, McAllen, Texas 78505.

The Firemen's Relief and Retirement Fund is included as a pension trust fund, and reported as a fiduciary fund in the accompanying financial statements. These financials are audited and issued separately.

The accompanying financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (US GAAP) applicable to states and local governments. US GAAP 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 <u>Audits of State and Local Governments</u>.

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The Governmental Accounting Standards Board has issued the following pronouncement, which is relevant to the City and became effective this fiscal year and has been implemented:

GASB Statement No. 84, Fiduciary Activities

The objective of this Statement is to improve guidance regarding the identification of fiduciary activities for accounting and financial reporting purposes and how those activities should be reported. This Statement establishes criteria for identifying fiduciary activities of all state and local governments. The focus of the criteria generally is on (1) whether a government is controlling the assets of the fiduciary activity and (2) the beneficiaries with whom a fiduciary relationship exists. Separate criteria are included to identify fiduciary component units and postemployment benefit arrangements that are fiduciary activities. The requirements of this statement were originally effective for reporting periods beginning after December 15, 2018; however, issuance of GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance (GASB 95), extended the effective date of GASB 84 to reporting periods beginning after December 15, 2019, with earlier application encouraged. The implementation of GASB Statement No. 84 resulted in a cumulative effect adjustment of \$4,429,080 as of October 1, 2020 to net position on the government-wide financial statements due to reclassification of certain fiduciary activities to conform to the new standard.

The Governmental Accounting Standards Board has issued the following pronouncements, which are relevant to the City and will become effective in future years:

GASB Statement No. 87, Leases

This Statement establishes a single model for lease accounting based on the foundational principle that leases are financings of the right to use an underlying asset. Under GASB 87, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources, thereby enhancing the relevance and consistency of information about governments' leasing activities. The requirements of this statement were originally effective for reporting periods beginning after December 15, 2019; however, issuance of GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance (GASB 95), extended the effective date of GASB 87 to reporting periods beginning after June 15, 2021, with earlier application encouraged. GASB 87 will be implemented in the City's fiscal year 2022 financial statements and the impact has not yet been determined.

GASB Statement No. 92, Omnibus 2020

This Statement enhances comparability in accounting and financial reporting by addressing practice issues that have been identified during implementation and application of certain GASB pronouncements. The requirements for parts of this statement were originally effective for reporting periods beginning after June 15, 2020; however, issuance of GASB Statement No. 95, Postponement of the Effective Dates of Certain Authoritative Guidance (GASB 95), extended the effective date of GASB 92 to reporting periods beginning after June 15, 2021, with earlier application encouraged. GASB 92 will be implemented in the City's fiscal year 2022 financial statements and the impact has not yet been determined.

The more significant accounting policies of the City are described on the following pages.

B. Government-wide and fund financial statements

Government-wide Financial Statements

The government-wide financial statements consist of the statement of net position and the statement of activities, which is a statement of results of operations. These statements report information on all the activities of the reporting entity with the exception of fiduciary activity. Generally, the effect of inter-fund activity has been eliminated from these statements. *Governmental activities*, normally supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which primarily rely on fees and charges.

The statement of activities reflects the extent to which direct expenses of each function are offset by program revenues. *Direct expenses* are those that are attributable to a specific function and are clearly identifiable. *Program revenues* include charges to customers or applicants who purchase, use or directly benefit from goods,

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

services or privileges provided by a specific function as well as grants and contributions that are restricted to meeting the operational or capital requirements of a specific function. Taxes and other items not appropriately included with program revenues are shown as *general revenues*.

Fund Financial Statements

In addition to and apart from the government-wide financial statements, fund financial statements are presented for governmental funds, proprietary funds and fiduciary funds. In each of these financial statements, major funds are presented in separate columns.

C. Measurement focus, basis of accounting and financial statement presentation

The government-wide financial statements are presented using the *economic resources measurement focus* and the *accrual basis of accounting*; consistent with the presentation of the proprietary fund and fiduciary fund financial statements, with the exception that agency funds do not have a measurement focus. Revenues are recorded when earned and expenses are recorded when a liability is incurred, without regard to the timing of the related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be *available* when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. The City considers revenues to be available if they are collected within 30 days of the end of the current fiscal period, except for property taxes, which is 60 days required by GAAP. Expenditures generally are recorded when a liability is incurred, consistent with accrual accounting. However, debt service expenditures, as well as those related to compensated absences and claims and judgments are recognized only when payment is made.

Revenues derived from federal or state grants are recognized when earned at the end of the current fiscal year and are reflected as due from other governments. Because of their nature, the availability period has a longer duration of six months to a year.

Property taxes, sales taxes, franchise taxes, and interest associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Other revenue items are considered to be measurable and available only when cash is received by the government.

The City reports the following major governmental fund types, as well as related non-major governmental funds:

The General Fund is the primary operating fund. It accounts for all of the financial resources of the general government, except those required to be accounted for in another fund.

The Special Revenue Funds are used to account for and report the proceeds of specific revenue sources, other than for debt service or major capital projects that are legally restricted or committed to expenditure for specified purposes. There are three special revenue funds reported as major funds. The Development Corp. Fund, a blended component unit. It is used to account for the additional ½ sales tax for economic development. The Miscellaneous Government Grants Fund was established to account for all grant programs applicable to the City for which a separate fund is not established. The American Rescue Plan Act Fund was established to account for all grant programs funded by The American Rescue Plan Act of 2021 (ARPA).

The Capital Projects Funds are used to account for and report financial resources that are restricted, committed or assigned for the acquisition and/or construction of capital facilities except those financed by proprietary fund types.

The City reports the following major *proprietary fund types* and related funds:

The following *enterprise funds* are used to account for City operations for which a fee is charged to external users for goods or services. These funds must be used for activities, whose debt is backed solely by fees and

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

charges or there is a legal requirement to recover cost, including capital cost, or a policy decision has been made to recover cost, including capital cost. Enterprise funds, which are reported as major funds include:

The Water Fund, which accounts for the activities of the City's water system.

The Wastewater Fund, which accounts for the activities of the City's wastewater system.

The Sanitation Fund, which accounts for the activities of the City-owned residential and commercial garbage and brush collection as well as recycling systems.

The McAllen International Airport Fund, which accounts for the activities of the City-owned international airport.

The McAllen International Toll Bridge Fund, which accounts for the operations of the City-owned international bridge connecting the City of Hidalgo, Texas with downtown Reynosa, Mexico.

The Anzalduas International Crossing Fund, which accounts for the operations of the international bridge connecting south of the City of Mission, Texas with the west side of Reynosa, Mexico.

The City also reports, although not as major funds, the *internal service funds as proprietary funds*. These fund types were established to finance and account for goods and services provided to various departments of the City, and on a limited basis to other local agencies, on a cost-reimbursement basis. They account for fleet management, health insurance, retiree health insurance, property and casualty, and general insurance services provided to other operating funds of the City, as well as a general depreciation fund for rolling stock used within departments of the General Fund. In the statement of net position, only fleet management is reported in the business-type column, because the predominant user is determined to be the Sanitation Fund, a proprietary fund.

The City reports fiduciary fund types, in which the City accounts for assets received and held by the City in the capacity of trustee or custodian. Expenditures are made only in accordance with the purpose for which the assets are received and cannot be used to support the City's programs. Within this category of fund types, the pension trust fund accounts for the activities of the Firemen's Relief and Retirement Fund, which accumulates resources for pension benefit payments to qualified firefighters. The City also accounts for the Communications Group Fund, a custodial fund, which was established for the purpose of accounting for the operations and maintenance of a consolidated regional public safety services communication system.

Generally, the effect of inter-fund activity has been eliminated from the government-wide financial statements. Exceptions to this general statement are charges between the City's water and wastewater function and various other functions of the City. Eliminating these charges would distort the direct costs and program revenues reported by the respective functions.

Amounts reported in *program revenues* include 1) charges to customers or applicants for goods, services or privileges provided, 2) operating grants and contributions, and 3) capital grants and contributions. Internally dedicated resources are reported as *general revenues*, which include all taxes, as opposed to program revenues.

Proprietary funds distinguish *operating* revenues and expenses from *non-operating* items. Operating revenues and expenses typically are the result from activities specific to a particular proprietary fund's operations. Operating revenues include charges for services. Operating expenses include costs of services as well as materials, contracts, personnel and depreciation. All other revenues and expenses are reported as non-operating revenues and expenses.

When an expense is incurred for purposes for which both restricted and unrestricted net position is 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.

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, liabilities, and net position

1. Authorized Investments

Assets of the City may be invested only in the following instruments in accordance with the City's Investment Policy and further defined by the Public Funds Investment Act for the state of Texas.

- Obligations of the U.S. Government, its agencies and instrumentalities, including pass-through mortgage-backed securities and collateralized mortgage obligations (CMO).
- FDIC insured or collateralized depository certificates of deposit of state and national banks doing business in Texas to include CDARS initiated through a Texas bank.
- Local government investment pools.
- AAA-rated, SEC registered money market mutual funds.
- No-load bond mutual fund.
- FDIC insured or collateralized interest bearing and money market accounts from any FDIC insured bank in Texas to include depository spread money market funds initiated in a Texas bank.
- Debt obligations of any state or political subdivision in any US state.
- Fully collateralized repurchase agreements.
- A1/P1 commercial paper
- FDIC insured brokered certificate of deposit securities from U.S. banks

The City's investment policy further restricts investments to the following:

- Obligations whose payment represents the coupon payments on the outstanding principal balance of the underlying mortgage-backed security and pays no principal.
- Obligations whose payment represents the principal stream of cash flow from the underlying mortgagebacked security collateral and bears no interest.
- Collateralized mortgage obligations that have a stated final maturity date of greater than ten (10) years.
- Collateralized mortgage obligations the interest rate of which is determined by an index that adjusts
 opposite to the changes in a market index.

The City's investments are reported at fair value based on quoted market prices or amortized cost, which approximates fair value. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties.

2. Receivables and payables

Lending/borrowing between funds that results in amounts outstanding at the end of the fiscal year are referred to as either "due to/from other funds" or "advances to/from other funds." "Due to/from other funds" represents the current portion of interfund loans. The noncurrent portion of interfund loans is reflected as interfund loans on the fund financial statements. With respect to the government-wide financial statements, any residual balances outstanding between the governmental activities and business-type activities are reported as "internal balances."

Advance receivables between funds, reported in the fund financial statements, are offset by a category of fund balance in the applicable governmental fund(s) to indicate that they are not available for appropriation and are not expendable available financial resources. All trade receivables are shown net of an allowance for uncollectible.

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Property taxes are levied on October 1 based on the assessed value of property as listed on the previous January 1, on which date a tax lien attaches. Assessed values are an approximation of market value. A valuation of all property must be made at least every three (3) years. However, due to growth, the appraisal district conducts annual valuation by property category. Property taxes at the fund level are recorded as receivables and unearned revenues at the time the taxes are levied. Revenues are recognized as the related ad valorem taxes are collected. Additional amounts estimated to be collectible in time to be a resource for payment of obligations incurred during the fiscal year and, therefore, susceptible to accrual in accordance with GAAP have been recognized as revenue. Taxes are due on October 1, the levy date, and are delinquent after the following January 31. Tax liens are automatic on January 1 each year. The tax lien is part of a lawsuit for property that can be filed any time after taxes become delinquent (February 1). The City usually waits until after May 1 and July 1 to file suits on business, personal property and real property, respectively.

3. Inventories and prepaid items

Inventories for all governmental funds are valued at cost on the first-in, first-out basis. The consumption method is used to account for inventories. Under the consumption method, all inventory purchases are recorded as inventory acquisitions (current assets) at the time of purchase and expended when used.

Inventories of proprietary funds are valued at cost on the first-in, first-out basis as well.

Payments to vendors, reflecting costs applicable to future accounting periods, are recorded as prepaid items in both government-wide and fund financial statements.

4. Restricted assets

Proceeds from the issuance of bonds, primarily related to enterprise funds and sales tax revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the statement of net position due to their use being limited by applicable bond covenants. The "revenue bond current debt service" account is used to report segregated assets accumulated for debt service payments over the next twelve months. The "revenue bond contingency" account is used to report resources set aside to subsidize potential deficiencies from the McAllen International Toll Bridge Fund and/or the Anzalduas International Crossing Fund operations that could adversely affect debt service payments. In addition to assets restricted by bond covenants, others are restricted by enabling legislation for replacement and/or acquisition of capital assets.

5. Capital assets

Capital assets, which includes property, plant, equipment and infrastructure assets (e.g., roads, bridges, sidewalks and similar items), are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the City as assets with an initial, individual cost of \$5,000 or more and an estimated useful life in excess of one year. Such assets are recorded at historical cost. Donated assets, donated works of art and similar items, and capital assets received in a service concession arrangement are reported at acquisition value.

The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend the assets life are not capitalized.

Gains or losses on dispositions of capital assets are included in income within the proprietary fund financial statements and in the governmental activities and business-type activities columns of the government-wide financial statements. In the governmental fund financial statements only the proceeds from the disposition are reported.

Depreciation of capital assets used by proprietary funds, including those acquired by contributed capital, is charged as an expense against their operations in the fund financial statements as well as the government-wide financial statements. Depreciation of general capital assets used by funds categorized as governmental activities is not provided in the fund financial statements, however is included in the gross expense by function in the government-wide Statement of Activities. Capital assets, accumulated depreciation as well as the net amount are reported on proprietary fund statements of net position and in both the governmental

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

activities and business-type activities column of the government-wide statement of net position. Depreciation has been provided over the estimated useful lives using the straight-line method.

The estimated useful lives are as follows:

Buildings and improvements 10 - 50 years Equipment 5 - 15 years Infrastructure 15 - 40 years

6. Compensated absences

Accumulated unpaid compensated absences are accrued when incurred in all funds reported within the proprietary fund financial statements as well as the governmental activities and business-type activities columns of the government-wide statements. The expense is recognized in the governmental fund financial statements when paid or expected to be paid with current financial resources.

7. Long-term obligations

In the government-wide financial statements and the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities. Bond premiums and discounts are amortized over the life of the bonds. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. Premiums received on debt issuances are reported as other financing sources and discounts are reported as other financing uses. Issuance costs, whether or not withheld from debt proceeds, are reported as debt service expenditures.

8. Fund balances

Fund balance, reported in governmental funds, which has some level of constraint placed on it, is classified as non-spendable, restricted, committed, or assigned. The amount remaining, which can be spent for any lawful purpose is classified as unassigned. Amounts classified as restricted have constraints placed on the use by law, regulations of other governments, creditors, grantors or by enabling legislation. Those classified as committed are constrained by the City Commission through an ordinance for specific purposes. Reversing a commitment would require City Commission approval through an ordinance. Non-spendable amounts cannot be spent because they are either (a) not in spendable form, or (b) legally or contractually required to be maintained intact. The City Commission has delegated the authority to make assignments to the City Manager with Commission direction. For the purposes of classifying governmental fund balances, the City typically considers expenditure to be made from the most restrictive first when more than one classification is available, however reserves the right to selectively defer the use thereof to future expenditure. During the budget process, the City Manager designates the assignment of fund balances and makes recommendations to the City Commission for their consent and approval.

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The following outlines the composition of the City's governmental fund balances classifications.

			Major									
	General		Development Corp.		Miscellaneous Government Grants		American Rescue Plan Act		Non-major Funds Other			Total
Fund balances:												
Nonspendable:												
Board advances	\$	4,151,465	\$	-	\$	-	\$	-	\$	-	\$	4,151,465
Prepaids		91,555		-		-		-		8,250		99,805
Restricted for:												
Law enforcement		-		-		-		-		1,146,663		1,146,663
Debt service		-		-		-		-		4,227,658		4,227,658
Economic development		-		16,387,392		-		-		63,424		16,450,816
Tourism		-		-		-		-		1,277,214		1,277,214
Capital improvements		-		-		-		-		35,510,721		35,510,721
Public education governmental		-		-		-		-		1,126,700		1,126,700
Parks		-		-		-		-		2,944,568		2,944,568
Committed to:												
Downtown services parking		-		-		-		-		118,950		118,950
Assigned to:												
Information technology projects		-		-		-		-		201,218		201,218
Other capital projects		-		-		-		-		34,389,828		34,389,828
Unassigned		72,233,751	_		_	(6,757)	_		_	(15,754)	_	72,211,240
Total found balances	٨	76 476 771	٨	16 007 000	<u> </u>	((7.57)	٨		٨	01 01 5 10 4	٨	170.056.046
Total fund balances	\$	76,476,771	<u>Ş</u>	16,387,392	\$	(6,757)	\$		\$	81,015,194	<u>\$</u>	173,856,846

The amount of fund balance restricted by enabling legislation totaled \$21,047,850 as of September 30, 2021.

9. Minimum fund balance policy

In order to maintain a margin of safety in the General Fund balance in anticipation of economic downturns or natural disasters, the City Commission has adopted an ordinance, requiring a minimum fund balance of 140 days of expenditures.

10. Deficit Net Position/Fund Balance

The Anzalduas Bridge Fund's net position reflects a deficit in the amount of \$2,097,632 primarily as a result of advances from the Hidalgo Bridge, as authorized by the board of trustees. These advances supported the annual debt service requirements and interest on the advances. The Hidalgo Bridge Board of trustees has no intention of calling these advances, which will be repaid once the resources are available. In addition, the Retiree Health Insurance Fund reflects a deficit net position of \$427,876. It is estimated that this shortfall will be covered by a health insurance premium rate increase. The Miscellaneous Government Grants Fund reflects a deficit fund balance of \$6,757 which will be covered with contributions from the General Fund. Also, the Texas Anti-gang Unit Fund reflects a deficit fund balance of \$15,754 which will be covered by the General Fund as well.

11. Deferred Outflows/Inflows of Resources

In addition to assets, the statement of financial position and/or balance sheet will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then. The City has several deferred outflows of resources classifications that qualifies for reporting in this category for business-type activities and government wide activities: deferred loss on refundings, pension and OPEB contributions made after measurement date, deferred charges on actuarial losses, and differences in projected and actual earnings on pension assets. A deferred loss on refunding results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded debt or refunding debt. The other categories of deferred outflows of resources pertain to GASB 68 and GASB 75.

NOTE I - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In addition to liabilities, the balance sheet will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow of resources (revenue) until that time. At the governmental fund level, revenues that have been billed but not yet collected or collected within the availability period are reported as unavailable revenues. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. The City has five categories that qualify as deferred inflows of resources at the governmental fund level. The table on the following page describes the items and amounts:

Deferred Inflows	 Amount
Property taxes	\$ 3,980,506
Weedy lots	970,666
Mission Repayment on Series B	4,151,465
Sales taxes	7,898,128
Other	 2,326,201
Totals	\$ 19,326,966

On the statement of net position, the deferred inflows of resources category includes deferred inflows related to refundings, OPEB, differences in investment experience/assumptions related to pensions, and differences in expected and actual pension experiences. See Note IV (D) for further information on pension related deferred inflows of resources.

NOTE II - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

A. Budgetary information

The City adheres to the following procedures in establishing the budgetary data reflected in the basic financial statements:

- 1. Prior to August 1 of each year, the City Manager is required to submit to the City Commission a proposed budget for the fiscal year beginning on the following October 1. The operating budget includes proposed expenditures and the means of financing them.
- 2. Public hearings are conducted to obtain taxpayer comments.
- **3.** Prior to October 1, the budget is legally enacted by the City Commission through passage of an ordinance.
- 4. The City Manager is authorized to transfer budgeted amounts between accounts within any department; however, any revisions that alter the total expenditures of any department must be approved by the City Commission. Budgeted amounts include transfers and revisions to the original appropriations ordinance.
- **5.** Annual appropriated budgets are adopted for most governmental funds per legal requirements, while others are appropriated for management purposes.
- 6. The budget and actual comparisons include the General Fund and the Development Corp Fund. Budgets for these funds are adopted on a basis consistent with accounting principles generally accepted in the United States of America (US GAAP) applicable to state and local governments. Budgets for proprietary funds have been prepared on a non-US GAAP basis, which excludes depreciation but includes capital outlay and debt principal payments.
- 7. Annual budgeted expenditures are adopted at the department level within funds. As previously noted, the City Manager is authorized to make transfers within a department. Accordingly, the level at which expenditures cannot legally exceed appropriations is the department level. During the year, several supplementary appropriations were necessary.

The governmental funds that have legally adopted budgets are General Fund, Debt Service Fund, Hotel Venue Debt Service Fund, all the Special Revenue Funds (excluding TIRZ#1, TIRZ#2A, Miscellaneous Government Grants, Developers, PD Seized, and TX Anti Gang Unit funds), and all the Capital Project Funds (excluding Local Government Finance Corporation TX A&M Construction Fund).

B. Excess of expenditures over appropriations

For the year ended September 30, 2021, expenditures in certain general fund departments exceeded appropriations. These expenditures over appropriations are the result of underestimating actual expenditures for the year. Revenue sufficient to provide for the excess was made available through the use of available surplus from current and prior years. The related departments and the excess of expenditures over appropriations are reflected in the table that follows:

Department	 Amount			
Fire	\$ 862,403			
Other agencies	78,563			
Street lighting	74,146			
Drainage	56,292			
Tax office	34,523			
Graffiti cleaning	 7,349			
Total general fund	\$ 1,113,276			

NOTE III - DETAILED NOTES ON ALL FUNDS

A. Deposits and investments

It is the City's policy as well as a requirement in its Depository Agreement for deposits plus accrued interest thereon to be 105% secured by collateral valued at fair value, less the amount of the Federal Deposit Insurance Corporation insurance. At September 30, 2021, the City's deposits were covered by federal deposit insurance or were secured by collateral held by the City's agent in the City's name pursuant to the City's Investment Policy and its Depository Agreement. Certificate of deposit holdings were collateralized by letters of credit issued by the Federal Home Loan Bank at 100% of principal and accrued interest.

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are significant other observable inputs; Level 3 are significant unobservable inputs.

The City uses quoted prices (Level 1 inputs) in active markets to measure the fair value of government treasuries and a matrix pricing model (Level 2 inputs) to measure the fair value of its money market mutual funds and government agency security investments.

Investments at fair value, as of September 30, 2021 are reflected in the table that follows:

2021					Fair Value Measurements Using						
Investments by fair value level		Cost		Fair Value		(Level 1)		(Level 2)		(Level 3)	
Debt Securities											
United States government agency securities	\$	59,956,000	\$	59,903,110	\$	-	\$	59,903,110	\$		-
Money market mutual funds		5,430,542		5,430,542		-		5,430,542			-
Total debt securities	\$	65,386,542	\$	65,333,652	\$		\$	65,333,652	\$		-

The total amount above excludes investments in local government pools, which are reported at amortized cost in the amount of \$175,470,600 as of September 30, 2021.

Public funds investment pools

Public funds investment pools in Texas ("Pools") are established under the authority of the Interlocal Cooperation Act, Chapter 79 of the Texas Government Code and are subject to the provisions of the Act, Chapter 2256 of the Texas Government Code. In addition to other provisions of the Act designed to promote liquidity and safety of principal, the Act requires Pools to: (1) have an advisory board composed of participants in the pool and other persons who do not have a business relationship with the pool and are qualified to advise the pool; (2) maintain a continuous rating of no lower than AAA or AAAm or an equivalent rating by at least one nationally recognized rating service; and (3) maintain the fair value of its underlying investment portfolio within one half of one percent of the values of its shares.

The City's investments in Pools are reported at amortized cost.

TexPool is a public funds investment pool created pursuant to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Act. The State Comptroller of Public Accounts exercises oversight responsibility over TexPool. Oversight includes the ability to significantly influence operations, designation of management, and accountability for fiscal matters. Additionally, the State Comptroller of Public Accounts has established an Advisory Board composed both of participants in TexPool and of other persons who do not have a business relationship with TexPool. The Advisory Board members review the investment policy and management fee structure.

GASB Statement No. 40, *Deposit and Investment Risk Disclosure*, addresses common deposit and investment risks related to credit risk, concentration of credit risk, interest rate risk, and foreign currency risk. This Statement requires certain disclosures of investments that have fair values that are highly sensitive to changes in interest rate risk.

NOTE III - DETAILED NOTES ON ALL FUNDS (Continued)

Interest rate risk. The investment policy states that no investment shall exceed seven years in maturity. By limiting the exposure of its investments by no more than four years as reflected in the schedule below, the City reduces its risk to rising interest rates. The table below reflects the allocation of the investment portfolio.

	Government Agencies and Certificates of Deposit						
< 1 Year	\$	62,360,395					
1-3 Years		89,920,601					
Total	\$	152,280,996					
Weighted	_	200 5					
Average Maturity	6	520 Days					

Credit risk. As of September 30, 2021, the investments in the State's investment pool were rated AAAm by Standards and Poor's. Available funds were invested in government securities which consist of instruments issued by the Federal Farm Credit Bank, which are rated AAA by Moody's Investors Service and AA+ by S&P. The City's investment policy limits authorized investments to TexPool Prime, certificates of deposits, U.S. Treasuries, federal government agencies, including mortgage backed securities, commercial paper, municipal bonds, and money market mutual funds.

Concentration of credit risk. The U.S. government agencies holdings represent 35% of the total portfolio. Within this category, 17% represent securities issued by the Federal Farm Credit Bank and 83% represent securities issued by the Federal Home Loan Bank. The investment policy is silent in the concentration of holding in the various types of securities and investments.

Firemen's Relief and Retirement Fund Investments

The Firemen's Relief and Retirement Fund Investments (Plan) are recorded at fair value as of September 30, 2021. The table below reflects the composition of these investments.

			Investment Policy Asset
	Fair Value	% of Portfolio	Allocation
Equities:			
Domestic	\$ 28,452,936	46%	20-50%
International	14,688,972	23%	30-60%
Equities total	43,141,908		
Fixed income Treasury and agency securities			
corporate bonds and mutual funds	3,322,966		
Fixed income total	3,322,966	5%	0-20%
Alternative investments	16,628,674	26%	10-30%
Total portfolio	\$ 63,093,548	100%	

NOTE III - DETAILED NOTES ON ALL FUNDS (Continued)

Investments at fair value as of September 30, 2021 using the fair value measurement are as follows:

Investment Type		tal Fair Value	Level 1 Level 2			Level 3		
Equities								
Domestic Equity	\$	28,452,936	\$ 28,452,936	\$	-	\$	-	
International Equity		14,688,972	14,688,972		-		-	
Fixed Income								
US Treasury Notes		1,861,948	1,861,948		-		-	
Mortgage Backed Securities		610,097	-		610,097		-	
Corporate Bonds		812,374	-		812,374		-	
Municipal Bonds		38,547	-		38,547		-	
Real Estate		775,062	-		-		775,062	
Total Investments at Fair Value	\$	47,239,936	\$ 45,003,856	\$	1,461,018	\$	775,062	

Investments measured at the net asset value (NAV)		Unfunded Commitments	Redemption Frequency	Redemption Notice
Hedge Funds				
Courage Credit Opportunities Offshore Fund III LP	\$ 51,807	-	(1)	(1)
Ironwood	3,724,932	-	Semi-annual	95 days
Terracap	1,337,267	-	(1)	(1)
Corry Capital	2,399,356	-	(2)	(2)
Pointer	3,974,815	-	(3)	(3)
Serenitas	3,379,991	-	(1)	(1)
Ironsides Opportunities Constitution Capital	985,444	-	(1)	(1)
Total of Investments Measured at NAV	 15,853,612			
Total Investments	\$ 63,093,548			

⁽¹⁾ These hedge funds are not redeemable. The Firemen's Relief and Retirement Fund receives distributions as the underlying assets of investments are sold/liquidated. Management estimates that the remaining four hedge funds will liquidate in 5-7 years.

Because of the complexity of the portfolio, the firemen's board of trustees relies on its consultant to provide the necessary guidance to accomplish the Plan's objectives. The Board also understands that return objectives can be achieved while assuming "market" volatility. The Board is willing to forgo potential return in strong markets in return for protection against a severe decline during weak periods.

Concentration of credit risk. As noted in the previous page, none of the sectors exceed their percentage of asset allocation. The Plan is well diversified; with no one issue exceeding 5%. With the exception of the alternative investments, the portfolio can be liquidated within one to two days if so desired. Alternative investments can only be liquidated quarterly.

Interest rate risk. Only the fixed income securities of the Plan are subject to interest rate risk due to the possibility that prevailing interest rates could change before the securities reach maturity. Securities that are subject to interest rate risk as of September 30, 2021 amount to \$3,322,966 and have weighted-average duration of 14.09 years. Duration is defined as the change in the value of a fixed income security that will result from a 1% change in interest rates. Duration is stated in years. For example, five-year duration means the bond will decrease in value by 5% if interest rates rise 1% and increase in value by 5% if interest rates fall 1%. Securities that are subject to interest rate risk are shown in the following table. The investment policy is silent on the subject.

⁽²⁾ The money invested with Corry Capital is locked up because the investment is a private equity style fund. It is a self-liquidating fund that will make distributions when there are realizations.

⁽³⁾ All capital is subject to an initial 24-month lockup, so the lockup on McAllen Firemen's Relief and Retirement Fund's initial investment of \$2.6M made on 4/1/18 expires on 4/1/20. Pointer has semi-annual redemptions at 6/30 and 12/31, where an investor has access to up to 50% of their capital at each date, with signed notification due by 3/15 and 9/15, respectively.

NOTE III - DETAILED NOTES ON ALL FUNDS (Continued)

Investment Type	F	air Value	Percentage of Total	Weighted-Average Duration (Years)
Corporate bonds	\$	812,374	24.45%	11.68
US Treasury notes		1,861,948	56.03%	4.48
Government mortgage back securities		610,097	18.36%	5.70
Municipal bonds		38,547	1.16%	34.50
Total fixed income investments	\$	3,322,966	100.00%	14.09

Credit risk. Using Standard and Poor's rating system for fixed income securities as of September 30, 2021 the Plan's bonds were rated as noted below. The investment policy is silent on the subject.

Investment Type	ı	Fair Value		Α	A-, A+, AA, AA-, AA+			BBB, BBB+		
US Treasury Notes	\$	1,861,948	\$	_	\$	1,861,948	\$	-		
Mortgage Back Securities		610,097		-		610,097		-		
Corporate Bonds		812,374		127,825		347,763		336,786		
Municipal Bonds		38,547	-			38,547		<u>-</u>		
Total	\$	3,322,966	\$	127,825	\$	2,858,355	\$	336,786		

B. Receivables

Receivables for the City's governmental activities and business-type activities at year-end are reflected in the following table below:

Receivables											
		Inter-									_
	Accounts	_	Taxes	_	Interest	_	governmental	_	Other	Ne	t Receivables
\$	1,791,539	\$		\$	•	\$	•	\$	•	\$	18,455,892
	-		3,515,077		4,910		•		110,081		4,240,564
	-		-		-		238,394		-		238,394
	-		-		-		-		-		-
	1,933,095		352,222		8,658	_	4,661,106		407,074		7,362,155
\$	3,724,634	\$	19,121,670	\$	29,060	\$	6,338,351	\$	1,083,290	\$	30,297,005
\$	2,162,418	\$	-	\$	3,389	\$	8,256	\$	-	\$	2,174,063
	2,061,232		-		-		25,166		82,738		2,169,136
	2,362,343		-		5,054		58,922		-		2,426,319
	281,687		-		3,208		1,062,002		113		1,347,010
	-		-		-		206,484		30,042		236,526
	-		-		-		58,400		-		58,400
	221,611	_		_	3,846	_	1,885,638	_			2,111,095
		_		_		_					
<u>Ş</u>	7,089,291	\$		\$	15,497	\$	3,304,868	\$	112,893	\$	10,522,549
	\$	1,933,095 \$ 3,724,634 \$ 2,162,418 2,061,232 2,362,343	\$ 1,791,539 \$	\$ 1,791,539 \$ 15,254,371 - 3,515,077 	\$ 1,791,539 \$ 15,254,371 \$ 3,515,077	Accounts Taxes Interest \$ 1,791,539 \$ 15,254,371 \$ 15,492 - 3,515,077 4,910	Accounts Taxes Interest \$ 1,791,539 \$ 15,254,371 \$ 15,492 \$ 4,910 - 3,515,077 4,910	Accounts Taxes Interest Interest governmental \$ 1,791,539 \$ 15,254,371 \$ 15,492 \$ 828,355 - 3,515,077 4,910 610,496 - 238,394 - 238,394 - 1,933,095 352,222 8,658 4,661,106 \$ 3,724,634 \$ 19,121,670 \$ 29,060 \$ 6,338,351 \$ 2,162,418 \$ - \$ 3,389 \$ 8,256 2,061,232 25,166 2,362,343 - 5,054 58,922 281,687 - 3,208 1,062,002 206,484 58,400 58,400 221,611 - 3,846 1,885,638	Accounts Taxes Interest Inter-governmental \$ 1,791,539 \$ 15,254,371 \$ 15,492 \$ 828,355 \$ 238,394 - 3,515,077 4,910 610,496 238,394 - - - 238,394 - 1,933,095 352,222 8,658 4,661,106 \$ 3,724,634 \$ 19,121,670 \$ 29,060 \$ 6,338,351 \$ \$ 2,162,418 \$ - \$ 3,389 \$ 8,256 \$ \$ 2,061,232 - - 25,166 \$ 2,362,343 - 5,054 58,922 \$ 281,687 - 3,208 1,062,002 \$ - - - 206,484 \$ - - - 58,400 \$ 221,611 - 3,846 1,885,638 \$	Accounts Taxes Interest governmental governmental Other \$ 1,791,539 \$ 15,254,371 \$ 15,492 \$ 828,355 \$ 566,135 - 3,515,077 4,910 610,496 110,081 - 238,394 - 238,394 - 1,933,095 352,222 8,658 4,661,106 407,074 \$ 3,724,634 \$ 19,121,670 \$ 29,060 \$ 6,338,351 \$ 1,083,290 \$ 2,162,418 \$ - \$ 3,389 \$ 8,256 \$ - 2,061,232 - - 25,166 82,738 2,362,343 - 5,054 58,922 - 281,687 - 3,208 1,062,002 113 - - - 206,484 30,042 - - - 58,400 - 221,611 - 3,846 1,885,638 -	Accounts Taxes Interest governmental Other New

NOTE III - DETAILED NOTES ON ALL FUNDS (Continued)

Within the City's water, wastewater, and sanitation funds, an estimated amount has been recorded for services rendered but not yet billed as of the close of the year. The receivable was determined by prorating the cycle billings sent to customers in October 2021 based on the number of days applicable to the prior fiscal year. The receivable balances in the water, wastewater, and sanitation have been reduced by estimated allowances for doubtful accounts. Water accounts were reduced by \$30,585; wastewater accounts by \$31,188; and sanitation accounts by \$36,932.

C. Capital assets

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

	Beginning Balance	Increases	Transfers	Retirements	Ending Balance	
Governmental activities:						
Capital assets, not being depreciated:						
Land	\$ 89,040,253	\$ 14,500	\$ -	\$ -	\$ 89,054,753	
Construction in progress	36,196,194	16,047,356	(22,761,188)		29,482,362	
Total capital assets, not being						
depreciated	125,236,447	16,061,856	(22,761,188)		118,537,115	
Capital assets, being depreciated:				4		
Buildings and improvements	171,813,374	10,357,872	9,774,284	(212,744)	191,732,786	
Equipment	92,327,358	2,912,627	1,111,434	(805,700)	95,545,719	
Infrastructure	241,836,280	5,070,584	12,207,719	(30,991)	259,083,592	
Total capital assets, being depreciated	505,977,012	18,341,083	23,093,437	(1,049,435)	546,362,097	
Less accumulated depreciation for:						
Buildings and improvements	(72,515,967)	(5,573,830)	-	101,079	(77,988,718)	
Equipment	(67,568,491)	(5,753,276)	(187,548)	778,177	(72,731,138)	
Infrastructure	(155,102,861)	(6,855,158)		30,991	(161,927,028)	
Total accumulated depreciation	(295,187,319)	(18,182,264)	(187,548)	910,247	(312,646,884)	
Total capital assets, being depreciated, net	210,789,693	158,819	22,905,889	(139,188)	233,715,213	
Governmental activities capital assets, net	\$ 336,026,140	\$ 16,220,675	\$ 144,701	\$ (139,188)	\$ 352,252,328	

Depreciation expense was charged to governmental functions as follows:

General government	\$ 1,766,016
Public safety	3,086,390
Highways and streets, which includes the depreciation of	
general infrastructure assets	6,838,217
Health and welfare	32,440
Culture and recreation	4,320,671
In addition, depreciation on capital assets held by the City's	
internal service funds is charged to the various functions	
based on their usage of the assets	 2,138,530
Total depreciation-governmental activities	\$ 18,182,264

NOTE III - DETAILED NOTES ON ALL FUNDS (Continued)

Business-type activities:		Beginning Balance	_	Increases		Transfers/ Retirements	_	Ending Balance
Capital assets, not being depreciated:								
Land	Ś	21.762.716	Ś	22.000	Ś	(21.747)	Ś	21,762,969
Construction in progress	•	44,172,582	•	19,217,215	•	(23,131,488)	•	40,258,309
Water rights (perpetual)		14,323,738		-		-		14,323,738
Total capital assets, not being								
depreciated	_	80,259,036	_	19,239,215	_	(23,153,235)	_	76,345,016
Capital assets, being depreciated:								
Buildings and systems		439,740,396		4,055,168		55,918,950		499,714,514
Improvements other than buildings		256,512,493		736,036		(33,545,641)		223,702,888
Machinery and equipment		74,070,643		7,239,794		(526,355)		80,784,082
Development cost		7,417,617		-		-		7,417,617
Water rights (non-perpetual)		2,200,000					_	2,200,000
Total capital assets, being depreciated		779,941,149		12,030,998		21,846,954	_	813,819,101
Less accumulated depreciation for:								
Buildings and systems		(183,575,845)		(15,266,473)		19,652,183		(179,190,135)
Improvement other than buildings		(123,469,414)		(6,630,899)		(20,641,283)		(150,741,596)
Machinery and equipment		(53,500,251)		(5,555,786)		2,252,656		(56,803,381)
Development cost		(1,992,968)		(184,252)		-		(2,177,220)
Water rights		(1,402,498)		(110,000)		(1)	_	(1,512,499)
Total accumulated depreciation		(363,940,976)	_	(27,747,410)	_	1,263,555	_	(390,424,831)
Total capital assets being								
depreciated, net		416,000,173	_	(15,716,412)	_	23,110,509	_	423,394,270
Business-type activities								
Capital assets net	\$	496,259,209	\$	3,522,803	\$	(42,726)	\$	499,739,286

Depreciation expense was charged to business-type activity functions as follows:

Water	\$ 4,612,671
Wastewater	8,496,582
Sanitation	2,518,654
Golf course	390,691
Performing arts center	1,181,372
Convention center	1,554,982
McAllen international airport	5,293,719
Metro McAllen	39,561
Transit terminal	1,125,411
McAllen international toll bridge	1,039,397
Anzalduas international crossing	1,429,963
In addition, depreciation on capital assets held by the City's	
Fleet management funds is charged to the various functions	
based on their usage of the assets	 64,407
Total depreciation-business type activities	\$ 27,747,410

NOTE III - DETAILED NOTES ON ALL FUNDS (Continued)

At September 30, 2021, the City had the following significant remaining contractual commitments for various construction and improvement projects:

	Remaining	
Project Description	 ommitment	Financing Sources
Airport Improvements	\$ 1,556,437	Local and grant
Streets and Drainage Improvements	5,004,790	Local and bond funds
Wastewater Improvements	562,836	Local and bond funds
Water Improvements	507,422	Local and bond funds
Bus Services Improvements	7,637,141	Local and grant
Park Building Improvements	4,747,435	Local and bond funds
Sanitation Buidling Improvements	3,673	Local
Minor projects	 89,652	Local and grant
Total	\$ 20,109,386	

D. <u>Interfund receivables/loans and transfers</u>

The compositions of inter-fund balances as of September 30, 2021 are reflected below.

Receivable Fund	Payable Fund	Amount
General Fund	Non-Major Governmental Funds	\$ 1,577,883
	Non-Major Proprietary Funds	230,246
	Development Corp Fund	15,415
	Retiree Health Insurance Fund	289,295
	Miscellaneous Government Grants Fund	200,744
	Sanitation Fund	128,173
	Airport Fund	379,429
	McAllen Int'l Toll Bridge Fund	2,775
	Total General Fund	2,823,960
American Rescue Plan Act Fund	General Fund	750,954
Miscellaneous Government Grants Fund	General Fund	500,000
Christmas Parade Fund	Non-Major Governmental Funds	2,083
Texas Anti-Gang Unit Fund	Miscellaneous Government Grants Fund	177,842
	Total Governmental Funds	4,254,839
Convention Center Fund	Non-Major Governmental Fund	265,796
Golf Course Fund	General Depreciation Fund	6,888
Metro Mcallen Fund	Non-Major Proprietary Fund	21,041
Performing Arts Center Fund	Non-Major Governmental Fund	16,472
Sanitation Fund	General Depreciation Fund	30,400
General Depreciation Fund	General Fund	7,189
Water Fund	Wastewater Fund	13,249
	Total Proprietary Funds	361,035
	Combined totals	\$ 4,615,874

NOTE III - DETAILED NOTES ON ALL FUNDS (Continued)

Transfers are used to 1) provide unrestricted revenues collected in the general fund to finance various programs accounted for in other funds, and 2) move revenues from the fund that the budget requires to collect them to the fund that the budget requires to expend them. The following table reflects the transfer activity at year end.

	Transfer In:									
	General Fund	De	evelopment Corp Fund	G	Nonmajor overnmental		Anzalduas nt'l Crossing Fund	Nonmajor Proprietary	Internal Service	Total
Transfer out:										
General fund	\$ -	\$	4,865,587	\$	31,764,209	\$	-	\$ -	\$ 806,704	\$37,436,500
Development corp fund	200,000		-		3,030,696		-	6	-	3,230,702
American rescue plan act fund	20,213,584		-		-		-	-	-	20,213,584
Nonmajor proprietary	-		-		150,000		-	-	68,053	218,053
Nonmajor governmental	-		-		3,032,376		-	3,660,874	11,342	6,704,592
Water fund	-		-		-		-	-	101,370	101,370
Wastewater fund	-		-		-		-	-	51,039	51,039
Internal service	-		-		-		-	-	1,637,460	1,637,460
Sanitation fund	-		-		-		-	-	103,496	103,496
Anzalduas int'l crossing fund	-		-		-		-	-	2,836	2,836
McAllen int'l toll bridge fund	3,479,937		-		-		846,642	-	24,811	4,351,390
McAllen int'l airport fund	1,103,965	_		_		_			25,520	1,129,485
Total	\$ 24,997,486	\$	4,865,587	\$	37,977,281	\$	846,642	\$ 3,660,880	\$ 2,832,631	\$75,180,507

During the year, the General Fund transferred \$5,372,876 of surplus revenues to the Capital Improvement Fund, a non-major governmental fund, to assist in funding several major projects contemplated in next year's budget. It transferred contributions of \$441,578 to the Tax Increment Zone #1 Fund and \$485,208 to the Tax Increment Zone #2A Fund per the interlocal development agreement for each tax increment reinvestment zone. The General Fund also transferred \$806,704 to the Employee Benefits Fund to provide assistance with rising health care expenses. It also transferred \$4,865,587 to the Development Corporation Fund to provide funding for Coronavirus Aid, Relief, and Economic Security Act eligible projects and \$25,464,547 to the Infrastructure and Improvements Fund for various capital projects throughout the City.

The Development Corporation Fund transferred \$200,000 to the General Fund to assist with an after school program. It transferred \$709,532 to the Local Government Finance Corporation Debt Service Fund to cover the debt service requirements of the Contract Revenue Bonds, Series 2017. It transferred \$2,321,164 to the Park's Facility/Fire Station #2 Construction Fund to provide additional funding for capital projects. It also provided funding for operating costs to the Transit System Fund in the amount of \$6.

The American Rescue Plan Act Fund transferred \$20,213,584 to the General Fund for public safety services.

The Hotel Occupancy Tax Fund and the Hotel Venue Fund, non-major governmental funds, transferred collections of \$1,728,165 to the Convention Center, and \$432,192 to the Performing Arts Fund, as well as \$714,217 to the Hotel Venue Debt Service Fund. They also transferred \$25,000 to the Christmas Parade Fund and \$47,172 to the Debt Service Fund.

The Local Government Finance Corporation - Texas A&M Construction Fund, a non-major governmental fund, transferred residual funds of \$113,948 to the Local Government Finance Corporation Debt Service Fund to assist with the debt service requirements.

The Tax Increment Zone #1 Fund, a non-major governmental fund, transferred \$189,804 to the Local Government Finance Corporation Debt Service Fund to assist with the debt service requirements per the interlocal development agreement.

A transfer of \$1,362,150 from the Friends of Quinta, a non-major governmental fund, to the Quinta Center for Urban Ecology Fund was provided to assist with the funding of capital project expenses.

The Performing Arts Construction Fund, a non-major governmental fund, transferred \$580,085 to the Park's Facility/Fire Station #2 Construction Fund to assist with the funding of capital project expenses. It also transferred \$1,500,517 to the Convention Center Fund.

NOTE III - DETAILED NOTES ON ALL FUNDS (Continued)

The Metro McAllen Fund, a non-major proprietary fund, transferred \$150,000 to the Downtown Services Parking Fund to provide funding for operating expenses and \$25,520 to the Employee Benefits Fund to provide assistance with rising health care expenses.

The transfer of \$1,103,965 from the Airport Fund to the General Fund represents reimbursement for public safety personnel assigned to the airport. It also provided \$25,520 to the Employee Benefits Fund to provide additional assistance with rising health care expenses.

The amount reflected from the McAllen International Toll Bridge Fund to the General Fund of \$3,479,937 represents the City's share of surplus net revenue from operation of the international toll service bridge. It transferred \$846,642 to the Anzalduas International Crossing Fund for debt requirements on the International Toll Bridge System Revenue Bonds, Series 2007B/2017B Refunding Bonds. Additionally, it transferred \$24,811 to the Employee Benefits Fund to provide additional assistance with rising health care expenses.

The Risk Management Fund, an internal service fund, transferred \$232,423 to the Property and Casualty Fund to provide additional assistance with general liability insurance claims. It also transferred \$1,390,151 to the Employee Benefits Fund to provide additional assistance with rising health care expenses.

The Employee Benefits Fund, an internal service fund, was provided funding from various sources. These sources, in addition to those previously mentioned above, were received from the following funds: Downtown Services Parking Fund--\$11,342; Water Fund--\$101,370; Wastewater Fund--\$51,039; Sanitation Fund--\$103,496; Palm View Golf Course Fund--\$7,798; Convention Center Fund--\$29,773; Transit System Fund--\$4,962; Anzalduas International Crossing Fund--\$2,836; Fleet Materials Management Fund--\$14,886.

E. Operating leases

The McAllen International Toll Bridge Fund leases property and buildings to the United States Government, the State of Texas, and various commercial dealers under operating leases. The leases range from monthly leases with commercial dealers to a 15-year lease with the General Service Administration (GSA) and a 5-year lease with three additional 5-year extension options with the United Export Traders Association (UETA) of Texas, Inc. UETA exercised their first of three options to extend their lease commencing December 1, 2019. The lease extension is for five years through November 30, 2022.

Estimated future minimum lease payments to be received under the non-cancellable operating lease with GSA and UETA are as follows:

Year Ending	 GSA	UETA		GSA UETA		Total
2022	\$ 2,316,961	\$	40,000	\$ 2,356,961		
2023	2,316,961		-	2,316,961		
2024	2,316,961		-	2,316,961		
2025	2,316,961		-	2,316,961		
2026	2,316,961		-	2,316,961		
2027-2029	 6,950,883			6,950,883		
Total	\$ 18,535,688	\$	40,000	\$ 18,575,688		

F. Long-term liabilities

1. General obligation bonds and other

The City issues general obligation bonds to finance the acquisition and construction of major capital facilities, generally for governmental activities and are direct obligations, for which the City has pledged the full faith and credit of the government. These bonds generally are serial bonds and carry a term of 20 years or more with varying amounts of principal maturing each year. All outstanding general obligation bonds have been retired, leaving only sales tax revenue bonds and combination tax and revenue certificates of obligation bond indebtedness.

The schedule that follows presents an analysis of general long-term debt outstanding, followed by a schedule of the debt service requirements on those bonds.

NOTE III - DETAILED NOTES ON ALL FUNDS (Continued)

Governmental activities:

\$42,380,000 General Obligation Bonds, Series 2014 due in annual installments ranging from \$600,000 to \$3,085,000 per year through February 15, 2034 with a final installment of \$3,085,000; interest at 3.00% to 5.00%	, \$	3,905,000
\$11,850,000 Combination Tax and Revenue Certificates of Obligation, Series 2014 due in annual installments ranging from \$205,000 to \$840,000 per year through February 15, 2034, with a final installment of \$840,000; interest at 3.00% to 4.00%		1,090,000
\$24,500,000 Combination Tax & Assessment Revenue Certificates of Obligation, Taxable Series 2016 due in annual installments ranging from \$650,000 to \$1,1490,000 per year through February 15, 2046, with a final installment of \$1,149,000: interest at 1.87% to 3.97%		24,500,000
\$5,120,000 Development Corporation of McAllen, Inc. Sales Tax Revenue Bonds, Taxable Series 2016 due in annual installments ranging from \$250,000 to \$380,000 pe year through August 15, 2036; interest at 1.40% to 3.50%	r	4,105,000
\$10,670,000 Local Government Finance Corporation Contract Revenue Bonds, Series 2017 due in annual installments ranging from \$490,000 to \$825,000 per year through August 15, 2036; interest at 2.00% to 5.00%		9,680,000
\$10,165,000 Development Corporation of McAllen, Inc. Sales Tax Revenue Bonds, Taxable Series 2017 due in annual installments ranging from \$465,000 to \$785,000 per year through August 15, 2036; interest at 2.04% to 4.07%	r	8,240,000
\$5,115,000 Development Corporation of McAllen, Inc. Sales Tax Revenue Bonds, Taxable Series 2018 due in annual installments ranging from \$98,223 to \$415,241 per year through August 15, 2036; interest at 2.44% to 3.82%		4,155,000
\$4,400,000 Development Corporation of McAllen, Inc. Sales Tax Revenue Refunding Bonds, Taxable Series 2021 due in annual installments ranging from \$315,000 to \$370,000 per year through August 15, 2036; interest at 0.570% to 2.100%		4,400,000
\$5,890,000 Combination Tax and Revenue Certificates of Obligation Bonds, Series 2018 due in annual installments ranging from \$119,879 to \$356,406 per year through February 15, 2043; interest at 3.00% to 5.00%		5,470,000
\$4,000,000 General Obligation Bonds, Series 2018 due in annual installments ranging from \$149,700 to \$253,609 per year through February 15, 2043; interest at 3.00% to 5.00%		3,805,000
\$18,955,000 General Obligation Bonds, Series 2019 due in annual installments ranging from 1,306,550 to \$1,42,571 per year through September 30, 204- interest at 2.00% to 5.00%	1;	18,465,000
\$38,490,000 General Obligation Refunding Bonds, Series 2021 due in annual installments ranging from \$575,000 to \$3,680,000 per year through February 15, 2024, with a final installment of \$3,680,000; interest at 3.00% to 4.00%		38,490,000
Total general long-term bonds and obligations payable	\$	126,305,000

The annual debt service requirements to maturity on sales tax bonds payable, combination tax and revenue certificates of obligation, general obligations, and certificates of obligation, as of September 30, 2021, including interest, are reflected below:

Year Ending	Principal	Interest
2022	\$ 4,885,000	\$ 3,132,733
2023	5,070,000	3,700,488
2024	6,560,000	3,465,398
2025	6,685,000	3,347,887
2026	6,825,000	3,211,662
2027-2031	36,710,000	13,413,068
2032-2036	34,590,000	8,059,412
2037-2041	13,275,000	3,878,950
2042-2046	 11,705,000	1,024,817
Total	\$ 126,305,000	\$ 43,234,415

NOTE III - DETAILED NOTES ON ALL FUNDS (Continued)

2. Revenue bonds and other

The City also issues revenue bonds which are repaid from the revenues derived from operating activity of the borrowing fund(s). The total amount of interest expense paid on revenue bonds in the current period was \$3,570,663. The following schedule is an analysis of the business-type activity long-term debt, including related revenue bonds.

Business-type activities:

Pavable from	Water	Fund:
--------------	-------	-------

	\$9,363,200 Waterworks and Sewer System Revenue and Refunding Bonds, Series 2015 due in annual installments from \$380,000 to \$1,825,000 through February 1, 2030: interest at 2.00% to 5.00%	\$ 4,942,000
	\$9,937,300 Waterworks and Sewer System Revenue and Refunding Bonds, Series 2016 due in annual installments from \$1,480,000 to \$1,960,000 through February 1, 2031: interest at 2.00% to 5.00%	6,983,200
	\$12,000,000 Waterworks and Sewer System Revenue Bonds Series 2018 (DWSRF) due in annual installments from \$5,000 to \$625,000 through February 1, 2048: interest at 0.660% to 2.02%	11,995,000
	\$6,900,000 Waterworks and Sewer System Revenue Bonds Series 2018C due in annual installments from \$115,000 to \$365,000 through February 1, 2048: interest at 1.59% to 3.43%	 6,670,000
	Total water fund bonds payable	\$ 30,590,200
Р	ayable from Wastewater Fund:	
	\$13,172,700 Waterworks and Sewer System Revenue and Refunding Bonds, Series 2016 due in annual installments from \$1,480,000 to \$1,960,000 through February 1, 2031: interest at 2.00% to 5.00%	\$ 9,256,800
	\$39,485,000 Waterworks and Sewer System Revenue Bonds, Series 2009 due in annual installments from \$1,090,000 to \$1,350,000 through February 1, 2040: with no interest	25,710,000
	\$1,190,000 Waterworks and Sewer System Improvement Revenue Series 2012 due in annual installments from \$95,000 to \$1,135,000 through February 1, 2022: interest at 0.240% to 0.850%; with interest commencing February 1, 2019	135,000
	\$6,655,000 Waterworks and Sewer System Revenue Bonds, Series 2013 due in annual installments from \$175,000 to \$285,000 through February 1, 2043: interest at 1.60%.	5,220,000
	\$217,000 Waterworks and Sewer System Revenue Bonds, Series 2013A due in annual installments from \$18,000 to \$25,000 through February 1, 2043: interest at 2.43%.	49,000
	\$2,995,000 Waterworks and Sewer System Revenue Bonds, Series 2013B due in annual installments from \$270,000 to \$310,000 through February 1, 2043: interest at 0.52%.	620,000
	\$7,356,800 Waterworks and Sewer System Revenue and Refunding Bonds, Series 2015 due in annual installments from \$380,000 to \$1,825,000 through February 1, 2030: interest at 2.00% to 5.00%	3,883,000
	\$40,000,000 Waterworks and Sewer System Revenue Bonds Series 2015 (loan) due in annual installments from \$710,000 to \$1,730,000 through September 30, 2045: interest at 0.14% to 1.62%	34,660,000
	\$7,110,000 Waterworks and Sewer System Revenue Bonds Series 2016 (loan) due in annual installments from \$20,000 to \$315,000 through February 1, 2047: interest at 0.07% to 1.41%	7,025,000
	\$7,000,000 Waterworks and Sewer System Revenue Bonds Series 2018 (CWSRF) due in annual installments from \$5,000 to \$350,000 through February 1, 2048: interest at 0.036% to 1.72%	 6,995,000
	Total wastewater fund bonds payable	\$ 93,553,800

NOTE III - DETAILED NOTES ON ALL FUNDS (Continued)

Payable from McAllen International Airport Fund:

\$5,565,000 General Obligation Refunding Bonds, Series 2019 (AMT) due in annual installments from \$385,000 to \$635,000 through February 15, 2031: interest at 1.35% to 2.19%	\$ 5,090,000
Total airport fund bonds payable	\$ 5,090,000
Payable from Anzalduas International Crossing Fund:	
\$18,455,000 International Toll Bridge System Revenue Refunding Bonds, Series 2017A due in annual installments from \$900,000 to \$1,690,000 through March 1, 2032: interest at 2.00% to 5.00%	\$ 14,680,000
\$10,185,000 International Toll Bridge System Revenue Refunding Bonds, Series 2017B due in annual installments from \$570,000 to \$825,000 through March 1, 2032: interest at 2.00% to 3.50%	 7,845,000
Total Anzalduas International Crossing fund bonds payable	\$ 22,525,000
Total Proprietary Funds bonds payable	\$ 151,759,000

The table below reflects the revenue bond debt service requirements to maturity.

Year Ending	Principal	Interest
2022	\$ 8,414,000	\$ 3,349,913
2023	8,700,000	3,104,088
2024	8,900,000	2,838,651
2025	9,180,000	2,560,252
2026	8,380,000	2,309,734
2027-2031	44,980,000	8,035,227
2032-2036	23,910,000	3,800,311
2037-2041	21,390,000	2,444,954
2042-2046	14,935,000	968,869
2047-2048	 2,970,000	 64,186
Total bonds outstanding	\$ 151,759,000	\$ 29,476,186

NOTE III - DETAILED NOTES ON ALL FUNDS (Continued)

3. Changes in long-term liabilities

Long-term liability activity for the year ended September 30, 2021 is shown on the following table:

	s	Balance at September 30, 2020	Additional Obligations and Net Increases		Retirement and Net Decreases		let September 30,			Amounts Due Within One Year
Governmental activities:										
Sales tax revenue bonds	\$	19,455,000	\$	4,400,000	\$	(2,955,000)	\$	20,900,000	\$	-
Certificates of obligation		49,625,000		-		(8,885,000)		40,740,000		1,850,000
General obligation bonds		56,640,000		38,490,000		(30,465,000)		64,665,000		3,035,000
Bond premium		4,432,679		-		(1,558,871)		2,873,808		244,317
Bond discount		72,311		-		66,678		138,989		(52,511)
Capital lease		2,776,526		-		(428,921)		2,347,605		441,917
Compensated absences		11,825,125		6,932,558		(5,547,284)		13,210,399		5,542,995
Feb 2021 Storm Recovery Fee		-		661,705		(104,480)		557,225		417,919
TMRS net pension liability		11,356,917		-		(2,822,942)		8,533,975		-
Net OPEB liability		11,510,277		423,783		-		11,934,060		-
Fire net pension liability	_	25,544,809			_	(5,826,776)	_	19,718,033	_	
Total general long-term debt	\$	193,238,644	\$	50,908,046	\$	(58,527,596)	\$	185,619,094	\$	11,479,637
Business-type activities:										
Revenue bonds payable	\$	159,777,000	\$	-	\$	(8,018,000)	\$	151,759,000	\$	8,414,000
Bond premium		5,439,101		-		(918,862)		4,520,239		845,292
Bond discount		(162,258)		-		92,174		(70,084)		(75,651)
Capital lease		446,978		-		(69,050)		377,928		71,142
Compensated absences		1,991,387		2,438,173		(1,706,922)		2,722,638		1,702,087
Feb 2021 Storm Recovery Fee		-		479,767		(75,753)		404,014		303,010
TMRS net pension liability	_	4,926,205		-		(1,233,010)		3,693,195	_	
Total proprietary fund debt	_	172,418,413		2,917,940	_	(11,929,423)	_	163,406,930	_	11,259,880
Total debt	\$	365,657,057	\$	53,825,986	\$	(70,457,019)	\$	349,026,024	\$	22,739,517

With respect to governmental activities; compensated absences, TMRS net pension liability, net OPEB liability and the Fire net pension liability are liquidated by the General Fund. Under business-type activities, the TMRS net pension liabilities are liquidated by the respective proprietary funds and Fleet fund.

In February 2021, the Development Corporation, a blended component unit of the City, issued \$4,400,000 in Sales Tax Revenue Refunding Bonds, Taxable Series 2021. The bonds constitute special obligations of the Corporation, payable solely from and secured by a lien on and pledge of certain Pledged Revenues which include the gross proceeds of a ½ of 1% economic development sales and use tax levied by and within the City of McAllen, Texas for the benefit of the Corporation. Interest at a rate range from 0.570 - 2.100% is payable on February 15 and August 15 of each year. In part, these bonds were used to refund \$2,955,000 of various bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of the statement of net position. This advance refunding was undertaken to restructure debt service and defer certain principal and interest payments coming due through 2023. It also resulted in an increase of \$825,694 to total debt service payments over the next fifteen years and in an economic loss of \$103,968.

In March 2021, the City issued \$38,490,000 in General Obligation Refunding Bonds, Taxable Series 2021. The bonds constitute direct obligations of the City, payable from ad valorem taxes levied upon all taxable property. Interest at a rate range from 0.185 - 1.999% is payable on February 15 and August 15 of each year. In part, these bonds were used to refund \$35,850,000 of various bonds. As a result, the refunded bonds are considered to be defeased and the liability has been removed from the governmental activities column of

NOTE III - DETAILED NOTES ON ALL FUNDS (Continued)

the statement of net position. This advance refunding was undertaken to decrease the total debt service payments over the next thirteen years by \$3,667,625, and resulted in an economic gain of \$3,233,409.

4. Debt covenants

The City is required to comply with various provisions included in the trust indenture for issued bonds (including bonds issued through the Texas Water Development Board). The City has complied with all significant provisions of the trust indenture.

Bonds issued by the City for the construction of the toll bridge located in the City of Mission are secured by the net revenues of both International Bridges. Bonds issued by the City for water and wastewater improvements are secured by pledging the net revenues of the water and wastewater utilities systems. The City did not use any revenue received from fees collected from a water supply or wastewater service constructed in whole or in part from funds from the economically distressed areas program account for purposes other than utility purposes.

NOTE IV - OTHER INFORMATION

A. Risk Management

The City is exposed to various risks or torts; theft of, damage to, and destruction of assets; injuries to employees, citizens and the general public; and natural disasters. During fiscal year 2021, the City self-funded group health insurance, life insurance, general liability insurance, and workmen's compensation insurance. The City purchased insurance coverage for fire and extended coverage on buildings and contents; and fire, lightning, and windstorm insurance for its vehicles for damages in excess of certain limits.

The group health insurance program is reported in the Employee Benefits Fund, an internal service fund. General liability is reported in the Property & Casualty Fund, an internal service fund. Workmen's compensation insurance programs are reported in the Risk Management Fund, and the Retiree Health Insurance Fund, both are internal service funds.

The health insurance excess coverage policy covers individual claims in excess of \$150,000. Third-party coverage is currently maintained for workmen's compensation claims in excess of \$400,000. Third-party coverage is also currently maintained for general liability claims in excess of \$10,000.

The City estimates the liabilities for its self-funded insurance programs on a case-by-case basis based on historical claims experience. A liability for a claim is established if information indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of loss is reasonably estimable. Accruals for claims are adjusted on a regular basis based on the latest information available on each case. Claims incurred but not reported have been considered in determining the accrual for claims, and City management believes adequate accruals have been provided at September 30, 2021. Inter-fund premiums are based primarily on claims experience and are reported as interfund services provided and used.

There were no significant reductions in insurance coverage from coverage in the prior year by major category of risk. In addition, there were no insurance settlements exceeding insurance coverage in any of the past three years. Changes in claims payable amounts for the most recent two years are reflected on the following schedule:

NOTE IV - OTHER INFORMATION (Continued)

	_	Employee Benefits		Retiree Health Insurance	_	Risk Management		Property & Casualty Insurance	_	Total
Claims payable at September 30, 2019	\$	(516,663)	\$	(240,000)		\$ (581,501)	\$	(56,131)	\$	(1,394,295)
Current period claims and changes in estimate		(13,136,942)		(2,023,367)		(757,250)		(499,627)		(16,417,186)
Current period claims paid	_	12,747,521	_	2,023,367		757,250		497,188		16,025,326
Claims payable at September 30, 2020	_	(906,084)	_	(240,000)	_	(581,501)	_	(58,570)		(1,786,155)
Current period claims and changes in estimate		(12,149,337)		(2,016,006)		(925,845)		(358,608)		(15,449,796)
Current period claims paid	_	12,351,340		2,016,006	_	807,346		354,673		15,529,365
Claims payable at September 30, 2021	\$	(704,081)	\$	(240,000)	9	\$ (700,000)	\$	(62,505)	\$	(1,706,586)

B. Contingent liabilities

Amounts received or receivable from grant agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount, if any, of expenditures that may be disallowed by the grantor cannot be determined at this time, although the City expects such amounts, if any, to be immaterial.

The City is a defendant in various lawsuits. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City's management and legal counsel the resolution of these matters will not have a material adverse effect on the financial condition of the City.

The City has been granted authority from U.S. Citizenship and Immigration Service to operate an EB-5 Visa (also known as the Employment Based 5th Preference Visa) Regional Center, which attracts foreign investment for jobs creation in exchange for expediting applicants for permanent residency. This activity is accounted for in a non-major governmental fund. Under this program a foreign national deposits with the City, in addition to \$10,000 application fee, \$540,000, which is held in deposit pending approval of permanent residency, at which time \$40,000 is released to the City as an administrative fee and the remaining \$500,000 to the investment project selected by applicant. As of September 30, 2021, the deposit amount totaled \$65,000.

C. Accounting for post-employment benefits other than pensions

1. Plan Description: The City provides post-employment health care benefits for eligible retirees and their dependents. To be eligible to elect retiree medical coverage, a City employee retiring at age 60 or over must have at least 10 years of service with the City. City employees retiring before age 60 must have at least 20 years of service with the City. Members of the City's Fire Department are eligible to retire on or after age 50 with at least 20 years of service with the City.

Effective October 1, 2008, spouses must have been covered for at least three years prior to retirement. Retirees less than age 65 will have a one-time option to drop coverage and to be reinstated once the retiree reaches age 65 and has enrolled in Medicare Parts A and B. Retirees are required to pay 100% of the blended (active and retiree) premium cost for both single and dependent coverage. However, police officers who retired prior to October 1, 2010 with 25 or more years of service pay 50% of the blended premium cost for both single and dependent coverage. As of year-end, there were 108 employees who had retired: 59 with single coverage and 49 dependent subscribers.

2. Funding Policy: The policy of the City is to fund the plan on a pay-as-you-go basis.

NOTE IV - OTHER INFORMATION (Continued)

3. In June 2015 the Governmental Accounting Standards Board (GASB) issued Statement No. 75 (Accounting and Financial Reporting for Postemployment Benefits Other than Pensions) which is meant to replace GASB 45. The effective date for this statement is for employers with fiscal years beginning after June 15, 2017. The City is assumed to be a single employer without a special funding situation without a qualified trust for the purposes of reporting under GASB 75. GASB 75 requires the Total OPEB Liability (TOL) to be calculated based on the Entry Age Normal Level Percent of Pay (EAN) actuarial cost method. These benefits are not currently pre-funded.

This valuation includes all retirees who are currently receiving these benefits; and all active employees who will be eligible in the future to receive these benefits.

An actuarial valuation requires assumptions for the following parameters:

- A discount rate, which is based on the yield or index rate for 20-year, tax-exempt general obligation municipal bonds with an average rating of AA/Aa or higher (or equivalent quality on another rating scale);
- Mortality rates relevant to the underlying group of employees and retirees;
- Withdrawal rates relevant to the underlying group of employees;
- Retirement rates relevant to the underlying group of employees; and
- Current and future per capita claim costs for the benefits being valued.

The assumptions used in this valuation conform to the requirements of GASB 75 and generally accepted actuarial principles.

The calculations were performed using a Valuation Date (VD) of October 1, 2019 for reporting in the City's full accrual financial statements and a Measurement Date (MD) of September 30, 2021.

The valuation results as of October 1, 2019 were rolled-forward and used for the September 30, 2021 financial statements. There were no changes to any of the benefits packages, cost-sharing structures or census.

The City's next full valuation should be as of October 1, 2021, for reporting in the City's full accrual financial statement as of September 30, 2022.

4. At the September 30, 2021 valuation and measurement date, the following members were covered by the benefit terms:

Plan membership/participants:

Inactive employees or beneficiaries currently receiving benefits	108
Inactive employees entitled to but not yet receiving benefits	-
Active employees	1,878
Total	1.986

NOTE IV - OTHER INFORMATION (Continued)

5. Actuarial Assumptions:

Significant assumptions and other inputs used to measure the Total OPEB Liability for the current fiscal year are summarized below.

Valuation date October 1, 2019
Prior Measurement date September 30, 2020
Measurement date September 30, 2021

Assumptions:

Inflation 2.50% per year

Salary increases Varies from 11.50% to 3.50%

Discount Rate*

Prior Measurement Date 2.21% Measurement Date 2.15%

Pub-2010 General and Public Safety Employees/Retirees Headcount-Weighted

Mortality Tables projected fully generationally using scale MP-2019

Health Care Cost Trends 5.40% from 2020-2021 decreasing to an ultimate rate of 3.94% by 2075

6. OPEB Expense: GASB states the OPEB expense also should be recognized in the current reporting period for costs incurred by the government related to the administration of OPEB. The measurement period for these costs should be the same as the measurement period applied to changes in the Total OPEB Liability.

The OPEB Expense consists of:

- a) Service Costs for the year
- **b)** Interest on the TOL using the bond rate at the beginning of the period
- c) Change in the TOL due to benefit changes
- d) The current year recognition of changes in the TOL due to Actual versus Expected experience
- **e)** The current year recognition of changes in the TOL due to changes of assumptions or other inputs experience (including the change in discount rate)
- f) Recognition of Deferred Inflows and Outflows of Resources from prior years.

The following table provides a breakdown of the OPEB Expense as of September 30, 2021:

Service Cost	\$ 579,803
Interest on the Total OPEB Liability and Service Cost	253,031
Current period benefit changes	-
Current period recognition of Deferred Inflows and Outflows of Resources: Difference between expected and actual experience in the Total OPEB	
Liability	170,860
Changes of assumptions or other inputs	139,579
Other	
OPEB Expense	\$ 1,143,273

^{*} The discount rate was based on the Bond Buyer General Obligation 20-year Municipal Bond Index.

NOTE IV - OTHER INFORMATION (Continued)

7. Sensitivity Results: Changes in the discount and health care cost trend rates affect the measurement of the Total OPEB Liabilities (TOL). Lower discount rates produce a higher TOL whereas lower trend rates produce a lower TOL. The converse is true for higher discount rates and trend rates. Because discount rate and trend rates do not affect the measurement of assets, the percentage change in the Net OPEB liability can be very significant for a relatively small change in either rate.

The table that follows shows the sensitivity of the net OPEB liability to the discount rate and the healthcare cost trend rates.

Healthcare Cost Trend	1% Increase in Discount Rate (3.15%)		Current Discount Rate (2.15%)			1% Decrease in Discount Rate (1.15%)		
1% Decrease			\$	9,573,198				
Current	\$	10,117,476	\$	11,934,060	\$	14,316,575		
1% Increase			\$	15,199,663				

8. Deferred Inflows and Outflows: For the current fiscal year, the average expected remaining service life of active and inactive employees is 9.16 years and the Deferred Inflows and Outflows of resources for (a) differences between expected and actual experience and (b) changes of assumptions or other inputs as of September 30, 2021 are amortized over 9 years.

For the year ended September 30, 2021, the Plan recognized OPEB expense of \$1,143,273.

At September 30, 2021, the Plan reported deferred outflows and inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources		erred Inflows Resources
Differences between expected and actual experience	\$ 3,218,723	\$	1,568,899
Changes of assumptions	 1,711,638		473,497
Total	\$ 4,930,361	\$	2,042,396

Amounts reported as deferred outflows and inflows of resources related to OPEB will be recognized in OPEB expense as follows:

 Amount
\$ 310,439
310,439
310,439
310,439
310,439
 1,335,770
\$ 2,887,965
\$

NOTE IV - OTHER INFORMATION (Continued)

9. Changes in Total OPEB Liability -

	Increase (Decrease)					
		Total OPEB Liability (a)		lan Fiduciary Net Position (b)		Net OPEB Liability (a) - (b)
Balance at 9/30/2020	\$	11,510,277	\$	-	\$	11,510,277
Changes for the year:						
Service cost		579,803		-		579,803
Interest on Total OPEB Liability and Service Cost		253,031		-		253,031
Difference between expected and actual experience		756,346		-		756,346
Changes in assumptions		123,073		-		123,073
Benefit payments		(1,288,470)		(1,288,470)		-
Contributions-employer		-		1,288,470		(1,288,470)
Contributions-members		-		-		-
Net investment income		-		-		-
Administrative expense						
Net Changes	_	423,783	_			423,783
Balance at 9/30/2021	\$	11,934,060	\$		\$	11,934,060

D. Retirement Plans

Summary of retirement plans -

	City - TMRS	Firemen's Pension Plan	Total City - TMRS and Firemen's Pension Plan
Total pension liability	\$ 316,063,816	\$ 86,062,169	\$ 402,125,985
Plan fiduciary net position	303,836,646	66,344,136	370,180,782
Net pension liability	\$ 12,227,170	\$ 19,718,033	\$ 31,945,203
Deferred outflows of resources	\$ 1,397,218	\$ 15,590,319	\$ 16,987,537
Deferred inflows of resources	\$ 9,563,195	\$ 26,685,618	\$ 36,248,813
Contributions subsequent to measurement date	\$ 4,514,135	\$ -	\$ 4,514,135
Pension expenses	\$ 2,589,904	\$ (249,677)	\$ 2,340,227

1. Texas Municipal Retirement System

a) Plan Description

The City participates as one of 860 plans in the nontraditional, joint contributory, hybrid defined benefit pension plan administered by the Texas Municipal Retirement System (TMRS). TMRS is an agency created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-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 201 Trustees. Although the Governor, with the advice and consent of the Senate, appoints the Board, TMRS is not fiscally dependent on the State of Texas. TMRS's defined benefit pension plan is a tax-qualified plan under Section 401 (a) of the Internal Revenue Code. TMRS issues a publicly available comprehensive annual financial report that can be obtained at www.tmrs.com.

All eligible employees of the city are required to participate in TMRS. Fire department personnel, except clerical staff, have a separate pension plan and are not covered by TMRS.

b) Benefits provided

TMRS provides retirement, disability, and death benefits. Benefit provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS.

NOTE IV - OTHER INFORMATION (Continued)

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 also choose to receive a portion of their benefit as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Plan provisions for the City are as follows:

Employee deposit rate	7.00%
Matching ratio (city to employee)	2 to 1
Years required for vesting	10
Service retirement eligibility (expressed as age/years of service)	60/10,0/20
Updated Service Credit	100%
	Transfers
Annuity Increase (to retirees)	0% of CPI

Employees covered by benefit terms -

At the December 31, 2020 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	618
Inactive employees entitled to but not yet receiving benefits	509
Active employees	1,608
Total	2,735

c) Contributions

The contribution rates for employees in TMRS are either 5%, 6%, or 7% of employees gross earnings, and the city matching are either 100%, 150%, or 200%, both 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 consulting 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 McAllen were required to contribute 7% of their annual gross earnings during the fiscal year. For fiscal year 2021, the City made contributions of 8.19%.

d) Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2020, 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

Inflation 2.50% per year Overall payroll growth 2.75% per year

Investment Rate of Return 6.75% per year composed of an assumed 2.50%

inflation rate and a 4.25% net real rate of return

Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates are projected on a fully generational basis by Scale UMP to account for future mortality improvements. Based on the size of the city, rates are multiplied by an additional factor of 100%.

NOTE IV - OTHER INFORMATION (Continued)

Actuarial assumptions used in the December 31, 2020, valuation were based on the results of actuarial experience studies. This experience study was for the period December 31, 2014 through December 31, 2018. They were adopted in 2019 and first used in the December 31, 2019 valuation. Healthy postretirement 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. No additional changes were made for the 2019 valuation.

The long-term expected rate of return on pension plan investments is 6.75%. The pension plan's policy in regard to the allocation of invested assets is established and may be amended the TMRS Board of Trustees. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income, in order to satisfy the short-term and the long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments were determined using a buildingblock 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. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)
Global Equity	30.00%	5.30%
Core Fixed Income	10.00%	1.25%
Non-Core Fixed Income	20.00%	4.14%
Real Return	10.00%	3.85%
Real Estate	10.00%	4.00%
Absolute Return	10.00%	3.48%
Private Equity	10.00%	7.75%
Total	100.00%	

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 the employee contributions will remain at the current 7% and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current plan members. 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.

NOTE IV - OTHER INFORMATION (Continued)

Changes in the Net Pension Liability-

	Increase (Decrease)			
	Total Pension Liability (a)	Plan Fiduciary Net Position (b)	Net Pension Liability (a) - (b)	
Balance at 12/31/2019	\$ 298,644,083	\$ 282,360,961	\$ 16,283,122	
Changes for the year:				
Service cost	9,049,919	-	9,049,919	
Interest	20,053,615	-	20,053,615	
Difference between expected and actual experience	e 473,099	-	473,099	
Contributions-employer	-	6,826,265	(6,826,265)	
Contributions-employee	-	5,523,932	(5,523,932)	
Net investment income	-	21,426,486	(21,426,486)	
Benefit payments, including refunds of employee				
contributions	(12,156,900)	(12,156,900)	-	
Administrative expense	-	(138,687)	138,687	
Other		(5,411)	5,411	
Net Changes	17,419,733	21,475,685	(4,055,952)	
Balance at 12/31/2020	\$ 316,063,816	\$ 303,836,646	\$ 12,227,170	

Sensitivity of the net pension liability to 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:

	 Decrease in scount Rate (5.75%)	Di	Current scount Rate (6.75%)	1% Increase in Discount Rate (7.75%)
City's net pension liability	\$ 56,654,387	\$	12,227,170	\$ (24,315,123)

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.

e) 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 pension expense of \$2,589,904.

NOTE IV - OTHER INFORMATION (Continued)

At September 30, 2021, the City reported deferred outflows and inflows of resources related to pensions from the following sources:

	Ou	eferred tflows of esources	 ed Inflows sources
Differences between expected and actual experience	\$	498,645	\$ 1,327,525
Difference in assumption changes		898,573	231,295
Difference between projected and actual investment earnings		-	8,004,375
Contributions subsequent to the measurement date		4,514,135	
Total	\$	5,911,353	\$ 9,563,195

\$4,514,135 reported as deferred outflows of resources related to pensions resulting from contributions subsequent to the measurement date will be recognized as a reduction of the net pension liability for the measurement year ending September 30, 2022.

Other amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in future pension expense as follows:

Year ended	
December 31	Amount
2021	\$ (2,386,426)
2022	(148,964)
2023	(5,079,378)
2024	(604,148)
2025	52,939
Thereafter	-
Total	\$ (8,165,977)

2. Firemen's Relief & Retirement Fund

a) Plan Description

Firemen's Relief & Retirement Fund, a single-employer defined benefit plan (the "Plan"), was created pursuant to the Texas Local Fire Fighter's Retirement Act ("TLFFRA") and is administered by the Board of Trustees of the fund. The fund provides pension, disability, death, and severance benefits to employees of the City's fire department and former volunteer firemen eligible to receive benefits.

At the September 30, 2020 actuarial valuation, the following members were covered by the benefit terms:

Retirees and beneficiaries currently receiving benefits	114
Terminated employees entitled to but not yet receiving benefits	5
Active members	174
Total	293

The City issues a publicly-available financial report that includes financial statements and required supplementary information for the Firemen's Relief & Retirement Fund. This financial report may be obtained by writing to the City of McAllen Finance Director, P.O. Box 220, McAllen, Texas 78505-0220 or by calling (956) 681-1081.

b) Summary of Significant Accounting Policies

Basis of Accounting – The financial statements of the Firemen's Relief & Retirement Fund are prepared using the accrual basis of accounting. Employee and employer contributions are recognized as revenues

NOTE IV - OTHER INFORMATION (Continued)

when due, pursuant to formal commitments, as well as statutory or contractual requirements. Benefits and refunds are recognized when due and payable in accordance with the terms of the Plan document.

Plan Benefits – Benefit provisions are established under authority of the TLFFRA. Specific plan provisions are governed by a Plan document and a trust agreement executed by the Board of Trustees. The Plan document may be amended as provided in Section 7 of the TLFFRA (Article 6243e. V.T.C.S.) Amending the Plan requires approval of any proposed change by an eligible actuary and a majority of the participating members of the Plan. Both the City and the members of the Plan have specific authority to appoint members of the Board under TLFFRA.

Pension Benefits – A member is eligible for service retirement upon completion of 20 years of service and attainment of age 50. A member who retires under the service retirement provisions of the fund will receive a monthly benefit equal to the sum of (a), (b), and (c) where: (a) equal to 2.9 percent of the member's highest 60-month average salary for each of the member's years of service up to and including the 20th year of service and (b) equals the greater of 2.9 percent of the member's highest 60-month average salary, or \$58.00 per month for each of the member's 21st and 22nd years of service, and (c) equals \$58.00 per month for each year of service in excess of 22 years.

Disability Benefits – An active member who becomes disabled as defined in the plan will receive a monthly disability benefit. Separate disability benefits are provided for duty-related and off-duty disabilities. Disability benefits are payable in the same joint-and-survivor form as service retirement benefits. However, disability benefits stop if the member recovers to the point that he no longer meets the definition of disability under the fund. If the total monthly amount a disabled member receives from (a) the fund, (b) workers compensation, and (c) the City of McAllen, exceeds the member's monthly rate of pay as of his date of disability, the amount payable from the fund will be reduced so that the member's benefit from all three sources, combined, does not exceed such rate of pay.

Death Benefits - Duty-related death benefits, payable to a member's spouse for as long as they are living, equal the sum of (a) 38.67% of the member's highest 60-month average salary, (b) plus two-thirds of any additional service benefit earned by the member as of the date of their death. The death benefit is payable for life, but it ceases upon remarriage. Effective January 1, 2006 the widowed spouse of a member who completed 10 or more years of service prior to their death will have the death benefit payments terminated in the event of remarriage. In addition to the above spousal death benefit, each unmarried child of the member will receive a monthly benefit of 7.73 percent of the fire fighter's highest 60-month average salary. Orphan benefits continue until the child reaches age 18. However, benefits will continue until age 22 for a child who is a full-time student. If the member's spouse dies or remarries, or if the member has no spouse on the date of their death, each eligible orphan will receive a monthly benefit of 15.47 percent of the member's highest 60-month average salary. Orphan benefits are continued for life to disabled children. The total of all benefits paid as a result of the death of an active fund member may not exceed the disability or retirement benefits such member had earned as of the date of their death. The total of all benefits paid as a result of the death of a retired member may not exceed the retirement benefit the member was receiving as of the date of their death. Benefits are reduced pro rata, if necessary, in order to satisfy these limitations.

Severance Benefits – Members who terminate employment with less than 10 years of service will be entitled to the return of the excess of their contributions to the fund over the amount of any benefits they have received from the Plan. Such refunds will not include any interest on the members' contributions. If members terminate on or after the date they have completed 10 years of service but prior to the date they complete 20 years of service, they will be entitled to receive a monthly benefit, starting on the date they would have both completed 20 years of service and attained age 50, had they remained in the service of the fire department. The amount the members will receive will equal the monthly service retirement benefit they had accumulated on the date they separated from service with the fire department, multiplied by the vested percentage of the members.

The Deferred Retirement Option Plan (DROP) – A member is eligible to receive their benefits under the plan's DROP provision after they have both completed 20 years of service and attained age 53.

NOTE IV - OTHER INFORMATION (Continued)

The election to participate in the DROP may be made at the time the member elects to retire. The monthly retirement income payable to a member who retires under the DROP will equal their service retirement benefits under the plan based on highest 60-month average salary and years of service as of the member's DROP Eligibility Date. The member's benefit will be calculated, however using the benefit formula in effect on the member's actual date of retirement. A members DROP Eligibility Date is the later of (a) the date the member meets the eligibility requirements for the DROP or (b) the date which is two years prior to the member's actual retirement date: Upon retirement, the member will receive—in addition to their monthly retirement benefit—a single payment equal to the sum of: (a.) the total of the monthly retirement benefits the member would have received between his DROP Eligibility Date and the time they retired under the plan, and (b.) the amount of monthly contributions that the member has made to the fund between their DROP Eligibility Date and the time they retired under the plan.

Method Used to Value Investments – The Plan's investments are stated at fair value and, accordingly, unrealized appreciation and depreciation are reported in the statement of changes in fiduciary net position. The fair value of money market funds is considered to be the same as the cost of these investments due to their nature. The fair value of common stocks and foreign equities are based on quoted market prices. The fair value of United States Government securities and corporate and foreign bonds are based on quotes from broker dealers. The Plan values investments in alternative funds based on its percentage investment in each such fund. The estimated fair value of each fund is based on market conditions and information reported by the fund manager, and is generally based on the estimated fair value of each funds' underlying investments at the end of the reporting period.

Purchases and sales of investments are recorded on a trade-date basis and, accordingly, the related receivables and payables for any unsettled trades are recorded. Interest income and dividends are recorded on the accrual basis.

c) Net Pension Liability

Total pension liability is developed by subtracting the present value of future service costs from the present value of future benefits. The net pension liability is calculated by subtracting the plan fiduciary net position from the pension liability. The components of the net pension liability of the Plan at September 30, 2021 were as follows:

Total pension liability	\$ 86,062,169
Plan fiduciary net position	 66,344,136
Net pension liability	\$ 19,718,033
Fiduciary net position as a percentage of total pension liability	77.09%
Covered payroll	13,129,653
Net pension liability as a % of covered payroll	150.18%

NOTE IV - OTHER INFORMATION (Continued)

Actuarial Assumptions -

The total pension liability was determined by an actuarial valuation as of October 1, 2020 and rolled forward to the measurement date of September 30, 2021, the Plan's fiscal year end.

Valuation date October 1, 2020 Measurement date September 30, 2021

Actuarial cost method Entry age

Amortization method Level percentage of payroll, open

Actuarial assumptions:

Investment rate of return 7.5% per annum

Projected salary increases 3.0% plus merit

Inflation

3.0% plus merit, step and longevity increases that vary by service

3.00% per year

Cost-of-living adjustment None

Mortality PubS-2010 (public safety) total dataset mortality tables for employees

and for retirees (sex distinct), projected for mortality improvement

generationally using the projection scale MP-2018.

Other information There have been no benefit changes since the October 1, 2020

valuation date

The investment rate of return and the projected salary increases both used the same assumptions with regard to inflation. Best estimates of long-term real rates of return for each major asset class included in the pension plan's target asset allocation as of September 30, 2021 are summaries in the table below:

Asset class:	Target allocation	Long-term expected real rate of return
Equities		
Domestic all cap	32%	5.50%
International developed	16%	6.08%
Emerging markets	7%	7.36%
Fixed Income		
Global	5%	1.67%
Domestic core	5%	1.43%
Nontraditional	14%	2.49%
Alternatives		
Private real estate	6%	4.25%
Hedge funds	14%	2.75%
Cash	1%	0.15%
Total	100%	
Weighted average		4.39%

Discount Rate-

The discount rate used to measure the total pension liability was 7.50%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from the City will be made at contractually required rates. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

NOTE IV - OTHER INFORMATION (Continued)

Changes in the Net Pension Liability - Firemen's Relief and Retirement Fund Plan

	Increase (Decrease)					
	T	otal Pension Liability (a)		an Fiduciary let Position (b)	1	Net Pension Liability (a) - (b)
Balance at 9/30/2020	\$	83,501,038	\$	57,956,229	\$	25,544,809
Changes for the year:						
Service cost		2,094,085		-		2,094,085
Interest		6,170,518		-		6,170,518
Difference between expected						
and actual experience		(939,637)		-		(939,637)
Benefit payments, including						
refunds of member contributions		(4,763,835)		(4,763,835)		-
Contributions-employer		-		1,969,448		(1,969,448)
Contributions-members		-		1,836,219		(1,836,219)
Expected net investment income		-		9,374,927		(9,374,927)
Gain or (loss) due to difference in						
Expected administrative expense		-		(28,852)		28,852
Net Changes		2,561,131		8,387,907		(5,826,776)
Balance at 9/30/2021	\$	86,062,169	\$	66,344,136	\$	19,718,033

Sensitivity of the net pension liability to changes in the discount rate-

The following presents the net pension liability of the Plan, calculated using the discount rate of 7.5%, as well as what the Plan's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (6.5%) or 1 percentage-point higher (8.5%) than the current rate:

	 Decrease in scount Rate (6.5%)	Cur	rent Discount Rate (7.5%)	-	% Increase in iscount Rate (8.5%)
Plan's net pension liability	\$ 30,350,607	\$	19,718,033	\$	10,823,545

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions:

For the year ended September 30, 2021, the Plan recognized pension expense of \$(249,677).

At September 30, 2021, the Plan reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	_	Inflows of Resources
Differences between expected and actual experience	\$ 69,050	\$	5,477,486
Changes in actuarial assumptions	15,521,269		17,042,410
Difference between projected and actual investment earnings	 	_	4,165,722
Total	\$ 15,590,319	\$	26,685,618

NOTE IV - OTHER INFORMATION (Continued)

Amounts reported as deferred outflows and inflows of resources related to pensions will be recognized in pension expense as follows:

Year ended September 30	 Amount
2022	\$ (1,964,679)
2023	(1,874,937)
2024	(2,150,095)
2025	(1,626,774)
2026	(508,130)
Thereafter	 (2,970,684)
Total	\$ (11,095,299)

d) Contributions

The Plan's minimum required contribution provisions are established under Title 8, Subtitle A, Chapter 802, Subchapter B, Section 802.101 of the Texas Government Code and under Texas Pension Review Board Guidelines for Actuarial Soundness. Specific Plan contribution rates are governed by the Plan document. Changes in the members' or the City's contribution rate requires a plan amendment.

The contribution rates of the Plan members and the City are established under the terms of the Plan. An actuarial valuation is performed biennially to verify that Plan benefits and Plan contributions are in balance. Costs of administering the fund are paid from Plan assets.

Pursuant to the Plan document, a legal instrument binding both the City and its firefighters, the City of McAllen is required to match employee contributions. Benefits paid to former volunteer firefighters are funded by the City when paid to the former volunteer firefighters or beneficiaries. The City's contribution rate for the fiscal year ended September 30, 2021 was 15.00% of annual compensation. Contributions required and paid into the fund as of September 30, 2021 were members, \$1,836,219 and employer, \$1,969,448.

e) Other pension information

In September 2003, Texas voters approved an amendment to the Texas Constitution, which provided that once certain benefits are granted to retirees, those benefits may not be subsequently reduced. It was codified as Article XVI, Section 66, of the Texas Constitution. The amendment applies only to the City of McAllen Firefighters' Relief and Retirement Plan.

It further provided that the City and the retirement system that finance benefits under the retirement system are jointly responsible for ensuring that benefits are not reduced or otherwise impaired, which could potentially require the City to involuntarily increase its funding due to under-performing investments, plan improvements as well as other factors outside the control of the City. The amendment also permitted the City to be exempt from its requirements upon holding an election in which the majority of the votes favored the exemption. On May 15, 2004, a special City election was held, in which the majority of the voters voted in favor of exempting the City of McAllen and the McAllen Firefighters' Relief and Retirement Plan from the application of this amendment, Article XVI, Section 66 of the Texas Constitution.

E. Tax Increment Reinvestment Zone Number One

On December 22, 2014, the City Commission passed a resolution establishing Tax Increment Reinvestment Zone Number One, City of McAllen, Texas (TIRZ#1) containing approximately 2,571 acres of land located in the northernmost area of the City's jurisdictional limits and designating the area as a reinvestment zone being commonly referred to as the "Tres Lagos Development Project". On November 18, 2015, a resolution was passed by the Board of Directors of TIRZ#1, approving an amended supplemental project and financing plan providing for an effective date of December 14, 2015. The City has committed to contribute to the Tax Increment Fund created for TIRZ#1, 70% of its tax increment derived from the City's maintenance and operations ad valorem taxes generated therein for years 2015 through 2025, and 80% for years 2026 through 2044. The amount to

NOTE IV - OTHER INFORMATION (Continued)

be contributed to TIRZ#1 is based upon the incremental increase in the appraised value each January 1st compared to the base year appraised value of property in the Zone as of January 1, 2014. On April 7, 2016, the Commissioners Court of Hidalgo County passed and approved an amended interlocal agreement to participate in TIRZ#1 by pledging 67% of its maintenance and operation portion of the County's assessed and collected taxes for years 2015 through 2025, and 77% for years 2026 through 2044. The amount contributed by both taxing entities will be set aside for capital improvement projects within TIRZ#1 beginning with taxes levied after January 1, 2015. On June 1, 2016, the City issued Combination Tax and Assessment Revenue Certificates of Obligation-Taxable Series 2016 in the amount of \$24,500,000 to pay for public improvements for TIRZ#1. The balance of bonds proceeds were spent on infrastructure and drainage improvements within TIRZ#1 in prior years. As of September 30, 2021, the TIRZ#1 fund balance was \$243,961.

F. Tax Increment Reinvestment Zone Number 2A

On December 12, 2016, the City created a second TIRZ known as McAllen Tax Increment Reinvestment Zone Number 2A (TIRZ #2A). This second TIRZ covers approximately 1,702 acres located in the south central area of City. The City committed to contribute to the Tax Increment Fund created for TIRZ#2A 60% of its tax increment derived from the City's maintenance and operations ad valorem taxes generated therein for 20 years. The amount to be contributed to TIRZ #2A is based upon the incremental increase in the appraised value each January 1st compared to the base year appraised value of property in the Zone as of January 1, 2017. On October 3, 2017, the Commissioners Court of Hidalgo County passed and approved an interlocal agreement to participate in TIRZ#2A by pledging 50% of its maintenance and operation portion of the County's assessed and collected taxes for tax years 2017 through 2036. The amount contributed by both taxing entities will be set aside for capital improvement projects within TIRZ #2A beginning with taxes levied after January 1, 2017. As of September 30, 2021, the TIRZ#2A fund balance was \$2,977,345.

G. <u>Tax Abatements</u>

The City of McAllen negotiates loans, grants, property tax abatement agreements, property tax rebates, and sales tax rebates on an individual basis. These agreements are designed to promote local economic development and redevelopment within the City, stimulate commercial activity, promote job creation, generate additional sales tax and enhance the property tax base and economic vitality of the City. This program is authorized under Chapter 380.001 of the Texas Local Government Code.

The City has entered into various agreements that rebate a percentage of property, sales tax, and employment related reimbursements as well as economic development grants. The reimbursement amounts range per type of agreement once certain milestones are attained. There were no tax abatements issued as of September 30, 2021.

H. Subsequent events

On November 15, 2021, the City issued Waterwork and Sewer Revenue Bonds, Series 2021 in the amount of \$18,000,000 through the State Water Implementation Revenue Fund (SWIRFT) administered by the Texas Water Development Board. Proceeds from the sale of the Bonds will be utilized for the purpose of improving and extending the City's Waterworks and Sewer System.



Required Supplementary Information



Texas Municipal Retirement System Schedule of Changes in Net Pension Liability and Related Ratios Last Seven Fiscal Years (Previous years are not available)

	Measurement Year 2014	Measurement Year 2015	Measurement Year 2016	Measurement Year 2017	Measurement Year 2018	Measurement Year 2019	Measurement Year 2020
Total pension liability:							
Service cost	\$6,805,485	\$7,407,030	\$7,992,201	\$8,196,790	\$8,285,275	\$8,678,357	\$9,049,919
Interest(on the total pension liability) Changes of benefit terms	14,011,751 -	15,035,551 2,340,034	15,972,265 -	16,912,836 -	17,790,762 -	19,076,997 6,023,884	20,053,615
Difference between expected and actual experience Change in assumptions Benefit payments, including	12,762 -	385,103 8,087,143	285,052 -	(814,726) -	(1,012,619) -	(743,805) (347,815)	473,099 -
refunds of employee contributions	(8,961,369)	(8,728,811)	(10,020,877)	(10,813,970)	(11,851,695)	(12,605,315)	(12,156,900)
Net change in total pension liability	11,868,629	24,526,050	14,228,641	13,480,930	13,211,723	20,082,303	17,419,733
Total pension liability - beginning	201,245,807	213,114,436	237,640,486	251,869,127	265,350,057	278,561,780	298,644,083
Total pension liability - ending (a)	\$213,114,436	\$237,640,486	\$251,869,127	\$265,350,057	\$278,561,780	\$298,644,083	\$316,063,816
Plan fiduciary net position: Contributions - employer Contributions - employee Net investment income Benefit payments, including refunds of employee	\$4,139,770 4,367,657 11,471,696	\$4,278,578 4,595,301 311,957	\$4,477,156 4,707,800 14,305,407	\$5,460,155 4,838,151 31,182,396	\$5,558,475 4,894,255 (7,653,315)	\$5,704,990 5,147,685 38,073,253	\$6,826,265 5,523,932 21,426,486
contributions Administrative expense Other	(8,961,369) (119,767) (9,847)	(8,728,811) (190,013) (9,385)	(10,020,877) (161,560) (8,705)	(10,813,970) (161,590) (8,189)	(11,851,695) (147,898) (7,727)	(12,605,315) (215,122) (6,462)	(12,156,900) (138,687) (5,411)
Net change in plan fiduciary net position	10,888,140	257,627	13,299,221	30,496,953	(9,207,904)	36,099,029	21,475,685
Plan fiduciary net position - beginning	200,527,895	211,416,035	211,673,662	224,972,883	255,469,836	246,261,932	282,360,961
Plan fiduciary net position - ending (b)	\$211,416,03 <u>5</u>	\$211,673,662	\$224,972,883	\$255,469,836	\$246,261,932	\$282,360,961	\$303,836,646
Net pension liability - ending (a) - (b)	\$1,698,401	\$25,966,824	\$26,896,244	\$9,880,221	\$32,299,848	\$16,283,122	\$12,227,170
Plan fiduciary net position as a percentage of total pension liability	99.20%	89.07%	89.32%	96.28%	88.40%	94.55%	96.13%
Covered payroll	\$62,261,492	\$65,030,992	\$67,161,351	\$69,112,898	\$69,917,934	\$73,358,895	\$78,900,777
Net pension liability as a percentage of covered payroll	2.73%	39.93%	40.05%	14.30%	46.20%	22.20%	15.50%

Note: This is a 10-year schedule to be created prospectively commencing with Measurement Year 2014.

Texas Municipal Retirement System Schedule Of Contributions Last Seven Fiscal Years (Unaudited)

Fiscal Year				(2) Contribution in relation tothe actuarially determined contribution	_	(3) Contribution excess (deficiency) (2) -(1)	Со	(4) vered payroll	(5) Contributions as a percentage of covered payroll (2)/(4)
2015	\$	4,200,690	Ċ	4,200,685	ċ	(5)	\$	64.045.229	6.56%
	Ş		Ş		Ş	` '	Ş	. , ,	
2016		4,594,830		4,594,391		(439)		69,339,611	6.63%
2017		5,197,019		5,197,025		6		68,243,115	7.62%
2018		5,550,314		5,550,315		1		69,919,236	7.94%
2019		5,652,948		5,652,942		(6)		72,447,570	7.80%
2020		6,334,573		6,334,567		(6)		74,960,498	8.45%
2021		6,366,112		6,366,109		(3)		76,503,054	8.32%

Note: This is a 10-year schedule to be created prospectively commencing with Fiscal Year 2015.

Valuation Date: Actuarial determined contribution rates are calculated as of December 31 st and become effective in January, 13 months later.

Methods and Assumptions Used to Determine Contribution Rate for 2020:

Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	24 years
Asset Valuation Method	10 Year smoothed market; 12% soft corridor
Inflation	2.50%
Salary Increases	3.50% to 11.50% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that are specific to the City's plan of benefits. Last updated for the 2019 valuation pursuant to an experience study of the period 2014 – 2018.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. The rates are projected on a fully generational basis with scale UMP. Pre-retirement: PUB(10) mortality tables, with the Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale UMP.
Other Information:	Granted 100% ad hoc USC with transfer.

Firemen's Relief and Retirement Fund Last Eight Fiscal Years (Previous years are not available) (Unaudited)

	Measurement Year 2014	Measurement Year 2015	Measurement Year 2016	Measurement Year 2017	Measurement Year 2018	Measurement Year 2019	Measurement Year 2020	Measurement Year 2021
Total pension liability:								
Service cost Interest(on the total	\$1,573,197	\$1,824,526	\$2,879,641	\$1,865,778	\$1,940,409	\$1,959,647	\$3,136,670	\$2,094,085
pension liability) Changes of benefit	4,841,219	4,884,830	5,130,946	5,361,757	5,631,214	5,715,164	5,697,831	6,170,518
terms Difference between	-	-	-	-	-	-	-	-
expected and actual experience	-	221,439	-	(1,202,731)	-	(6,083,899)	-	(939,637)
Change in assumptions Benefit payments,	-	(3,414,995)	-	-	-	23,055,865	(20,428,073)	-
including refunds of member contributions	(2,588,586)	(3,170,707)	(3,876,966)	(3,520,297)	(3,898,551)	(3,797,821)	(4,519,133)	(4,763,835)
Net change in total pension liability	3,825,830	345,093	4,133,621	2,504,507	3,673,072	20,848,956	(16,112,705)	2,561,131
Total pension liability - beginning	64,282,664	68,108,494	68,453,587	72,587,208	75,091,715	78,764,787	99,613,743	83,501,038
Total pension liability - ending (a)	\$68,108,494	\$68,453,587	\$72,587,208	\$75,091,715	\$78,764,787	\$99,613,743	\$83,501,038	\$86,062,169
Plan fiduciary net position:								
Contributions - employer Contributions -	\$1,435,293	\$1,477,483	\$1,554,567	\$1,498,194	\$1,547,133	\$1,625,691	\$1,675,942	\$1,969,448
members Benefit payments,	1,214,786	1,223,445	1,265,734	1,266,209	1,360,361	1,499,435	1,547,867	1,836,219
including refunds of member contributions	(2,588,586)	(3,170,707)	(3,876,966)	(3,520,297)	(3,898,550)	(3,797,821)	(4,519,133)	(4,763,835)
Expected net investment income	2,525,951	(2,467,023)	3,867,719	5,489,970	4,256,675	2,006,816	5,318,376	9,374,927
Gain or (loss) due to difference in projected vs actual earnings	_				_			
Expected Administrative expense	(23,961)	(46,070)	(352,963)	(33,822)	(49,519)	(37,403)	(38,950)	(28,852)
Net change in plan fiduciary net position	2,563,483	(2,982,872)	2,458,091	4,700,254	3,216,100	1,296,718	3,984,102	8,387,907
Plan fiduciary net position								
- beginning Plan fiduciary net position	42,720,353	45,283,836	42,300,964		49,459,309	52,675,409	53,972,127	57,956,229
- ending (b) Net pension liability -	\$45,283,836	\$42,300,964	\$44,759,055	\$49,459,309	\$52,675,409	\$53,972,127	\$57,956,229	\$66,344,136
ending (a) - (b)	\$22,824,658	\$26,152,623	\$27,828,153	\$25,632,406	\$26,089,378	\$45,641,616	\$25,544,809	\$19,718,033
Plan fiduciary net position as a percentage of total pension liability	66.49%	61.80%	61.66%	65.87%	66.88%	54.18%	69.41%	77.09%
Covered payroll	\$11,043,509	\$11,365,262	\$11,515,311	\$11,524,569	\$11,901,023	\$12,505,315	\$12,891,862	\$13,129,653
Net pension liability as a percentage	004.45	000 111	0.11.11	000 100	0.50.055	04404	400.15	450 100
of covered payroll	206.68%	230.11%	241.66%	222.42%	219.22%	364.98%	198.15%	150.18%

Note: This is a 10-year schedule to be created prospectively commencing with Measurement Year 2014.

Firemen's Relief And Retirement Fund Schedule Of Contributions

Last Eight Fiscal Years (previous years unavailable) (Unaudited)

Fiscal Year	(1) Actuarial determined contribution		_	(2) Contribution in relation to the actuarially determined contribution	(3) Contribution excess (deficiency) (2) -(1)			Co	(4) vered payroll	(5) Contributions as a percentage of covered payroll (2)/(4)	
2014	\$	1,435,293	\$	1,435,293	\$		-	\$	11,043,509	13.00%	
2015		1,477,483		1,477,483			-		11,365,262	13.00%	
2016		1,554,567		1,554,567			-		11,515,311	13.50%	
2017		1,498,194		1,498,194			-		11,524,569	13.00%	
2018		1,547,133		1,547,133			-		11,901,023	13.00%	
2019		1,625,691		1,625,691			-		12,505,315	13.00%	
2020		1,675,942		1,675,942			-		12,891,862	13.00%	
2021		1,969,448		1,969,448			-		13,129,653	15.00%	

Note: This is a 10-year schedule to be created prospectively commencing with Fiscal Year 2014

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

Methods and Assumptions Used to Determine Contribution Rate for 2020:

Actuarial Cost Method	Entry Age
Amortization Method	Level Percentage of Payroll, Opened
Remaining Amortization Period	Infinity
Asset Valuation Method	5 Year smoothed market; 20% soft corridor
Inflation	3.00%
Salary Increases	3%, plus merit, step and longevity increases that very by service
Investment Rate of Return	7.5% per annum
Retirement Age	Experience-based table of rates that are specific to the Firemen's Relief and Retirement Fund
Mortality	PubS-2010 (public safety) total dataset mortality tables for employees and for retirees (sex distinct), projected for mortality improvement generationally using the projection scale MP-2018
Other Information:	There were no benefit changes during the year.

Post Employment Benefit Plan Schedule of Changes in Total OPEB Liability and Related Ratios (Previous years unavailable)

	Measurement Year 2018			leasurement Year 2019	I	Measurement Year 2020	Measurement Year 2021	
Total OPEB Liability: Service cost Interest (on the total OPEB and Service Cost) Changes of benefit terms	\$	326,694 368,004	\$	297,170 386,856	\$	321,502 \$ 222,328	579,803 253,031	
Difference between expected and actual experience Change in assumptions or other inputs Benefit payments		(744,069) (905,063)		(2,157,238) 1,536,498 (566,863)	_	3,112,285 592,518 (1,539,994)	756,346 123,073 (1,288,470)	
Net change in total OPEB liability		(954,434)		(503,577)		2,708,639	423,783	
Total OPEB liability - beginning		10,259,649		9,305,215	_	8,801,638	11,510,277	
Total OPEB liability - ending	\$	9,305,215	\$	8,801,638	\$	11,510,277 \$	11,934,060	
Plan fiduciary net position: Contributions - employer Contributions - members Net investment income Benefit payments	\$	905,063 - - (905,063)	\$	566,863 - - (566,863)	\$	1,539,994 \$ - - (1,539,994)	1,288,470 - - (1,288,470)	
Net change in plan fiduciary net position		-		-		-	-	
Plan fiduciary net position - beginning	_					-		
Plan fiduciary net position - ending		-		-		-	-	
Net OPEB liability - ending	\$	9,305,215	\$	8,801,638	\$	11,510,277 \$	11,934,060	
Plan fiduciary net position as a percentage of total OPEB liability		-		-		-	-	
Covered-employee payroll	\$	74,223,284	\$	74,941,172	\$	81,607,453 \$	77,393,920	
Net OPEB liability as a percentage of covered-employee payroll		12.54%		11.74%		14.10%	15.42%	

Note: This is a 10-year schedule to be created prospectively commencing with Measurement Year 2018. Refer to page 70 of the notes to financial statements for the actuarial assumptions of the plan.

There are no assets accumulated in a trust that meets the criteria of GASB codification P22.101 or P52.101 to pay related benefits for the OPEB plan.



Non Major Governmental Funds

<u>Special Revenue Funds</u> are used to account for resources allocated to specific purposes. A special revenue fund continues in existence as long as governmental resources are allocated to its specific purposes.

The <u>Hotel Occupancy Tax Fund</u> was established to account for the hotel-motel occupancy tax levied. This tax revenue is allocated to the promotion of tourism and conventions, promotion of the arts, support of convention center and civic center management, and other expenditures.

The <u>Hotel Venue Project Fund</u> was established to account for funding under Ordinance 2012-69 for a 2% Hotel Occupancy tax for a Performing Arts Facility.

The <u>McAllen EB5 Regional Center Fund</u> was established to account for revenues and expenditures to operate an EB-Regional Center under the U.S. Citizenship and Immigration Services (USCIS).

The <u>Drainage Fee Fund</u> was established to account for revenue generated from drainage fees which will be used to fund maintenance and drainage improvements.

The Parkland Zones Development Fund was established to account for land acquired for future park development.

The <u>Tax Increment Reinvestment Zone #1 Fund</u> was established to account for a portion of the revenues derived from property taxes levied by the City and County to facilitate the provision of capital improvements within the zone.

The <u>Community Development Fund</u> was established to account for receipt and disbursement of Federal Program revenues.

The <u>Tax Increment Reinvestment Zone #2A Fund</u> was established to account for a portion of the revenues derived from property taxes levied by the City and County to facilitate the provision of capital improvements within the zone.

The <u>Downtown Services Parking Fund</u> was established to account for revenues and disbursements associated with the activities of vehicular parking in the downtown district.

The <u>PD Seized Fund</u> was established to account for court awarded funds and use for purchase of police department capital assets.

The <u>Texas Anti-Gang Unit Fund</u> was established to account for revenues and expenditures associated with the operation of a new anti-gang unit.

The <u>Christmas Parade Fund</u> was established to account for revenues and expenditures for the purpose of promoting the City's Annual Christmas Parade.

The <u>Friends of Quinta Fund</u> was established to account for revenues and expenditures for the purpose of promoting Quinta Mazatlan.

The <u>PEG Fund (Public, Educational and Government)</u> was established to account for the revenue and expenditures related to the programming fees provided by various cable subscribers.

The **<u>Developers Fund</u>** was established to account for developers' contributions for future infrastructure developments.

The **<u>Debt Service Fund</u>** was established to retire general government debt.

The <u>Hotel Venue Debt Service Fund</u> was established to retire Certificate of Obligation, Series 2014.

The Local Govt Finance Corp Debt Service Fund was established to retire Contract Revenue Bonds, Series 2017.



Capital Projects Funds:

The <u>Capital Improvement Fund</u> was established to account for all expenditures related to planned capital projects not accounted for in other capital project funds. Its main funding source is a transfer-in from the general fund.

The <u>Traffic / Drainage Bond Fund</u> is a non major fund that was established to account for all expenses in undertaking all Drainage and Traffic improvements.

The <u>Information Technology Fund</u> was established to account for all expenditures related to the implementation of strategic technology projects.

The <u>Street Improvements Construction Fund</u> was established to account for all expenditures related to the construction of intersections and street improvement projects.

The <u>Park's Facility/Fire Station #2 Construction Fund</u> was established to account for all expenditures related to the construction of a new Park's facility and fire station.

The <u>Performing Arts C.O. Construction Fund</u> was established to account for all expenditures related to the construction of the Performing Arts Center as funded with Certificate of Obligation Series 2014.

The <u>Sports Facility Construction Fund</u> was established to account for all expenditures related to the construction of 12 fields for youth and adult baseball.

The <u>Local Government Finance Corp - TX A&M Construction Fund</u> was established to account for all expenditures related to the Texas A&M University Building Project.

The **Quinta Center for Urban Ecology Fund** was established to account for all expenditures related to the construction of a Center for Urban Ecology which will include classroom and teaching spaces to further environmental education.

The <u>Infrastructure & Improvements Fund</u> was established to account for expenditures related to the acquisition and/or construction of capital improvements to the City.

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS

September 30, 2021

	_	Hotel Occupancy Tax	Hotel Venue Tax			McAllen EB-5 Regional Center	
ASSETS Cash	\$	73,226	\$	426,286	\$	3,139	
Certificate of deposit Investments Receivables:		4		- 684		136,219	
Accounts Taxes Accrued interest		449,505 - -		98,408 - -		-	
Due from other funds Due from other governments		-		-		-	
Prepaids		-			_		
Total assets		522,735		525,378		139,358	
Deferred outflows of resources							
Total assets and deferred outflows of resources	\$	522,735	\$	525,378	\$	139,358	
LIABILITIES Accounts payable Accrued liabilities Due to other funds	\$	132,898	\$		\$	6,400 4,534	
Unearned revenues Other liabilities		284,351 105,098				65,000	
Total liabilities		522,347		<u>-</u>		75,934	
Deferred inflows of resources	_	<u>-</u>		<u>-</u>			
Total liabilities and deferred inflows of resources	_	522,347		<u>-</u>		75,934	
FUND BALANCES Nonspendable Restricted Commited Assigned Unassigned		- 388 - - -		- 525,378 - - -	_	63,424 - -	
Total fund balances		388		525,378		63,424	
Total liabilities and fund balances	\$	522,735	\$	525,378	\$	139,358	

				Sp	ecial Revenue			
Drainage F	ee	De	Park velopment	_	TIRZ #1		Community Development	TIRZ #2A
	1,221	\$	10,778	\$	-	\$	-	\$ 1,727
1,512 2,136			1,750,581 1,241,050		243,961		-	2,976,618
144	1,829		-		-		-	-
	224		71		-		-	-
	-		- - -		12,995 -		379,376 -	601,975 -
3,865	5,493		3,002,480	_	256,956	_	379,376	3,580,320
\$ 3,865	5 <u>,493</u>	\$	3,002,480	\$	256,956	\$	379,376	\$ 3,580,320
	5,633 5,659	\$	57,912 -	\$	-	\$	65,590 6,110 307,676	\$ - 1,000
	- -		- - -	_	12,995	_	-	601,975
173	3,292		57,912	_	12,995		379,376	 602,975
			-	_		_	-	 -
173	3,292		57,912	_	12,995	_	379,376	 602,975
3,692	- 2,201 -		- 2,944,568 -		- 243,961 -		-	- 2,977,345 -
	- -		- -	_	-		-	 <u>-</u>
3,692	2,201		2,944,568	_	243,961	_		 2,977,345
\$ 3,865	5,493	\$	3,002,480	\$	256,956	\$	379,376	\$ 3,580,320

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS September 30, 2021

	Specia	Revenue
	Downtown Services Parking	PD Seized
ASSETS Cash Certificate of deposit	\$ 152,348	\$ 6,246 500,000
Investments Receivables: Accounts	20 840,577	,
Taxes Accrued interest Due from other funds Due from other governments	- - - 984	94
Prepaids Total assets	993,929	1,188,518
Deferred outflows of resources		<u>-</u>
Total assets and deferred outflows of resources	\$ 993,929	\$ 1,188,518
LIABILITIES Accounts payable Accrued liabilities Due to other funds Unearned revenues Other liabilities	\$ 25,152 11,184 - -	
Total liabilities	36,336	41,855
Deferred inflows of resources	838,643	<u> </u>
Total liabilities and deferred inflows of resources	874,979	41,855
FUND BALANCES Nonspendable Restricted Commited Assigned Unassigned	- 118,950 - 	1,146,663 - - -
Total fund balances	118,950	1,146,663
Total liabilities and fund balances	\$ 993,929	\$ 1,188,518

	Special Revenue Public													
TX	Anti Gang Unit		hristmas Parade	F	riends of Quinta	_	Education	_D	evelopers_		Total			
\$	-	\$	209,121	\$	86,254	\$	81,700	\$	85,771	\$	1,207,817			
	-		-		-		-		1,525,421		5,288,713			
	2		390,330		160,312		1,044,132		3,811,552		12,823,570			
	-		9,468		-		-		-		1,542,787			
	-		-		-		868		-		868			
	-		-		-		-		94		483			
	177,842		2,083		-		-		-		179,925			
	205,887		-		-		-		-		1,201,217			
		_	8,250							_	8,250			
	383,731	_	619,252		246,566	_	1,126,700	_	5,422,838	_	22,253,630			
				_						_	-			
\$	383,731	\$	619,252	\$	246,566	\$	1,126,700	\$	5,422,838	\$	22,253,630			
\$	7,829	\$	587	\$	1,467	\$	-	\$	6,519	\$	479,883			
	10,926		-		-		-		-		70,892			
	380,730		-		_		-		-		972,757			
	-		104,066		-		-		-		826,614			
			<u> </u>						5,416,319	_	5,481,319			
	399,485		104,653		1,467				5,422,838	_	7,831,465			
						_				_	838,643			
	399,485		104,653		1,467				5,422,838	_	8,670,108			
	-		8,250		-		-		-		8,250			
	-		506,349		245,099		1,126,700		-		13,472,076			
	-		-		-		-		-		118,950			
	- (15,754)			_			<u>-</u>		<u>-</u>		- (15,754)			
	(15,754)		514,599		245,099		1,126,700				13,583,522			
\$	383,731	\$	619,252	\$	246,566	\$	1,126,700	\$	5,422,838	\$	22,253,630			

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS September 30, 2021

	Debt Service				
ASSETS	De	bt Service	Hotel Venue Debt Service	Local Govt Finance Corp Debt Service Fund	
Cash	\$	142,976	\$ 3	\$ -	
Certificate of deposit		-	-	-	
Investments Receivables:		3,694,319	1	347,262	
Accounts		-	-	_	
Taxes		351,354	-	-	
Accrued interest Due from other funds		-	-	- -	
Due from other governments		-	-	_	
Prepaids					
Total assets		4,188,649	4	347,262	
Deferred outflows of resources				<u> </u>	
Total assets and deferred outflows of resources	\$	4,188,649	\$ 4	\$ 347,262	
LIABILITIES					
Accounts payable	\$	300	\$ -	\$ -	
Accrued liabilities Due to other funds		-	-		
Unearned revenues		-	-	-	
Other liabilities					
Total liabilities		300			
Deferred inflows of resources		307,957			
Total liabilities and deferred inflows of resources		308,257			
FUND BALANCES					
Nonspendable		<u>-</u>	-	·	
Restricted Commited		3,880,392	4	347,262	
Assigned		-	-	-	
Unassigned					
Total fund balances		3,880,392	4	347,262	
Total liabilities and fund balances	\$	4,188,649	\$ 4	\$ 347,262	

Capital Projects					
	formation chnology	lm	Street provements		Park's Facility/Fire Station #2 Construction
\$	995 - 200,825	\$	114,569 1,501,249 1,602,525	\$	2,181 2,501,249 3,771,483
	- - -		- - 33		- - 257
	- - -		1,201,229 -	_	- - -
	201,820		4,419,605	_	6,275,170
\$	201,820	\$	4,419,605	\$	6,275,170
\$	602	\$	286,257 608,728 -	\$	384,312 12,009 - -
	602		894,985	_	396,321
	602		894,985	_	396,321
	- - -		- 3,524,620 -		- 5,878,849 -
	201,218		<u>-</u>		-
	201,218		3,524,620		5,878,849
\$	201,820	\$	4,419,605	\$	6,275,170

COMBINING BALANCE SHEET NONMAJOR GOVERNMENTAL FUNDS September 30, 2021

Capital	Droi	ooto	
Capitai	FIUI	IEC LO	

ASSETS	Performing Arts	Capital Improvement	Infrastructure & Improvements
Cash	\$ 1,399	\$ 436,394	ė .
Certificate of deposit	ووی,۱ د	3,002,684	-
Investments	3,748	6,077,641	26,215,590
Receivables:		-,- ,-	-, -,-
Accounts	-	-	-
Taxes	-	-	-
Accrued interest	-	1,374	-
Due from other funds	-	-	-
Due from other governments	-	-	-
Prepaids			
Total assets	5,147	9,518,093	26,215,590
Deferred outflows of resources			
Total assets and deferred outflows of resources	\$ 5,147	\$ 9,518,093	\$ 26,215,590
LIABILITIES			
Accounts payable	\$ -	\$ 108,979	\$ 60,758
Accrued liabilities	-	6,182	1,938
Due to other funds	-	-	750,954
Unearned revenues	-	415,044	-
Other liabilities			
Total liabilities		530,205	813,650
Deferred inflows of resources			
Total liabilities and deferred inflows of resources		530,205	813,650
FUND BALANCES			
Nonspendable	-	-	-
Restricted	5,147	-	-
Committed	-	-	-
Assigned	-	8,987,888	25,401,940
Unassigned			
Total fund balances	5,147	8,987,888	25,401,940
Total liabilities and fund balances	\$ 5,147	\$ 9,518,093	\$ 26,215,590

	Capital Projects							
	Sports Facilities	Local Government Finance Corporation- TX A&M Construction	Dr	affic Improv/ ainage Bond onstruction		Quinta Center for Jrban Ecology	_	Total Nonmajor Governmental Funds
\$	2,456	\$ 4,253	\$	6,619	\$	-	\$	1,919,662
	-	-		9,009,788		-		21,303,683
	55,347	-		8,764,810		11		63,557,132
	-	-		-		-		1,542,787
	-	-		-		-		352,222
	-	-		1,127		-		3,274
	-	-		-		-		179,925
	-	-		-		2,243,813		4,646,259
			_		_	<u> </u>	_	8,250
	57,803	4,253		17,782,344	_	2,243,824	_	93,513,194
					_		_	-
<u> </u>	57,803	\$ 4,253	\$	17,782,344	\$	2,243,824	\$	93,513,194
\$	-	\$ -	\$	499,383	\$	28,707	\$	1,849,181
	-	-		233,013		-		932,762
	-	-		-		138,523		1,862,234
	-	-		-		-		1,241,658
					_		_	5,481,319
				732,396	_	167,230	_	11,367,154
					_	<u>-</u>	_	1,146,600
				732,396	_	167,230	_	12,513,754
								0.050
	- 57.000	4050		17 040 040		2.076.504		8,250
	57,803	4,253		17,049,948		2,076,594		46,296,948
	-	-		-		-		118,950 34,591,046
					_			(15,754)
	57,803	4,253		17,049,948		2,076,594		80,999,440
5	57,803	<u>\$</u> 4,253	\$	17,782,344	\$	2,243,824	\$	93,513,194
_					_		_	

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended September 30, 2021

	Hotel Occupancy Tax	Hotel Venue Tax	McAllen EB-5 Regional Center
REVENUES Hotel taxes	\$ 3,249,439	\$ 928,742	\$ -
Property taxes Franchise taxes	-	-	-
Licenses and permits	-	-	-
Intergovernmental Charges for services	-	-	-
Fines and forfeitures	-	-	-
Investment earnings Net increase (decrease) in the fair value of investments	-	4	79 -
Other	20		
Total revenues	3,249,459	928,746	79_
EXPENDITURES			
Current: General government	1,064,082	-	12,910
Public safety	-	-	-
Highways and streets Health and welfare	-	-	-
Culture and recreation Debt service:	-	-	-
Principal	-	-	-
Interest and fiscal charges		<u> </u>	
Total expenditures	1,064,082	<u> </u>	12,910
Excess (deficency) of revenues over (under) expenditures	2,185,377	928,746	(12,831)
OTHER FINANCING SOURCES (USES)			
Transfers in Transfers out	- (2,185,357)	-) (761,389)	-
Issuance of debt	-	-	-
Payment to refunded bond escrow agent		<u> </u>	
Net other financing sources (uses)	(2,185,357)	(761,389)	
Net change in fund balances	20	167,357	(12,831)
Fund balances at beginning of year	368	358,021	76,255
Fund balances at end of year	\$ 388	\$ 525,378	\$ 63,424

_					
S'n	ecia	ľ	$\Delta V \Delta$	nu	0

Drainage Fee	Park Development	TIRZ #1	Community Development
\$ -	\$ -	\$ -	\$ -
-	-	-	-
-	-	-	-
- 1,262,054	-	- 446,514	2,160,879 -
- 28,311	21,583	116	-
	(2,484) 611,774	316,521	
1,290,365	630,873	763,151	2,160,879
-	-	13,333	751,167
- 675,554	-	-	- 274,296
-	-	-	729,434
-	378,231	-	405,982
		- 871,628	
675,554	378,231	884,961	2,160,879
614,811	252,642	(121,810)	
- - -	-	441,578 (189,804)	- - -
		251,774	
614,811	252,642	129,964	-
3,077,390	2,691,926	113,997	
\$ 3,692,201	\$ 2,944,568	\$ 243,961	\$ -

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS

For the Year Ended September 30, 2021

	Special Ro	evenue
	TIRZ #2A	Downtown Services Parking
REVENUES Hotel taxes	\$ - :	\$ -
Property taxes	-	φ - -
Franchise taxes	-	_
Licenses and permits	-	10,926
Intergovernmental	-	1,333
Charges for services	-	678,369
Fines and forfeitures	-	33,601
Investment earnings	1,685	-
Net increase (decrease) in the fair value of investments	-	-
Other	1,271,423	161,923
Total revenues	1,273,108	886,152
EXPENDITURES		
Current:		
General government	5,000	-
Public safety	-	-
Highways and streets	-	883,736
Health and welfare Culture and recreation	-	-
Debt service:	-	-
Principal	_	4,076
Interest and fiscal charges	-	799
Total expenditures	5,000	888,611
Excess (deficency) of revenues over (under) expenditures	1,268,108	(2,459)
OTHER FINANCING SOURCES (USES)		
Transfers in	485,208	150,000
Transfers out	-	(11,342)
Issuance of debt	-	-
Payment to refunded bond escrow agent	_	
Net other financing sources (uses)	485,208	138,658
Net change in fund balances	1,753,316	136,199
Fund balances at beginning of year	1,224,029	(17,249)
Fund balances at end of year	\$ 2,977,345	\$ 118,950
. and Data 1900 at one of your	<u> </u>	110,500

			Special Revenue			
PD Seized	TX Anti Gang Unit	Public Education Government	Christmas Parade	Friends of Quinta	Developers	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,178,181
-	-	217,249	-	-	-	- 217,249
-	-	217,249	-	-	-	10,926
-	444,791	-	11,157	-	-	2,618,160
-	-	-	-	-	-	2,386,937
60,406 3,525	-	1,049	318	- 022	-	94,007 57,502
(1,490)	-	1,049	310	832	-	(3,974
311	9		767,178	910,421	250,554	4,290,134
62,752	444,800	218,298	778,653	911,253	250,554	13,849,122
-	-	29,662	-	-	-	1,876,154
314,909	463,633	-	-	-	-	778,542
-	-	-	-	-	250,554	2,084,140 729,434
-	-	-	436,308	65,815	-	1,286,336
_	-	_	_	_	-	4,076
						872,427
314,909	463,633	29,662	436,308	65,815	250,554	7,631,109
(252,157)	(18,833)	188,636	342,345	845,438		6,218,013
_	_	_	25,000	_	_	1,101,786
-	_	-	23,000	(1,362,150)	-	(4,510,042
-	-	-	-	-	-	-
			25,000	(1,362,150)		(3,408,256
(252,157)	(18,833)	188,636	367,345	(516,712)		2,809,757
1,398,820	3,079	938,064	147,254	761,811		10,787,930
\$ 1,146,663	\$ (15,754)	\$ 1,126,700	\$ 514,599	\$ 245,099	\$ -	\$ 13,583,522

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended September 30, 2021

	Debt Service		
	Debt Service	Hotel Venue Debt Service	Local Govt Finance Corp Debt Service Fund
REVENUES Hotel taxes	\$ -	\$ -	\$ -
Property taxes	5,655,037	-	-
Franchise taxes	-	-	-
Licenses and permits	-	-	-
Intergovernmental	-	-	-
Charges for services	-	-	-
Fines and forfeitures Investment earnings	4,563	-	- 161
Net increase (decrease) in the fair value of investments	4,303	_	-
Other	13,873		
Total revenues	5,673,473		161
EXPENDITURES			
Current:			
General government Public safety	-	-	-
Highways and streets	-	-	-
Health and welfare	-	_	_
Culture and recreation	-	-	-
Debt service:			
Principal	2,485,000	515,000	500,000
Interest and fiscal charges	2,949,191	199,216	367,081
Total expenditures	5,434,191	714,216	867,081
Excess (deficency) of revenues over (under) expenditures	239,282	(714,216)	(866,920)
OTHER FINANCING SOURCES (USES)			
Transfers in	47,172	714,217	1,013,284
Transfers out Issuance of debt	38,490,000	-	-
Payment to refunded bond escrow agent	(38,261,506)	_	-
Net other financing sources (uses)	275,666	714,217	1,013,284
Net change in fund balances	514,948	1	146,364
Fund balances at beginning of year	3,365,444_	3	200,898
Fund balances at end of year	\$ 3,880,392	\$ 4	\$ 347,262
	y 0,000,072	-	- 317,202

	iects

Information Technology	Street Improvements
\$ -	\$ -
-	-
-	- 2,883,563
-	-
171	5,489
59,835	722
60,006	2,889,774
9,813	-
-	5,368,817
-	-
-	-
9,813	5,368,817
50,193	(2,479,043)
_	_
-	-
50,193	(2,479,043)
151,025	6,003,663
\$ 201,218	\$ 3,524,620

COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES NONMAJOR GOVERNMENTAL FUNDS For the Year Ended September 30, 2021

		Capital Projects						
	Parks Facil/Fire Station #2 Construction	Performing Arts	Capital Improvement					
REVENUES								
Hotel taxes	\$ -	\$ -	\$ -					
Property taxes Franchise taxes	-	-	-					
Licenses and permits	-	_	_					
Intergovernmental	-	_	29,613					
Charges for services	-	-						
Fines and forfeitures	-	-	-					
Investment earnings	5,369	1,710	53,151					
Net increase (decrease) in the fair value of investments	-	-	(2,641)					
Other			88,682					
Total revenues	5,369_	1,710	168,805					
EXPENDITURES								
Current:								
General government	-	-	1,136,074					
Public safety	-	-	760,916					
Highways and streets	-	-	32,871					
Health and welfare	466.701	-	257.540					
Culture and recreation Debt service:	466,791	-	357,549					
Principal	_	_	_					
Interest and fiscal charges								
Total expenditures	466,791	_	2,287,410					
Excess (deficency) of revenues over (under) expenditures	(461,422)	1,710	(2,118,605)					
Excess (deficency) of revenues over (drider) experialitales	(401,422)	1,710	(2,110,003)					
OTHER FINANCING SOURCES (USES)								
Transfers in	2,901,249	-	5,372,876					
Transfers out	-	(2,080,602)	-					
Issuance of debt	-	-	-					
Payment to refunded bond escrow agent								
Net other financing sources (uses)	2,901,249_	(2,080,602)	5,372,876					
Net change in fund balances	2,439,827	(2,078,892)	3,254,271					
Fund balances at beginning of year	3,439,022	2,084,039	5,733,617					
Fund balances at end of year	\$ 5,878,849	\$ 5,147	\$ 8,987,888					

		Capital Projects					
Infrastructure & Sports Improvements Facilities		Local Government Finance Corporation- TX A&M Construction	Traffic Improv/ Drainage Bond Construction	Quinta Center for Urban Ecology	Total Nonmajor Governmental Funds		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,178,181		
-	-	-	-	-	5,655,037		
-	-	-	-	-	217,249		
-	-	-	-	-	10,926		
-	-	-	-	2,243,813	7,775,149		
	-	-	-	-	2,386,937 94,007		
90	81	35	36,908	10	165,240		
-	-	-	-	-	(6,615)		
					4,453,246		
90	81	35	36,908	2,243,823	24,929,357		
_	_	32,559	_	_	3,054,600		
_	_	32,337	299,317	_	1,838,775		
43,317	-	-	4,954,177	-	12,483,322		
-	-	-	-	-	729,434		
19,380	22,127	-	-	1,482,449	3,634,632		
-	-	-	-	-	3,504,076		
					4,387,915		
62,697	22,127	32,559	5,253,494	1,482,449	29,632,754		
(62,607)	(22,046)	(32,524)	(5,216,586)	761,374	(4,703,397)		
25,464,547	_	_	_	1,362,150	37,977,281		
-	-	(113,948)	-	-	(6,704,592)		
-	-	-	-	-	38,490,000		
					(38,261,506)		
25,464,547		(113,948)		1,362,150	31,501,183		
25,401,940	(22,046)	(146,472)	(5,216,586)	2,123,524	26,797,786		
	79,849	150,725	22,266,534	(46,930)	54,201,654		
\$ 25,401,940	\$ 57,803	\$ 4,253	\$ 17,049,948	\$ 2,076,594	\$ 80,999,440		



Non Major Enterprise Funds

These funds are used to account for City operations that are financed and/or operated in a manner similar to private business enterprises. Included in this category are: Palm View Golf Course; Methods: Methods: Meth

The Palm View Golf Course Fund is utilized to account for the operations of the City's golf course.

The Metro McAllen Fund is utilized to account for the operations of the Bus Transportation System.

The <u>Transit Terminal Fund</u> is utilized to account for the operations of the Intermodal Transportation System.

The Convention Center Fund is utilized to account for the operations of the Convention Center.

The **Performing Arts Fund** is utilized to account for the operations of the Performing Arts.



NON-MAJOR ENTERPRISE FUNDS COMBINING STATEMENT OF NET POSITION

September 30, 2021

	McAllen Convention Center	Performing Arts Center	Palm View Golf Course	Metro McAllen	Transit Terminal	Total
ASSETS						
Current assets:						
Cash	\$ 50,151	\$ 150,017	\$ 24,980	\$ 1,213	\$ 21,124	\$ 247,485
Certificate of deposit	1,501,244	1,284,780	257,356	-	513,712	3,557,092
Investments	4,338,120	1,352,509	1,572,117	130,915	503,095	7,896,756
Receivables, net:						
Accounts	-	-	2,000	3,436	-	5,436
Accrued interest	1,971	1,125	375	-	375	3,846
Due from other funds	265,796	16,472	6,888	-	21,041	310,197
Due from other governments	78,414	281	783	1,099,723	679,049	1,858,250
Prepaid items	-	-	-	552	-	552
Restricted assets:						
Cash and cash equivalents	2,533		2,278			4,811
Total currents assets	6,238,229	2,805,184	1,866,777	1,235,839	1,738,396	13,884,425
Noncurrent assets:						
Restricted assets:						
Certificate of deposit	1,012,711	256,355	-	-	-	1,269,066
Investments	1,318,498	532,862	457,462	-	-	2,308,822
Accrued interest	130_					130
Total restricted assets	2,331,339	789,217	457,462			3,578,018
Capital assets:						
Land	4,889,373	690,155	187,995	-	2,516,855	8,284,378
Buildings and systems	56,281,224	50,992,311	228,345	-	5,636,219	113,138,099
Improvements other than buildings	6,792,381	-	8,422,149	489,143	2,529,100	18,232,773
Machinery and equipment	3,638,902	1,178,451	1,249,909	4,510,295	9,090,861	19,668,418
Construction in progress					1,038,370	1,038,370
Total capital assets	71,601,880	52,860,917	10,088,398	4,999,438	20,811,405	160,362,038
Less accumulated depreciation	(23,114,990)	(5,490,634)	(7,499,811)	(4,816,628)	(8,608,490)	(49,530,553)
Net capital assets	48,486,890	47,370,283	2,588,587	182,810	12,202,915	110,831,485
Total assets	57,056,458	50,964,684	4,912,826	1,418,649	13,941,311	128,293,928
Deferred outflows of resources- pensions	108,178		46,109	118,227	18,916	291,430
Total assets and deferred outflows or resources	of \$ 57,164,636	\$ 50,964,684	\$ 4,958,935	\$ 1,536,876	\$ 13,960,227	\$ 128,585,358

NON-MAJOR ENTERPRISE FUNDS COMBINING STATEMENT OF NET POSITION

September 30, 2021

	McAllen Convention Center	Performing Arts Center	Palm View Golf Course	Metro McAllen	Transit Terminal	Total
LIABILITIES						
Current liabilities:						
Accounts payable	\$ 217,101	\$ 75,868	\$ 39,936	\$ 87,522	\$ 648,477	\$ 1,068,904
Accrued expenses	43,872	-	16,992	46,696	22,121	129,681
Due to other funds	61,675	-	-	189,612	-	251,287
Customer deposits payable	350,937	65,750	-	-	-	416,687
Current portion of capital lease	7,084	-	158	-	2,612	9,854
Compensated absences	102,883	-	30,264	89,845	15,208	238,200
Other	49,305	14,747	7,829	9,299		81,180
Total current liabilities	832,857	156,365	95,179	422,974	688,418	2,195,793
Other noncurrent liabilities:						
Unearned revenues	-	-	124,480	,	-	164,480
Storm recovery fee payable	16,403	4,916	2,590	,	-	27,009
Capital lease payable	30,549	-	682		11,265	42,496
Compensated absences	8,847	-	45,695	,	1,297	92,089
Net pension liability	252,371		119,160	263,783	17,556	652,870
Total other noncurrent liabilities	308,170	4,916	292,607	343,133	30,118	978,944
Total liabilities	1,141,027	161,281	387,786	766,107	718,536	3,174,737
Deferred inflows of resources - pensions	175,006		74,593	191,264	30,602	471,465
Total liabilities and deferred inflows of resources	1,316,033	161,281	462,379	957,371	749,138	3,646,202
NET POSITION	10 110 057	47.070.000	0.507.747	100.010	1010000	440770400
Net investment in capital assets	48,449,257	47,370,283	2,587,747	,	12,189,036	110,779,133
Restricted for improvements	2,322,163	789,217	459,740		-	3,571,120
Unrestricted	5,077,183	2,643,903	1,449,069	396,695	1,022,053	10,588,903
Total net position	55,848,603	50,803,403	4,496,556	579,505	13,211,089	124,939,156
Total liabilities, deferred inflows and						
net position	\$ 57,164,636	\$ 50,964,684	\$ 4,958,935	\$ 1,536,876	\$ 13,960,227	\$ 128,585,358

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

NON-MAJOR ENTERPRISE FUNDS COMBINING STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION For the Year Ended September 30, 2021

	McAllen Convention Center	ntion Performing Palm View G		Metro McAllen	Transit Terminal	Total
Operating revenues:						
Charges for services	\$ 2,778,675	\$ 307,914	\$ 1,349,797	\$ 83,068	\$ -	\$ 4,519,454
Rentals	2,195,832	129,566	-	228,018	-	2,553,416
Other	693,915	30,284	526,809	9,930	3,047	1,263,985
Total operating revenues	5,668,422	467,764	1,876,606	321,016	3,047	8,336,855
Operating expenses:						
Salaries, wages and employee benefits	1,849,901	-	822,053	2,037,739	312,327	5,022,020
Supplies	64,034	8,865	133,086	203,298	-	409,283
Contractual and other services	2,474,670	1,035,258	145,478	1,317,563	58,914	5,031,883
Repairs and maintenance	326,557	86,882	150,669	308,091	392,469	1,264,668
Depreciation and amortization	1,554,982	1,181,372	390,691	39,561	1,125,411	4,292,017
Total operating expenses	6,270,144	2,312,377	1,641,977	3,906,252	1,889,121	16,019,871
Operating income (loss)	(601,722)	(1,844,613)	234,629	(3,585,236)	(1,886,074)	(7,683,016)
Nonoperating revenues (expenses):						
Investment earnings	26,732	26,356	10,207	382	8,615	72,292
Net increase (decrease) in the fair value	•					
of investments	(2,288)	-	-	-	-	(2,288)
Interest expense	(1,349)	-	(30)	-	(497)	(1,876)
Gain (loss) on sale of capital asset	-	-	883	1,425	(7,843)	(5,535)
Other				(20,332)	(2,994)	(23,326)
Net nonoperating revenues (expenses)	23,095	26,356	11.060	(18,525)	(2,719)	39,267
((10,000)		
Income (loss) before contributions and transfers	(578,627)	(1,818,257)	245,689	(3,603,761)	(1,888,793)	(7,643,749)
Capital contributions	78,414	615,143	1,026	3,824,560	5,096,142	9,615,285
Transfers in	3,228,682	432,192	-	-	6	3,660,880
Transfers out	(29,773)		(7,798)	(175,520)	(4,962)	(218,053)
Change in net position	2,698,696	(770,922)	238,917	45,279	3,202,393	5,414,363
Total net positionbeginning	53,149,907	51,574,325	4,257,639	534,226	10,008,696	119,524,793
Total net positionending	\$ 55,848,603	\$ 50,803,403	\$ 4,496,556	\$ 579,505	\$ 13,211,089	\$ 124,939,156

NON-MAJOR ENTERPRISE FUNDS STATEMENT OF CASH FLOWS

For the Year Ended September 30, 2021

	McAllen Convention Center	Performing Arts Center	Palm View Golf Course	Palm View Metro Golf Course McAllen		Total
Cash flows from operating activities:						
Receipts from customers	\$ 6,556,184	\$ 456,929	\$ 1,892,940	\$ 334,184	\$ 3,047	\$ 9,243,284
Payments to employees	(1,930,003)	-	(842,856)	(2,043,017)	(311,354)	(5,127,230)
Payments to suppliers	(2,594,219)	(1,051,819)	(419,873)	(1,882,854)	(488,652)	(6,437,417)
Net cash provided (used) by operating activities	2,031,962	(594,890)	630,211	(3,591,687)	(796,959)	(2,321,363)
Cash flows from noncapital financing activities:						
Transfers from other funds	3,090,044	447,521	-	-	37,972	3,575,537
Transfers to other funds	(29,773)	-	(7,798)	(175,520)	(4,962)	(218,053)
Subsidy from federal grant		614,862	243	3,625,782	612,386	4,853,273
Net cash provided (used) by noncapital financing activities	3,060,271	1,062,383	(7,555)	3,450,262	645,396	8,210,757
Cash flows from capital and related financing activities:						
Capital contributions	-	-	-	-	3,930,898	3,930,898
Payments for capital acquisitions	(88,394)	-	(72,581)	-	(3,917,367)	(4,078,342)
Proceeds from sale of capital assets	-	-	-	1,425	-	1,425
Principal repayments-bonds and notes	(6,876)	-	(154)	-	(2,537)	(9,567)
Interest paid	(1,349)		(30)		(497)	(1,876)
Cash provided (used) by capital and related financing activities	(96,619)	-	(72,765)	1,425	10,497	(157,462)
Cash flows from investing activities:						
Proceeds from sales and maturities of						
investments	8,413,137	660,226	836,411	2,528,000	1,045,407	13,483,181
Purchase of investments	(13,447,621)	(1,021,887)	(1,452,241)	(2,388,382)	(1,130,100)	(19,440,231)
Receipt of interest	22,412	26,591	9,832	382	8,693	67,910
Net cash provided (used) by investing activities	(5,012,072)	(335,070)	(605,998)	140,000	(76,000)	(5,889,140)
Net increase (decrease) in cash	(16,458)	132,423	(56,107)	-	(217,066)	(157,208)
Cash at beginning of year	69,142	17,594	83,365	1,213	238,190	409,504
Cash at end of year	\$ 52,684	\$ 150,017	\$ 27,258	\$ 1,213	\$ 21,124	\$ 252,296

Continued

NON-MAJOR ENTERPRISE FUNDS STATEMENT OF CASH FLOWS

For the Year Ended September 30, 2021

	c	McAllen Convention Center		erforming arts Center	-	alm View		Metro McAllen		Transit Terminal		Total
Reconciliation of operating loss to net cash provided by operating activities												
Operating income (loss)	\$	(601,722)	\$	(1,844,613)	\$	234,629	\$	(3,585,236)	\$	(1,886,074)	\$	(7,683,016)
Adjustment to reconcile operating income (loss) to net cash provided by operating activities:												
Depreciation (Increase) decrease in deferred outflows of		1,554,982		1,181,372		390,691		39,561		1,125,411		4,292,017
resources - pension		48,546		-		7,833		33,394		766		90,539
Increase (decrease) in deferred inflow of resources	6	(54,077)		-		(4,254)		(30,361)		1,833		(86,859)
(Increase) decrease in accounts receivable (Increase) decrease in prepaid items		725,184 78,450		-		(822)		13,168 (552)		-		737,530 77,898
Increase (decrease) in accounts payable		151,839		64,439		1,531		14,245		(37,269)		194,785
Increase (decrease) in customer deposits payable Increase (decrease) in compensated absences		215,828		(10,835)		-		-		-		204,993
payable		(5,327)		-		6,379		69,242		10,484		80,778
Increase (decrease) in accrued liabilities		54,285		14,747		8,705		12,865		869		91,471
Increase (decrease) in due to other funds		40,753		-		(01.607)		(76,894)		(10070)		(36,141)
Increase (decrease) net pension liability		(74,224)		-		(31,637)		(81,119)		(12,979)		(199,959)
Increase (decrease) in unearned revenue	_	(102,555)	_		_	17,156	_		_		_	(85,399)
Total adjustments	_	2,633,684		1,249,723		395,582		(6,451)		1,089,115		5,361,653
Net cash provided (used) by operating activities	\$	2,031,962	\$	(594,890)	\$	630,211	\$	(3,591,687)	\$	(796,959)	\$	(2,321,363)
Reconciliation to statement of net position:												
Cash Cash-restricted	\$	50,151	\$	150,017	\$,	\$	1,213	\$	21,124	\$	247,485
Total cash	\$	2,533 52,684	\$	150,017	\$	2,278 27,258	\$	1,213	\$	21,124	\$	4,811 252,296
Noncash investing, capital and financing activities:												
Contributions of capital assets	\$	-	\$	-	\$	-	\$	-	\$	6,906	\$	6,906
Increase (decrease) in fair value of investments		(2,288)		-		-		-		-		(2,288)



Internal Service Funds

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

The <u>Fleet Materials Management Fund</u> sales and services are accounted for in two Interdepartmental Service Fund departments: Fleet Operations and Materials Management.

The **Employee Benefits Fund** was established to account for all expenses related to health insurance premiums and claims for City employees. Primary funding sources are transfers in from General Fund and Enterprise Funds.

The **Retiree Health Insurance Fund** was established to account for all expenses related to health insurance premiums and claims for retired City employees.

The <u>Risk Management Fund</u> was established to account for all expenses related to workmen's compensation claims and general liability insurance. Primary funding sources are transfers in from General Fund and Enterprise Funds.

The <u>Property & Casualty Insurance Fund</u> was established to account for all expenses related to general liability insurance personal and property claims. Primary funding sources are transfers in from General Fund and Enterprise Funds.

The <u>General Depreciation Fund</u> which was established for the sole purpose of replacing fixed assets of the General Fund. Funding has been provided by a rental charge to the appropriate department in the General Fund.

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF NET POSITION

September 30, 2021

	Fleet Materials Management	Employee Benefits	Retiree Health Insurance	
ASSETS				
Current assets:				
Cash Contificate of deposit	\$ 36,680	\$ 1,952,922	\$ -	
Certificate of deposit Investments	-	303,418	45,024	
Receivables, net:		303,410	70,024	
Accounts	216,175	208,913	56,395	
Accrued interest	-	-	-	
Due from other funds	-	-	-	
Due from other governments	27,388	8,121	-	
Other	- 004 511	407,000	-	
Inventories	394,511	<u>-</u>		
Total current assets	674,754	2,880,374	101,419	
Capital assets				
Land	-	-	-	
Buildings and systems	961,956	-	-	
Improvement other than buildings	132,823	-	-	
Machinery and equipment	899,095	-	-	
Construction in progress Less accumulated depreciation	3,979 (724,572)	-	-	
Less accumulated depreciation	(724,372)			
Total capital assets (net of accumulated depreciation)	1,273,281			
Other noncurrent assets Loans receivable	-	-	-	
Total assets	1,948,035	2,880,374	101,419	
Deferred outflows of resources-pension	64,434	-	_	
Total Assets and deferred outflows of resources	\$ 2,012,469	\$ 2,880,374	\$ 101,419	
LIABILITIES	<u> </u>	<u> </u>	<u> </u>	
Current liabilities:				
Accounts payable	\$ 336,075	\$ 1,273,083	\$ -	
Accrued expense	23,804	712,793	240,000	
Due to other funds	-	-	289,295	
Current portion of capital lease	630	-	-	
Compensated absences	74,106	22,077	-	
Other	300	1,049		
Total current liabilities	434,915	2,009,002	529,295	
Other non-current liabilities:				
Compensated absences	-	21,849	-	
Unearned revenue	-	-	-	
Net pension liability	134,650	-	-	
Capital lease payable	2,717			
Total other non-current liabilities	137,367	21,849		
Total liabilities	572,282	2,030,851	529,295	
Deferred inflows of resources-pension	104,239			
Total liabilities and deferred inflows of resources	676,521	2,030,851	529,295	
NET POSITION				
Net investment in capital assets	1,269,934	-	-	
Unrestricted	66,014	849,523	(427,876)	
Total net position	1,335,948	849,523	(427,876)	
Total liabilities, deferred inflows of resources and net position	\$ 2,012,469	\$ 2,880,374	\$ 101,419	
•				

_M	Risk anagement	Property & Casualty Insurance	General Depreciation	_	Total	
\$	114,551	\$ 230,611	\$	282,486	\$	2,617,250
·	512,711	-	·	3,015,476	·	3,528,187
	5,430,954	-		10,058,835		15,838,231
	125,000	-		-		606,483
	1,205	-		4,179		5,384
	-	-		7,189		7,189
	6,726	-		-		42,235
	-	74		-		407,074
	-		_		_	394,511
	6,191,147	230,685	_	13,368,165		23,446,544
	2,158,303	-		4,616,430		6,774,733
	-	-		-		961,956
	-	-		-		132,823
	37,257	-		30,838,373		31,774,725
	-	-		-		3,979
	(30,350)		_	(23,098,414)	_	(23,853,336)
	2,165,210		_	12,356,389		15,794,880
	-	340		-		340
	8,356,357	231,025		25,724,554		39,241,764
	5,000,000		_			
\$	8,356,357	\$ 231,025	\$	25,724,554	\$	64,434 39,306,198
<u>v</u>	0,000,007	<u>\$ 201,020</u>	<u>×</u>	20,724,004	<u>v</u>	37,300,170
\$	35,349	\$ 1,120	\$	178,098	\$	1,823,725
	710,164	64,185		-		1,750,946
	-	-		37,288		326,583
	-	-		-		630
	14,481	6,355		-		117,019
			_			1,349
	759,994	71,660	_	215,386	_	4,020,252
	15,289	-		-		37,138
	-	340		-		340
	-	-		-		134,650
			_		_	2,717
	15,289	340	_		_	174,845
	775,283	72,000	_	215,386		4,195,097
			_			104,239
	775,283	72,000	_	215,386	_	4,299,336
	0465040			10.056.000		15704 500
	2,165,210 5,415,864	- 159,025		12,356,389 13,152,770		15,791,533
_			-	13,152,779		19,215,329
	7,581,074	159,025	_	25,509,168		35,006,862
\$	8,356,357	\$ 231,025	\$	25,724,554	\$	39,306,198

INTERNAL SERVICE FUNDS STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET POSITION For the Year Ended September 30, 2021

	Fleet Materials Management	Employee Benefits	Retiree Health Insurance	
Operating revenues:	Δ (040.0C)	٨	٨	
Charges for services Contributions	\$ 6,042,063	\$ - 12,501,382	\$ - 1,619,090	
Total operating revenues	6,042,063	12,501,382	1,619,090	
Operating expenses:				
Salaries, wages and employee benefits	1,071,250	381,406	-	
Supplies and materials	32,674	139,903	-	
Contractual and other services	4,709,830	1,493,538	87,453	
Repairs and maintenance	54,419	-	-	
Depreciation and amortization	64,407	-	-	
Self insurance claims		12,364,751	2,016,006	
Total operating expenses	5,932,580	14,379,598	2,103,459	
Operating income (loss)	109,483	(1,878,216)	(484,369)	
Non operating revenues (expenses): Investment earnings Net increase (decrease) in fair value of investments Interest expense Gain (loss) on sale of capital assets Other	- (120) - 76,316	395 - - - 296,056	68 - - - 9,416	
	7 0,0 . 0			
Net non-operating revenues (expenses)	76,196	296,451	9,484	
Income (loss) before contributions and transfers	185,679	(1,581,765)	(474,885)	
Capital contributions	35,204	8,203	-	
Transfers in	-	2,600,208	-	
Transfers out	(14,886)			
Change in net position	205,997	1,026,646	(474,885)	
Total net position-beginning	1,129,951	(177,123)	47,009	
Total net positionending	\$ 1,335,948	\$ 849,523	\$ (427,876)	

Risk Management	Property & Casualty Insurance	General Depreciation	Total
\$ - 2,080,766	\$ - 815,722	\$ 2,965,878	\$ 9,007,941 17,016,960
2,080,766	815,722	2,965,878	26,024,901
410,978 88,120 1,397,187 1,027 3,614	82,906 1,006 386,304	- - - - 2,134,917	1,946,540 261,703 8,074,312 55,446 2,202,938
	321,005		14,701,762
1,900,926	791,221 24,501	2,134,917 830,961	<u>27,242,701</u> (1,217,800)
58,863 (2,115)	- - -	105,813 (9,013) -	165,139 (11,128) (120)
85,476	29,563	79,280	79,280 496,827
142,224	29,563	176,080	729,998
322,064	54,064	1,007,041	(487,802)
8,016 - (1,622,574)	232,423	- - -	51,423 2,832,631 (1,637,460)
(1,292,494)	286,487	1,007,041	758,792
8,873,568	(127,462)	24,502,127	34,248,070
\$ 7,581,074	\$ 159,025	\$ 25,509,168	\$ 35,006,862

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS

	Fleet Materials Management	Employee Benefits	Retiree Health Insurance
Cash flows from operating activities:			
Receipts from customers	\$ 5,922,962	\$ 12,501,382	\$ 1,562,695
Payments to employees	(1,091,063)	(388,744)	-
Payments to suppliers	(4,906,239)	(13,102,021)	(1,814,164)
Cash received from other cash receipts	76,316	261,756	9,416
Net cash provided (used) by operating activities	1,976	(727,627)	(242,053)
Cash flows from non-capital financing activities:			
Transfer from other funds	-	2,600,208	-
Transfer to other funds	(14,886)	-	-
Subsidy from federal grant	7,816	82	
Cash provided (used) by non-capital financing activities	(7,070)	2,600,290	
Cash flows from capital and related financing activities:			
Purchases of capital assets	(159,630)	-	-
Proceeds from sale of capital assets	-	-	-
Principal repayments-bonds and notes	(611)	-	-
Interest paid	(120)	<u> </u>	
Net cash (used) by capital and related financing activities	(160,361)		
Cash flows from investing activities:			
Proceeds from sales and maturities of investments	-	4,210,000	855,459
Purchase of investments	-	(4,153,395)	(620,068)
Receipt of interest		395	68
Net cash provided (used) by investing activities		57,000	235,459
Net increase (decrease) in cash	(165,455)	1,929,663	(6,594)
Cash at beginning of year	202,135	23,259	6,594
Cash at end of year	\$ 36,680	\$ 1,952,922	\$ -

	Risk Management		Property & Casualty Insurance		General Depreciation		Totals
	,080,766 (390,871) ,431,092) 90,319	\$	815,648 (74,128) (778,695) 29,563	\$	2,965,878 - -	\$	25,849,331 (1,944,806) (22,032,211) 467,370
	349,122	_	(7,612)	_	2,965,878		2,339,684
(1	389,303 ,622,574) 1,290		232,423		389,303 - -		3,611,237 (1,637,460) 9,188
(1	<u>,231,981)</u>	_	232,423	_	389,303		1,982,965
	- - -		- - -		(1,730,599) 113,953 - -		(1,890,229) 113,953 (611) (120)
					(1,616,646)	_	(1,777,007)
	,627,966 ,777,362) 55,800		- - -		19,464,725 (21,016,655) 93,206		34,158,150 (34,567,480) 149,469
	906,404				(1,458,724)		(259,861)
	23,545		224,811		279,811		2,285,781
	91,006	_	5,800	_	2,675	_	331,469
\$	114,551	\$	230,611	\$	282,486	\$	2,617,250

Continued

INTERNAL SERVICE FUNDS COMBINING STATEMENT OF CASH FLOWS

	Fleet Materials Management		Employee Benefits			Retiree Health Insurance	
Operating income (loss)	\$	109,483	\$	(1,878,216)	\$	(484,369)	
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:							
Depreciation		64,407		-		-	
Other nonoperating revenues		76,316		261,756		9,416	
(Increase) decrease in deferred outflows of resources - pension		15,750		-		-	
Increase (decrease) in deferred inflow of resources -pension		(12,966)		-		-	
(Increase) decrease in accounts receivable		(119,101)		(57,783)		(56,395)	
(Increase) decrease in inventories		23,249		-		-	
Increase (decrease) in accounts payable		(132,565)		1,119,174		-	
Increase (decrease) in compensated absences payable		19,154		28,544		-	
Increase (decrease) in accrued liabilities		2,459		(201,102)		-	
Increase (decrease) in due to other funds		-		-		289,295	
Increase (decrease) in net pension liability		(44,210)		-		-	
Increase (decrease) in unearned revenue			_	-		-	
Total adjustments		(107,507)		1,150,589		242,316	
Net cash provided (used) by operating activities	\$	1,976	\$	(727,627)	\$	(242,053)	
Noncash investing, capital, and financing activities:	Ċ		¢		Ċ		
Increase(decrease) in fair value of investments	\$	-	\$	-	\$	-	

Ma	Risk Management		Property & Casualty Insurance		General Depreciation		Totals
\$	179,840	\$	24,501	\$	\$ 830,961		(1,217,800)
	3,614		-		2,134,917		2,202,938
	90,319		29,563		-		467,370
	-		-		-		15,750
	-		-	-			(12,966)
	-		1,396		-		(231,883)
	-		-		-		23,249
	(63,257)		(70,380)		-		852,972
	19,647		4,681		-		72,026
	118,959		4,097		-		(75,587)
	-		-		-		289,295
	-		-		-		(44,210)
			(1,470)	_			(1,470)
	169,282		(32,113)	_	2,134,917		3,557,484
\$	349,122	\$	(7,612)	\$	2,965,878	\$	2,339,684
\$	(2,115)	\$	-	\$	(9,013)	\$	(11,128)







REVENUES	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Taxes:				
Property	\$ 45,944,513	\$ 46,661,875	\$ 47,292,928	\$ 631,053
Sales	47,031,949	55,613,766	60,183,645	4,569,879
Franchise	6,303,000	6,303,000	6,278,905	(24,095)
				(= 1,0 = 0)
Total taxes	99,279,462	108,578,641	113,755,478	5,176,837
Licenses and permits:				
Business licenses and permits	70,000	70,000	79,746	9,746
Occupational	401,935		509,015	107,080
Non-business licenses and permits	2,018,330	2,018,330	2,053,849	35,519
Total licenses and permits	2,490,265	2,490,265	2,642,610	152,345
Total nocinces and permits	2,430,200	2,470,200		
Intergovernmental			332,194	332,194
Charges for services:				
General government	2,527,863	2,527,863	2,869,807	341,944
Public safety	849.000	849.000	598,841	(250,159)
Highways and streets	8,000	8,000	21,775	13,775
Health	803,915	·	845,614	41,699
Culture and recreation	825,807	825,807	883,556	57,749
Culture and recreation	023,007	023,007	000,000	37,749
Total charges for services	5,014,585	5,014,585	5,219,593	205,008
Fines and forfeitures:				
Corporations court	800,000	859,485	955,663	96,178
Other fines	37,350	37,350	14,215	(23,135)
Total fines and forfeitures	837,350	896,835	969,878	73,043
Investment earnings	1,279,093	642,616	521,857	(120,759)
•				
Net increase (decrease) in the fair value of investments			(59,174)	(59,174)
Other:				
Royalties	340,000	340,000	293,991	(46,009)
Rents and concessions	5,500	5,500	68,284	62,784
Reimbursements	752,144	768,444	1,678,452	910,008
Other	202,400	202,400	783,515	581,115
Total other revenues	1,300,044	1,316,344	2,824,242	1,507,898
Total revenues	110,200,799	118,939,286	126,206,678	7,267,392
EXPENDITURES General government: City commission:				
Personal services	218,370	219,373	223,021	(3,648)
Supplies	4,380	4,429	4,291	138
Miscellaneous services	139,280	136,255	98,539	37,716
Maintenance	16,000	16,000	16,918	(918)
Capital outlay	-	3,025	3,025	
Total city commission	378,030	379,082	345,794	33,288
•				

Creatial comitae	Original Budge	et	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Special service: Miscellaneous services	\$ 734,8	202	\$ 1,714,898	\$ 348,040	\$ 1,366,858
Wiscendieous services	\$ 754,0	90	ÿ 1,714,090	\$ 340,040	\$ 1,500,050
Total special service	734,8	<u> 898</u>	1,714,898	348,040	1,366,858
City manager:					
Personal services	1,564,1	56	1,586,572	1,537,255	49,317
Supplies	14,9	30	29,583	74,494	(44,911)
Miscellaneous services	88,1	81	88,181	42,175	46,006
Maintenance	1,6	088	1,680	714	966
Total city manager	1,668,9	47	1,706,016	1,654,638	51,378
Budget & management:					
Personal service	456,8	326	463,151	430,929	32,222
Supplies	8,3	300	8,300	7,639	661
Miscellaneous services	16,2	282	16,282	5,229	11,053
Maintenance	11,0	000	11,000	2,500	8,500
Capital outlay	4	100	400	300	100
Total budget & management	492,8	808	499,133	446,597	52,536
City secretary:					
Personal services	553,4	196	560,967	506,040	54,927
Supplies	5,0	000	5,510	5,181	329
Miscellaneous services	24,6	666	24,666	15,053	9,613
Maintenance	22,6	558	22,658	19,533	3,125
Total city secretary	605,8	<u>320</u>	613,801	545,807	67,994
Audit office:					
Personal services	215,9	81	218,855	216,389	2,466
Supplies	2,3		2,375	1,049	1,326
Miscellaneous services	11,9		11,931	4,441	7,490
Total audit office	230,2	287	233,161	221,879	11,282
Vital statistics:					
Personal services	151,3	394	153,500	123,279	30,221
Supplies	9,0		25,350	27,465	(2,115)
Miscellaneous services	22,1		22,168	14,151	8,017
Total vital statistics	182,6	512	201,018	164,895	36,123
Passport facility:					
Personal services	178,6	43	181,086	180,356	730
Supplies	2,4		2,598	2,142	456
Miscellaneous services	8,6		8,620	4,245	4,375
Maintenance		200	200		200
Capital outlay	10,0		10,000		10,000
Total passport facility	199,8	888	202,504	186,743	15,761

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Municipal court:			71010011711100111	(i togativo)
Personal services	\$ 1,441,448	\$ 1,460,748	\$ 1,271,381	\$ 189,367
Supplies	16,410	75,895	19,483	56,412
Miscellaneous services	78,764	78,764	30,516	48,248
Maintenance	81,390	81,390	54,779	26,611
Capital outlay	6,500	6,500		6,500
Total municipal court	1,624,512	1,703,297	1,376,159	327,138
Finance:				
Personal services	1,146,980	1,162,859	1,093,431	69,428
Supplies	19,260	27,081	22,134	4,947
Miscellaneous services	236,728	210,468	187,914	22,554
Maintenance	73,606	89,106	87,117	1,989
Capital outlay	18,040	22,000	21,923	77_
Total finance	1,494,614	1,511,514	1,412,519	98,995
Tax office:				
Personal services	309,825	313,952	296,231	17,721
Supplies	8,000	8,098	6,534	1,564
Miscellaneous services	895,947	902,997	958,262	(55,265)
Maintenance	29,307	22,257	20,800	1,457
Total tax office	1,243,079	1,247,304	1,281,827	(34,523)
Purchasing and contracting:				
Personal services	591,020	599,084	510,404	88,680
Supplies	10,045	10,742	15,919	(5,177)
Miscellaneous services	16,163	12,593	22,226	(9,633)
Capital outlay		4,500		4,500
Total purchasing and contracting	617,228	626,919	548,549	78,370
Legal:				
Personal services	1,395,968	1,415,585	1,279,979	135,606
Supplies	7,032	7,032	6,181	851
Miscellaneous services	438,957	438,957	430,267	8,690
Total legal	1,841,957	1,861,574	1,716,427	145,147
Grant administration:				
Personal services	429,499	435,207	385,104	50,103
Supplies	4,000	4,040	2,124	1,916
Miscellaneous services	58,412	58,412	50,794	7,618
Capital outlay	300	300		300
Total grant administration	492,211	497,959	438,022	59,937
Human resources:				
Personal services	690,841	700,044	608,961	91,083
Supplies	32,151	32,501	29,620	2,881
Miscellaneous services	107,149	107,149	69,620	37,529
Maintenance	500	500	238	262
Capital outlay	9,000	10,420	8,759	1,661
Total human resources	839,641	850,614	717,198	133,416

	Orig	inal Budget	Fina	l Budget	Acti	ual Amount	Variance with Final Budget Positive (Negative)
Risk management:		457.005		457.005		457.005	•
Liability insurance	\$	457,085	\$	457,085	\$	457,085	\$ -
Total risk management		457,085		457,085		457,085	
Planning:							
Personal services		1,320,028		1,338,008		1,236,218	101,790
Supplies		20,700		20,814		22,768	(1,954)
Miscellaneous services		49,400		49,400		43,699	5,701
Maintenance		17,241		17,241		9,239	8,002
Total planning		1,407,369		1,425,463		1,311,924	113,539
Information technology:							
Personal services		2,127,271		2,156,442		2,069,254	87,188
Supplies		18,798		46,563		77,934	(31,371)
Miscellaneous services		770,075		323,575		273,899	49,676
Maintenance		670,654		1,117,154		873,630	243,524
Capital outlay						1,427	(1,427)
Total information technology		3,586,798		3,643,734		3,296,144	347,590
•,							
Public information office:							
Personal services		677,751		686,879		582,681	104,198
Supplies		9,950		9,950		7,163	2,787
Miscellaneous services		111,181		118,681		97,837	20,844
Maintenance		14,401		14,401		4,558	9,843
Capital outlay		20,820		20,820		14,339	6,481
Total public information office		834,103		850,731		706,578	144,153
311 Call center:							
Personal services		334,682		339,122		272,019	67,103
Supplies		1,500		1,553		513	1,040
Miscellaneous services		26,500		26,500		13,099	13,401
Maintenance		28,000		28,000		25,059	2,941
Capital outlay		11,200		11,200		11,265	(65)
Total 311 Call center		401,882		406,375		321,955	84,420
City hall:							
Personal services		121,467		122,953		109,988	12,965
Supplies		19,900		19,900		10,599	9,301
Miscellaneous services		243,605		243,605		254,540	(10,935)
Maintenance		142,928		142,928		125,641	17,287
Total city hall		527,900		529,386		500,768	28,618
Development center							
Personal services		41,162		41,615		37,348	4,267
Supplies		14,300		18,162		17,178	984
Miscellaneous services		51,720		51,720		43,937	7,783
Maintenance		13,000		13,000		16,048	(3,048)
Total development center		120,182		124,497		114,511	9,986

Puilding maintenance:	Ori	ginal Budget	_	Final Budget		Actual Amount	Variance with Final Budget Positive (Negative)
Building maintenance: Personal services	\$	871.609	\$	882,488	\$	684,907	197,581
Supplies	Ş	20,522	Ą	20,893	Ş	13,150	7,743
Miscellaneous services		64,638		64,638		58,326	6,312
Maintenance		45,813		45,813		50,989	(5,176)
Capital outlay		5,250	_	5,250	_	15,012	(9,762)
Total building maintenance		1,007,832	_	1,019,082	_	822,384	196,698
Economic development:							
Chambers of commerce		584,850		584,850		584,850	-
				<u> </u>	_		
Total economic development		584,850	_	584,850	_	584,850	
Non-departmental activities		10,000		10,000		5,386	4,614
Contingency		(1,803,033)	_	(1,803,033)	_	25,425	(1,828,458)
Total general government		19,781,500	_	21,096,964	_	19,552,104	1,544,860
Public safety:							
Police:							
Personal services		32,963,177		33,388,012		32,978,857	409,155
Supplies		411,091		436,601		556,158	(119,557)
Miscellaneous services		1,450,882		1,450,882		1,383,727	67,155
Maintenance		1,429,939		1,429,939		1,681,502	(251,563)
Capital outlay		505,308	_	551,408	_	160,003	391,405
Total police		36,760,397	_	37,256,842		36,760,247	496,595
Animal control:							
Personal services		289,722		293,268		260,878	32,390
Supplies		12,000		13,275		14,669	(1,394)
Miscellaneous services		18,450		18,450		16,651	1,799
Maintenance		37,076	_	37,076	_	48,194	(11,118)
Total animal control		357,248	_	362,069	_	340,392	21,677
Radio shop:							
Personal services		337,650		342,109		346,839	(4,730)
Supplies		20,376		38,252		37,742	510
Miscellaneous services		300,178		300,178		262,208	37,970
Maintenance		6,770		6,770		1,588	5,182
Capital outlay		21,076	_	5,200	_	4,514	686
Total communication technology		686,050	_	692,509	_	652,891	39,618
Fire:							
Personal services		17,868,777		18,042,882		18,957,701	(914,819)
Supplies		309,743		313,743		388,345	(74,602)
Miscellaneous services		1,265,685		1,265,685		1,234,990	30,695
Maintenance		801,180		801,180		750,059	51,121
Capital outlay		60,000	_	118,935	_	73,733	45,202
Total fire		20,305,385	_	20,542,425	_	21,404,828	(862,403)

Tueffic an avation of	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Traffic operations: Personal services	\$ 1,596,147	\$ 1.617.361	\$ 1,452,342	\$ 165,019
Supplies	118,492	118,792	75,136	43,656
Miscellaneous services	409,169	409,169	341,369	67,800
Maintenance	320,404	320,404	350,988	(30,584)
Capital outlay	51,421	51,421	45,657	5,764
Total traffic operations	2,495,633	2,517,147	2,265,492	251,655
Building code compliance:				
Personal services	1,026,995	1,040,512	806,244	234,268
Supplies	13,687	13,687	21,679	(7,992)
Miscellaneous services	67,723	67,723	85,699	(17,976)
Maintenance	13,036	13,036	15,459	(2,423)
Capital outlay	3,500	3,500	8,990	(5,490)
Total building code compliance	1,124,941	1,138,458	938,071	200,387
Total public safety	61,729,654	62,509,450	62,361,921	147,529
Highways and streets:				
Engineering services:				
Personal services	1,984,911	2,011,422	1,791,200	220,222
Supplies	13,000	13,025	9,021	4,004
Miscellaneous services	141,377	141,377	100,883	40,494
Maintenance	37,110	37,110	33,445	3,665
Capital outlay	22,218	22,218	10,063	12,155
Total engineering	2,198,616	2,225,152	1,944,612	280,540
Street maintenance:				
Personal services	2,183,845	2,211,093	1,680,294	530,799
Supplies	29,857	29,973	40,604	(10,631)
Miscellaneous services	407,397	407,397	432,944	(25,547)
Maintenance	3,897,072	3,897,072	3,605,126	291,946
Capital outlay	12,000	12,000	11,572	428
Total street maintenance	6,530,171	6,557,535	5,770,540	786,995
Street lighting:				
Miscellaneous services	2,151,390	2,151,390	2,217,226	(65,836)
Maintenance	72,675	72,675	63,131	9,544
Total street lighting	2,224,065	2,224,065	2,280,357	(56,292)
Sidewalk construction:				
Personal services	274,225	277,482	262,744	14,738
Supplies	30,132	30,132	33,044	(2,912)
Miscellaneous services	13,825	13,825	13,870	(45)
Maintenance	27,870	27,870	35,933	(8,063)
Total sidewalk construction	346,052	349,309	345,591	3,718

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Drainage:	h 006 007	h 1000.000	Δ 040.000	h (7044
Personal services	\$ 996,037			
Supplies Miscellaneous services	20,052	20,052	26,637	(6,585)
Maintenance	268,989	268,989	261,605	7,384
Mantenance	289,049	289,049	431,038	(141,989)
Total drainage	1,574,127	1,587,156	1,661,302	(74,146)
Total highways and streets	12,873,031	12,943,217	12,002,402	940,815
Health and welfare:				
Health code compliance:				
Personal services	1,507,861	1,527,846	1,518,851	8,995
Supplies	40,495	48,829	76,448	(27,619)
Miscellaneous services	387,339	387,339	269,483	117,856
Maintenance	31,721	31,721	90,156	(58,435)
Capital outlay	70,700	70,700	71,866	(1,166)
Total health code compliance	2,038,116	2,066,435	2,026,804	39,631
Graffiti cleaning:				
Personal services	115,880	117,349	120,114	(2,765)
Supplies	10,181	10,181	10,415	(234)
Miscellaneous services	10,901	10,901	10,923	(22)
Maintenance	20,239	20,239	24,567	(4,328)
Total graffiti cleaning	157,201	158,670	166,019	(7,349)
Other agencies:				
Humane society	767,276	919,193	1,002,756	(83,563)
Other health and welfare agencies	35,000	35,000	30,000	5,000
Total other agencies	802,276	954,193	1,032,756	(78,563)
Total health and welfare	2,997,593	3,179,298	3,225,579	(46,281)
O draw and a constitue				
Culture and recreation: Parks and recreation administration:				
Personal services	453,190	459,333	425,136	34,197
Supplies	7,250	7,250	5,476	1,774
Miscellaneous services	127,387	127,387	94,679	32,708
Maintenance	24,097	24,097	21,393	2,704
Walleriance		24,037	21,030	2,704
Total parks and recreation administration	611,924	618,067	546,684	71,383
Parks:				
Personal services	5,378,720	5,445,589	4,639,638	805,951
Supplies	202,154	204,247	182,422	21,825
Miscellaneous services	2,269,797	2,269,797	2,506,765	(236,968)
Maintenance	694,244	694,244	720,228	(25,984)
Capital outlay	82,074	107,474	131,012	(23,538)
Total parks	8,626,989	8,721,351	8,180,065	541,286

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Recreation:	\$ 1,446,283	Ć 1.4E2.020	\$ 866,355	¢ 507.504
Personal services Supplies	\$ 1,446,283 78,000	\$ 1,453,939 78,000	60,129	\$ 587,584 17,871
Miscellaneous services	320,794	320,794	258,588	62,206
Maintenance	15,599	15,599	12,903	2,696
Capital outlay	21,000	21,000	13,392	7,608
Capital Outlay	21,000	21,000	13,332	7,000
Total recreation	1,881,676	1,889,332	1,211,367	677,965
Pools:				
Personal services	675,495	678,561	484,820	193,741
Supplies	87,800	87,800	80,042	7,758
Miscellaneous services	124,378	124,378	80,326	44,052
Maintenance	60,002	60,002	32,513	27,489
Capital outlay	19,500	19,500	-	19,500
Total pools	967,175	970,241	677,701	292,540
Las palmas community center:				
Personal services	273,813	277,527	247,985	29,542
Supplies	16,180	16,180	10,292	5,888
Miscellaneous services	96,463	96,463	81,078	15,385
Maintenance	17,384	17,384	18,815	(1,431)
Total las palmas community center	403,840	407,554	358,170	49,384
Recreation center-Lark:				
Personal services	327,143	331,598	308,318	23,280
Supplies	25,730	26,061	18,527	7,534
Miscellaneous services	129,573	129,573	88,512	41,061
Maintenance	16,500	16,500	11,037	5,463
Total recreation center-Lark	498,946	503,732	426,394	77,338
Recreation center-Palmview: Personal services	317,025	321,331	285,336	35,995
Supplies	23,205	23,205	17,974	5,231
Miscellaneous services	115,924	115,924	82,879	33,045
Maintenance	17,000	17,000	11,561	5,439
Total recreation center-Palmview	473,154	477,460	397,750	79,710
Quinta mazatlan:				
Personal services	726,937	734,936	562,407	172,529
Supplies	50,350	51,693	60,600	(8,907)
Miscellaneous services	112,525	112,525	117,057	(4,532)
Maintenance	50,390	50,390	51,920	(1,530)
Capital outlay	35,356	35,356	53,150	(17,794)
Total quinta mazatlan	975,558	984,900	845,134	139,766

L'Havene	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Library:	à 2600,000	Δ 0.646.500	ά 0.004.000	ó 010.401
Personal services	\$ 2,600,290	\$ 2,646,590 276,600	\$ 2,334,099	\$ 312,491
Supplies Missellaneous continue	276,600	,	266,309	10,291
Miscellaneous services	610,822	610,822	672,248	(61,426)
Maintenance	190,351	190,351	194,020	(3,669)
Capital outlay	6,000	6,000	4,500	1,500
Total library	3,684,063	3,730,363	3,471,176	259,187
Library branch-Lark:				
Personal services	451,702	457,799	421,018	36,781
Supplies	29,150	29,150	29,109	41
Miscellaneous services	13,293	13,293	10,086	3,207
Maintenance	5,250	5,250	3,466	1,784
Capital outlay	8,000	8,000	8,124	(124)
Total library branch-Lark	507,395	513,492	471,803	41,689
Library branch-Palmview:				
Personal services	483,514	490,032	467,168	22,864
Supplies	30,200	30,615	27,270	3,345
Miscellaneous services	9,993	9,993	9,823	170
Maintenance	5,500	5,500	3,022	2,478
Capital outlay	8,000	8,000	8,124	(124)
Total library branch-Palmview	537,207	544,140	515,407	28,733
•			<u> </u>	<u> </u>
Other agencies	969,000	969,000	964,750	4,250
Museums	683,500	683,500	683,500	
Total culture and recreation	20,820,427	21,013,132	18,749,901	2,263,231
Debt service:				
Principal	167,351	167,351	424,845	(257,494)
Interest	95,823	95,823	83,329	12,494
Total capital lease	263,174	263,174	508,174	(245,000)
Total expenditures	118,465,379	121,005,235	116,400,081	4,605,154
Excess of revenues over expenditures	(8,264,580)	(2,065,949)	9,806,597	11,872,546
OTHER FINANCING SOURCES (USES)				
Transfers in	5,545,029	29,528,982	24,997,486	(4,531,496)
Transfers out				
Transfers out	(4,460,817)	(41,272,590)	(37,436,500)	3,836,090
Net other financing sources (uses)	1,084,212	(11,743,608)	(12,439,014)	(695,406)
Net change in fund balances	(7,180,368)	(13,809,557)	(2,632,417)	11,177,140
Fund balances at beginning of year	79,109,188	79,109,188	79,109,188	
Fund balances at end of year	\$ 71,928,820	\$ 65,299,631	\$ 76,476,771	\$ 11,177,140

	Original Budget Final Budget			Budget	Actual Amount			Variance with Final Budget Positive (Negative)	
REVENUES Hotel tax Other	\$	3,100,033	\$ 3,	100,033	\$	3,249,439 20	\$	149,406 20	
Total revenues		3,100,033	3	100,033		3,249,459		149,426	
EXPENDITURES Current:									
General government		1,020,474	1	020,474		1,064,082		(43,608)	
Total expenditures		1,020,474	1	020,474		1,064,082		(43,608)	
Excess (deficiency) of revenues over expenditures		2,079,559	2	079,559		2,185,377		105,818	
OTHER FINANCING SOURCES (USES) Transfers out		(2,079,559)	(2	,079,559)		(2,185,357)		(105,798)	
Total other financing sources (uses)		(2,079,559)	(2	079,559)		(2,185,357)		(105,798)	
Net changes in fund balances		-		-		20		20	
Fund balances-beginning		368		368		368			
Fund balances-ending	\$	368	\$	368	\$	388	\$	20	

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES Hotel tax	\$ 735,995	\$ 735,995	\$ 928,742	\$ 192,747
Investment earnings			4	4
Total revenues	735,995	735,995	928,746	192,751
OTHER FINANCING SOURCES (USES) Transfers out	(858,738)	(858,738)	(761,389)	97,349
Total other financing sources (uses)	(858,738)	(858,738)	(761,389)	97,349
Net changes in fund balances	(122,743)	(122,743)	167,357	290,100
Fund balances-beginning	358,021	358,021	358,021	
Fund balances-ending	\$ 235,278	\$ 235,278	\$ 525,378	\$ 290,100

CHRISTMAS PARADE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ -	\$ -	\$ 11,157	\$ 11,157
Investment earnings	-	-	318	318
Other	550,000	550,000	767,178	217,178
Total revenues	550,000	550,000	778,653	217,496
EXPENDITURES				
Current:				
Culture and recreation	509,600	509,600	436,308	73,292
Total expenditures	509,600	509,600	436,308	73,292
Excess (deficiency) of revenues over expenditures	40,400	40,400	342,345	301,945
OTHER FINANCING SOURCES (USES)				
Transfers in	25,000	25,000	25,000	
Total other financing sources (uses)	25,000	25,000	25,000	
Net changes in fund balances	65,400	65,400	367,345	301,945
Fund balances-beginning	147,254	147,254	147,254	_
3			,==:	
Fund balances-ending	\$ 212,654	\$ 212,654	\$ 514,599	\$ 301,945

McALLEN EB-5 REGIONAL CENTER FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Investment earnings	\$ -	\$ -	\$ 79	\$ 79
Total revenues			79	79
EXPENDITURES Current:				
General government			12,910	(12,910)
Total expenditures			12,910	(12,910)
Excess (deficiency) of revenues over expenditures			(12,831)	(12,831)
Net changes in fund balances	-	-	(12,831)	(12,831)
Fund balancesbeginning	76,255	76,255	76,255	
Fund balances-ending	\$ 76,255	\$ 76,255	\$ 63,424	\$ (12,831)

COMMUNITY DEVELOPMENT FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
	Original Budget	Filial Budget	Actual Amount	(Negative)
REVENUES Intergovernmental Other	\$ 2,289,940	\$ 2,289,940	\$ 2,160,879	\$ (129,061)
Total revenues	2,289,940	2,289,940	2,160,879	(129,061)
EXPENDITURES Current:				
General government	395,940	395,940	751,167	(355,227)
Highways and streets	808,543	808,543	274,296	534,247
Health and welfare	860,457	860,457	729,434	131,023
Culture and recreation	225,000	225,000	405,982	(180,982)
Total expenditures	2,289,940	2,289,940	2,160,879	129,061
Excess (deficiency) of revenues over expenditures				
Net changes in fund balances	-	-	-	-
Fund balances-beginning				
Fund balances-ending	\$	\$ -	\$	\$ -

DOWNTOWN SERVICES PARKING FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Licenses and permits	\$ 15,000	\$ 15,000	\$ 10,926	\$ (4,074)
Charges for services	1,031,000	1,031,000	678,369	(352,631)
Fines and forfeitures	140,000	140,000	33,601	(106,399)
Intergovernmental	-	-	1,333	1,333
Investment earnings	327	327	-	(327)
Other	3,300	3,300	161,923	158,623
Total revenues	1,189,627	1,189,627	886,152	(303,475)
EXPENDITURES				
Current:				
Highways and streets	1,199,390	1,210,715	883,736	326,979
Principal	3,956	3,956	4,076	(120)
Interest and fiscal charges	919	919	799	120
Total expenditures	1,204,265	1,215,590	888,611	326,979
Excess (deficiency) of revenues over expenditures	(14,638)	(25,963)	(2,459)	23,504
OTHER FINANCING SOURCES (USES)				
Transfers in	150,000	150,000	150,000	-
Transfers out	(11,342)	(11,342)	(11,342)	
Total other financing sources (uses)	138,658	138,658	138,658	
Net changes in fund balances	124,020	112,695	136,199	23,504
Fund balances-beginning	(17,249)	(17,249)	(17,249)	
Fund balances-ending	\$ 106,771	\$ 95,446	\$ 118,950	\$ 23,504

	Original B	udget	Final Budget		Actual Amount		/ariance with Final Budget Positive (Negative)
REVENUES							
Property tax	\$ 5,0	61,449	\$ 5,061,44	9 \$	5,655,037	\$	593,588
Interest		-		-	4,563		4,563
Other					13,873		13,873
Total revenues	5,0	61,449	5,061,44	9	5,673,473	_	612,024
EXPENDITURES							
Debt service:							
Principal	2,4	85,000	2,485,00	0	2,485,000		-
Interest and fiscal charges	2,5	76,449	2,576,44	9	2,949,191	_	(372,742)
Total expenditures	5,0	61,449	5,061,44	9	5,434,191		(372,742)
Excess (deficiency) of revenues over expenditures				<u>-</u> _	239,282		239,282
OTHER FINANCING SOURCES (USES)							
Transfers in		-		-	47,172		47,172
Issuance of debt		-		-	38,490,000		38,490,000
Payment to refunded bond escrow agent					(38,261,506)	_	(38,261,506)
Total other financing sources (uses)				<u>-</u> _	275,666		275,666
Net changes in fund balances		-		-	514,948		514,948
Fund balancebeginning	3,3	65,444	3,365,44	4_	3,365,444	_	
Fund balanceending	\$ 3,3	65,444	\$ 3,365,44	4 \$	3,880,392	\$	514,948

HOTEL VENUE DEBT SERVICE FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Property tax Interest	\$ - -	\$ - -	\$ -	\$ - -
Total revenues				
EXPENDITURES Current: Debt service:				
Principal	515,000	515.000	515,000	_
Interest and fiscal charges	343,738	343,738	199,216	144,522
Total expenditures	858,738	858,738	714,216	144,522
Excess (deficiency) of revenues over expenditures	(858,738)	(858,738)	(714,216)	144,522
OTHER FINANCING SOURCES (USES) Transfers in	858,738	858,738	714,217	(144,521)
Total other financing sources (uses)	858,738	858,738	714,217	(144,521)
Net changes in fund balances	-	-	1	1
Fund balance-beginning	3	3	3	
Fund balanceending	\$ 3	\$ 3	\$ 4	<u>\$ 1</u>

LOCAL GOVERNMENT FINACE CORPORATION DEBT SERVICE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

REVENUES	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
	•	•	A 464	A
Investment earnings	\$ -	\$ -	\$ 161	\$ 161
Total revenues			161	161
EXPENDITURES				
Current:				
Debt service:				
Principal	525,000	525,000	500,000	25,000
Interest and fiscal charges	385,435	385,435	367,081	18,354
· ·				
Total expenditures	910,435	910,435	867,081	43,354
Excess (deficiency) of revenues over expenditures	(910,435)	(910,435)	(866,920)	43,515
OTHER FINANCING SOURCES (USES)				
Transfers in	910,435	910,435	1,013,284	102,849
Tatal ath an financia a course ()	010 405	010 405	1.010.004	100.040
Total other financing sources (uses)	910,435	910,435	1,013,284	102,849
Net changes in fund balances	_	_	146,364	146,364
Net changes in fana balances			140,304	140,504
Fund balancebeginning	200,898	200,898	200,898	-
·				
Fund balance-ending	\$ 200,898	\$ 200,898	\$ 347,262	\$ 146,364

CAPITAL IMPROVEMENT FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

	Original Budget Final B		inal Budget	Ac	tual Amount	F	ariance with inal Budget Positive (Negative)	
REVENUES								
Intergovernmental	\$	1,752,208	\$	1,752,208	\$	29,613	\$	(1,722,595)
Investment earnings		41,527		41,527		53,151		11,624
Net increase (decrease) in the fair value of investments		-		-		(2,641)		(2,641)
Other				-		88,682		88,682
Total revenues		1,793,735		1,793,735		168,805		(1,624,930)
EXPENDITURES								
Current:								
General government		2,065,694		2,195,883		1,136,074		1,059,809
Public safety		983,700		1,111,865		760,916		350,949
Highways and streets		927,552		1,019,552		32,871		986,681
Culture and recreation		4,155,995		4,134,411	-	357,549		3,776,862
Total expenditures		8,132,941		8,461,711		2,287,410		6,174,301
Deficiency of revenues over expenditures		(6,339,206)		(6,667,976)		(2,118,605)		4,549,371
OTHER FINANCING SOURCES (USES)								
Transfers in		3,654,113		4,666,931		5,372,876		705,945
Total other financing sources (uses)		3,654,113		4,666,931		5,372,876		705,945
Net changes in fund balances		(2,685,093)		(2,001,045)		3,254,271		(5,255,316)
Fund balances-beginning		5,733,617		5,733,617		5,733,617		
Fund balances-ending	\$	3,048,524	\$	3,732,572	\$	8,987,888	\$	5,255,316

QUINTA CENTER FOR URBAN ECOLOGY FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

	Orig	Original Budget Final Budget				tual Amount	Variance with Final Budget Positive (Negative)		
REVENUES Intergovernmental Investment earnings	\$	3,961,082	\$	3,961,082 -	\$	2,243,813 10	\$	(1,717,269) 10	
Total revenues		3,961,082		3,961,082		2,243,823	_	10	
EXPENDITURES									
Current: Culture and recreation		948,270		948,270		1,482,449	_	(534,179)	
Total expenditures		948,270		948,270		1,482,449	_	(534,179)	
Excess (deficiency) of revenues over expenditures		3,012,812		3,012,812		761,374	_	(2,251,438)	
OTHER FINANCING SOURCES (USES)									
Transfers in		1,100,841		1,100,841		1,362,150		261,309	
Total other financing sources (uses)		1,100,841		1,100,841		1,362,150	_	261,309	
Net changes in fund balances		4,113,653		4,113,653		2,123,524		(1,990,129)	
Fund balancesbeginning		(46,930)		(46,930)		(46,930)			
Fund balances-ending	\$	4,066,723	\$	4,066,723	\$	2,076,594	\$	(1,990,129)	

INFRASTRUCTURE AND IMPROVEMENTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

	Original Bud	get	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES					
Investment earnings	\$		\$ -	\$ 90	\$ 90
Total revenues				90	90
EXPENDITURES Current:					
General government			5,250,000		5,250,000
Public safety		_	6,975,000	-	6,975,000
Highways and streets		_	542,645	43,317	499,328
Culture and recreation			260,000	19,380	240,620
Total expenditures			13,027,645	62,697	12,964,948
Excess (deficiency) of revenues over expenditures			(13,027,645)	(62,607)	(12,964,858)
OTHER FINANCING SOURCES (USES)					
Transfers in			(30,006,582)	25,464,547	55,471,129
Total other financing sources (uses)			(30,006,582)	25,464,547	55,471,129
Net changes in fund balances		-	(43,034,227)	25,401,940	42,506,271
Fund balances-beginning					
Fund balances-ending	\$	<u>_</u>	\$ (43,034,227)	\$ 25,401,940	\$ 42,506,271

INFORMATION TECHNOLOGY FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

	Original Budg	et Final B	udget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES					
Other	\$ 58,6	95 \$	58,695	\$ 59,835	\$ 1,140
Net increase (decrease) in the Investment earnings	1,2	38	1,238	171	(1,067)
Total revenues	59,9	33	59,933	60,006	73
EXPENDITURES Current:					
General government Public safety	52,7	- 23	14,000 38,723	9,813	4,187 38,723
Total expenditures	52,7	23	52,723	9,813	42,910
Excess (deficiency) of revenues over expenditures	7,2	10	7,210	50,193	(42,837)
Net changes in fund balances	7,2	10	7,210	50,193	42,983
Fund balancesbeginning	151,0	25	151,025	151,025	
Fund balancesending	\$ 158,2	<u>35</u> \$	158,235	\$ 201,218	\$ 42,983

	Orig	ginal Budget	F	inal Budget	Act	ual Amount	F	ariance with Final Budget Positive (Negative)
REVENUES								
Other	\$	10,000	\$	10,000	\$	611,774	\$	601,774
Net increase (decrease) in the fair value of investments		-		-		(2,484)		(2,484)
Investment earnings		26,317	_	26,317		21,583		(4,734)
Total revenues		36,317		36,317		630,873		594,556
EXPENDITURES								
Current:								
General government		-		-		-		-
Culture and recreation		1,037,408		1,037,408		378,231		659,177
Total expenditures		1,037,408		1,037,408		378,231		659,177
Excess (deficiency) of revenues over expenditures		(1,001,091)		(1,001,091)		252,642		1,253,733
((/ / - /		() =				, ,
OTHER FINANCING SOURCES (USES)								
Transfers in			_	-				
Total other financing sources (uses)		_		_		_		_
Total other initialising sources (uses)	-							
Net changes in fund balances		(1,001,091)		(1,001,091)		252,642		1,253,733
Fund balances-beginning		2,691,926		2,691,926		2,691,926		
Fund balances-ending	\$	1,690,835	\$	1,690,835	\$	2,944,568	\$	1,253,733
i unu parances enumy	<u>Ş</u>	1,090,033	<u>ې</u>	1,090,033	Ş	2,744,300	<u>ې</u>	1,200,700

STREET IMPROVEMENTS FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

	Ori	iginal Budget	Final Budget Actual Amoun			ual Amount	Variance with Final Budget Positive (Negative)		
REVENUES Intergovernmental Investment earnings	\$	4,463,178 51,480	\$	4,463,178 51,480	\$	2,883,563 5,489	\$	(1,579,615) (45,991)	
Other				-		722	_	722	
Total revenues		4,514,658		4,514,658		2,889,774	_	(1,624,884)	
EXPENDITURES Current:									
Highways and streets		9,621,012		10,518,320		5,368,817	_	5,149,503	
Total expenditures		9,621,012		10,518,320		5,368,817		5,149,503	
Deficiency of revenues over expenditures		(5,106,354)		(6,003,662)		(2,479,043)		3,524,619	
Net changes in fund balances		(5,106,354)		(6,003,662)		(2,479,043)		3,524,619	
Fund balances-beginning		6,003,663		6,003,663		6,003,663	_	-	
Fund balances-ending	\$	897,309	\$	1	\$	3,524,620	\$	3,524,619	

SPORTS FACILITY FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES	A 706	A 706	A 01	Á (74.5)
Investment earnings	\$ 796	\$ 796	\$ 81	\$ (715)
Total revenues	796	796	81	(715)
EXPENDITURES Current:				
Culture and recreation	80,000	80,000	22,127	57,873
Total expenditures	80,000	80,000	22,127	57,873
Deficiency of revenues over expenditures	(79,204)	(79,204)	(22,046)	57,158
Net changes in fund balances	(79,204)	(79,204)	(22,046)	57,158
Fund balancesbeginning	79,849	79,849	79,849	
Fund balances-ending	\$ 645	\$ 645	\$ 57,803	\$ 57,158

PUBLIC EDUCATION GOVERNMENT FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Franchise tax	\$ 200,000	\$ 200,000	\$ 217,249	\$ 17,249
Investment earnings	8,190	8,190	1,049	(7,141)
Total revenues	208,190	208,190	218,298	10,108
EXPENDITURES				
Current:	401 105	406 10E	20.662	206 522
General government	401,195	426,195	29,662	396,533
Total expenditures	401,195	426,195	29,662	396,533
Excess (deficiency) of revenues over expenditures	(193,005)	(218,005)	188,636	406,641
Net changes in fund balances	(193,005)	(218,005)	188,636	406,641
Fund balances - beginning	938,064	938,064	938,064	
Fund balances - ending	\$ 745,059	\$ 720,059	\$ 1,126,700	\$ 406,641

PERFORMING ARTS C.O. FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES Investment earnings Other	\$ 20,600	\$ 20,600	\$ 1,710	\$ (18,890)
Total revenues	20,600	20,600	1,710	(18,890)
EXPENDITURES Current: Culture and recreation				
Total expenditures				
Excess (deficiency) of revenues over expenditures	20,600	20,600	1,710	(18,890)
OTHER FINANCING SOURCES (USES) Transfers out	(1,500,517)	(2,080,602)	(2,080,602)	_
Net other financing sources (uses)	(1,500,517)			
Net changes in fund balances	(1,479,917)	(2,060,002)	(2,078,892)	(18,890)
Fund balances-beginning	2,084,039	2,084,039	2,084,039	
Fund balances-ending	\$ 604,122	\$ 24,037	\$ 5,147	\$ (18,890)

DRAINAGE FEE SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

DEVENUE	Original Budge	t Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES Residential customers	\$ 670,000) \$ 670,000	\$ 661,910	\$ (8,090)
Commercial accounts	590,000		566,525	(23,475)
Industrial customers	36,000	•	33,619	(2,381)
Investment earnings	27,230	27,230	28,311	1,081
Total revenues	1,323,230	1,323,230	1,290,365	(32,865)
EXPENDITURES				
Current:				
Highways and streets	3,729,436	<u>4,189,476</u>	675,554	3,513,922
Total expenditures	3,729,436	4,189,476	675,554	3,513,922
Excess (deficiency) of revenues over expenditures	(2,406,206	(2,866,246)	614,811	3,481,057
Net changes in fund balances	(2,406,206	5) (2,866,246)	614,811	(3,481,057)
Fund balances-beginning	3,077,390	3,077,390	3,077,390	
Fund balances-ending	\$ 671,184	<u>\$ 211,144</u>	\$ 3,692,201	\$ (3,481,057)

FRIENDS OF QUINTA SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

	Orig	jinal Budget		Final Budget	Ac	ctual Amount		Variance with Final Budget Positive (Negative)
REVENUES							_	
Investment earnings	\$	7,333	\$	7,333	\$	832	\$	(6,501)
Other		475,000	_	475,000	_	910,421	_	435,421
Total revenues		482,333	_	482,333	_	911,253	_	428,920
EXPENDITURES Current:								
Culture and recreation		50,000		50,000		65,815		(15,815)
Total expenditures		50,000	_	50,000		65,815	_	(15,815)
Excess (deficiency) of revenues over expenditures		432,333		432,333		845,438		413,105
OTHER FINANCING SOURCES (USES)								
Transfers out		(1,100,841)		(1,100,841)		(1,362,150)		(261,309)
Total other financing sources (uses)		(1,100,841)	_	(1,100,841)		(1,362,150)	_	(261,309)
Net changes in fund balances		(668,508)		(668,508)		(516,712)		151,796
Fund balances-beginning		761,811	_	761,811		761,811	_	<u> </u>
Fund balances-ending	\$	93,303	\$	93,303	\$	245,099	\$	151,796

PARKS FACILITY/FIRE STATION #2 CONSTRUCTION FUND SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES BUDGET AND ACTUAL

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				A (04.070)
Investment earnings	\$ 32,348	\$ 32,348	\$ 5,369	\$ (26,979)
Total revenues	32,348	32,348	5,369	(26,979)
EXPENDITURES Current:				
Culture and recreation	2,910,470	6,302,631	466,791	5,835,840
Total expenditures	2,910,470	6,302,631	466,791	5,835,840
Excess (deficiency) of revenues over expenditures	(2,878,122)	(6,270,283)	(461,422)	5,808,861
OTHER FINANCING SOURCES (USES) Transfers in		(2,901,246)	2,901,249	5,802,495
Net changes in fund balances	(2,878,122)	(9,171,529)	2,439,827	11,611,356
Fund balances-beginning	3,439,022	3,439,022	3,439,022	
Fund balances-ending	\$ 560,900	\$ (5,732,507)	\$ 5,878,849	\$ 11,611,356

TRAFFIC IMPROV/DRAINAGE CONSTRUCTION SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE BUDGET AND ACTUAL

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
REVENUES				
Intergovernmental	\$ 1,048,819	\$ 1,048,819	\$ -	\$ (1,048,819)
Investment earnings	205,616	205,616	36,908	(168,708)
Total revenues	1,254,435	1,254,435	36,908	(1,217,527)
EXPENDITURES				
Current:				
General government	_	_	_	_
Public safety	1,051,000	1,051,000	299,317	751,683
Highways and streets	17,343,964	18,561,815	4,954,177	13,607,638
Highways and streets	17,343,904	10,301,013	4,934,177	13,007,030
Total expenditures	18,394,964	19,612,815	5,253,494	14,359,321
•			· · · · · · · · · · · · · · · · · · ·	
Deficiency of revenues over expenditures	(17,140,529)	(18,358,380)	(5,216,586)	13,141,794
OTHER FINANCING COURSES (1950)				
OTHER FINANCING SOURCES (USES)				
Issuance of debt	-	-	-	-
Bond premium				
Total other financing sources (uses)	_	-	-	-
• ,				
Net changes in fund balances	(17,140,529)	(18,358,380)	(5,216,586)	13,141,794
	00.066.504	00.066.504	00.066.504	
Fund balances-beginning	22,266,534	22,266,534	22,266,534	
Fund balances-ending	\$ 5,126,005	\$ 3,908,154	\$ 17,049,948	\$ 13,141,794

WATER FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

Operating revenues:	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Water sales				
Residential customers	\$ 14,428,560		\$ 12,165,902	\$ (2,262,658)
Commercial accounts	6,508,437	6,508,437	5,904,797	(603,640)
Industrial customers	541,053	541,053	404,335	(136,718)
Total water sales	21,478,050	21,478,050	18,475,034	(3,003,016)
Service charges:				
· · · · · · · · · · · · · · · · · · ·	010.000	010.000	783,030	(26.070)
Tap fees	810,000	810,000	·	(26,970)
Connect fees	220,000	220,000	223,800	3,800
Reconnect fees	190,000	190,000	198,125	8,125
Other services	1,070,500	1,070,500	1,012,371	(58,129)
Total service charges	2,290,500	2,290,500	2,217,326	(73,174)
Total operating revenues	23,768,550	23,768,550	20,692,360	(3,076,190)
Non appreting revenues				
Non-operating revenues:	170 470	170 470	106 510	(40.000)
Investment earnings	179,473	179,473	136,513	(42,960)
Net increase (decrease) in the fair value of investment	-	-	(13,646)	(13,646)
Other	22,400,000	22,400,000	1,226,891	(21,173,109)
Total non-operating revenues	22,579,473	22,579,473	1,349,758	(21,229,715)
Total revenues	22,560,898	22,560,898	22,042,118	(518,780)
Expenses: Water plant: Salaries and benefits Supplies and raw water purchases Contractual and other services Repairs and maintenance Capital outlay	1,792,429 1,383,410 3,887,295 462,500 483,200	1,863,388 1,384,332 3,982,928 488,345 555,200	1,830,358 1,190,040 3,642,589 488,201 260,137	33,030 194,292 340,339 144 295,063
Total water plant	8,008,834	8,274,193	7,411,325	862,868
Water lab: Salaries and benefits Supplies Contractual and other services	305,143 39,130 72,035	316,974 39,601 74,814	312,386 34,556 50,915	4,588 5,045 23,899
Repairs and maintenance	33,450	33,450	32,832	618
Capital outlay	383,515	383,515	12,345	371,170
Total water lab	833,273	848,354	443,034	405,320
Transmission and distribution: Salaries and benefits Supplies Contractual and other services Repairs and maintenance Capital outlay	2,319,241 50,000 402,710 253,000 1,594,865	2,371,913 50,429 419,681 253,000 1,655,965	2,112,273 40,615 144,277 (24,552) 744,554	259,640 9,814 275,404 277,552 911,411
Total Tour contaction and alteretheaten	4.610.016	4.750.000	0.017.167	1 700 001
Total Transmission and distribution	4,619,816	4,750,988	3,017,167	1,733,821
Water meters:				
Salaries and benefits	948,019	965,767	924,213	41,554
Supplies	30,600	30,600	18,861	11,739
Contractual and other services	61,149	56,769	44,120	12,649
Repairs and maintenance	80,600	80,600	71,437	9,163
•		·	/ 1,43/	·
Capital outlay	133,000	133,000		133,000
Total water meters	1,253,368	1,266,736	1,058,631	208,105

WATER FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

	Ori	iginal Budget		Final Budget	Ac	tual Amount		ariance with Final Budget Positive (Negative)
Utility billing: Salaries and benefits	\$	470,990	\$	483,659	\$	470,423	\$	13,236
Supplies Contractual and other services		41,000 338,102		41,000 338,102		29,929 314,486		11,071 23,616
Repairs and maintenance		13,600		7,125		2,215		4,910
Total utility billing		863,692	_	869,886		817,053		52,833
Customer relations: Salaries and benefits		962,645		982,113		935,370		46,743
Supplies		21,560		22,710		20,579		2,131
Contractual and other services		79,860		69,205		59,356		9,849
Repairs and maintenance		14,020		16,636		16,635	_	1
Total customer relations		1,078,085	_	1,090,664		1,031,940	_	58,724
Treasury/Fiscal Management		000.464		046 574		000 101		40.000
Salaries and benefits Supplies		339,464 3,000		346,574 3,136		298,191 2,468		48,383 668
Contractual and other services		161,406		158,745		118,491		40,254
Repairs and maintenance		76,216		76,216		73,971		2,245
Total treasury/fiscal management		580,086	_	584,671		493,121		91,550
Administration:								
Salaries and benefits		1,170,637		1,059,373		753,219		306,154
Supplies Contractual and other services		14,500 893,210		8,800 918,368		6,687 793,545		2,113 124,823
Repairs and maintenance		26,100		26,100		11,098		15,002
Total administration		2,104,447		2,012,641		1,564,549		448,092
Non-departmental expenses: Liability insurance		55,099		55,099		39,060		16,039
Interest and fiscal charges		1,205,044		1,205,044		973,728		231,316
Bond principal requirements		1,439,650		1,439,650		-		1,439,650
Other		-		-		(15,128)		15,128
Capital outlay	_	26,888,020	_	28,031,359		5,334,494	_	22,696,865
Total non-departmental expenses		29,587,813	_	30,731,152		6,332,154		24,398,998
Total expenses		48,929,414	_	50,429,285		22,168,974	_	28,260,311
Excess (deficiency) of revenues over over expenses (budget basis) before transfers		(26,368,516)		(27,868,387)		(126,856)		(28,779,091)
Transfers: Transfers out		(101,370)		(101,370)		(101,370)		
Net transfers		(101,370)		(101,370)		(101,370)	_	
Excess (deficiency) of revenues over budget		(26,469,886)	_	(27,969,757)		(228,226)	_	(28,642,373)
GAAP basis adjustments: Depreciation expense, not budgeted		-		-		(4,612,671)		(4,612,671)
Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis		-		-		6,351,530		6,351,530
Principal payments on revenue bonds-budgeted as expenses per budge basis, treated as a reduction of bonds payable per GAAP basis	t	1,439,650		1,439,650			_	(1,439,650)
Net income-GAAP basis	\$	(25,030,236)	\$	(26,530,107)	\$	1,510,633	\$	(28,343,164)

WATER FUND SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS IN RESTRICTED ACCOUNTS

	rrent Debt Service	TWDB Serv		Bono	d Reserve		eserve for provements
Cash, certificates of deposit, and investments at September 30, 2020	\$ 542,016	\$	153,864	\$	450,949	\$	8,078,364
Cash receipts: Transfers in Operating activities Due to other fund Interest received Valuation allowance	2,157,201 - - - -		530,415 - - 206 -		261,514 - 593		- - - 315
Total cash receipts	 2,157,201		530,621		262,107		315
Total cash available	 2,699,217		684,485		713,056		8,078,679
Cash disbursements: Due from other funds Transfers out Refunds Capital acqusitions Principal payments Interest and fiscal charges (net) Total cash disbursements	 11,089 - - - 1,571,202 563,312 2,145,603		- - 120,000 410,743 530,743		- - - - -	_	3,805,663 - 3,805,663
Cash, certificates of deposit, and investments at September 30, 2021	\$ 553,614	\$	153,742	\$	713,056	\$	4,273,017
Cash, certificates of deposit, and investments at September 30, 2021 is comprised of the following: Cash Certificates of deposit Investments (net) Accrued interest	\$ - - 553,614 -	\$	- - 153,742 -	\$	- - 713,056 -	\$	- - 4,273,017 <u>-</u>
Totals	\$ 553,614	\$	153,742	\$	713,056	\$	4,273,017

Customer Deposits	Depreciation	Capital Improvement	Water Revenue Bonds	Total
\$ 2,857,846	\$ 6,838,365	\$ 4,359,724	\$ 25,518	\$ 23,306,646
- 1,094,120 -	1,575,935 - -	1,875,415 - -	3,805,663 -	9,944,629 1,355,634
-	50,021	29,850	-	80,985
1,094,120 3,951,966	(5,528) 1,620,428 8,458,793	(2,254) 1,903,011 6,262,735	3,805,663	(7,782) 11,373,466 34,680,112
- - 1,013,435 - - -	- - - 1,964,633 -	- - - 2,024,886 -	- - - 4,026,868 -	11,089 - 1,013,435 11,822,050 1,691,202 974,055
1,013,435	1,964,633	2,024,886	4,026,868	15,511,831
\$ 2,938,531	\$ 6,494,160	\$ 4,237,849	\$ (195,687)	\$ 19,168,282
\$ - 2,938,531 	\$ 6,502 1,513,667 4,972,125 	\$ 362,432 1,013,318 2,861,478 621	\$ (195,687) - - -	\$ 173,247 2,526,985 16,465,563 2,487
\$ 2,938,531	\$ 6,494,160	\$ 4,237,849	\$ (195,687)	\$ 19,168,282

WASTEWATER FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

Operating revenues: Vasetewater service charges \$ 22,461,352 \$ 18,612,280 \$ (3,849,072) Industrial surcharges 402,851 402,851 260,733 (142,118) Other services 629,500 269,500 1,129,973 500,0473 Total operating revenues 23,493,703 23,493,703 20,002,986 (3,490,717) Non-operating revenues: 1 1,500,000 1,500,000 1,866,360 366,360 Net increase (decrease) in the fair value of investment 1,500,000 1,500,000 1,866,360 366,360 Total non-operating revenues 1,752,969 2,038,747 285,778 Total revenues 2,5246,672 25,246,72 22,041,733 3,204,939 Expenses: 2 2,5246,672 2,5246,672 2,5246,736 2,5246,572 2,5246,572 2,5246,772 <		_Ori	iginal Budget	Final Budget	Actual Amount		Variance with Final Budget Positive (Negative)
Industrial surcharges 402,851 420,851 26,073 20,073	. •	Ċ	00 461 050	o 00 461 0E0	ć 10.610.000	ć	(2.040.072)
Other services 629,500 629,500 1,129,973 500,473 Total operating revenues 23,493,703 23,493,703 20,002,986 (3,490,717) Non-operating revenues: Investment earnings 252,969 252,969 186,216 (66,753) Note increase (decrease) in the fair value of investment 1,500,000 1,500,000 1,866,360 366,860 Total non-operating revenues 1,752,969 1,752,969 20,308,747 285,778 Total revenues 252,46,672 25,246,672 20,011,733 (30,04,939) Expenses: Wastewater plant: 2316,437 2,367,368 2,164,810 202,558 Supplies 171,700 172,147 157,478 14,669 149,669 Contractual and other services 290,984 2,992,608 1,902,800 189,728 Repairs and maintenance 253,050 256,841 256,532 209 Capital outlay 191,800 191,800 191,800 189,728 Salaries and benefits 50,23,833 5,080,764 4,669,995 <td>· ·</td> <td>\$</td> <td></td> <td></td> <td></td> <td>\$</td> <td></td>	· ·	\$				\$	
Total operating revenues: 23,493,703 23,493,703 20,002,966 3,490,701 Non-operating revenues: Investment earnings 252,969 252,969 186,216 (66,753) Net increase (decrease) in the fair value of investment Other 1,500,000 1,500,000 1,866,360 365,809 Total non-operating revenues 1,752,969 1,752,969 20,387,47 285,778 Total revenues 25,246,672 25,246,672 22,041,733 3(204,939) Expenses: Wastewater plant: 3,314,37 2,367,368 2,164,810 202,558 Salaries and benefits 2,316,437 2,367,368 2,164,810 202,558 Supplies 171,700 172,147 157,478 14,669 Contractual and other services 2,990,846 2,992,608 1,902,880 189,728 Repairs and maintenance 253,350 256,841 256,662 209 Total wastewater plant 502,3833 5,080,764 4,669,995 410,769 Wastewater lab: 507,475 88,905 88,910 87	•						
Non-operating revenues:	Other services		029,300	029,300	1,129,973	_	300,473
Net increase (decrease) in the fair value of investment 1,500,000 1,500,000 1,866,360 366,360 366,360 1,500,000 1,866,360 366,36	Total operating revenues		23,493,703	23,493,703	20,002,986		(3,490,717)
Net increase (decrease) in the fair value of investment Other 1,500,000 1,500,000 1,866,360 366,360 Total non-operating revenues 1,752,969 1,752,969 2,038,747 285,778 Total revenues 25,246,672 25,246,672 22,041,733 3,204,939 Expenses: Wastewater plant: Salaries and benefits 2,316,437 2,367,368 2,164,810 20,2558 Supplies 171,700 172,147 157,478 14,669 Contractual and other services 2,090,846 2,092,608 1,902,880 189,728 Repairs and maintenance 25,023,833 5,080,764 4,669,995 410,769 Vastewater lab: 38,905 88,910 87,999 19,842 Salaries and benefits 507,475 555,291 515,449 19,842 Supplies 88,905 88,910 87,939 971 Contractual and other services 30,280 36,722 33,740 2,982 Repairs and maintenance 9,400 14,453 13,893 560 Capital outlay			050.000	050.000	106.016		(66.750)
Other 1,500,000 1,500,000 1,866,360 366,360 Total non-operating revenues 1,752,969 1,752,969 2,038,747 285,778 Total revenues 25,246,672 25,246,672 22,041,733 (3,204,939) Expenses: Usagara and search searc	· ·		252,969	252,969			, , ,
Total non-operating revenues 1,752,969 1,752,969 2,038,747 285,778 Total revenues 25,246,672 25,246,672 22,041,733 (3,204,939) Expenses: Wastewater plant: Salaries and benefits 2,316,437 2,367,368 2,164,810 202,558 Supplies 171,700 172,147 157,478 14,669 Contractual and other services 2,090,846 2,092,608 1,902,800 189,728 Repairs and maintenance 253,050 256,841 256,632 209 Capital outlay 191,800 191,800 188,195 3,605 Total wastewater plant 5,023,833 5,080,764 4,669,995 410,769 Wastewater lab: 88,905 88,910 87,939 971 20,000 <	,		1 500 000	1 500 000	, ,		· · · /
Total revenues 25,246,672 25,246,672 22,041,733 (3,204,939) Expenses: Wastewater plant: Salaries and benefits 2,316,437 2,367,368 2,164,810 202,558 Supplies 171,700 172,147 157,478 14,669 Contractual and other services 2,090,864 2,092,608 1,902,880 189,728 Repairs and maintenance 253,050 256,841 256,632 209 Capital outlay 191,800 191,800 188,195 3,605 Total wastewater plant 5,023,833 5,080,764 4,669,995 410,769 Wastewater lab: 2 3,047,75 535,291 515,449 19,842 Supplies 88,905 88,910 87,939 971 Contractual and other services 30,280 36,722 33,740 2,982 Repairs and maintenance 9,400 14,453 13,893 560 Capital outlay 43,000 43,000 27,535 15,466 Salaries and benefits 1,288,389	Other		1,300,000	1,300,000	1,000,300		300,300
Expenses:	Total non-operating revenues		1,752,969	1,752,969	2,038,747	_	285,778
Wastewater plant: 2,36,437 2,367,368 2,164,810 202,558 Supplies 171,700 172,147 157,478 14,669 Contractual and other services 2,908,846 2,092,608 1,902,880 189,728 Repairs and maintenance 253,050 256,841 256,632 209 Capital outlay 191,800 191,800 188,195 3,605 Total wastewater plant 5,023,833 5,080,764 4,669,995 410,769 Wastewater lab: 507,475 535,291 515,449 19,842 Supplies 88,905 88,910 87,939 971 Contractual and other services 30,280 36,722 33,740 2,982 Repairs and maintenance 9,400 14,453 13,893 560 Capital outlay 43,000 43,000 27,535 15,466 Wastewater collection: 31,288,389 1,308,862 1,170,031 138,831 Salaries and benefits 1,288,389 1,308,862 1,170,031 138,831 <	Total revenues		25,246,672	25,246,672	22,041,733	_	(3,204,939)
Salaries and benefits 2,316,437 2,367,368 2,164,810 202,558 Supplies 1717,700 172,147 157,478 14,669 Contractual and other services 2,090,846 2,092,608 1,902,880 189,728 Repairs and maintenance 253,050 256,841 256,632 209 Capital outlay 191,800 191,800 188,195 3,605 Total wastewater plant 5,023,833 5,080,764 4,669,995 410,769 Wastewater lab: Salaries and benefits 507,475 535,291 515,449 19,842 Supplies 88,905 88,910 87,999 971 Contractual and other services 30,280 36,722 33,740 2,982 Repairs and maintenance 9,400 14,453 13,893 560 Capital outlay 43,000 43,000 27,535 15,465 Total wastewater lab 679,060 718,376 678,556 39,820 Wastewater collection: Salaries and benefits 1,288,389	•						
Supplies 171,700 172,147 157,478 14,669 Contractual and other services 2,090,846 2,092,608 1,902,880 189,728 Repairs and maintenance 253,050 256,841 256,632 209 Capital outlay 191,800 191,800 188,195 3,605 Total wastewater plant 5,023,833 5,080,764 4,669,995 410,769 Wastewater lab: 507,475 535,291 515,449 19,842 Salaries and benefits 507,475 535,291 515,449 19,842 Supplies 88,905 88,910 87,939 971 Contractual and other services 30,280 36,722 33,740 2,982 Repairs and maintenance 9,400 14,453 13,893 560 Capital outlay 43,000 43,000 27,535 15,465 Total wastewater lab 679,060 718,376 678,556 39,820 Wastewater collection: 1,288,389 1,308,862 1,170,031 138,831 Supplies	•						
Contractual and other services 2,090,846 2,092,608 1,902,880 189,728 Repairs and maintenance 253,050 256,841 256,632 209 Capital outlay 191,800 191,800 188,195 3,605 Total wastewater plant 5,023,833 5,080,764 4,669,995 410,769 Wastewater lab: Salaries and benefits 507,475 535,291 515,449 19,842 Supplies 88,905 88,910 87,939 971 Contractual and other services 30,280 36,722 33,740 2,982 Repairs and maintenance 9,400 14,453 13,893 560 Capital outlay 43,000 43,000 27,535 15,465 Total wastewater lab 679,060 718,376 678,556 39,820 Wastewater collection: Salaries and benefits 1,288,389 1,308,862 1,170,031 138,831 Supplies 500,200 500,200 516,876 (16,676) Contractual and other services 333,075							
Repairs and maintenance Capital outlay 253,050 191,800 256,641 191,800 256,632 188,195 209 3,605 Total wastewater plant 5,023,833 5,080,764 4,669,995 410,769 Wastewater lab: Salaries and benefits 507,475 535,291 515,449 19,842 Supplies 88,905 88,910 87,939 971 Contractual and other services 30,280 36,722 33,740 2,982 Repairs and maintenance 9,400 14,453 13,893 560 Capital outlay 43,000 43,000 27,535 15,465 Total wastewater lab 679,060 718,376 678,556 39,820 Wastewater collection: Salaries and benefits 1,288,389 1,308,862 1,170,031 138,831 Supplies 500,200 500,200 500,200 516,876 (16,676) Contractual and other services 333,075 283,767 331,547 (47,780) Repairs and maintenance 294,000 355,508 355,491 17	• •				·		•
Capital outlay 191,800 191,800 188,195 3,605 Total wastewater plant 5,023,833 5,080,764 4,669,995 410,769 Wastewater lab: Salaries and benefits 507,475 535,291 515,449 19,842 Supplies 88,905 88,910 87,939 971 Contractual and other services 30,280 36,722 33,740 2,982 Repairs and maintenance 9,400 14,453 13,893 560 Capital outlay 43,000 43,000 27,535 15,465 Total wastewater lab 679,060 718,376 678,556 39,820 Wastewater collection: Salaries and benefits 1,288,389 1,308,862 1,170,031 138,831 Supplies 500,200 500,200 516,876 (16,676) Contractual and other services 333,075 283,767 331,547 (47,780) Repairs and maintenance 294,000 355,508 355,491 17 Capital outlay 589,013 589,013 <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>							
Total wastewater plant 5,023,833 5,080,764 4,669,995 410,769 Wastewater lab: Salaries and benefits 507,475 535,291 515,449 19,842 Supplies 88,905 88,910 87,939 971 Contractual and other services 30,280 36,722 33,740 2,982 Repairs and maintenance 9,400 14,453 13,893 560 Capital outlay 43,000 43,000 27,535 15,465 Total wastewater lab 679,060 718,376 678,556 39,820 Wastewater collection: 331,589 1,308,862 1,170,031 138,831 Supplies 500,200 500,200 516,876 (16,676) Contractual and other services 333,075 283,767 331,547 (47,780) Repairs and maintenance 294,000 355,508 355,491 17 Capital outlay 589,013 589,013 348,930 240,083 Total wastewater collection 3,004,677 3,037,350 2,722,875	•			•	•		
Wastewater lab: Salaries and benefits 507,475 535,291 515,449 19,842 Supplies 88,905 88,910 87,939 971 Contractual and other services 30,280 36,722 33,740 2,982 Repairs and maintenance 9,400 14,453 13,893 560 Capital outlay 43,000 43,000 27,535 15,465 Total wastewater lab 679,060 718,376 678,556 39,820 Wastewater collection: Salaries and benefits 1,288,389 1,308,862 1,170,031 138,831 Supplies 500,200 500,200 516,876 (16,676) Contractual and other services 333,075 283,767 331,547 (47,780) Repairs and maintenance 294,000 355,508 355,491 17 Capital outlay 589,013 589,013 348,930 240,083 Total wastewater collection 3,004,677 3,037,350 2,722,875 314,475 Administration: Salaries and benefit	Capital Outlay		191,000	191,000	100,193	_	3,003
Salaries and benefits 507,475 535,291 515,449 19,842 Supplies 88,905 88,910 87,939 971 Contractual and other services 30,280 36,722 33,740 2,982 Repairs and maintenance 9,400 14,453 13,893 560 Capital outlay 43,000 43,000 27,535 15,465 Total wastewater lab 679,060 718,376 678,556 39,820 Wastewater collection: 33airies and benefits 1,288,389 1,308,862 1,170,031 138,831 Supplies 500,200 500,200 516,876 (16,676) Contractual and other services 333,075 283,767 331,547 (47,780) Repairs and maintenance 294,000 355,508 355,491 17 Capital outlay 589,013 589,013 348,930 240,083 Total wastewater collection 3,004,677 3,037,350 2,722,875 314,475 Administration: Salaries and benefits 1,018,805 919,585	Total wastewater plant		5,023,833	5,080,764	4,669,995		410,769
Salaries and benefits 507,475 535,291 515,449 19,842 Supplies 88,905 88,910 87,939 971 Contractual and other services 30,280 36,722 33,740 2,982 Repairs and maintenance 9,400 14,453 13,893 560 Capital outlay 43,000 43,000 27,535 15,465 Total wastewater lab 679,060 718,376 678,556 39,820 Wastewater collection: 38laries and benefits 1,288,389 1,308,862 1,170,031 138,831 Supplies 500,200 500,200 516,876 (16,676) Contractual and other services 333,075 283,767 331,547 (47,780) Repairs and maintenance 294,000 355,508 355,491 17 Capital outlay 589,013 589,013 348,930 240,083 Total wastewater collection 3,004,677 3,037,350 2,722,875 314,475 Administration: Salaries and benefits 1,018,805 919,585	Wastewater lab						
Supplies 88,905 88,910 87,939 971 Contractual and other services 30,280 36,722 33,740 2,982 Repairs and maintenance 9,400 14,453 13,893 560 Capital outlay 43,000 43,000 27,535 15,465 Total wastewater lab 679,060 718,376 678,556 39,820 Wastewater collection: Salaries and benefits 1,288,389 1,308,862 1,170,031 138,831 Supplies 500,200 500,200 516,876 (16,676) Contractual and other services 333,075 283,767 331,547 (47,780) Repairs and maintenance 294,000 355,508 355,491 17 Capital outlay 589,013 589,013 348,930 240,083 Total wastewater collection 3,004,677 3,037,350 2,722,875 314,475 Administration: Salaries and benefits 1,018,805 919,585 693,229 226,356 Supplies 19,500 30,521 20,107<			507.475	535.291	515.449		19.842
Contractual and other services 30,280 36,722 33,740 2,982 Repairs and maintenance 9,400 14,453 13,893 560 Capital outlay 43,000 43,000 27,535 15,465 Total wastewater lab 679,060 718,376 678,556 39,820 Wastewater collection: Salaries and benefits 1,288,389 1,308,862 1,170,031 138,831 Supplies 500,200 500,200 516,876 (16,676) Contractual and other services 333,075 283,767 331,547 (47,780) Repairs and maintenance 294,000 355,508 355,491 17 Capital outlay 589,013 589,013 348,930 240,083 Total wastewater collection 3,004,677 3,037,350 2,722,875 314,475 Administration: Salaries and benefits 1,018,805 919,585 693,229 226,356 Supplies 19,500 30,521 20,107 10,414				•	,		•
Capital outlay 43,000 43,000 27,535 15,465 Total wastewater lab 679,060 718,376 678,556 39,820 Wastewater collection: Salaries and benefits 1,288,389 1,308,862 1,170,031 138,831 Supplies 500,200 500,200 516,876 (16,676) Contractual and other services 333,075 283,767 331,547 (47,780) Repairs and maintenance 294,000 355,508 355,491 17 Capital outlay 589,013 589,013 348,930 240,083 Total wastewater collection 3,004,677 3,037,350 2,722,875 314,475 Administration: Salaries and benefits 1,018,805 919,585 693,229 226,356 Supplies 19,500 30,521 20,107 10,414	Contractual and other services		30,280				2,982
Total wastewater lab 679,060 718,376 678,556 39,820 Wastewater collection: \$\$\$\$34 ries and benefits 1,288,389 1,308,862 1,170,031 138,831 Supplies 500,200 500,200 516,876 (16,676) Contractual and other services 333,075 283,767 331,547 (47,780) Repairs and maintenance 294,000 355,508 355,491 17 Capital outlay 589,013 589,013 348,930 240,083 Total wastewater collection 3,004,677 3,037,350 2,722,875 314,475 Administration: Salaries and benefits 1,018,805 919,585 693,229 226,356 Supplies 19,500 30,521 20,107 10,414	Repairs and maintenance		9,400	14,453	13,893		560
Wastewater collection: Salaries and benefits 1,288,389 1,308,862 1,170,031 138,831 Supplies 500,200 500,200 516,876 (16,676) Contractual and other services 333,075 283,767 331,547 (47,780) Repairs and maintenance 294,000 355,508 355,491 17 Capital outlay 589,013 589,013 348,930 240,083 Total wastewater collection 3,004,677 3,037,350 2,722,875 314,475 Administration: Salaries and benefits 1,018,805 919,585 693,229 226,356 Supplies 19,500 30,521 20,107 10,414	Capital outlay		43,000	43,000	27,535		15,465
Salaries and benefits 1,288,389 1,308,862 1,170,031 138,831 Supplies 500,200 500,200 516,876 (16,676) Contractual and other services 333,075 283,767 331,547 (47,780) Repairs and maintenance 294,000 355,508 355,491 17 Capital outlay 589,013 589,013 348,930 240,083 Total wastewater collection 3,004,677 3,037,350 2,722,875 314,475 Administration: Salaries and benefits 1,018,805 919,585 693,229 226,356 Supplies 19,500 30,521 20,107 10,414	Total wastewater lab		679,060	718,376	678,556		39,820
Salaries and benefits 1,288,389 1,308,862 1,170,031 138,831 Supplies 500,200 500,200 516,876 (16,676) Contractual and other services 333,075 283,767 331,547 (47,780) Repairs and maintenance 294,000 355,508 355,491 17 Capital outlay 589,013 589,013 348,930 240,083 Total wastewater collection 3,004,677 3,037,350 2,722,875 314,475 Administration: Salaries and benefits 1,018,805 919,585 693,229 226,356 Supplies 19,500 30,521 20,107 10,414	Wastewater collection:						
Supplies 500,200 500,200 516,876 (16,676) Contractual and other services 333,075 283,767 331,547 (47,780) Repairs and maintenance 294,000 355,508 355,491 17 Capital outlay 589,013 589,013 348,930 240,083 Total wastewater collection 3,004,677 3,037,350 2,722,875 314,475 Administration: Salaries and benefits 1,018,805 919,585 693,229 226,356 Supplies 19,500 30,521 20,107 10,414			1,288.389	1.308.862	1,170.031		138.831
Repairs and maintenance Capital outlay 294,000 355,508 589,013 355,491 348,930 17 240,083 Total wastewater collection 3,004,677 3,037,350 2,722,875 314,475 Administration: Salaries and benefits Supplies 1,018,805 919,585 693,229 226,356 Supplies 19,500 30,521 20,107 10,414					, ,		
Repairs and maintenance Capital outlay 294,000 355,508 589,013 355,491 348,930 17 240,083 Total wastewater collection 3,004,677 3,037,350 2,722,875 314,475 Administration: Salaries and benefits Supplies 1,018,805 919,585 693,229 226,356 919,585 501,014 693,229 20,107 10,414	Contractual and other services		333,075	283,767	331,547		(47,780)
Total wastewater collection 3,004,677 3,037,350 2,722,875 314,475 Administration: Salaries and benefits 1,018,805 919,585 693,229 226,356 Supplies 19,500 30,521 20,107 10,414	Repairs and maintenance		294,000	355,508	355,491		
Administration: Salaries and benefits Supplies 1,018,805 1,018,805 1919,585 693,229 226,356 20,107 10,414	Capital outlay		589,013	589,013	348,930	_	240,083
Salaries and benefits 1,018,805 919,585 693,229 226,356 Supplies 19,500 30,521 20,107 10,414	Total wastewater collection		3,004,677	3,037,350	2,722,875		314,475
Salaries and benefits 1,018,805 919,585 693,229 226,356 Supplies 19,500 30,521 20,107 10,414	Administration:						
Supplies 19,500 30,521 20,107 10,414			1 010 005	010 505	602 220		226 256
• • • • • • • • • • • • • • • • • • • •					·		-,
Contractual and other services 1.254.173 1.261.407 1.050.023 210.484	Contractual and other services		1,254,173	1,261,407	1,050,923		210,484
Repairs and maintenance 46,563 52,308 26,086 26,222							
Capital outlay					·	_	
Total administration 2,448,041 2,372,821 1,887,135 473,476	Total administration		2,448,041	2,372,821	1,887,135		473,476

WASTEWATER FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Non-departmental expenses:				
Liability insurance	\$ 65,261	\$ 65,261	\$ 42,529	\$ 22,732
Interest and fiscal charges	1,342,837	1,342,837	1,333,563	9,274
Bond principal requirements	4,598,350	4,598,350	(500 55 4)	4,598,350
Other	-	-	(522,554)	522,554
Capital outlay	9,915,020	12,136,929	5,517,364	6,619,565
Total non-departmental expenses	15,921,468	18,143,377	6,370,902	11,772,475
Total expenses	27,077,079	29,352,688	16,329,463	13,011,015
Excess (deficiency) of revenues over expenses (budget basis) before transfers	(1,830,407)	(4,106,016)	5,712,270	9,818,286
Transfers: Transfers out	(51,039)	(51,039)	(51,039)	
Net transfers	(51,039)	(51,039)	(51,039)	
Excess (deficiency) of revenues over budget	(1,881,446)	(4,157,055)	5,661,231	9,818,286
GAAP basis adjustments: Depreciation expense, not budgeted	-	-	(8,496,582)	(8,496,582)
Principal payments on revenue bonds-budgeted as expenses per budget basis, treated as reduction of bonds payable per GAAP basis	4,598,350	4,598,350	-	(4,598,350)
Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis			6,178,814	6,178,814
Net income-GAAP basis	\$ (6,479,796)	\$ (8,755,405)	\$ 3,343,463	\$ 12,098,868

WASTEWATER FUND SCHEDULE OF CASH RECEIPTS AND DISBURSEMENTS IN RESTRICTED ACCOUNTS

	Current Debt Service	TWDB Debt Service	Bond Reserve	Reserve for Improvements	Depreciation
Cash, certificates of deposit, and investments at September 30, 2020	\$ 543,772	\$ 2,437,118	\$ 2,862,342	\$ 3,323,048	\$ 13,819,318
Cash receipts: Transfers from operating cash Interest received Valuation allowance Other	1,933,167 - - -	4,147,342 2,449 -	96,857 3,061 - -	108 - -	3,397,920 127,689 (10,502) 743
Total cash receipts	1,933,167	4,149,791	99,918	108	3,515,850
Total cash available	2,476,939	6,586,909	2,962,260	3,323,156	17,335,168
Cash disbursements: Due Wastewater fund and internal funds Principal payments Interest and fiscal charges (net) Capital acqusitions	92 1,300,350 621,641 	3,298,000 723,145 	- - - -	- - 2,512,892	- - - 1,340,378
Total cash disbursements	1,922,083	4,021,145		2,512,892	1,340,378
Cash, certificates of deposit, and investments at September 30, 2021	\$ 1,922,083	\$ 4,021,145	\$ -	\$ 2,512,892	\$ 1,340,378
Cash, certificates of deposit, and investments at September 30, 2021 is comprised of the following: Cash Certificates of deposit Investments (net) Accrued interest	\$ - 554,856	\$ - 2,565,764	\$ - 2,962,260	\$ - 810,264	\$ - 5,027,788 10,962,278 4,724
Totals	\$ 554,856	\$ 2,565,764	\$ 2,962,260	\$ 810,264	\$ 15,994,790

Im	Capital provement	lastewater Revenue Bonds		Wastewater Series 2012	astewater ries 2015		Total
\$	5,488,621	\$ 2,236,444	\$	763,232	\$ 59,255	_	31,533,150
	892,853 33,371 (3,033)	- 1,286 - -	_	2,558,939 921 - -	- - -		13,027,078 168,885 (13,535) 743
	923,191	 1,286	_	2,559,860	 	_	13,183,171
	6,411,812	 2,237,730	_	3,323,092	 59,255	_	44,716,321
<u> </u>	1,102,813 1,102,813 1,102,813	\$ 1,313,496 1,313,496 1,313,496	\$	3,413,441 3,413,441 3,413,441	\$ - - - - -	<u>\$</u>	92 4,598,350 1,344,786 9,683,020 15,626,248 15,626,248
\$	84,438 1,513,346 3,709,294 1,921 5,308,999	\$ 288,632 - 635,602 - 924,234	_	(111,412) - 21,063 - (90,349)	\$ 59,255 - - - - - 59,255	_ \$	320,913 6,541,134 22,221,381 6,645 29,090,073

SANITATION FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Operating revenues: Solid waste collections	\$ 21,158,900			\$ 1,364,601
Other services	60,000	60,000	123,096	63,096
Total operating revenues	21,218,900	21,218,900	22,646,597	1,427,697
Non-operating revenues: Investment earnings Net increase (decrease) in the	259,238	259,238	231,384	(27,854)
fair value of investment Other			(26,250) 157,426	(26,250) 157,426
Total non-operating revenues	259,238	259,238	362,560	103,322
Total revenues	21,478,138	21,478,138	23,009,157	1,531,019
Expenses: Facilities administration: Salaries and benefits Supplies	1,135,262 30.750	1,150,689 28,999	859,736 37,997	290,953 (8,998)
Contractual and other services	1,346,329	1,308,329	1,575,698	(267,369)
Repairs and maintenance	55,097	52,097	48,122	3,975
Capital outlay	188,400	232,400	249,269	(16,869)
Total facilities administration	2,755,838	2,772,514	2,770,822	1,692
Brush collection: Salaries and benefits Supplies Contractual and other services Repairs and maintenance Capital outlay	1,971,359 257,320 285,225 540,531 26,000	1,995,200 257,320 145,225 540,531 166,000	2,084,008 301,584 208,957 867,630 52,680	(88,808) (44,264) (63,732) (327,099) 113,320
Total brush collection	3,080,435	3,104,276	3,514,859	(410,583)
Residential collection: Salaries and benefits Supplies Contractual and other services Repairs and maintenance Capital outlay	1,694,537 35,859 698,040 934,581 172,200	1,715,450 36,025 608,040 815,581 381,200	1,478,322 29,977 1,081,127 1,060,618 83,793	237,128 6,048 (473,087) (245,037) 297,407
Total residential collection	3,535,217	3,556,296	3,733,837	(177,541)
Commercial box collection: Salaries and benefits Supplies Contractual and other services Repairs and maintenance Capital outlay	1,597,315 44,479 1,446,980 1,159,476 185,000	1,616,890 45,094 1,335,980 1,159,476 296,000	1,557,134 50,978 1,714,091 1,296,244 49,998	59,756 (5,884) (378,111) (136,768) 246,002
Total commercial box collection	4,433,250	4,453,440	4,668,445	(215,005)
Roll offs: Salaries and benefits Supplies Contractual and other services Repairs and maintenance Capital outlay	361,800 5,750 358,350 249,874 	366,286 5,890 323,450 249,874 60,100	318,469 6,860 402,809 355,136 21,138	47,817 (970) (79,359) (105,262) 38,962
Total roll offs	1,000,974	1,005,600	1,104,412	(98,812)

SANITATION FUND SCHEDULE OF REVENUES AND EXPENSES0BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

Recycling:		Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Supplies	Recycling:	4 444000	4 4400007	4 4 4 4 5 6	4 400.077
Contractual and other services 263,943 263,943 449,008 (185,065) Repairs and maintenance 199,749 267,149 275,837 (8,688) Capital outlay 1,820,876 1,903,983 1,894,794 9,189 Composting: 26,000 26,166 81,309 (55,143) Supplies 26,000 26,166 81,309 (55,143) Contractual and other services 252,375 332,375 271,358 61,017 Repairs and maintenance 121,975 121,975 166,599 (46,624) Capital outlay 19,000 19,000 19,025 (25,375) Total composting 82,878 968,944 995,519 (26,575) Total composting 82,878 968,944 995,519 (26,575) Total composting 82,878 968,944 995,519 (26,575) Street cleaning: 252,375 32,530 32,588 (728) Scheet cleaning: 2,530 316,697 (4,117) Supplies 2,530					
Repairs and maintenance	• •	·	·	· ·	
Capital outlay		•		·	, , ,
Total recycling		·	·	· ·	
Composting: Salaries and benefits	Capital outlay	138,750	138,750	41,981	96,769
Salaries and benefits 463,528 469,428 472,228 12,200 Supplies 26,000 26,166 81,309 (55,143) Contractual and other services 252,375 332,375 271,358 61,017 Repairs and maintenance 121,975 121,975 166,599 (44,624) Capital outlay 19,000 19,000 19,005 (25,575) Total composting 882,878 968,944 995,519 (26,575) Street cleaning: 308,680 312,580 316,697 (4117) Supplies 2,530 2,530 3,258 (728) Contractual and other services 4,842 4,842 1,269 3,573 Repairs and maintenace 124,427 124,427 109,125 15,302 Total street cleaning 440,479 444,379 430,349 14,003 Non-departmental expenses: Depreciation fund -capital outlay 4,250,000 1,660,208 2,589,792 Interest and fiscal charges 12,118 12,118 10,538 1,580 <td>Total recycling</td> <td>1,820,876</td> <td>1,903,983</td> <td>1,894,794</td> <td>9,189</td>	Total recycling	1,820,876	1,903,983	1,894,794	9,189
Supplies 26,000 66,166 81,309 (55,143) Contractual and other services 252,375 332,375 271,358 61,017 Repairs and maintenance 121,975 121,975 166,599 (44,624) Capital outlay 19,000 19,000 19,025 (25) Total composting 882,878 968,944 995,519 (26,578) Street cleaning: 308,680 312,580 316,697 (4,117) Supplies 2,530 2,530 3,258 (728) Contractual and other services 4,842 1,269 3,573 Repairs and maintenace 124,427 124,427 109,125 15,302 Total street cleaning 440,479 444,379 430,349 14,030 Non-departmental expenses: 10,404 444,379 430,349 14,030 Non-departmental expenses: 12,118 12,118 10,538 1,580 Bond principal requirements 1,218 12,18 10,538 1,580 Bond principal requirements					
Contractual and other services 252,375 332,375 271,358 61,017 Repairs and maintenance 121,975 121,975 166,599 (44,624) Capital outlay 19,000 19,000 19,025 (25) Total composting 882,878 968,944 995,519 (26,578) Street cleaning: Salaries and benefits 308,680 312,580 316,697 (41,17) Supplies 2,530 2,530 3,258 (728) Contractual and other services 4,842 4,842 1,269 3,573 Repairs and maintenace 124,427 124,427 109,125 15,302 Total street cleaning 440,479 444,379 430,349 14,030 Non-departmental expenses: 100,000 4,250,000 1,660,208 2,589,792 Interest and fiscal charges 12,118 12,118 10,538 1,580 Bond principal requirements 1 1 1 1 Liability insurance 104,034 104,034 104,034<		·	·	· ·	·
Repairs and maintenance Capital outlay 121,975 121,975 166,599 (44,624) Capital outlay 19,000 19,000 19,005 (25) Total composting 882,878 968,944 995,519 (26,575) Street cleaning: 308,680 312,580 316,697 (4,117) Supplies 2,530 2,530 3,258 (728) Contractual and other services 4,842 4,842 1,269 3,573 Repairs and maintenace 124,427 109,125 15,302 Total street cleaning 440,479 444,379 430,349 14,030 Non-departmental expenses: 12,181 12,118 10,538 1,580 Non-departmental expenses: 12,118 12,118 10,538 1,580 Bond principal requirements 10,4034 104,034 104,034 104,034 104,034 104,034 104,034 104,034 104,034 104,034 104,034 104,034 104,034 104,034 104,034 104,034 104,034 104,034 <t< td=""><td>• • • • • • • • • • • • • • • • • • • •</td><td>·</td><td>·</td><td>· ·</td><td>, ,</td></t<>	• • • • • • • • • • • • • • • • • • • •	·	·	· ·	, ,
Capital outlay 19,000 19,000 19,025 (25) Total composting 882,878 968,944 995,519 (26,575) Street cleaning: 308,680 312,580 316,697 (4,117) Supplies 2,530 2,530 3,258 (7,28) Contractual and other services 4,842 4,842 1,269 3,573 Repairs and maintenace 124,427 124,427 109,125 15,302 Total street cleaning 40,479 444,379 430,349 14,030 Non-departmental expenses: 10,4034 1,403 1,660,208 2,589,792 Depreciation fund -capital outlay 4,250,000 4,250,000 1,660,208 2,589,792 Interest and fiscal charges 12,118 12,118 10,538 1,580 Bond principal requirements 1 1 1 1 1 Liability insurance 104,034 104,034 104,034 1 1 1 1 1 1 1 1 1 1 <		·		·	
Street cleaning:	Repairs and maintenance	121,975	121,975	166,599	(44,624)
Street cleaning: Salaries and benefits 308,680 312,580 316,697 (4,117) Supplies 2,530 2,530 3,258 (7,28) (2,518,654) (4,117) Supplies 2,530 2,530 3,258 (7,28) (4,117)	Capital outlay	19,000	19,000	19,025	(25)
Salaries and benefits 308,680 312,580 316,697 (4,117) Supplies 2,530 2,530 3,258 (728) Contractual and other services 4,842 4,842 1,269 3,573 Repairs and maintenace 124,427 124,427 109,125 15,302 Total street cleaning 440,479 444,379 430,349 14,030 Non-departmental expenses: 0 0 1,660,208 2,589,792 Depreciation fund-capital outlay 4,250,000 4,250,000 1,660,208 2,589,792 Interest and fiscal charges 12,118 10,538 1,580 Bond principal requirements 1,218 10,538 1,580 Bond principal requirements 1,218 10,4034 104,034 104,034 104,034 1,580 Bond principal requirements 4,443,907 4,443,907 1,774,780 2,591,372 Total non-departmental expenses 2,233,854 22,653,339 20,887,817 1,687,767 Excess (deficiency) of revenues over expenses (budget basis) before transfers <t< td=""><td>Total composting</td><td>882,878</td><td>968,944</td><td>995,519</td><td>(26,575)</td></t<>	Total composting	882,878	968,944	995,519	(26,575)
Supplies 2,530 2,530 3,258 (728) Contractual and other services 4,842 4,842 1,269 3,573 Repairs and maintenace 124,427 124,427 109,125 15,302 Total street cleaning 440,479 444,379 430,349 14,030 Non-departmental expenses: Depreciation fund -capital outlay 4,250,000 4,250,000 1,660,208 2,589,792 Interest and fiscal charges 12,118 12,118 10,538 1,580 Bond principal requirements - <t< td=""><td>Street cleaning:</td><td></td><td></td><td></td><td></td></t<>	Street cleaning:				
Contractual and other services Repairs and maintenace 4,842 12,427 1,269 10,9125 3,573 15,302 Repairs and maintenace 124,427 124,427 109,125 15,302 Total street cleaning 440,479 444,379 430,349 14,030 Non-departmental expenses: Depreciation fund -capital outlay 4,250,000 4,250,000 1,660,208 2,588,792 16,000 Bond principal requirements 12,118 12,118 10,538 1,580 16,000 Bond principal requirements 12,118 12,118 10,4034 104,034	Salaries and benefits	308,680	312,580	316,697	(4,117)
Contractual and other services Repairs and maintenace 4,842 12,427 1,269 10,9125 3,573 15,302 Repairs and maintenace 124,427 124,427 109,125 15,302 Total street cleaning 440,479 444,379 430,349 14,030 Non-departmental expenses: Depreciation fund -capital outlay 4,250,000 4,250,000 1,660,208 2,588,792 16,000 Bond principal requirements 12,118 12,118 10,538 1,580 16,000 Bond principal requirements 12,118 12,118 10,4034 104,034	Supplies	2.530	2.530	3.258	(728)
Repairs and maintenace 124,427 124,427 109,125 15,302 Total street cleaning 440,479 444,379 430,349 14,030 Non-departmental expenses: Depreciation fund -capital outlay 4,250,000 4,250,000 1,660,208 2,589,792 Interest and fiscal charges 12,118 12,118 10,538 1,580 Bond principal requirements -	• •	·	·	· ·	
Non-departmental expenses: Depreciation fund -capital outlay 4,250,000 4,250,000 1,660,208 2,589,792 1				·	·
Depreciation fund -capital outlay Interest and fiscal charges 4,250,000 4,250,000 1,660,208 2,589,792 Interest and fiscal charges 12,118 12,118 10,538 1,580 Bond principal requirements - <t< td=""><td>Total street cleaning</td><td>440,479</td><td>444,379</td><td>430,349</td><td>14,030</td></t<>	Total street cleaning	440,479	444,379	430,349	14,030
Depreciation fund -capital outlay Interest and fiscal charges 4,250,000 4,250,000 1,660,208 2,589,792 Interest and fiscal charges 12,118 12,118 10,538 1,580 Bond principal requirements - <t< td=""><td>Non-departmental expenses:</td><td></td><td></td><td></td><td></td></t<>	Non-departmental expenses:				
Interest and fiscal charges 12,118 12,118 10,538 1,580 Bond principal requirements 1		4.250.000	4.250.000	1.660.208	2.589.792
Bond principal requirements					
Liability insurance Contingency 104,034 77,755			-	-	-
Contingency 77,755 77,755 - 77,755 Total non-departmental expenses 4,443,907 4,443,907 1,774,780 2,591,372 Total expenses 22,393,854 22,653,339 20,887,817 1,687,767 Excess (deficiency) of revenues over expenses (budget basis) before transfers (915,716) (1,175,201) 2,121,340 3,296,541 Transfers: Transfers out (103,496) (103,496) (103,496) - Net transfers (103,496) (103,496) (103,496) - - Excess (deficiency) of revenues over budget (1,019,212) (1,278,697) 2,017,844 3,296,541 GAAP basis adjustments:		10// 03//	10// 03//	104 034	_
Total non-departmental expenses 4,443,907 4,443,907 1,774,780 2,591,372 Total expenses 22,393,854 22,653,339 20,887,817 1,687,767 Excess (deficiency) of revenues over expenses (budget basis) before transfers (915,716) (1,175,201) 2,121,340 3,296,541 Transfers:				104,004	77 755
Total expenses 22,393,854 22,653,339 20,887,817 1,687,767 Excess (deficiency) of revenues over expenses (budget basis) before transfers (915,716) (1,175,201) 2,121,340 3,296,541 Transfers:	Contingency	77,733			
Excess (deficiency) of revenues over expenses (budget basis) before transfers (915,716) (1,175,201) 2,121,340 3,296,541 Transfers:	Total non-departmental expenses	4,443,907	4,443,907	1,774,780	2,591,372
before transfers (915,716) (1,175,201) 2,121,340 3,296,541 Transfers: Transfers out (103,496) (103,496) (103,496) - Net transfers (103,496) (103,496) (103,496) - - Excess (deficiency) of revenues over budget (1,019,212) (1,278,697) 2,017,844 3,296,541 GAAP basis adjustments: Depreciation expense, not budgeted - - (2,518,654) (2,518,654) Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis - - 2,178,092 2,178,092	Total expenses	22,393,854	22,653,339	20,887,817	1,687,767
Transfers:					
Transfers out (103,496) (103,496) (103,496) - Net transfers (103,496) (103,496) (103,496) - Excess (deficiency) of revenues over budget (1,019,212) (1,278,697) 2,017,844 3,296,541 GAAP basis adjustments: Depreciation expense, not budgeted - - - (2,518,654) Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis - - 2,178,092 2,178,092	before transfers	(915,716)	(1,175,201)	2,121,340	3,296,541
Net transfers (103,496) (103,496) (103,496) - Excess (deficiency) of revenues over budget (1,019,212) (1,278,697) 2,017,844 3,296,541 GAAP basis adjustments: Depreciation expense, not budgeted (2,518,654) (2,518,654) Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis 2,178,092 2,178,092	Transfers:				
Excess (deficiency) of revenues over budget (1,019,212) (1,278,697) 2,017,844 3,296,541 GAAP basis adjustments: Depreciation expense, not budgeted (2,518,654) (2,518,654) Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis 2,178,092 2,178,092	Transfers out	(103,496)	(103,496)	(103,496)	
GAAP basis adjustments: Depreciation expense, not budgeted (2,518,654) Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis 2,178,092 2,178,092	Net transfers	(103,496)	(103,496)	(103,496)	
Depreciation expense, not budgeted (2,518,654) Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis 2,178,092 2,178,092	Excess (deficiency) of revenues over budget	(1,019,212)	(1,278,697)	2,017,844	3,296,541
basis, capitalized per GAAP basis	•	-	-	(2,518,654)	(2,518,654)
Net income-GAAP basis <u>\$ (1,019,212)</u> <u>\$ (1,278,697)</u> <u>\$ 1,677,282</u> <u>\$ 2,955,979</u>				2,178,092	2,178,092
	Net income-GAAP basis	\$ (1,019,212)	\$ (1,278,697)	\$ 1,677,282	\$ 2,955,979

PALM VIEW GOLF COURSE FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Operating revenues:	Original Budget	Filiai buuget	Actual Amount	(Negative)
Green fees	\$ 729,419	\$ 729,419	\$ 889,447	\$ 160,028
Membership sales	178,293	178,293	188,865	10,572
Cart rental	334,757	334,757	466,965	132,208
Rentals and other sales	201,351	201,351	331,328	129,977
Total operating revenues	1,443,820	1,443,820	1,876,605	432,785
Non-operating revenues:				
Investment earnings	12,803	12,803	10,207	(2,596)
Other		155,600	1,910	(153,690)
Total non-operating revenues	12,803	168,403	12,117	(156,286)
Total revenues	1,456,623	1,612,223	1,888,722	276,499
Expenses:				
Salaries	922,857	935,140	822,053	113.087
Supplies	133,024	133,860	133.086	774
Contractual and other services	124,448	124,448	145,478	(21,030)
Repairs and maintenance	89,895	89,895	150,669	(60,774)
Capital outlay	75,000	485,600	72,581	413,019
Total operating expenses	1,345,224	1,768,943	1,323,867	445,076
Non-departmental expenses:				
Interest and fiscal charges	35	35	30	5
Note principal requirements	149	149	_	149
Total non-departmental expenses	184_	184_	30_	154_
Total expenses	1,345,408	1,769,127	1,323,897	445,230
Excess (deficiency) of revenues over expensses (budget basis) before transfers	111,215	(156,904)	564,825	721,729
before transfers	111,213	(130,904)		721,729
Transfers: Transfers out	(7,798)	(7,798)	(7,798)	
Hallstels out	(7,790)	(7,790)	(7,790)	
Net transfers	(7,798)	(7,798)	(7,798)	
Excess (deficiency) of revenues over budget	103,417	(164,702)	557,027	721,729
GAAP basis adjustments: Depreciation expense, not budgeted	-	-	(390,691)	(390,691)
Capital outlay-amounts budgeted as expenses per budget basis,				
capitalized per GAAP basis			72,581	72,581
Net income-GAAP basis	\$ 103,417	\$ (164,702)	\$ 238,917	\$ 403,619

TRANSIT TERMINAL FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Operating revenues:				
Other services	\$ -	\$ -	\$ 3,047	\$ 3,047
Total operating revenues			3,047	3,047
Non-operating revenues: Investment earnings Intergovernmental Gain (loss) on sale of capital asset Other	13,610 17,703,135 - 	13,610 17,703,135 - 	8,615 5,096,142 (7,843) (2,994)	(4,995) (12,606,993) (7,843) (2,994)
Total non-operating revenues	17,716,745	17,716,745	5,093,920	(12,622,825)
Total revenues	17,716,745	17,716,745	5,096,967	(12,619,778)
Expenses: Administration: Salaries and benefits	416,744	421,362	312,327	109,035
Contractual and other services Repairs and maintenance Capital outlay	38,696 391,897 17,308,249	38,696 391,897 17,308,249	58,914 392,469 4,556,865	(20,218) (572) 12,751,384
Total administration expenses	18,155,586	18,160,204	5,320,575	12,839,629
Non-departmental expenses: Interest and fiscal charges Note principal requirements	572 2,461	572 2,461	497	75 2,461
Total non-departmental expenses	3,033	3,033	497	2,536
Total expenses	18,158,619	18,163,237	5,321,072	12,842,165
Excess (deficiency) of revenues over expenses (budget basis) before transfers	(441,874)	(446,492)	(224,105)	222,387
Transfers: Transfers in Transfers out	466,441 (4,962)	466,441 (4,962)	6 (4,962)	(466,435)
Net transfers	461,479	461,479	(4,956)	(466,435)
Excess (deficiency) of revenues over budget	19,605	14,987	(229,061)	(244,048)
GAAP basis adjustments: Depreciation expense, not budgeted	-	-	(1,125,411)	(1,125,411)
Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis			4,556,865	4,556,865
Net income-GAAP basis	\$ 19,605	\$ 14,987	\$ 3,202,393	\$ 3,187,406

McALLEN CONVENTION CENTER FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS)

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Operating revenues: Rentals	\$ 900,000	\$ 2,104,887	\$ 2,195,832	\$ 90,945
Concessions-other	1,394,300	2,419,978	2,778,675	358,697
Other services	620,744	620,744	693,915	73,171
Total operating revenues	2,915,044	5,145,609	5,668,422	522,813
Non-amounting accounts				
Non-operating revenues: Investment earnings	26,279	26,279	26,732	453
Net increase (decrease) in the fair value of investments	20,275	20,275	(2,288)	(2,288)
The more and (decreases) in the rail value of investments			(2,200)	(2,200)
Total non-operating revenues	26,279	26,279	24,444	(1,835)
Total revenues	2,941,323	5,171,888	5,692,866	520,978
Expenses:				
Administration:				
Salaries and benefits	2,681,839	2,717,861	1,849,901	867,960
Supplies	99,000	101,950	64,034	37,916
Contractual and other services	1,918,462	2,926,363	2,474,670	451,693
Repairs and maintenance	299,582	299,582	326,557	(26,975)
Capital outlay	645,000	645,000	88,394	556,606
Total expenses	5,643,883	6,690,756	4,803,556	1,887,200
Non departmental evacacion				
Non-departmental expenses: Interest and fiscal charges	1,551	1,551	1,349	202
Note principal requirements	6,673	6,673	1,549	6,673
Note principal requirements	0,070			
Total non-departmental expenses	8,224	8,224	1,349	6,875
Total expenses	5,652,107	6,698,980	4,804,905	1,894,075
Excess (deficency) of revenues over expenses (budget basis) before transfers	(2,710,784)	(1,527,092)	887,961	2,415,053
Transfers:				
Capital contributioms	_	_	78,414	78,414
Transfers in	3,143,714	3,143,714	3,228,682	84,968
Transfers out	(29,773)	(29,773)	(29,773)	
Net transfers	3,113,941	3,113,941	3,277,323	163,382
Excess (deficiency) of revenues over budget	403,157	1,586,849	4,165,284	2,578,435
GAAP basis adjustments:			(1.554.000)	(1 554 000)
Depreciation expense, not budgeted	-	-	(1,554,982)	(1,554,982)
Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis			00 204	00 204
capitalized pel GAAF Dasis			88,394	88,394
Net income-GAAP basis	\$ 403,157	\$ 1,586,849	\$ 2,698,696	\$ 1,111,847

PERFORMING ARTS CENTER FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Operating revenues:				
Rentals	\$ 403,000	\$ 78,360	\$ 129,566	\$ 51,206
Concessions-other	478,000	235,819	307,914	72,095
Other services	200,000		30,284	30,284
Total operating revenues	1,081,000	314,179	467,764	153,585
Non-operating revenues:				
Investment earnings	27,987	27,987	26,356	(1,631)
Total non-operating revenues	27,987	27,987	641,499	613,512
Total revenues	1,108,987	342,166	1,109,263	767,097
Expenses:				
Administration:				
Supplies	46,000	46,000	8,865	37,135
Contractual and other services	1,355,105	1,355,105	1,035,258	319,847
Repairs and maintenance	191,000	191,000	86,882	104,118
Capital outlay	32,000	32,000		32,000
Total expenses	1,624,105	1,624,105	1,131,005	493,100
Excess (deficency) of revenues over over expenses (budget basis) before transfers	(515,118)	(1,281,939)	(21,742)	1,260,197
Transfers: Transfers in	411,362	411,362	432,192	20,830
Net transfers	411,362	411,362	432,192	20,830
Excess (deficiency) of revenues over budget	(103,756)	(870,577)	410,450	1,281,027
GAAP basis adjustments: Depreciation expense, not budgeted	-	-	(1,181,372)	(1,181,372)
Net income-GAAP basis	\$ (103,756)	\$ (870,577)	\$ (770,922)	\$ 99,655

McALLEN INTERNATIONAL AIRPORT FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS)

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Operating revenues:				
Charges for services	\$ 1,722,067	\$ 1,722,067	\$ 2,314,888	\$ 592,821
Rentals Other services	3,211,195 11,770	3,211,195 11,770	4,010,273 34,591	799,078 22,821
Other services		11,770	34,391	
Total operating revenues	4,945,032	4,945,032	6,359,752	1,414,720
Non-operating revenues:				
Intergovernmental	46,909,625	51,673,491	12,276,150	(39,397,341)
Investment earnings	177,784	177,784	74,815	(102,969)
Net increase (decrease) in fair value of investments	-	-	(5,783)	(5,783)
Other			(735,178)	(735,178)
Total non-operating revenues	47,087,409	51,851,275	11,610,004	(40,241,271)
Total revenues	52,032,441	56,796,307	17,969,756	(38,826,551)
Expenses:				
Salaries and benefits	2,211,696	2,241,242	1,960,022	281,220
Supplies	86.750	142,068	131,563	10,505
Contractual and other services	1,745,606	2,503,036	2,248,285	254,751
Repairs and maintenance	531,880	665.380	717,901	(52,521)
Capital outlay	47,466,566	50,397,472	8,002,728	42,394,744
,				
Total administrative expenses	52,042,498	55,949,198	13,060,499	42,888,699
Non-departmental expenses (income):				
Interest and fiscal charges	264,875	264,875	274,479	(9,604)
Bond/Note principal requirement	388,230	388,230	, -	388,230
Other	-	-	(131,182)	131,182
Total non-departmental expenses	653,105	653,105	143,297	509,808
Total expenses	52,695,603	56,602,303	13,203,796	43,398,507
Excess (deficiency) of revenues over expenses (budget basis) before	1			
transfers	(663,162)	194,004	4,765,960	4,571,956
	(***, **)		,,	
Transfers:				
Transfers out	(1,129,485)	(1,129,485)	(1,129,485)	
	4			
Net transfers	(1,129,485)	(1,129,485)	(1,129,485)	
Excess (deficiency) of revenues over budget	(1,792,647)	(935,481)	3,636,475	4,571,956
GAAP basis adjustments:				
Depreciation expense, not budgeted	_	_	(5,293,719)	(5,293,719)
papo			(3,230,773)	(3,230,713)
Capital outlay-amounts budgeted as expenses per budget basis,				
capitalized per GAAP basis			8,002,728	8,002,728
	_	_		
Net income-GAAP basis	\$ (1,792,647)	<u>\$ (935,481)</u>	\$ 6,345,484	\$ 7,280,965

McALLEN INTERNATIONAL TOLL BRIDGE FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Operating revenues: Charges for services Rentals Other	\$ 11,012,945 2,670,467 105,000	\$ 7,617,135 2,670,467 105,000	\$ 6,694,622 3,344,081 157,024	\$ (922,513) 673,614 52,024
Total operating revenues	13,788,412	10,392,602	10,195,727	(196,875)
Non-operating revenues:				
Intergovernmental Investment earnings Other	44,767 	44,767 	11,098 23,110 	11,098 (21,657) 19,170
Total non-operating revenues	44,767	44,767	53,378	8,611
Total revenues	13,833,179	10,437,369	10,249,105	(188,264)
Expenses: Administration: Salaries and benefits	281,419	285,189	175,705	109,484
Supplies	24,800 472,325	27,721	20,134 481,715	7,587
Contractual and other services Repairs and maintenance	12,162	472,325 12,162	5,799	(9,390) 6,363
Capital outlay	2,213,333	2,213,333	598,945	1,614,388
Total administration	3,004,039	3,010,730	1,282,298	1,728,432
Operations:				
Salaries and benefits	1,670,417	1,689,884	1,205,767	484,117
Supplies Contractual and other services	85,000 538,250	85,000 538,250	84,595 579,449	405 (41,199)
Repairs and maintenance	176,000	176,000	178,452	(2,452)
Total operations	2,469,667	2,489,134	2,048,263	440,871
Non-departmental expenses: Liability insurance Interest and fiscal charges Bond principal requirement Other	23,171 411 1,766 3,288,039	23,171 411 1,766 2,421,231	23,171 357 - 2,382,592	- 54 1,766 38,639
Total non-departmental expenses	3,313,387	2,446,579	2,406,120	40,459
Total expenses	8,787,093	7,946,443	5,736,681	2,209,762
Excess (deficiency) of revenues over expenses (budget basis) before transfers	5,046,086	2,490,926	4,512,424	2,021,498
Transfers: Transfers out	(5,870,215)	(4,329,221)	(4,351,390)	(22,169)
Net transfers	(5,870,215)	(4,329,221)	(4,351,390)	(22,169)
Excess (deficiency) of revenues over budget	(824,129)	(1,838,295)	161,034	1,999,329
GAAP basis adjustments: Depreciation expense, not budgeted	-	-	(1,039,397)	(1,039,397)
Interest on board advances	-	-	758,926	758,926
Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis			598,945	598,945
Net income-GAAP basis	\$ (824,129)	\$ (1,838,295)	\$ 479,508	\$ 2,317,803

ANZALDUAS INTERNATIONAL CROSSING FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS)

	Origi	nal Budget	_	Final Budget	Act	tual Amount	Fi	riance with nal Budget Positive Negative)
Operating revenues: Charges for services Rentals Other	\$	3,021,042 12,204 40,797	\$	3,021,042 12,204 40,797	\$	3,064,295 12,735 58,651	\$	43,253 531 17,854
Total operating revenues		3,074,043		3,074,043		3,135,681		61,638
Non-operating revenues: Intergovernmental Investment earnings		20,624		2,576,800 20,624		2,635,200 14,656		58,400 (5,968)
Total non-operating revenues		20,624		2,597,424		2,649,856		52,432
Total revenues		3,094,667		5,671,467		5,785,537		114,070
Expenses: Administration: Salaries and benefits Supplies Contractual and other services Repairs and maintenance Capital outlay		167,595 8,200 358,000 7,000 515,000		169,911 8,200 3,461,972 7,000 515,000		104,798 5,015 3,446,000 953 62,957		65,113 3,185 15,972 6,047 452,043
Total administration		1,055,795		4,162,083		3,619,723		542,360
Operations: Salaries and benefits Supplies Contractual and other services Repairs and maintenance		389,768 15,000 41,010 41,094	_	394,577 15,000 41,010 41,094		245,481 5,422 20,330 33,303		149,096 9,578 20,680 7,791
Total operations		486,872	_	491,681		304,536		187,145
Non-departmental expenses: Liability insurance Interest and fiscal charges Interest on board advances Bond related charges Bond principal requirement Other		20,963 979,575 - - 1,595,000	_	20,963 979,575 - - 1,595,000		20,963 975,858 758,926 (262,068) - 95,065		3,717 (758,926) 262,068 1,595,000 (95,065)
Total non-departmental expenses		2,595,538	_	2,595,538		1,588,744		1,006,794
Total expenses		4,138,205		7,249,302		5,513,003		1,736,299
Excess (deficiency) of revenues over expenses (budget basis) before transfers		(1,043,538)		(1,577,835)		272,534		1,850,369
Transfers: Transfers in Transfers out		1,671,950 (838,811)	_	1,671,950 (838,811)		846,642 (2,836)		(825,308) 835,975
Net transfers		833,139	_	833,139		843,806		10,667
Excess (deficiency) of revenues over budget		(210,399)	_	(744,696)		1,116,340		1,861,036
GAAP basis adjustments: Depreciation expense, not budgeted		-		-		(1,429,963)		(1,429,963)
Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis			_			62,957		62,957
Net income-GAAP basis	\$	(210,399)	\$	(744,696)	\$	(250,666)	\$	494,030

METRO McALLEN FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

	Original Budget	Final Budget	_Actual Amount	Variance with Final Budget Positive (Negative)
Operating revenues:				
Charges for services	\$ 225,000	\$ 225,000	\$ 83,068	\$ (141,932)
Rentals	373,807	373,807	228,018	(145,789)
Other services	3,600	3,600	9,930	6,330
Total operating revenues	602,407	602,407	321,016	(281,391)
Non-operating revenues:				
Intergovernmental	3,727,783	3,727,783	3,824,560	96,777
Investment earnings	5,318	5,318	382	(4,936)
Gain (loss) on sale of capital asset	-	-	1,425	1,425
Other			(20,332)	(20,332)
Total non-operating revenues	3,733,101	3,733,101	3,806,035	72,934
Total revenues	4,335,508	4,335,508	4,127,051	(208,457)
Expenses:				
Salaries and benefits	2,454,471	2,486,305	2,037,739	448,566
Supplies	53,729	53,729	203,298	(149,569)
Contractual and other services	1,158,317	1,158,317	1,317,563	(159,246)
Repairs and maintenance	541,613	541,613	308,091	233,522
Total expenses	4,208,130	4,239,964	3,866,691	373,273
Excess (deficiency) of revenues over expenses (budget basis) before				
transfers	127,378	95,544	260,360	164,816
Transfers:				
Transfers in	67,000	67,000	-	(67,000)
Transfers out	(175,520)	(175,520)	(175,520)	
Net transfers	(108,520)	(108,520)	(175,520)	(67,000)
Excess (deficiency) of revenues over budget	18,858	(12,976)	84,840	97,816
GAAP basis adjustments:				
Depreciation expense, not budgeted			(39,561)	(39,561)
Net income-GAAP basis	\$ 18,858	\$ (12,976)	\$ 45,279	\$ 58,255

FLEET MATERIALS MANAGEMENT FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS)

Operating revenues: \$ 4,120,000 \$ 4,875,000 \$ 5,634,439 \$ 7,594,39 Fleet billings \$ 350,000 350,000 407,624 57,624 Total operating revenues: 2,000 20,000 111,520 91,520 Total non-operating revenues: 20,000 20,000 111,520 91,520 Total revenues 2,0000 5,245,000 6,153,583 908,583 Expenses: Warring of the company of th		Orio	ginal Budget		Final Budget	Act	tual Amount	F	ariance with inal Budget Positive (Negative)
Materials management 350,000 350,000 407,624 57,624 Total operating revenues 4,470,000 5,225,000 6,042,063 817,063 Non-operating revenues:	Operating revenues:		<u> </u>	_					<u>(</u>
Total operating revenues: 4,470,000 5,225,000 6,042,063 817,063 Non-operating revenues: 20,000 20,000 111,520 91,520 Total non-operating revenues 20,000 20,000 111,520 91,520 Total revenues 4,490,000 5,245,000 6,153,583 908,583 Expenses: Materials management: 31,002,77 141,150 146,293 (5,143) Materials management: 31,002,77 141,150 146,293 (5,143) Supplies and materials 2,750 2,750 1,636 1,114 Contractual and other services 3,100 3,100 2,096 1,004 Repairs and materials 2,750 2,525 1,014 2,004 2,000 32,119 7,881 Total materials management 190,467 192,390 186,216 6,174 1,160 6,174 1,160 1,125,314 1,139,849 24,957 214,892 3,000 3,000 3,000 3,000 3,000 3,000 3,000 3,000 3,00	Fleet billings	\$	4,120,000	\$	4,875,000	\$	5,634,439	\$	759,439
Non-operating revenues: 20,000 20,000 111,520 91,520 Total non-operating revenues 20,000 20,000 111,520 91,520 Total revenues 4,490,000 5,245,000 6,153,583 908,583 Expenses: Materials management: Salaries, wages and employee benefits 139,227 141,150 146,293 (5,143) Supplies and materials 2,750 2,750 1,636 1,114 Contractual and other services 3,100 3,100 2,096 1,004 Repairs and materials 2,750 2,530 1,014 1,004 2,000 32,119 7,881 7,881 7,881 7,881 7,881 7,881 7,881 7,881 7,881 7,881 7,881 7,881 7,881 7,781 7,881 7,881 7,781 7,881 7,781 7,881 7,781 7,881 7,781 7,781 7,781 7,781 7,781 7,781 7,781 7,781 7,781 7,781 7,781 7,781 7,781 7,781 7,781 7,781<	Materials management		350,000	_	350,000	_	407,624		57,624
Other 20,000 20,000 111,520 91,520 Total non-operating revenues 20,000 20,000 111,520 91,520 Total revenues 4,490,000 5,245,000 6,153,583 908,583 Expenses: Materials management 8 8 8 908,583 Materials management 139,227 141,150 146,293 (5,143) \$1,114 Contractual and other services 3,100 3,100 1,636 1,114 Contractual and other services 3,100 3,100 2,966 1,004 Repairs and maintenance 5,390 5,390 4,072 1,188 1,114 Contractual and other services 4,000 40,000 <td>Total operating revenues</td> <td></td> <td>4,470,000</td> <td>_</td> <td>5,225,000</td> <td></td> <td>6,042,063</td> <td></td> <td>817,063</td>	Total operating revenues		4,470,000	_	5,225,000		6,042,063		817,063
Total non-operating revenues 20,000 20,000 111,520 91,520 Total revenues 4,490,000 5,245,000 6,153,583 908,583 Expenses: Materials management: 831,227 141,150 146,293 (5,143) Supplies and materials 2,750 2,750 1,636 1,114 Contractual and other services 3,100 3,100 2,096 1,004 Repairs and maintenance 5,390 5,390 4,072 1,318 Capital outlay 40,000 40,000 32,119 7,881 Total materials management 190,467 192,390 186,216 6,174 Fleet operations: 1,125,314 1,139,849 924,957 214,892 Sulpiles and materials 24,114 28,614 31,038 (2,424) Contractual and other services 2,517,300 3,998,900 4,706,134 (36,634) Repairs and maintenance 40,450 52,450 50,347 2,103 Capital outlay 4,058,878 5,373,413 5,	Non-operating revenues:								
Total revenues 4,490,000 5,245,000 6,153,583 908,582 Expenses: Materials management: Salaries, wages and employee benefits 139,227 141,150 146,293 (5,143) Supplies and materials 2,750 2,750 1,636 1,114 Contractual and other services 3,100 3,100 2,096 1,004 Repairs and maintenance 5,390 5,390 4,072 1,318 Capital outlay 40,000 40,000 32,119 7,881 Total materials management 190,467 192,390 186,216 6,174 Fleet operations: Salaries, wages and employee benefits 1,125,314 1,139,849 924,957 214,892 Supplies and materials 241,14 286,14 31,038 (24,24) Contractual and other services 2,517,200 3,809,800 49,461,314 896,334 Supplies and materials 241,14 286,14 31,038 (24,24) Contractual and other services 2,517,200 3,809,800 49,466,134 896,334 <	Other		20,000	_	20,000		111,520	_	91,520
Materials management: Salaries, wages and employee benefits 139,227 141,150 146,293 (5,143) Supplies and materials 2,750 2,750 1,636 1,114 Contractual and other services 3,100 3,100 2,096 1,004 Repairs and maintenance 5,390 5,390 4,072 1,218 Capital outlay 40,000 40,000 32,119 7,881 Total materials management 190,467 192,390 186,216 6,174 Fleet operations: Salaries, wages and employee benefits 1,125,314 1,139,849 924,957 214,892 Supplies and materials 24,114 26,614 31,033 (2,429 2,4114 26,614 31,033 (2,429 2,4114 26,614 31,033 (2,429 2,4114 26,614 31,033 (2,429 2,4114	Total non-operating revenues		20,000	_	20,000		111,520		91,520
Materials management: Salaries, wages and employee benefits 139,227 141,150 146,293 5,142 Salaries, wages and materials 2,750 2,750 1,636 1,114 Contractual and other services 3,100 3,000 2,096 1,004 Repairs and maintenance 5,390 5,990 4,072 1,318 Capital outlay 40,000 40,000 32,119 7,881 Total materials management 190,467 192,390 186,216 6,174 Fleet operations: 5,312,314 1,139,849 924,957 214,992 Salaries, wages and employee benefits 1,125,314 1,139,849 924,957 214,992 Salaries, wages and employee benefits 1,125,314 2,8614 31,038 (2,429) Supplies and materials 2,4114 2,8614 31,038 (2,429) Contractual and other services 2,517,300 3,809,800 4,706,134 (396,334) Repairs and maintenance 4,9450 52,450 50,347 2,103 Repairs and maintenance <td< td=""><td>Total revenues</td><td></td><td>4,490,000</td><td>_</td><td>5,245,000</td><td></td><td>6,153,583</td><td></td><td>908,583</td></td<>	Total revenues		4,490,000	_	5,245,000		6,153,583		908,583
Salaries, wages and employee benefits 139.227 141,150 146,293 (5,143) Supplies and materials 2,750 2,750 1,636 1,114 Contractual and other services 3,100 3,100 2,096 1,004 Repairs and maintenance 5,390 5,590 4,072 1,318 Capital outlay 40,000 40,000 32,119 7,881 Total materials management 190,467 192,390 186,216 6,174 Fleet operations: 5390 4,000 32,119 7,881 Salaries, wages and employee benefits 1,125,314 1,139,849 924,957 214,892 Supplies and materials 24,114 28,614 31,038 (2424) Contractual and other services 2,517,300 3,809,800 4,706,134 (896,348) Supplies and materials 4,9450 52,450 50,347 2,103 Capital outlay 4,058,878 5,273,413 5,804,288 (430,875) Total capital outlay and maintenance 1,600 1,600 1,600	Expenses:								
Supplies and materials 2,750 2,750 1,636 1,114 Contractual and other services 3,100 3,000 2,096 1,004 Repairs and maintenance 5,390 5,390 4,072 1,318 Capital outlay 40,000 40,000 32,119 7,887 Total materials management 190,467 192,390 186,216 6,174 Fleet operations: 5343 1,125,314 1,139,849 924,957 214,892 Salaries, wages and employee benefits 1,125,314 1,139,849 924,957 214,892 Supplies and materials 24,114 28,614 31,038 (2,424) Contractual and other services 2,517,300 3,09,800 4,706,134 (896,334) Repairs and maintenance 4,9450 52,450 50,347 2,103 Capital outlay 342,700 342,700 91,812 250,888 Total fleet operations 4,058,878 5,373,413 5,804,288 (430,875) Non-departmental expenses: 1,600 1,600 1,60									
Contractual and other services 3,100 3,100 2,096 1,004 Repairs and maintenance 5,390 5,390 4,072 1,318 Capital outlay 40,000 40,000 32,119 7,881 Total materials management 190,467 192,390 186,216 6,174 Fleet operations: 341 1,125,314 1,139,849 924,957 214,892 Supplies and materials 24,114 28,614 31,038 (2,424) Contractual and other services 2,517,300 3,809,800 4,706,134 (896,334) Repairs and maintenance 49,450 52,450 50,347 2,103 Capital outlay 342,700 342,700 91,812 250,888 Total fleet operations 4,058,878 5,373,413 5,804,288 (430,875) Non-departmental expenses: Liability insurance 1,600 1,600 1,600 1,600 1,600 1,600 1,600 1,600 1,600 1,600 1,600 1,600 1,600 1,600 1,600 <									` ' '
Repairs and maintenance 5,390 4,072 1,318 Capital outlay 40,000 40,000 32,119 7,881 Total materials management 190,467 192,390 186,216 6,174 Fleet operations: Salaries, wages and employee benefits 1,125,314 1,139,849 924,957 214,892 Supplies and materials 24,114 28,614 31,038 (2,424) Contractual and other services 2,517,300 3,809,800 4,706,134 (896,334) Repairs and maintenance 49,450 52,450 50,347 2,103 Repairs and maintenance 49,450 52,450 50,347 2,103 Repairs and maintenance 49,450 52,450 50,347 2,103 Total fleet operations 4,058,878 5,373,413 5,804,288 (430,875) Non-departmental expenses: 1 1,600 1,600 1,600 1,600 1,600 1,800 1,800 1,800 1,800 1,800 1,800 1,800 1,800 1,800 1,800 1,8	··								•
Capital outlay 40,000 40,000 32,119 7,881 Total materials management 190,467 192,390 186,216 6,174 Fleet operations: 31,125,314 1,139,849 924,957 21,4892 Supplies and materials 24,114 28,614 31,038 (2,424) Contractual and other services 2,517,300 3,809,800 4,706,134 (896,334) Repairs and maintenance 49,450 52,450 50,347 2,103 Capital outlay 342,700 342,700 91,812 250,888 Total fleet operations 4,058,878 5,373,413 5,804,288 (430,875) Non-departmental expenses: Liability insurance 1,600<							,		
Total materials management 190,467 192,390 186,216 6,174									
Fleet operations:	Capital Outlay		40,000	_	40,000	_	32,119		7,001
Salaries, wages and employee benefits 1,125,314 1,139,849 924,957 214,892 Supplies and materials 24,114 28,614 31,038 (2,424) Contractual and other services 2,517,300 3,809,800 4,706,134 (896,334) Repairs and maintenance 49,450 52,450 50,347 2,103 Capital outlay 342,700 342,700 91,812 250,888 Total fleet operations 4,058,878 5,373,413 5,804,288 (430,875) Non-departmental expenses: 1,600 1,600 1,600 - Liability insurance 1,600 1,600 1,600 - Principal 593 593 - 593 Interest and fiscal charges 138 138 120 18 Total non-departmental expenses 2,331 2,331 1,720 611 Excess (deficiency) of revenues over expenses (budget basis) 238,324 (323,134) 161,359 484,493 Transfers (14,886) (14,886) (14,886) (14,886) </td <td>Total materials management</td> <td></td> <td>190,467</td> <td>_</td> <td>192,390</td> <td></td> <td>186,216</td> <td></td> <td>6,174</td>	Total materials management		190,467	_	192,390		186,216		6,174
Salaries, wages and employee benefits 1,125,314 1,139,849 924,957 214,892 Supplies and materials 24,114 28,614 31,038 (2,424) Contractual and other services 2,517,300 3,809,800 4,706,134 (896,334) Repairs and maintenance 49,450 52,450 50,347 2,103 Capital outlay 342,700 342,700 91,812 250,888 Total fleet operations 4,058,878 5,373,413 5,804,288 (430,875) Non-departmental expenses: 1,600 1,600 1,600 - Liability insurance 1,600 1,600 1,600 - Principal 593 593 - 593 Interest and fiscal charges 138 138 120 18 Total non-departmental expenses 2,331 2,331 1,720 611 Excess (deficiency) of revenues over expenses (budget basis) 238,324 (323,134) 161,359 484,493 Transfers (14,886) (14,886) (14,886) (14,886) </td <td>Fleet operations:</td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td>	Fleet operations:								
Supplies and materials 24,114 28,614 31,038 (2,424) Contractual and other services 2,517,300 3,809,800 4,706,134 (896,334) Repairs and maintenance 49,450 52,450 50,347 2,103 Capital outlay 342,700 342,700 91,812 250,888 Total fleet operations 4,058,878 5,373,413 5,804,288 (430,875) Non-departmental expenses: Liability insurance 1,600 1,600 1,600 - Principal 593 593 593 593 593 188 Total non-departmental expenses 2,331 2,331 1,720 611 Total expenses 4,251,676 5,568,134 5,992,224 (424,090) Excess (deficiency) of revenues over expenses (budget basis) before transfers 238,324 (323,134) 161,359 484,493 Transfers out (14,886) (14,886) (14,886) - - Excess (deficiency) of revenues over budget 223,438 (338,020) 146,473 484,493	·		1.125.314		1.139.849		924.957		214.892
Contractual and other services 2,517,300 3,809,800 4,706,134 (896,334) Repairs and maintenance 49,450 52,450 50,347 2,103 Capital outlay 342,700 342,700 91,812 250,888 Total fleet operations 4,058,878 5,373,413 5,804,288 (430,875) Non-departmental expenses: 1,600 1,600 1,600 - Liability insurance 1,600 1,600 1,600 - Principal 593 593 5 593 Interest and fiscal charges 138 138 120 18 Total non-departmental expenses 2,331 2,331 1,720 611 Total expenses 4,251,676 5,568,134 5,992,224 (424,090) Excess (deficiency) of revenues over expenses (budget basis) before transfers 238,324 (323,134) 161,359 484,493 Transfers out (14,886) (14,886) (14,886) - Excess (deficiency) of revenues over budget 223,438 (338,020) 146,473					· · ·				
Capital outlay 342,700 342,700 91,812 250,888 Total fleet operations 4,058,878 5,373,413 5,804,288 (430,875) Non-departmental expenses:	··		2,517,300		3,809,800		4,706,134		
Total fleet operations 4,058,878 5,373,413 5,804,288 (430,875) Non-departmental expenses: 1,600 1,600 1,600 - Principal 593 593 - 593 Interest and fiscal charges 138 138 120 18 Total non-departmental expenses 2,331 2,331 1,720 611 Total expenses 4,251,676 5,568,134 5,992,224 (424,090) Excess (deficiency) of revenues over expenses (budget basis) before transfers 238,324 (323,134) 161,359 484,493 Transfers: Transfers out (14,886) (14,886) (14,886) - Net transfers (14,886) (14,886) (14,886) - - Excess (deficiency) of revenues over budget 223,438 (338,020) 146,473 484,493 GAAP basis adjustments: Depreciation expense, not budgeted - - (64,407) (64,407) Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis - - 123,931 123,9	Repairs and maintenance		49,450		52,450		50,347		2,103
Non-departmental expenses: Liability insurance 1,600 1,600 1,600 - Principal 593 593 - 593 Interest and fiscal charges 138 138 120 18 Total non-departmental expenses 2,331 2,331 1,720 611 Total expenses 4,251,676 5,568,134 5,992,224 (424,090) Excess (deficiency) of revenues over expenses (budget basis) before transfers 238,324 (323,134) 161,359 484,493 Transfers:	Capital outlay		342,700	_	342,700		91,812		250,888
Liability insurance Principal 1,600 1,600 1,600 - - - 593 593 - 593 593 - 593 593 - 593 188 138 120 18 Total non-departmental expenses 2,331 2,331 1,720 611 611 Total expenses 4,251,676 5,568,134 5,992,224 (424,090) Excess (deficiency) of revenues over expenses (budget basis) before transfers 238,324 (323,134) 161,359 484,493 Transfers:	Total fleet operations		4,058,878	_	5,373,413		5,804,288		(430,875)
Liability insurance Principal 1,600 1,600 1,600 - - - 593 593 - 593 593 - 593 593 - 593 188 138 120 18 Total non-departmental expenses 2,331 2,331 1,720 611 611 Total expenses 4,251,676 5,568,134 5,992,224 (424,090) Excess (deficiency) of revenues over expenses (budget basis) before transfers 238,324 (323,134) 161,359 484,493 Transfers:	Non-departmental expenses:								
Interest and fiscal charges 138 138 120 18 Total non-departmental expenses 2,331 2,331 1,720 611 Total expenses 4,251,676 5,568,134 5,992,224 (424,090) Excess (deficiency) of revenues over expenses (budget basis) before transfers 238,324 (323,134) 161,359 484,493 Transfers:			1,600		1,600		1,600		-
Total non-departmental expenses 2,331 2,331 1,720 611 Total expenses 4,251,676 5,568,134 5,992,224 (424,090) Excess (deficiency) of revenues over expenses (budget basis) before transfers 238,324 (323,134) 161,359 484,493 Transfers:	Principal		593		593		-		593
Total expenses 4,251,676 5,568,134 5,992,224 (424,090) Excess (deficiency) of revenues over expenses (budget basis) before transfers 238,324 (323,134) 161,359 484,493 Transfers:	Interest and fiscal charges		138	_	138	_	120		18
Excess (deficiency) of revenues over expenses (budget basis) before transfers Transfers: Transfers out (14,886) (14,886) (14,886) (14,886) (14,886) - Net transfers (14,886) (14,886) (14,886) (14,886) - Excess (deficiency) of revenues over budget 223,438 (338,020) 146,473 484,493 GAAP basis adjustments: Depreciation expense, not budgeted (64,407) Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis - 123,931 123,931	Total non-departmental expenses		2,331	_	2,331		1,720		611
before transfers 238,324 (323,134) 161,359 484,493 Transfers: Transfers out (14,886) (14,886) (14,886) - Net transfers (14,886) (14,886) (14,886) - Excess (deficiency) of revenues over budget 223,438 (338,020) 146,473 484,493 GAAP basis adjustments: Depreciation expense, not budgeted - - - (64,407) (64,407) Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis - - - 123,931 123,931	Total expenses		4,251,676	_	5,568,134		5,992,224		(424,090)
Transfers out (14,886) (14,886) (14,886) - Net transfers (14,886) (14,886) (14,886) - Excess (deficiency) of revenues over budget 223,438 (338,020) 146,473 484,493 GAAP basis adjustments:			238,324	_	(323,134)		161,359		484,493
Net transfers (14,886) (14,886) (14,886) - Excess (deficiency) of revenues over budget 223,438 (338,020) 146,473 484,493 GAAP basis adjustments: Depreciation expense, not budgeted (64,407) (64,407) Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis 123,931 123,931	Transfers:								
Excess (deficiency) of revenues over budget 223,438 (338,020) 146,473 484,493 GAAP basis adjustments: Depreciation expense, not budgeted (64,407) (64,407) Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis 123,931 123,931	Transfers out		(14,886)	_	(14,886)		(14,886)		
GAAP basis adjustments: Depreciation expense, not budgeted (64,407) (64,407) Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis 123,931 123,931	Net transfers		(14,886)	_	(14,886)		(14,886)		
Depreciation expense, not budgeted (64,407) Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis 1 123,931 123,931	Excess (deficiency) of revenues over budget		223,438	_	(338,020)		146,473		484,493
capitalized per GAAP basis			-		-		(64,407)		(64,407)
Net income-GAAP basis <u>\$ 223,438</u> <u>\$ (338,020)</u> <u>\$ 205,997</u> <u>\$ 783,885</u>	Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis			_			123,931		123,931
	Net income-GAAP basis	\$	223,438	\$	(338,020)	\$	205,997	\$	783,885

EMPLOYEE BENEFITS FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues:				(11091111)
Operating-contributions	\$ 12,571,568	\$ 12,571,568	\$ 12,501,382	\$ (70,186)
Total operating revenues	12,571,568	12,571,568	12,501,382	(70,186)
Non-operating revenues: Investment earnings	-	-	395	395
Other	144,000	144,000	304,259	160,259
Total non-operating revenues	144,000	144,000	304,654	160,654
Total revenues	12,715,568	12,715,568	12,806,036	90,468
Expenses:				
Salaries, wages and employee benefits	397,319	402,647	381,406	21,241
Supplies and materials	3,500	100,256	139,903	(39,647)
Contractual and other services	1.504.647	1,504,647	1,493,538	11,109
Self insurance claims	13,600,000	13,600,000	12,364,751	1,235,249
cen modrance diamino	10,000,000	10,000,000	12,001,701	1,200,215
Total expenses	15,505,466	15,607,550	14,379,598	1,227,952
Excess (deficiency) of revenues over expenses (budget basis) before transfers	(2,789,898)	(2,891,982)	(1,573,562)	1,318,420
Transfers:				
Transfers in	2,600,208	2,600,208	2,600,208	
Net transfers	2,600,208	2,600,208	2,600,208	
Excess (deficiency) of revenues over budget	(189,690)	(291,774)	1,026,646	1,318,420
Net income-GAAP basis	\$ (189,690)	\$ (291,774)	\$ 1,026,646	\$ 1,318,420

RETIREE HEALTH INSURANCE FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

	Original Burdana	Final Budget	A street Assessment	Variance with Final Budget Positive
Revenues:	Original Budget	Final Budget	Actual Amount	(Negative)
Operating-contributions	\$ 1,443,756	\$ 1,443,756	\$ 1,619,090	\$ 175,334
Total operating revenues	1,443,756	1,443,756	1,619,090	175,334
Non-operating revenues: Investment earnings Other	9,537	9,537 	68 9,416	(9,469) 9,416
Total non-operating revenues	9,537	9,537	9,484	(53)
Total revenues	1,453,293	1,453,293	1,628,574	175,281
Expenses: Contractual and other services Self insurance claims	83,052 1,203,000	83,052 2,033,000	87,453 2,016,006	(4,401) 16,994
Total expenses	1,286,052	2,116,052	2,103,459	12,593
Excess (deficiency) of revenues over expenses (budget basis) before transfers	167,241	(662,759)	(474,885)	187,874
Excess (deficiency) of revenues over budget	167,241	(662,759)	(474,885)	187,874
Net income-GAAP basis	\$ 167,241	\$ (662,759)	\$ (474,885)	\$ 187,874

RISK MANAGEMENT FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues: Operating-contributions	\$ 1,738,494	\$ 1,738,494	\$ 2,080,766	\$ 342,272
. ,	· · · · ·		· · · · · ·	
Total operating revenues	1,738,494	1,738,494	2,080,766	342,272
Non-operating revenues: Investment earnings	69,121	69,121	58,863	(10,258)
Net increase (decrease) in the fair value of investments Other	120,000	120,000	(2,115) 93,492	(2,115) (26,508)
	. 20,000	. 20,000		(20,000)
Total non-operating revenues	189,121	189,121	150,240	(38,881)
Total revenues	1,927,615	1,927,615	2,231,006	303,391
Expenses:				
Salaries, wages and employee benefits	483,631	489,929	410,978	78,951
Supplies and materials	7,025	72,025	88,120	(16,095)
Contractual and other services Repairs and maintenance	2,786,676 3,640	1,767,676 3.640	1,397,187 1.027	370,489 2.613
Repairs and maintenance	3,040	3,040	1,027	2,013
Total expenses	3,280,972	2,333,270	1,897,312	435,958
Excess (deficiency) of revenues over expenses (budget basis) before transfers	(1,353,357)	(405,655)	333,694	739,349
Transfers: Transfers out	(1,643,703)	(1,643,703)	(1,622,574)	21,129
Net transfers	(1,643,703)	(1,643,703)	(1,622,574)	21,129
Excess (deficiency) of revenues over budget	(2,997,060)	(2,049,358)	(1,288,880)	760,478
GAAP basis adjustments: Depreciation expense, not budgeted			(3,614)	(3,614)
Net income-GAAP basis	\$ (2,997,060)	\$ (2,049,358)	\$ (1,292,494)	\$ 756,864

GENERAL DEPRECIATION FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

Parameter	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues: Charges for services	\$ 3,099,378	\$ 3,099,378	\$ 2,965,878	\$ (133,500)
Total operating revenues	3,099,378	3,099,378	2,965,878	(133,500)
Non-operating revenues: Investment earnings Net increase (decrease) in the fair value of investments Other	111,390 - 	111,390 - 	105,813 (9,013) 79,280	(5,577) (9,013) 79,280
Total non-operating revenues	111,390	111,390	176,080	64,690
Total revenues	3,210,768	3,210,768	3,141,958	(68,810)
Expenses: Capital outlay	2,613,052	3,317,252	1,908,697	1,408,555
Total expenses	2,613,052	3,317,252	1,908,697	1,408,555
Excess (deficiency) of revenues over expenses (budget basis) before transfers	597,716	(106,484)	1,233,261	1,339,745
Transfers: Transfers out	(45,000)	(45,000)		45,000
Net transfers	(45,000)	(45,000)		45,000
Excess (deficiency) of revenues over budget	552,716	(151,484)	1,233,261	1,384,745
GAAP basis adjustments: Depreciation expense, not budgeted	-	-	(2,134,917)	(2,134,917)
Capital outlay-amounts budgeted as expenses per budget basis, capitalized per GAAP basis			1,908,697	1,908,697
Net income-GAAP basis	\$ 552,716	\$ (151,484)	\$ 1,007,041	\$ 1,158,525

PROPERTY & CASUALTY INSURANCE FUND SCHEDULE OF REVENUES AND EXPENSES-BUDGET AND ACTUAL (BUDGET BASIS) For the Year Ended September 30, 2021

	Original Budget	Final Budget	Actual Amount	Variance with Final Budget Positive (Negative)
Revenues:				
Operating-contributions	\$ 800,000	\$ 800,000	\$ 815,722	\$ 15,722
Total operating revenues	800,000	800,000	815,722	15,722
Non-operating revenues: Other			29,563	29,563
Total non-operating revenues			29,563	29,563
Total revenues	800,000	800,000	845,285	45,285
Expenses: Salaries, wages and employee benefits Supplies and materials Contractual and other services Self insurance Total expenses	142,387 1,500 379,115 336,000 859,002	144,306 1,500 402,115 313,000	82,906 1,006 386,304 321,005 791,221	61,400 494 15,811 (8,005)
Excess (deficiency) of revenues over expenses (budget basis) before transfers	(59,002)	(60,921)	54,064	114,985
Transfers: Transfers in	253,552	253,552	232,423	21,129
Net transfers	253,552	253,552	232,423	(21,129)
Excess (deficiency) of revenues over budget	194,550	192,631	286,487	93,856
Net income-GAAP basis	\$ 194,550	\$ 192,631	\$ 286,487	\$ 93,856



Statistical Section

This part of the City of McAllen's annual comprehensive 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 government's overall financial health.

Contents

Financial Trends

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

Revenue Capacity

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

Debt Capacity

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

Demographic and Economic Information

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

Operating Information

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

Other Information

Information that City considers useful to its citizens is included in this section.

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial report for the relevant year.

Schedule 1

NET POSITION BY COMPONENT (1)

Last TenYears (accrual basis of accounting)

	2012	2013	2014*	2015	2016	2017	2018	2019	2020	2021
Governmental activities										
Net investment in capital assets	\$234,246,829	\$243,681,893	\$261,002,031	\$271,338,778	\$277,919,085	\$220,553,878	\$205,470,975	\$219,672,941	\$226,088,033	\$240,339,983
Restricted	33,420,883	33,151,044	23,333,654	24,007,134	23,545,092	22,963,251	26,550,903	29,564,998	52,640,091	62,684,340
Unrestricted	87,384,447	84,517,660	45,785,583	45,826,104	36,063,681	38,062,911	33,617,347	36,961,573	31,884,261	67,178,199
Total governmental activities net position	\$355,052,159	\$361,350,597	\$330,121,268	\$341,172,016	\$337,527,858	\$281,580,040	\$265,639,225	\$286,199,512	\$310,612,385	\$370,202,522
Business-type activities										
Net investment in capital assets	\$269,408,160	\$259,339,759	\$263,527,417	\$245,028,871	\$269,347,294	\$332,816,366	\$345,070,300	\$337,286,613	\$339,364,968	\$347,494,167
Restricted	49,320,757	50,319,574	54,776,089	53,275,318	61,516,830	63,635,870	65,221,064	70,008,882	70,317,544	69,971,630
Unrestricted	42,513,303	56,415,746	49,262,997	80,172,274	49,323,806	39,820,546	35,366,274	38,518,470	43,304,674	54,247,453
Total business-type activities net position	\$361,242,220	\$366,075,079	\$367,566,503	\$378,476,463	\$380,187,930	\$436,272,782	\$445,657,638	\$445,813,965	\$452,987,186	\$471,713,250
Primary government										
Net investment in capital assets	\$503,654,989	\$503,021,652	\$524,529,448	\$516,367,649	\$547,266,379	\$553,370,244	\$550,541,275	\$556,959,554	\$565,453,001	\$587,834,150
Restricted	82,741,640	83,470,618	78,109,743	77,282,452	85,061,922	86,599,121	91,771,967	99,573,880	122,957,635	132,655,970
Unrestricted	129,897,750	140,933,406	95,048,580	125,998,378	85,387,487	77,883,457	68,983,621	75,480,043	75,188,935	121,425,652
Total primary government activities net position	\$716,294,379	\$727,425,676	\$697,687,771	\$719,648,479	\$717,715,788	\$717,852,822	\$711,296,863	\$732,013,477	\$763,599,571	\$841,915,772

(1) As per GASB 63

* 2014 Restated per GASB 68

Source: Annual Comprehensive Financial Reports

Schedule 2

CHANGES IN NET POSITION (1) Last Ten Years (accrual basis of accounting)

		2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Expenses	_	2012	2013			2010					2021
Governmental activities:											
General government	Ś	22,505,316 \$	20,817,432 \$	35,315,069 \$	26,748,778 \$	38,778,497 \$	43,779,576 \$	52,324,011 \$	27,563,177 \$	30.479.235 \$	30.996.336
Public safety	Ų	51.714.002	53.799.148	58,432,712	57,338,636	63,079,739	61.676.966	57,965,285	64,933,815	69,197,955	64,284,810
Highways and streets		22,060,953	19,620,592	20,457,888	23,018,428	24,136,943	21,126,938	24,448,675	23,881,893	21,524,702	19,239,375
Health and welfare		5,424,919	5,247,302	4,604,866	7,676,848	5,693,042	8,305,076	7,094,404	6,924,442	7,764,075	7,309,487
Culture and recreation		16,468,099	18,061,633	20,996,431		22,500,569	28,074,221		25,939,335	25,865,451	24,234,654
		900,520	780,778		13,810,026 2,159,876	2,066,207	3,418,388	23,161,527 3,651,488	4,164,252	5,343,342	4,320,581
Interest on long-term debt	_	900,520	/00,//0	816,650	2,139,670	2,000,207	3,410,300	3,031,400	4,104,232	3,343,342	4,320,361
Total governmental activities expenses		119,073,809	118,326,885	140,623,616	130,752,592	156,254,997	166,381,165	168,645,390	153,406,914	160,174,760	150,385,243
Business-type activities:											
Water services		16,492,817	17,390,301	17,474,327	17,161,204	20,135,477	19,213,848	19,120,533	20,635,156	20,533,021	20,373,834
Wastewater services		12,704,012	13,787,604	15,251,999	15,063,966	16,431,643	14,568,734	14,211,367	17,826,609	17,822,342	18,608,627
Sanitation services		13,808,444	14,799,650	15,756,027	16,352,417	17,976,533	18,110,918	18,391,187	19,583,152	19,912,328	21,140,272
Golf course services		1,464,808	1,451,413	1,401,051	1,365,580	1,448,965	1,449,564	1,455,820	1,561,416	1,559,155	1,637,471
Civic center services		398,739	423,632	438,233	417,072	162,176	154	-	-	-	-
Performing arts center services		-	-	-	-	-	1,638,310	2,422,385	2,450,108	6,619,680	1,708,565
Convention center services		4,970,522	5,097,875	5,591,643	5,660,315	6,400,139	6,259,718	5,766,331	6,095,097	2,369,526	6,257,533
Airport services		6,672,164	6,867,863	7,385,213	7,922,418	8,856,156	9,180,118	9,021,537	10,623,431	9,788,459	11,220,628
Transit services		1,155,996	1,314,193	965,054	1,432,186	1,551,484	1,688,647	1,759,640	1,766,906	1,623,375	1,896,225
Bus services		2,553,618	2,877,020	3,973,485	3,621,901	3,795,560	3,832,463	3,402,599	3,677,914	3,728,749	3,916,422
Anzalduas crossing		4.140.909	4,571,611	4,558,948	4,552,866	5,642,196	5,181,228	4,682,605	3,254,699	3.706.940	6.107.458
Bridge services		6,004,265	6,111,267	6,530,689	6,877,304	7,310,552	7,542,209	7,651,619	7,914,051	5,824,001	6,144,256
· ·	_	0,004,200	0,111,207	0,000,000	0,077,004	7,010,002	7,042,207	7,001,015	7,514,001	0,024,001	0,144,200
Total business-type activities expenses		70,366,294	74,692,429	79,326,669	80,427,229	89,710,881	88,665,911	87,885,623	95,388,539	93,487,576	99,011,291
Total primary government expenses	\$	189,440,103 \$	193,019,314 \$	219,950,285 \$	211,179,821 \$	245,965,878 \$	255,047,076 \$	256,531,013 \$	248,795,453 \$	253,662,336 \$	249,396,534
Program Revenues Governmental activities: Charges for services:											
General government	\$	1,862,654 \$	2,079,410 \$	1,918,951 \$	2,088,536 \$	2,343,536 \$	2,430,066 \$	2,225,610 \$	3,138,933 \$	1,246,277 \$	3,788,132
Public safety	Ÿ	7,358,779	4,358,385	4,366,315	7,394,577	3,991,057	4,320,581	4,493,813	4,696,264	4,294,525	1,662,726
Highways and streets		1,140,683	1,178,562	1,160,689	1,108,870	1,087,905	1,114,907	1,833,144	2,182,147	1,944,900	1,940,423
Health and welfare		241,620	308,515	271,722	414,699	366,471	446,902	484,970	464,934	336,513	845,614
Culture and recreation		1,206,028	1,187,176	1,213,111	1,202,362	1,363,071	1,278,037	1,178,511	1,149,823	435,262	883,556
Operating grants and		1,200,020	1,107,170	1,213,111	1,202,302	1,303,071	1,270,037	1,170,511	1,149,023	455,202	003,330
contributions		2,579,065	3,592,660	2,736,600	1,961,190	2,090,002	4,474,280	2,264,818	1,793,948	21,661,783	35,912,854
Capital grants and contributions		5,065,923	4,306,512	5,303,435	3,406,289	4,127,471	4,715,841	7,826,973	6,559,247	10,893,157	10,987,570
	_	0,000,720	1,000,012	0,000,100	0,100,207	1,127,171	1,7 10,011	7,020,570	0,000,217	10,000,107	10,507,070
Total governmental activities program revenues		19,454,752	17,011,220	16,970,823	17,576,523	15,369,513	18,780,614	20,307,839	19,985,296	40,812,417	56,020,875
Business-type activities: Charges for services:											
Water services		15,964,657	16,125,777	15,689,054	15,659,444	18,558,428	19,407,111	19,053,440	18,653,257	20,772,227	20,692,360
Wastewater services		14,568,552	14,840,659	14,976,046	15,378,193	17,147,746	17,704,596	17,456,310	17,539,928	19,155,828	20,002,986
Sanitation services		16,669,790	16,738,683	16,968,558	17,398,629	18,220,367	19,230,472	19,579,301	21,442,210	21,691,829	22,646,597
Bridge services		14,559,743	14,902,453	15,747,749	13,600,185	14,512,742	14,728,300	14,392,407	13,808,430	10,724,806	13,331,408
Other		9,536,557	9,870,476	10,513,929	15,021,175	15,928,338	15,589,382	16,035,625	16,930,343	15,253,523	14,112,302

CHANGES IN NET POSITION (1) Last Ten Years (accrual basis of accounting)

	_	2012	2013		2014	2015	 2016	2017	 2018	20	19	_	2020	2021
Operating grants and contributions Capital grants and contributions	\$	784,314 4,323,382	\$ 853, 7,161,	095 \$ 439 _	1,587,799 \$ 8,520,524	1,329,212 13,042,693	\$ 1,523,384 \$ 10,907,454	1,854,981 6,159,765	\$ 1,762,389 \$ 10,279,600	,	910,238 870,993	\$	5,302,896 11,323,284	\$ 8,798,316 18,941,229
Total business-type activities program revenues		76,406,995	80,492	582	84,003,659	91,429,531	96,798,459	94,674,607	 98,559,072	96,	155,399		104,224,393	118,525,198
Total primary government program revenues	\$	95,861,747	\$ 97,503	<u>802</u> \$	100,974,482 \$	109,006,054	\$ 112,167,972 \$	113,455,221	\$ 118,866,911	3 116,	140,695	\$	145,036,810	\$ 174,546,073
Net (Expense) Revenue Governmental activities Business-type activities	\$	(99,619,057) 6,040,701	\$ (101,315, 5,800,		(123,652,793) \$ 4,676,990	(113,176,069) 11,002,302	\$ (140,885,484) \$ 7,087,578	(147,600,551) 6,008,696	\$ (148,337,551) \$ 10,673,449	, ,	421,618) 766,860	\$	(119,362,343) § 10,736,817	\$ (94,364,368) 19,513,907
Total primary government net expense	\$	(93,578,356)	\$ (95,515	<u>512)</u> \$	(118,975,803) \$	(102,173,767)	\$ (133,797,906) \$	(141,591,855)	\$ (<u>137,664,102)</u> §	(132,	654,758)	\$	(108,625,526)	\$ (74,850,461)
General Revenues and Other Changes in Net Position Governmental activities Taxes														
Property taxes, levied for general purposes Hotel occupancy taxes Sales tax Franchise taxes	\$	33,445,701 3,503,985 58,407,779 6,348,331	\$ 32,783, 4,784, 60,825, 6,457,	757 866	35,037,958 \$ 5,343,765 61,331,004 6,707,787	39,050,045 5,479,719 63,758,787 6,613,745	\$ 40,459,314 \$ 5,253,476 61,301,698 6,716,262	42,975,582 4,946,155 59,488,228 6,801,740	\$ 45,630,288 \$ 4,788,407 63,177,249 6,918,783	5,: 70,:	800,963 310,620 274,159 931,777	\$	51,489,045 \$ 3,968,611 67,025,563 6,612,373	\$ 52,947,964 4,178,181 79,887,252 6,496,154
Mixed beverage Taxes Unrestricted investment earnings Royalties Contributions		675,810 1,138,925	123, 936,		938,877 944,609 -	1,077,441 828,482 -	1,354,865 490,736	1,477,050 620,011 22,969,640	2,040,853 534,238	,	- 194,784 342,643 -		2,826,269 241,597	1,112,755 793,169 - -
Miscellaneous Transfers		1,727,591 2,120,871	1,188, 1,656,		718,857 4,158,872	4,332,402 3,086,193	5,179,301 16,485,677	1,503,250 (49,128,923)	6,227,083 3,079,835		100,824 571,144		5,938,616 5,673,142	7,073,997 1,465,033
Total governmental activities		107,368,993	108,756	250	115,181,729	124,226,814	137,241,329	91,652,733	 132,396,736	144,	526,914	_	143,775,216	153,954,505
Business-type activities Unrestricted investment earnings Gain on sale of capital assets		456,604	157,	-	467,440 2,098,640	649,882 1,220,285	689,307 9,899,884	729,638	1,330,004	,	151,897 191,286))	2,109,546	677,190 -
Miscellaneous Transfers		1,001 13,708,822	532, (1,656,		288,076 (4,158,872)	1,123,687 (3,086,193)	520,372 (16,485,677)	217,595 49,128,923	461,238 (3,079,835)	(2,	- (571,144)	(5,673,142)	(1,465,033)
Total business-type activities Total primary government	\$	14,166,427 121,535,420	(967,		(1,304,716) 5 113,877,013 \$	(92,339) 124,134,475	\$ (5,376,114) 131,865,215 \$	50,076,156 141,728,889	\$ (1,288,593) 131,108,143		610,533) 916,381		(3,563,596) 140,211,620	\$ (787,843) 153,166,662
Change in Net Position Governmental activities Business-type activities	\$	7,749,936 20,207,128	\$ 7,440, 4,832,	585 \$	(8,471,064) \$ 3,372,274	11,050,745 10,909,963	\$ (3,644,155) \$ 1,711,464	(55,947,818) 56,084,852	\$ (15,940,815) \$ 9,384,856		105,296 156,327	\$	24,412,873 \$ 7,173,221	\$ 59,590,137 18,726,064
Total government net position	\$	27,957,064	\$ 12,273	444 \$	(5,098,790) \$	21,960,708	\$ (1,932,691) \$	137,034	\$ (6,555,959)	11,	261,623	\$	31,586,094	\$ 78,316,201

⁽¹⁾ As per GASB 63

Source: Annual Comprehensive Financial Reports

(Concluded)

FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Years (modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
General Fund										
Nonspendable	\$ 1,396,791 \$	1,774,762	\$ 2,160,543	\$ 2,295,944	\$ 2,646,319	\$ 2,989,178	\$ 3,837,797	\$ 3,619,510	\$ 3,876,920	\$ 4,243,020
Reserved/Assigned	1,552,643	1,730,634	447,859	457,022	457,022	457,022	177,736	-	-	-
Unreserved/Unassigned	42,860,830	40,370,161	41,221,379	46,369,562	44,346,729	42,941,348	48,732,108	56,950,633	75,232,268	72,233,751
Total General Fund	\$ 45,810,264	43,875,557	\$ 43,829,781	\$ 49,122,528	\$ 47,450,070	\$ 46,387,548	\$ 52,747,641	\$ 60,570,143	\$79,109,188	\$76,476,771
All Other Governmental Funds										
Nonspendable	\$ 352,716 \$	352,716	\$ -	\$ -	\$ 27,064	\$ 53,659	\$ 57,055	\$ 94,083	\$ -	\$ 8,250
Restricted	34,171,127	33,636,421	79,530,591	71,032,714	71,553,166	52,714,390	41,515,087	67,193,014	55,101,958	62,684,340
Committed	217,989	154,790	387,626	513,561	297,145	290,623	119,863	14,809	-	118,950
Assigned	8,459,646	9,090,061	5,741,676	4,451,033	2,989,333	5,412,080	5,399,201	6,091,646	5,884,642	34,591,046
Unassigned									(64,179)	(22,511)
Total all other governmental funds	\$ 43,201,478 \$	43,233,988	\$ 85,659,893	\$ 75,997,308	\$ 74,866,708	\$ 58,470,752	\$ 47,091,206	\$ 73,393,552	\$ 60,922,421	\$ 97,380,075

CHANGES IN FUND BALANCES - GOVERNMENTAL FUNDS

Last Ten Years (modified accrual basis of accounting)

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Revenues										
Taxes	\$101,438,055	\$105,293,773	\$107,695,530	\$114,763,015	\$113,666,622	\$114,111,851	\$119,820,314	\$129,498,114	\$128,174,571	\$143,496,240
Licenses and permits	1,536,902	1,429,150	1,447,712	1,613,397	1,808,701	1,994,947	1,983,125	2,144,535	2,246,575	2,653,536
Intergovernmental	6,734,270	6,782,631	7,376,849	3,502,500	2,760,398	7,783,963	3,094,407	4,167,021	29,354,952	41,074,008
Charges for services	5,026,625	5,279,159	5,220,385	5,767,795	6,001,013	6,354,554	7,060,426	8,359,074	6,519,087	7,606,530
Fines and forfeitures	5,422,628	2,548,733	2,556,904	5,415,137	1,808,320	1,788,568	1,840,277	1,719,382	1,426,744	1,063,885
Investment earnings	508,483	69,628	739,885	876,393	1,006,394	1,151,039	1,711,816	3,603,895	2,413,884	639,158
Other	2,686,826	2,101,208	1,784,518	4,348,725	4,710,326	5,863,023	7,626,775	8,897,870	7,566,655	7,600,301
Total revenues	123,353,789	123,504,282	126,821,783	136,286,962	131,761,774	139,047,945	143,137,140	158,389,891	177,702,468	204,133,658
Expenditures										
General government	19,601,840	19,550,411	34,649,924	25,333,902	35,773,536	53,158,214	42,661,910	27,232,111	30,162,193	40,045,730
Public safety	49,272,439	50,041,327	51,912,722	52,994,445	54,484,060	55,487,989	57,457,183	59,665,591	61,995,064	63,605,359
Highways and streets	18,169,966	13,414,722	13,318,011	10,782,403	16,486,478	13,314,445	12,628,135	12,566,709	13,131,152	13,152,011
Health and welfare	5,388,416	5,208,427	4,552,904	7,512,747	5,596,042	8,062,409	7,089,064	7,133,563	7,519,006	7,331,452
Culture and recreation	14,601,437	15,410,540	17,194,648	17,767,314	19,980,953	19,174,040	19,872,005	20,083,465	20,596,926	19,780,333
Capital outlay *	19,836,269	19,896,331	22,156,818	29,946,314	39,251,496	22,594,772	17,711,495	24,014,899	29,100,201	18,475,941
Debt service:										
Principal	2,530,000	2,645,000	2,765,000	19,853,534	4,765,000	4,830,000	5,030,000	6,069,091	7,621,306	3,928,921
Interest	1,012,256	896,365	774,407	3,803,374	2,567,009	4,017,840	4,230,646	4,527,727	5,562,384	4,590,604
Total expenditures	130,412,623	127,063,123	147,324,434	167,994,033	178,904,574	180,639,709	166,680,438	161,293,156	175,688,232	170,910,351
•	130,412,023	127,000,120	147,024,404	107,554,000	170,504,574	100,000,700	100,000,400	101,230,100	173,000,232	170,510,551
Excess of revenues over (under) expenditures	(7,058,834)	(3,558,841)	(20,502,651)	(31,707,071)	(47,142,800)	(41,591,764)	(23,543,298)	(2,903,265)	2,014,236	33,223,307
Other Financing Sources										
(Uses)										
Bond proceeds	-	-	54,230,001	15,035,000	29,620,000	20,835,000	15,005,000	18,955,000	-	42,890,000
Transfers in	15,970,624	22,353,826	18,453,155	26,945,098	31,581,149	18,770,483	17,595,175	19,405,758	22,757,119	67,840,354
Bond Premium	-	-	3,493,907	1,281,031	-	445,587	439,010	2,250,605	-	-
Bond Discount	-	-	-	-	(160,520)	-	-	-	-	-
Payment to refunded bond										
escrow agent	-	-	-	-	-	-	-	-	-	(42,543,046)
Capital lease	-	-	-	-	-	-	-	3,861,923	-	-
Transfers out	(13,849,753)	(20,697,182)	(13,544,283)	(15,923,896)	(16,700,887)	(15,917,784)	(14,515,340)	(16,900,164)	(18,703,441)	(67,585,378)
Total other financing										
sources (uses)	2,120,871	1,656,644	62,632,780	27,337,233	44,339,742	24,133,286	18,523,845	27,573,122	4,053,678	601,930
Net change in fund										
balances	\$(4,937,963)	\$(1,902,197)	\$42,130,129	\$(4,369,838)	\$(2,803,058)	\$(17,458,478)	\$(5,019,453)	\$24,669,857	\$6,067,914	\$33,825,237
Debt service as a										
percentage of noncapital										
expenditures	3.20%	3.30%	2.83%	17.14%	5.25%	5.60%	6.22%	7.72%	8.99%	5.59%

 $^{{\}rm * This\ excludes\ internal\ service\ funds\ treated\ as\ governmental\ funds\ for\ government-wide\ purposes.}$

Source: Annual Comprehensive Financial Reports

TAX REVENUES BY SOURCE - GOVERNMENTAL FUNDS

Last Ten Years (modified accrual basis of accounting)

Fiscal Year	Property	roperty Sales Fra		Н	otel	Total
				7%	2%	
2012	\$33,177,960	\$58,407,780	\$ 6,348,331	\$ 3,503,985	\$ -	\$ 101,438,056
2013 2014	33,225,753 34,312,972	60,825,866 61,331,004	6,457,397 6,707,787	3,978,186 4,156,140	806,571 1,187,625	105,293,773 107,695,528
2015	38,910,760	62,939,971	6,613,748	4,262,268	1,217,452	113,944,199
2016 2017	40,388,385 42,875,727	60,449,553 58,621,552	6,716,262 6,801,740	4,085,205 3,845,907	1,168,272 1,100,249	112,807,677 113,245,175
2018	44,935,877	62,156,132	6,918,784	3,724,272	1,063,462	118,798,527
2019 2020	46,981,577 50,568,021	69,284,265 66.297.144	6,931,777 6,612,373	4,130,393 3,086,414	1,180,205 882,197	129,498,112 127.446.150
2021	52,947,964	78,761,185	6,496,154	3,249,439	928,742	142,383,484
Change 2012-2021	59.59%	34.85%	2.33%	-7.26%	100.00%	40.36%

TAXABLE SALES BY CATEGORY

Last Ten Years (in Millions)

	2012	2013	2014	2015	2016	2017	2018	2019		2020	2021
Retail	\$ 1,799	\$ 1,847	\$ 1,859	\$ 1,813	\$ 1,709	\$ 1,562	\$ 1,267 *\$	1,491	*\$	1,378	\$ 1,371
Services	181	195	207	223	202	191	147 *	160	*	142	\$ 139
Wholesale	112	108	118	123	128	132	102 *	100	*	106	\$ 393
Other	 469	 491	506	526	 524	540	 440 *	463	*	425	\$ 500
Total - All Industries	\$ 2,561	\$ 2,640	\$ 2,685	\$ 2,685	\$ 2,563	\$ 2,425	\$ 1,956 \$	2,214	\$	2,051	\$ 2,403
											(1)

Other includes Agricultural/Forestry, Mining, Construction, Manufacturing, Transportation/Utilities, Financial Services, and Other

McAllen-Edinburg-Mission MSA
Percent Allocation of Taxable Sales - Retail Only

Building Materials	6%	5%	5%	6%	6%	6%	5%	5%	6%	7%
General Merchandise	28%	28%	28%	26%	25%	25%	23%	19%	18%	19%
Food Stores	6%	6%	6%	6%	7%	7%	8%	6%	7%	8%
Automotive	5%	5%	6%	5%	5%	6%	5%	5%	5%	6%
Clothing	16%	17%	17%	17%	16%	16%	15%	14%	12%	15%
Home Furnishings	13%	13%	12%	12%	12%	11%	16%	22%	23%	12%
Restaurants	17%	17%	17%	19%	20%	21%	20%	19%	18%	21%
Miscellaneous Retail	9%	9%	9%	9%	9%	8%	8%	10%	11%	12%
Total	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%

(1) Represents only three quarters of fiscal year.

Source: State Comptroller's Office

The State Comptroller's Office does not report detail of the Retail category at the city level due to confidentiality issues. The allocation presented, which is by MSA is intended to give some indication.

^{*} Restated due to updated totals received from State Comptroller's Office.

ASSESSED VALUE AND ACTUAL VALUE OF TAXABLE PROPERTY (1) Last Ten Fiscal Years

Fiscal Year Ended September 30	Tax Roll Year	_	Residential Property	_	Commercial Property	 Industrial Property	_	Minerals	_	Other	Le	ss: Tax-Exempt Property	 otal Net Taxable assessed Value	Total Direct Tax Rate
2012	2011	\$	5,492,004,364	\$	2,213,159,640	\$ 53,492,220	\$	13,149,573	\$	1,286,916,306	\$	1,557,190,079	\$ 7,501,532,024	0.43
2013	2012		4,327,680,248		3,343,176,312	137,187,071		68,824,902		1,013,294,611		1,326,819,524	7,563,343,620	0.43
2014	2013		4,475,282,922		3,503,723,046	132,720,411		71,783,017		1,011,927,424		1,360,010,810	7,835,426,010	0.43
2015	2014		4,474,949,998		3,533,253,705	124,370,144		73,248,263		1,030,966,285		1,347,181,652	7,889,606,743	0.48
2016	2015		4,884,004,235		3,738,806,189	129,302,716		75,747,969		1,027,473,342		1,419,789,823	8,435,544,628	0.48
2017	2016		5,143,975,739		4,118,594,649	141,279,203		70,842,520		1,118,293,988		1,481,312,452	9,111,673,647	0.48
2018	2017		5,260,686,958		4,171,943,818	157,106,970		79,655,806		1,254,070,354		1,611,587,992	9,311,875,914	0.48
2019	2018		5,500,272,539		4,364,401,680	139,316,745		85,340,922		1,361,069,371		1,704,589,581	9,745,811,676	0.48
2020	2019		5,893,733,882		4,524,359,150	155,530,926		97,712,018		1,377,314,391		1,745,414,005	10,303,236,362	0.50
2021	2020		6,194,533,865		4,587,479,086	146,443,948		84,949,415		1,394,384,749		1,767,657,551	10,640,133,512	0.50

⁽¹⁾ The assessed value and actual value of properties is the same amount. The appraisal district appraises all property at market value. A column for the actual value is not reflected.

Source: City of McAllen Tax Office & Hidalgo County Appraisal District Tax Roll

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Fiscal Years (rate per \$100 of assessed value)

		(City Direct Rate	es	Overlapping Rates									
				School	Districts			Hidalgo						
Fiscal Year Ended September 30	Tax Roll Year	Basic Rate	General Obligation Debt Service	Total Direct	McAllen	Sharyland	P.S.J.A	So. Tx College	Hidalgo	Edinburg	County Drainage District No.1	Hidalgo County	Tres Lagos PID Assessment	
2012	2011	0.43	-	0.43	1.17	1.20	1.36	0.15	1.44	1.24	0.07	0.59	-	
2013	2012	0.43	-	0.43	1.17	1.29	1.36	0.15	1.56	1.24	0.08	0.59	-	
2014	2013	0.43	-	0.43	1.17	1.29	1.36	0.15	1.56	1.24	0.07	0.59	-	
2015	2014	0.43	0.04	0.48	1.17	1.34	1.36	0.19	1.53	1.24	0.10	0.59	-	
2016	2015	0.44	0.04	0.48	1.16	1.34	1.40	0.19	1.53	1.24	0.10	0.59	-	
2017	2016	0.43	0.05	0.48	1.16	1.38	1.39	0.19	1.47	1.24	0.10	0.58	-	
2018	2017	0.44	0.04	0.48	1.16	1.38	1.38	0.18	1.47	1.24	0.10	0.58	0.20	
2019	2018	0.44	0.04	0.48	1.16	1.30	1.30	0.17	1.30	1.14	0.11	0.58	0.20	
2020	2019	0.44	0.06	0.50	1.14	1.28	1.27	0.17	1.28	1.14	0.11	0.58	0.20	
2021	2020	0.45	0.05	0.50	1.14	1.16	1.22	0.17	1.28	1.11	0.13	0.58	0.20	

PRINCIPAL PROPERTY TAX PAYERS Current Year and Nine Years Ago

			2021				2012	
Taxpayer	Тах	able Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxa	able Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
Simon Property Group	\$	155,336,606	1	1.46%	\$	51,503,892	3	0.69%
AEP Texas Central Co.		72,040,800	2	0.68%		25,085,920	6	0.33%
Big Sky Commercial Property		62,589,825	3	0.59%				
La Plaza Mall		51,211,149	4	0.48%				
Rio Grande Regional Hospital		51,167,987	5	0.48%		56,871,910	1	0.76%
Universal Health Services		45,243,201	6	0.43%		53,599,944	2	0.71%
United Parcel Services Inc		43,969,370	7	0.41%				
Palm Crossing Town Center LLC		41,337,244	8	0.39%				
Shops at 29 LTD		31,078,810	9	0.29%				
DHR Real Estate Management LLC		26,442,877	10	0.25%				
Palms Crossing LP		-		-		40,248,350	4	0.54%
GE Engine Services		-		-		37,123,867	5	0.49%
H E Butt Grocery Company		-		-		23,258,388	7	0.31%
Inland Western		-		-		20,014,530	8	0.27%
McAllen Medical Center		-		-		19,185,516	9	0.26%
Wal-Mart Properties		-		-		17,299,560	10	0.23%
	\$	580,417,869		5.45%	\$	344,191,877		4.59%

Data Source: City of McAllen - Tax Office

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

		T	axes Levied	Α	djustments to	Α	djusted Taxes						Total Col	lections
Fiscal Year	Tax Roll Year		hin the Fiscal ar of the Levy	Le	vy in the Fiscal Year	_	Levied for the Fiscal Year		Amount	Percentage of Levy		Subsequent Years	Amount	Percentage of Levy
2012	2011	\$	31,996,395	\$	15,446	\$	32,011,841	\$	30,858,609	96.40%	\$	1,066,760	\$ 31,925,369	99.73%
2013	2012		32,234,649		(21,260)		32,213,389		31,076,068	96.47%		1,047,005	32,123,073	99.72%
2014	2013		33,395,738		154,588		33,550,326		32,474,873	96.79%		972,196	33,447,069	99.69%
2015	2014		36,982,695		865,085		37,847,780		36,687,212	96.93%		983,829	37,671,041	99.53%
2016	2015		39,413,347		175,479		39,588,826		38,386,098	96.96%		977,503	39,363,601	99.43%
2017	2016		42,519,989		(98,381)		42,421,608		41,015,610	96.69%		1,164,404	42,180,014	99.43%
2018	2017		43,393,343		574,153		43,967,496		42,713,360	97.15%		951,477	43,664,837	99.31%
2019	2018		45,726,885		143,567		45,870,452		44,515,112	97.05%		958,441	45,473,553	99.13%
2020	2019		49,916,376		82,947		49,999,323		48,512,317	97.03%		825,938	49,338,255	98.38%
2021	2020		50,905,212		835,693		51,740,905		50,311,919	97.24%		-	50,311,919	97.24%

Source:

City of McAllen Tax Office

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years

_		Governmental .	Activities			Busin	ess-Type Activities					
Year	General Obligation Bonds	Combination Tax and Revenue Certificates of Obligation	Sales Tax Revenue Obligations	Capital Lease	Water Revenue Bonds	Sewer Revenue Bonds	Anzalduas International Crossing Bonds	Airport CO Bonds	Capital Lease	Total Primary Government	Percentage of Personal Income (a)	Per Capital (a)
2012	- 5	25,365,152	\$ 150,000 \$	_	\$ 23,915,534	4 \$ 70,995,579	\$ 37,297,436	\$ 9,495,000	\$ - 5	\$ 167,218,701	6.43%	1,254
2013	-	22,608,183	125,000	-	22,427,956	80,464,931	36,121,559	9,125,000	-	170,872,629	5.88%	1,244
2014	42,380,000	30,845,000	100,000	-	20,891,82	76,956,249	34,891,417	8,750,000	-	214,814,493	7.47%	1,564
2015	59,047,110	13,003,737	75,000	-	19,028,844	113,066,972	33,610,987	8,365,000	-	246,197,650	8.28%	1,823
2016	55,272,893	35,837,855	5,120,000	-	21,257,589	103,266,578	32,274,488	7,970,000	-	260,999,403	8.45%	1,826
2017	50,377,332	46,483,517	15,285,000	-	19,573,582	2 105,954,478	31,202,924	7,565,000	-	276,441,833	8.76%	1,903
2018	50,526,755	51,097,737	20,400,000	-	17,846,783	3 101,577,149	29,507,509	7,150,000	-	278,105,933	8.68%	1,915
2019	65,590,678	51,490,248	20,400,000	3,192,833	34,759,764	104,037,154	27,760,750	6,720,000	513,996	314,465,423	9.24%	2,139
2020	60,123,612	50,646,378	19,455,000	2,360,219	33,052,064	99,233,530	25,744,215	6,197,346	379,960	297,675,649	8.46%	2,049
2021	66,822,196	41,595,600	20,900,000	2,347,605	31,612,414	94,635,180	24,149,215	5,812,346	377,928	288,252,484	8.07%	1,876

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements. (a) See Schedule 16 for personal income and population data.

RATIO OF GENERAL BONDED DEBT OUTSTANDING Last Ten Fiscal Years

Fiscal Year	Genera	Obligation Bonds	Percentage of Actual Taxable Value of Property ^(a)	Per Capital ^(b)
2012	\$	24,355,000	0.32%	183
2013		21,735,000	0.29%	158
2014		73,225,000	0.93%	533
2015		72,050,847	0.91%	534
2016		91,110,748	1.08%	637
2017		96,860,849	1.06%	667
2018		101,624,492	1.12%	688
2019		117,080,926	1.28%	781
2020		110,769,990	1.08%	732
2021		108,417,796	1.02%	706

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

⁽a) See Schedule 7 for property value data.

⁽b) See Schedule 16 for population data.

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT As of September 30, 2021

Governmental Unit	Del	bt Outstanding	Estimated Percentage Applicable*	Estimated Share of Overlapping Debt		
Debt repaid with property taxes						
Hidalgo County	\$	354,620,000	26.69%	\$	94,648,078	
McAllen Independent School District		90,191,000	99.40%		89,649,854	
Sharyland Independent School District		88,475,000	26.36%		23,322,010	
P.S.J.A Independent School District		373,940,000	11.83%		44,237,102	
Hidalgo County Drainage District #1		183,859,000	27.75%		51,020,873	
South Texas College		120,914,693	25.00%		30,228,673	
Hidalgo Independent School District		25,359,000	31.06%		7,876,505	
Edinburg Independent School District		130,240,000	5.88%		7,658,112	
Subtotal, overlapping debt					348,641,207	
City of McAllen (direct debt)		131,655,402	100.00%		131,655,402	
Total direct and overlapping debt				\$	480,296,609	

^{*}The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determing the entities' taxable assessed value that is with the City's bonundaries and dividing the entities' total taxable assessed value.

Source: Information provided by Texas MAC - Municipal Advisory of Texas

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 property taxpayers of the City of McAllen.

LEGAL DEBT MARGIN INFORMATION Last Ten Fiscal Years

Legal Debt Margin Calculation for Fiscal Year 2021

Assessed value	1	0,640,133,512
Debt limit (5% of assessed value)		532,006,676
Debt applicable to limit:		
General obligation bonds		108,417,796
Less: amount set aside for repayment of general obligation		
debt		(3,365,444)
Total net debt applicable to limit		105,052,352
Legal debt margin	\$	426,954,324

					Fise	cal Year					
	2012	2013	2014	2015	2016	2017	2018	2019	2020	20	21
Debt limit	\$350,989,886	\$356,700,467	\$391,771,301	\$394,480,337	\$421,777,231	\$455,583,682	\$465,593,796	\$487,290,584	\$515,161,818	\$ 532,0	006,676
Total net debt applicable to limit	24,086,715	21,466,714	72,940,390	68,167,809	90,478,043	95,808,670	99,253,585	114,491,713	107,929,637	105,0	052,352
Legal debt margin	\$326,903,171	\$335,233,753	\$318,830,911	\$326,312,528	\$331,299,188	\$359,775,012	\$366,340,211	\$372,798,871	\$407,232,181	\$ 426,9	954,324
Total net debt applicable to the limit as a percentage of debt limit	7.37%	6.40%	22.88%	20.89%	27.31%	26.63%	27.09%	30.71%	26.50%		24.61%

Note: State statutes do not prescribe a debt limit; however, by custom, a practical economic debt limit of 5% of the assessed valuation is used.

PLEDGED-REVENUE COVERAGE

Last Ten Fiscal Years

			١	Water Reven	ue E	Bonds						;	Sewer Revenu	ıe B	onds				
						Debt S	Serv	rice							Debt Se	rvi	ce		
Fiscal Year	Total Revenues (a)	Less: Operating Expenses (b)		et Available Revenue	_	Principal	_	Interest	Coverage	 Total Revenues (a)	Less: Operating expenses (b)		et Available Revenue		Principal		Interest	Cove	erage
2012	\$ 16,572,667	\$ 12,081,927	\$	4,490,740	\$	1,448,903	\$	1,294,300	1.64	\$ 14,724,233	\$ 7,392,664	\$	7,331,569	\$	2,771,097	\$	1,376,273	1.	.77
2013	16,634,518	12,613,800		4,020,718		1,514,610		1,227,162	1.47	14,899,235	8,092,635		6,806,600		3,313,390		1,386,497	1.	.45
2014	16,269,236	12,315,395		3,953,841		1,583,751		1,160,204	1.44	15,128,924	8,138,492		6,990,432		3,594,249		1,327,371	1.	.42
2015	16,864,143	11,974,407		4,889,736		1,649,458		1,016,999	1.83	15,590,842	7,687,962		7,902,880		4,486,542		1,116,563	1.	.41
2016	19,180,636	14,454,458		4,726,178		1,316,800		824,172	2.21	17,374,694	8,861,585		8,513,109		4,049,200		1,440,048	1.	.55
2017	20,002,527	14,207,848		5,794,679		1,385,850		751,288	2.71	18,015,632	8,574,078		9,441,554		4,161,150		1,428,355	1.	.69
2018	19,772,823	14,113,051		5,659,772		1,430,450		743,192	2.60	17,819,239	8,269,193		9,550,046		4,221,550		1,420,067	1.	.69
2019	19,383,883	13,932,849		5,451,034		1,371,150		881,152	2.42	18,440,075	8,161,076		10,278,999		4,521,850		1,362,520	1.	.75
2020	21,212,706	14,934,816		6,277,890		1,708,574		1,400,575	2.02	19,696,773	8,743,279		10,953,494		4,787,436		1,039,646	1.	.88
2021	20,826,057	14,744,515		6,081,542		1,744,674		972,802	2.24	20,172,463	9,240,796		10,931,667		5,030,605		1,330,864	1.	.72

Note: (a) Includes operating revenues and non-operating revenues

⁽b) Operating expenses do not include interest, depreciation, or amortization expenses.

DEMOGRAPHIC AND ECONOMIC STATISTICS Last Ten Years

Year	Estimated Population	Personal Income (thousands of dollars)	Per Capita Personal Income	Median Age	School Enrollment	Unemployment Rate
2012	133,333	\$2,598,660	\$19,490	30.7	25,310	7.80%
2013	137,608	2,906,693	21,123	32.5	24,500	10.70%
2014	137,358	2,874,354	20,926	32.0	25,217	8.50%
2015	138,925	2,974,384	21,410	32.5	24,692	4.90%
2016	142,940	3,087,504	21,600	32.5	24,330	5.20%
2017	145,249	3,155,680	21,726	32.4	23,721	4.80%
2018	147,717	3,202,948	21,683	32.9	22,855	4.50%
2019	149,875	3,363,795	22,444	30.5	22,451	4.00%
2020	151,352	3,518,329	23,246	35.3	22,451	10.00%
2021	153,622	3,571,097	23,246	35.3	20,303	5.60%
	(A)	(B)		(C)	(D)	(E)

Source:

- (A) U.S Census Bureau-2015 and local estimates; 2010 Official U.S. Census
- (B) U.S Census Bureau-2015 community survey profile.
- (C) U.S Census Bureau-2015 community survey profile.
- (D) McAllen Independent School District
- (E) U. S. Bureau of Labor Statistics

PRINCIPAL EMPLOYERS IN THE AREA Current Year and Nine Years Ago

		2021				2012	
Employer	Employees	Rank	Percentage of Total City	Employer	Employees	Rank	Percentage of Total City
McAllen Independent School District	3,335	1	5.11%	McAllen Independent School District	3,595	1	6.28%
City of McAllen	2,537	2	3.89%	Doctor's Hospital at Renaissance	3,400	2	5.93%
South Texas College	2,321	3	3.56%	McAllen Medical Center	2,800	3	4.89%
BBVA Compass Bank	1,500	4	2.30%	City of McAllen	1,801	4	3.14%
IBC Bank	1,200	5	1.84%	South Texas College	1,800	5	3.14%
McAllen Medical Center - South Texas Health System	1,200	6	1.84%	Wal-Mart	1,000	6	1.75%
Wal-Mart/Sams	1,200	7	1.84%	Rio Grande Regional Hospital	975	7	1.70%
Rio Grande Regional Hospital	1,150	8	1.76%	T-Mobile	900	8	1.57%
HEB	1,000	9	1.53%	HEB	500	9	0.87%
GE Aviation	600	10	0.92%	Dillards	354	10	0.62%
Total	<u>16,043</u> (A)		<u>24.58%</u> (B)		<u>17,125</u> (C)		<u>29.88%</u> (C)

Source:

- (A) McAllen Chamber of Commerce
- (B) Annual Budget Book
- (C) City of McAllen ACFR Fiscal Year 2012

Schedule 18

FULL-TIME EQUIVALENT CITY GOVERNMENT EMPLOYEES BY FUNCTION/PROGRAM Last Ten Fiscal Years

	full time only									
	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function/Program General Government	189	192	192	196	199	200	203	198	198	213
Public Safety: Police:										
Officers Civilians	281 140	285 136	285 136	285 143	285 144	285 144	285 146	275 137	294 146	294 146
	140	130	130	143	144	144	140	137	140	140
Fire: Fire fighters and officers	167	167	167	167	167	169	171	175	179	179
Civilians	11	11	11	12	12	14	14	18	19	19
Other	55	56	56	62	63	66	66	57	68	68
Highways and streets	97	97	97	98	93	94	95	83	98	98
Health and welfare	25	26	26	25	25	26	27	24	32	32
Culture and Recreational	192	195	195	197	202	205	214	198	231	232
Downtown Services	17	16	16	16	16	16	16	16	16	15
Water services	138	137	137	137	138	134	144	146	149	148
Wastewater services	82	84	84	85	87	89	88	87	87	92
Sanitation	145	148	148	153	159	161	165	165	165	166
Golf Course	15	12	12	12	12	12	12	12	12	12
Convention Center	38	38	38	39	45	48	47	47	48	48
Airport	39	41	41	38	37	37	37	41	41	41
Transit terminal	13	8	8	8	8	8	7	6	8	9
Metro McAllen	30	47	47	47	47	47	47	49	49	49
Bridge	44	32	32	41	42	41	41	42	42	45
Anzalduas Bridge	13	10	10	13	13	13	14	14	15	12
Fleet Services	24	21	21	26	26	26	26	26	26	26
Employee benefits	5	5	5	5	6	6	6	6	6	6
Risk Management	6	7	7	7	7	7	7	8	8	11
Total	1,766	1,771	1,771	1,812	1,833	1,848	1,878	1,830	1,937	1,961

Source: City's Budget Document

OPERATING INDICATORS BY FUNCTION/PROGRAM Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function/Program										
Public Safety										
Police	200	004	205	005	225	000	000	000	000	000
Number of employees-commissioned Number of service calls	280 157,884	281 147,528	285 144,761	285 152,303	285 144,761	289 140,632	289 143,598	298 138,777	298 132,367	300 142,149
Fire	137,884	147,528	144,/01	152,303	144,701	140,032	143,398	130,///	132,307	142,149
Number of firemen	160	167	167	167	167	167	174	176	180	180
Total number of alarm responses	5.711	5,949	5,500	6,674	6,696	7,344	7,814	8,238	4,447	4,594
Code enforcement	0,7	0,2 .2	0,000	0,07	0,010	7,0	7,0	3,233	.,	.,02.
Number of employees	20	20	20	22	12	18	18	18	33	31
Number of building permits	1,869	1,671	1,562	1,559	1,551	1,548	1,512	1,662	2,197	2,463
Development services										
Street Resurfacing (linear miles)	10	26	48	42	33	36	11	12	12	8
Sidewalk Construction (linear feet)	23,930	7,920	1,065	29,304	3,368	5,887	2,746	1,242	3,653	7,207
Cultural and recreational										
Parks and recreation										
Participants in special event programs	440,000	245,000	104,500	360,000	360,000	367,900	301,000	302,197	359,671	25,000
Participants in athletic programs	14,500	16,000	8,145	518	10,860	13,819	11,860	8,340	5,448	1,223
Participants in after school programs	2,200	1,800	1,648	827	1,195	1,313	1,206	1,218	781	373
Library-main										
Volumes in collection	320,043	323,019	281,643	324,932	323,822	336,396	333,600	337,046	325,037	300,295
Water and Wastewater system										
Number of water customers	43,306	44,068	44,708	45,830	46,201	46,780	47,399	47,950	48,415	49,331
Number of Wastewater customers	38,563	39,247	39,802	40,996	40,912	41,660	42,286	42,804	43,218	43,914
Average daily water consumption (gallons) Maximum storage capacity (gallons) South	25,867,849	25,952,225	23,953,301	21,000,000	22,303,830	20,302,000	26,300,000	24,000,000	25,011,602	20,848,000
Plant Maximum storage capacity (gallons)- North	7,900,000	7,900,000	7,900,000	7,900,000	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000	7,750,000
Plant	4,000,000	4,000,000	4,000,000	4,000,000	4,250,000	4,250,000	4,000,000	4,000,000	4,000,000	4,000,000
Rainfall (inches)	17.88	14.39	24.43	21.22	17.80	10.62	31.52	16.91	35.26	30.00
Sanitation										
Refuse collected (tons)	29,395	122,499	127,562	138,149	143,225	137,834	141,659	144,117	141,569	152,702
Bulky/brush pickups (tons)	30,527	44,187	22,265	30,410	34,586	26,131	32,625	33,132	43,203	47,542
Recyclables collected (tons)	5,235	5,476	4,323	4,323	5,200	5,503	4,644	5,858	5,469	6,827
Oulf										
Golf course Total number of rounds	40,977	39,759	36,859	40,447	42,484	35,569	44,346	43,285	45,638	51,442
rotal number of rounds	40,977	39,/39	30,839	40,44/	42,484	33,309	44,340	43,283	40,038	31,442

Source: City Departments Notes: N/A - Data not available. Estimates: Fiscal Year 2018

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM Last Ten Fiscal Years

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Function/Program										
Public Safety										
Police stations	1	1	1	1	1	1	1	1	1	1
Police sub-stations	7	7	6	7	2	6	2	5	6	7
Fire stations	7	7	7	7	7	7	7	7	7	7
Fire hydrants	4,000	4,000	4,200	4,200	4,769	4,900	5,250	5,046	5,471	5,132
Development Services										
City area:										
Square miles	49.6	49.6	49.8	54.5	57.9	63.4	62.5	62.8	74.3	63.1
Acres	31,733	31,747	31,898	34,864	37,064	39,910	40,148	40,205	40,200	40,360
Streets- paved (miles)	464	464	480	540	1,061	1,040	1,384	1,387	1,387	1,395
Streets- paved (miles)-state maintained										
Cultural and Recreational										
Developed parks (acres)	728	577	600	615	662	687	708	708	708	714
Parks (acres)-undeveloped	417	488	398	382	654	310	308	308	146	140
Swimming pools	4	4	4	4	4	4	4	4	4	4
Tennis courts	24	24	26	26	26	36	36	36	36	36
Lighted baseball diamonds/athletic fields	12	12	12	12	16	41	68	68	66	66
Municipal golf (18-hole course)	1	1	1	1	1	1	1	1	1	1
Water and Wastewater										
Water mains (miles)	714	714	1,046	738	722	727	730	734	737	744
Sanitary wastewater (miles)	489	500	500	535	540	546	550	554	558	566
Storm (miles)	315	315	315	315	239	239	243	239	241	245
otomi (mico)	515	313	515	010	209	200	273	209	471	273

(1) Revised by engineering. Source: City Departments

MISCELLANEOUS STATISTICAL DATA

Section I - Water rates

The rate charged for water furnished and consumed under the standard water rate schedule by Section 106-82 of the City Ordinance, amended September 23, 2021 to all classes of customers is as follows:



\$9.95

(1) Per 1,000 gallons or any part thereof as follows: Residential-\$1.45/1,000 gallons for the first 7,999 gallons; plus \$1.75/1,000 for consumption between 8,000 and 12,999 gallons; plus \$1.95 for consumption between 13,000 gallons to 17,999; and \$2.05 per 1,000 thereafter.

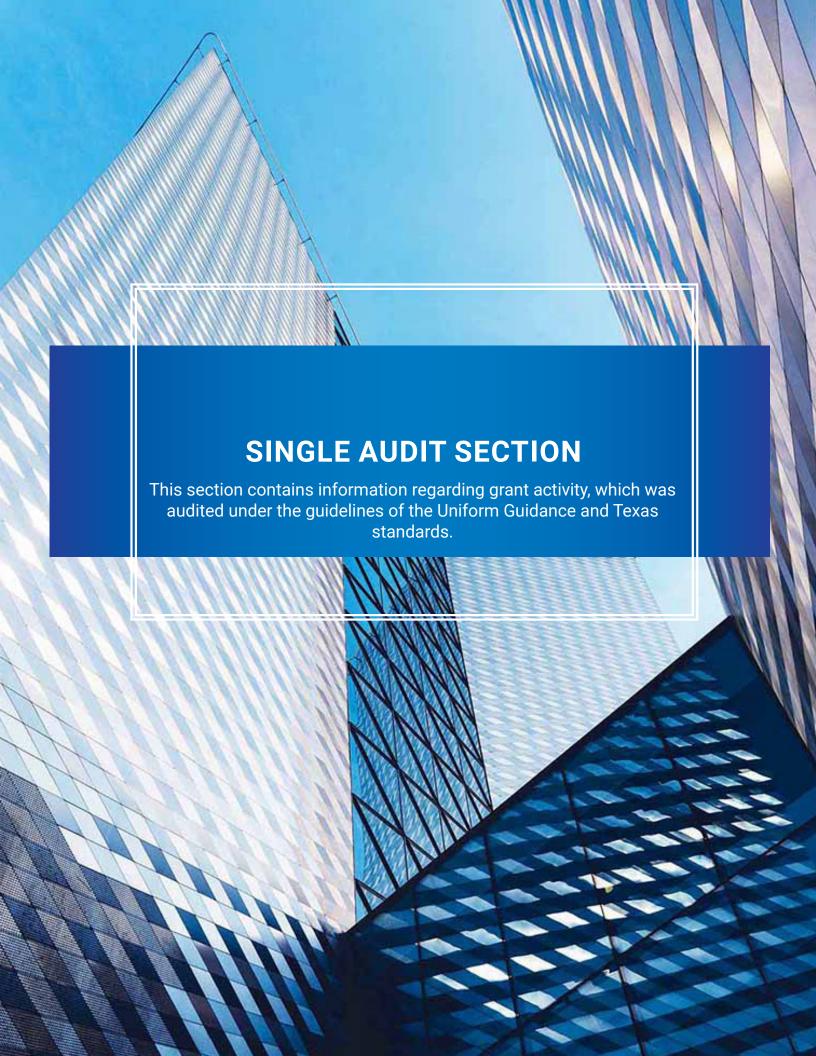
Commercial, Multi-family, and Industrial-\$1.45/1,000 gallons for the first 12-month average base consumption; plus \$1.95/1,000 for consumption over the 12-month average base consumption.

Sprinkler-\$1.95/1,000 gallons

Section II - Estimated unaccounted gallons of water

	Class of customers	Number	Usage (gallons)
	Residential	41,411	4,343,152,600
	Commercial	7,766	3,022,365,300
	Industrial	154	244,007,700
Number of gallons shown to ha and #3 during the period	ave passed through the master m	neters at the City's plants #2	8,819,912,000
Number of gallons billed			(7,609,525,600)
Estimated water used in fire hy	drant testing, etc.		(49,000,000)
Estimated number of gallons u	naccounted due to breaks, leaks,	etc.	1,161,386,400







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

Honorable Mayor, Members of the City Commission and Public Utility Board of Trustees City of McAllen, Texas

We have audited, in accordance with the auditing standards generally accepting 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 discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of McAllen, Texas (the City), 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, and have issued our report thereon dated March 22, 2022.

Internal Control over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, we do not express an opinion on the effectiveness of the City's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under Government Auditing Standards.

Weaver and Tidwell, L.L.P.
1601 South MoPac Expressway, Suite D250 | Austin, Texas 78746
Main: 512.609.1900

CPAs AND ADVISORS | WEAVER.COM

Honorable Mayor, Members of the City Commission and Public Utility Board of Trustees City of McAllen, Texas

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 City'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 City's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Weaver and Siduell, L.L.P.

WEAVER AND TIDWELL, L.L.P.

Austin, Texas March 22, 2022



Independent Auditor's Report on Compliance for Each Major Program and Report on Internal Control over Compliance in Accordance with the Uniform Guidance and State of Texas Uniform Grant Management Standards

Honorable Mayor, Members of the City Commission and Public Utility Board of Trustees City of McAllen, Texas

Report on Compliance for Each Major Federal and State Program

We have audited the compliance of the City of McAllen, Texas (the City) with the types of compliance requirements described in the U.S. OMB Compliance Supplement and the State of Texas Uniform Grant Management Standards (UGMS) that could have a direct and material effect on its major federal and state programs for the year ended September 30, 2021. The City's 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 programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City's 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; the audit requirements of Title 2 U.S. Code of Federal Regulations (CFR) Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), and UGMS. Those standards, the Uniform Guidance, and UGMS 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 or state program occurred. An audit includes examining, on a test basis, evidence about the City's 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 of the City's major federal and state programs. However, our audit does not provide a legal determination of the City's compliance.

Opinion on Each Major Federal and State Program

In our opinion, the City 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.

Weaver and Tidwell, L.L.P.
1601 South MoPac Expressway, Suite D250 | Austin, Texas 78746
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CPAs AND ADVISORS | WEAVER.COM

Honorable Mayor, Members of the City Commission and Public Utility Board of Trustees City of McAllen, Texas

Report on Internal Control over Compliance

Management of the City 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's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal and state program as a basis for designing 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 UGMS, 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's 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 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 or state 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 or 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 and UGMS. Accordingly, this report is not suitable for any other purpose.

WEAVER AND TIDWELL, L.L.P.

Weaver and Siduell L.L.P.

Austin, Texas March 22, 2022

City of McAllen

Schedule of Federal and State Expenditures

As of September 30, 2021

Federal Grantor/ Passed-Through Grantor/Program or ClusterTitle	Assistance Listing Number	Passed-Through Grantor's Number	Passed Through To Subrecipients	Disbursements/ Expenditures
U.S. Department of Housing and Urban Development				
Direct Program:				
Community Development Block Grant:				
40th Year Entitlement Grant	14.218	CB14MC480506	S -	\$ 48,586
41st Year Entitlement Grant	14.218	CB15MC480506	-	156,310
42nd Year Entitlement Grant	14.218	CB16MC480506	_	4,160
43rd Year Entitlement Grant	14.218	CB17MC480506	_	5,794
44th Year Entitlement Grant	14.218	CB18MC480506	-	235,612
45th Year Entitlement Grant	14.218	CB19MC480506	-	666,627
46th Year Entitlement Grant	14.218	CB20MC480506	-	189,815
COVID-19 - Entitlement Grant	14.218	B-20-MW-48-0506	-	485,704
CDBG/State's Program and Non-Entitlement Grants in Hawaii	14.228	B-20-DW-48-0001	-	325,367
Total Entitlement Grant Cluster			-	2,117,977
Home Investment Partnerships Programs	14.239	M18MC480506	_	3,250
Home Investment Partnerships Programs	14.239	M19MC480506	_	39,653
			-	42,903
Total U.S. Department of Housing and Urban Development Program				2,160,880
			-	2,100,000
U.S. Department of Transportation Direct Program:				
	20.106	2 49 0144 46		1 0 4 5
Airport Improvement Program	20.106 20.106	3-48-0144-46 3-48-0144-48	-	1,845 58,400
Airport Improvement Program	20.106	3-48-0144-48	-	
Airport Improvement Program Airport Improvement Program	20.106	3-48-0144-49	-	1,235,856
COVID-19 - Airport Improvement Program	20.106	3-48-0144-50	-	5,438,208 1,315,704
	20.106	3-48-0144-52 3-48-0144-54	-	
COVID-19 - Airport Coronavirus Response Grant Program Total Airport Improvement Program	20.100	3-46-0144-34		2,864,780 10,914,793
Federal Transit Formula Grant	20.507	TX-90-X937-00	-	126,207
Federal Transit Formula Grant	20.507	TX-90-Y048-00	-	3,125
Federal Transit Formula Grant	20.507	TX-2019-103-00	-	1,588,088
Federal Transit Formula Grant	20.507	TX-2021-033-00	-	2,606,159
COVID-19 - Federal Transit Formula Grant	20.507	TX-2020-076-00		3,976,328
Total Federal Transit Formula Grant Cluster			-	8,299,907
Federal Highway Administration				
Passed through Texas Department of Transportation				
State and Community Highway Safety	20.600	2021-McAllenPD-S-1YG-00051	-	88,000
State and Community Highway Safety	20.600	2021-McAllenPD-S-CMV-00010	-	64,309
National Priority Safety Programs	20.616	2021-McAllenPD-IDM-00014	-	13,625
National Priority Safety Programs	20.616	2021-McAllenPD-CIOT-THA-00024	-	6,646
National Priority Safety Programs	20.616	2021-McAllenPD-CIOT-00013		9,000
Total State and Community Highway Safety (Highway Safety Cluster)			-	181,580
Federal Transit Administration				
Metropolitan Transportation Planning and State and Non-Metropolitan Planning	ng 20.505		-	165
Highway Planning and Constructions	20.205	0921-02-369	_	2,635,200
				22,031,645
Total U.S. Department of Transportation				22,031,043
U.S. Department of Justice				
Direct Program:				
Equitable Sharing Program	16.922		-	272,116
Passed through Office of the Governor				
COVID-19 - Coronavirus Emergency Supplemental Funding	16.034	4150201	-	46,113
Total U.S. Department of Justice				318,229

City of McAllen

Schedule of Federal and State Expenditures

As of September 30, 2021

A	s of September .	50, 2021				
Federal Grantor/ Passed-Through	Assistance Listing	Passed-Through Grantor's	Passed Through To	Disbursements/		
Grantor/Program or ClusterTitle	Number	Number	Subrecipients	Expenditures		
U.S. Environmental Protection Agency		11001	Subrecipients	2.apenarear es		
Passed through Texas Water Development Board						
Clean Water State Revolving Fund	66.458	TWDB #73633	_	14,025		
Clean Water State Revolving Fund	66.458	TWDB #73633	_	2,183,472		
Total Clean Water State Revolving Fund Cluster				2,197,497		
Drinking Water State Revolving Fund Cluster	66.468	TWDB #62790	-	2,707,117		
Total U.S. Environmental Protection Agency				4,904,614		
U.C. Donordon and affiliant land Committee						
U.S. Department of Homeland Security						
Passed through Texas Division of Emergency Management	07.042	EMT 2021 ED		222.057		
Emergency Management Performance Grants	97.042	EMT-2021-EP	-	232,057		
Hazard Mitigation Grant Program	97.039	FEMA-4223-DR-TX-016	-	252,760		
Hazard Mitigation Grant Program	97.039	FEMA-4245-DR-TX-010		6,683		
Total Hazard Mitigation Grant Program			-	491,500		
Passed through Emergency Food and Shelter Program National Board						
Emergency Food and Shelter National Board Program - ARPA	97.024	8128-00	-	11,812,406		
Passed through Office of the Governor						
Homeland Security Grant Program	97.067	3299604	_	254,212		
Homeland Security Grant Program	97.067	3299605		192,533		
Homeland Security Grant Program	97.067	4064101	-			
Total Homeland Security Grant Program	97.007	4004101		27,299 474,044		
Staffing for Adequate Fire and Emergency Response	97.083	EMW-2018-FH-00345	-	171,567		
COVID-19 - Disaster Grants - Public Assistance	97.036	FEMA-4485-Texas COVID-19 Pandemic	-	34,493		
COVID-19 - Disaster Grants - Public Assistance	97.036	333670	_	47,350		
COVID-19 - Disaster Grants - Public Assistance	97.036	333898	_	11,051		
COVID-19 - Disaster Grants - Public Assistance	97.036	213	_	23,653		
COVID-19 - Disaster Grants - Public Assistance	97.036	279	_	19,312		
COVID-19 - Disaster Grants - Public Assistance	97.036	139		25,530		
COVID-19 - Disaster Grants - Public Assistance	97.036	257	-	66,085		
			-			
COVID-19 - Disaster Grants - Public Assistance	97.036	252		35,979		
Total COVID-19 Disaster Grants - Public Assistance			-	263,453		
Total U.S. Department Homeland Security				13,212,970		
U.S. Department of Treasury						
COVID-19 - Coronavirus State and Local Fiscal Recover Funds	21.027		-	20,213,584		
Total U.S. Department of Treasury				20,213,584		
U.S. General Services Administration						
Passed through Texas Facilities Commission/Federal Surplus Program						
Donation of Federal Surplus Personal Property	39.003	12750		139,313		
Total U.S. General Services Administration				139,313		
Total C.S. General Services Frammistration				137,313		
U.S. Small Business Administration						
CRRSAA - Shuttered Venue Operators Grant	59.075	SBAHQ21SV013105		614,862		
Total U.S. Small Business Administration				614,862		
National Endownment for Humanities						
National Endownment for Humanities Institute of Museum and Library Services	45.310	902441		6,405		
institute of iviuseum and Library services	45.510	902441		0,403		
Total National Endownment for Humanities				6,405		
The Indiana Control of the Control o				0 (2 (2)		
Total Expenditures of Federal Awards			\$ -	\$ 63,602,501		

City of McAllen

Schedule of Federal and State Expenditures

As of September 30, 2021

State Grantor/ Passed-Through Grantor/Program or ClusterTitle	Assistance Listing <u>Number</u>	Passed-Through Grantor's Number	Thro	ssed igh To cipients	Disbursements/ Expenditures	
Texas Agencies						
Texas Office of the Attorney General						
2021 Victim Coordinator and Liaison Grant		2106920	\$	-	\$	38,274
2021 Victim Coordinator and Liaison Grant		2214914		-		3,849
Texas Office of the Governor						
CJD - Texas Anti-Gang Grant		3060506		-		417,776
CJD - Texas Anti-Gang Grant		3060507		-		26,681
Local Border Security Program		4110801		-		29,737
Texas Department of Transportation:						
Routine Airport Maintenance Program		M2121MCAL		-		50,000
Passed Through - City of Brownsville						
Auto Theft Prevention 2021		SA00T011004121		-		220,647
Quinta Mazatlan Center of Urban Ecology (Rider)		51-000074		-		740,474
Equitable Sharing Program				-		42,488
Total Expenditures of State Awards			\$	-	\$	1,569,926
Total Expenditures of Federal and State awards			\$	-	\$	65,172,427

CITY OF McALLEN, TEXAS

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

Year Ended September 30, 2021

1. Basis of Presentation

The accompanying Schedule of Expenditures of Federal and State Awards (the "Schedule") includes the federal award of activities of City of McAllen, Texas (City), 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 of Federal Awards (Uniform Guidance) and the State of Texas Uniform Grant Management Standards. 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, changes in net position, or cash flows of the City.

2. Summary of Significant Accounting Policies

Expenditures reported on the Schedule are reported on the modified accrual basis of accounting. Such expenditures are recognized following the cost principles contained the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Negative amounts, if any, shown on the Schedule represent adjustments or credits made in the normal course of business to amounts reported as expenditures in prior years.

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 measurable and available, and expenditures in the accounting period in which the fund liability is incurred, if measurable, 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 and state grant funds are generally considered to be earned to the extent of expenditures made under the provisions of the grant and, accordingly, when such funds are received, they are recorded as unearned revenues until earned.

3. Basis of Presentation

The accompanying schedule of expenditures of federal and state awards includes the federal and state grant activity of the City of McAllen, Texas and is presented on the modified accrual basis of accounting. 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 of Federal Awards (Uniform Guidance) and the State of Texas Single Audit Circular. Because this schedule presents only a selected portion of the operations of the City of McAllen, it is not intended to and does not present the financial position, changes in net position, or cash flows of the City of McAllen.

4. Indirect Cost Rate

The City of McAllen has elected to not use the 10-percent de minimis indirect cost rate allowed under the Uniform Guidance.

City of McAllen, Texas

Schedule of Findings and Questioned Costs For the Fiscal Year Ended September 30, 2021

Section 1. Summary of Auditor's Results

Financial Statements An unmodified opinion

An unmodified opinion was issued on the financial statements.					
Internal control over financial reporting:					
Material weakness(es) identified?		Y	es _	Χ	_No
Significant deficiencies identified that are not considered to be material weakness(es)?		Y	es _	Х	_None reported
Noncompliance material to financial statements noted?		Y	es _	Χ	_No
Federal and State Awards					
Internal control over major programs:					
Material weakness(es) identified?		Y	es _	Χ	_No
Significant deficiencies identified that are not considered to be material weakness(es)?		Y	es _	Х	_None reported
An unmodified opinion was issued on compliance for major programs.					
Any audit findings disclosed that are required to be reported in accordance with the Uniform Guidance, or State of Texas Uniform Grant Management Standards?	l 	Y	es _	X	_No
Identification of major federal programs:					
 14.218 & 14.228 - CDBG-Entitlement Grants Cluster 20.507 - Federal Transit Cluster 20.106 - Airport Improvement Program 20.205 - Highway Planning & Construction Cluster 97.024 - Emergency Food and Shelter National Board Program 21.027 - State & Local Fiscal Recovery Funds 	า				
Identification of major state programs:					
Quinta Mazatlan Center of Urban Ecology Auto Theft Prevention					
Dollar threshold used to distinguish between type A and type B programs?			<u>5</u> – F – Sto	eder	al
Auditee qualified as low-risk auditee?				X	_No

City of McAllen, Texas

Corrective Action Plan For the Fiscal Year Ended September 30, 2021

Section 2. Financial Statement Findings

None

Section 3. Federal and State Award Findings and Questioned Costs

None

Prior Year Findings

Finding 2020-001 Material Weakness in Internal Control over Financial Reporting: Accruals for Ongoing Projects

<u>Current Status</u>

The City has implemented new procedures and resolved this internal control deficiency in the current fiscal year.