COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2009

CITY OF Del Rio TEXAS

CITY OF DEL RIO, TEXAS

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COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF DEL RIO
Del Rio, Texas

Year Ended September 30, 2009

Prepared by the Finance Department

Manual Chavez	Finance Director
Gilbert Sanchez	Assistant Finance Director
Jose Rivera, Jr., CPA	Chief Accountant
Lorinda Castillo	Risk Manager Director
Kevin Stephens	Special Grants Accountant
Ana Wilson	Senior Accounting Clerk
Estela Hernandez	Accounting Clerk
Dora Garcia	Accounts Receivable Clerk
Cecilia Zapata	Accounts Payable Clerk
Maria D. Martinez	Payroll Clerk
Sylvia Y. Garza	Finance Clerk

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INTRODUCTORY SECTION

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CITY OF DEL RIO
Del Rio, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

September 30, 2009

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Del Rio, Texas

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CITY OF DEL RIO, TEXAS

LIST OF PRINCIPAL OFFICIALS

CITY COUNCIL MEMBERS

Efrain V. Valdez
Mayor

Mary Ann Zepeda	Councilwoman-At-Large	Place A
Mike Wrob	Councilman-At-Large	Place B
Claudio Sotelo	Councilman-At-Large	Place C
Lisa Cadena Craig	Councilwoman	District 1
Pat Cole	Councilwoman	District 2
Ernestina Martinez	Councilwoman	District 3

CITY STAFF

Frances F. Rodriguez	City Manager
David Sorola	City Attorney
Susan Corp	City Secretary
Filemon Ortiz, Jr.	Municipal Court Judge
Robert Eads	Assistant City Manager
Waylon Bullard	Police Chief
Harold Bean	Fire Chief
Manual B. Chavez	Finance Director
Robert C. Parker	Public Works/Engineering Director
Mary Rodriguez	Human Resources Director

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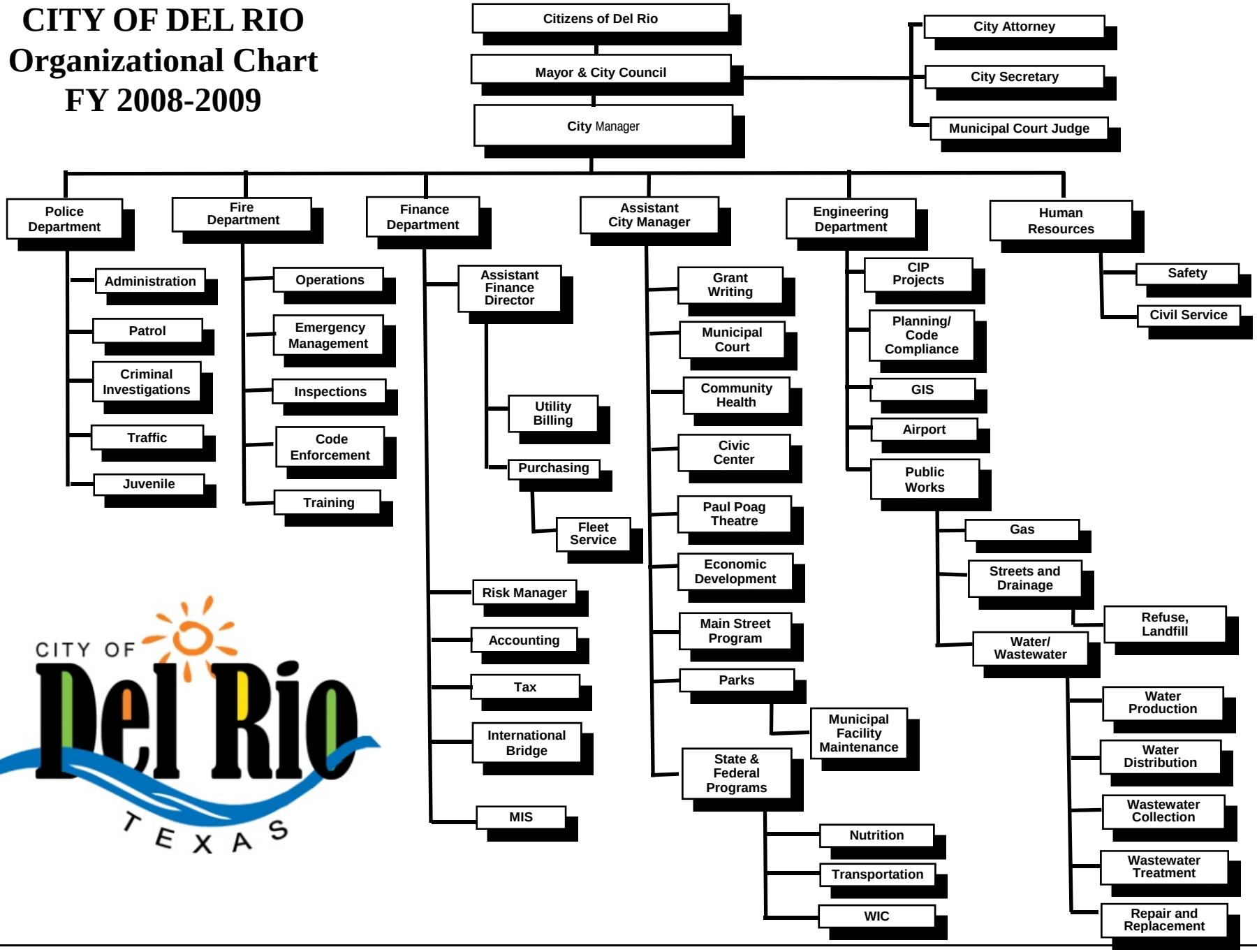
CITY OF DEL RIO
Organizational Chart
FY 2008-2009



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City of Del Rio
109 West Broadway
Del Rio, Texas 78840

March 15, 2010

Honorable Mayor and Council Members
Citizens of the City of Del Rio, Texas

The Comprehensive Annual Financial Report of the City of Del Rio for the fiscal year ended September 30, 2009 is hereby submitted. This report has been prepared pursuant to, and to demonstrate compliance with, Article II, Section 31, of the City Charter.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data are accurate in all material respects and are reported in a manner designed to present fairly the financial position and results of operations. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City's management has established and maintained an internal control structure to ensure that the assets of the City are protected from loss, theft or misuse and to compile sufficient reliable information for the preparation of financial statements in conformity with GAAP. Because the cost of internal controls should not outweigh their benefits, the City of Del Rio's comprehensive framework of internal controls has been designed to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The City of Del Rio's financial statements have been audited by Garza/Gonzalez & Associates, a firm of licensed certified public accountants. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Del Rio for the fiscal year ended September 30, 2009, are free of material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements; and evaluating the overall financial statement presentation. The independent auditor concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the City of Del Rio's financial statements for the fiscal year ended September 30, 2009, are fairly presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

The City of Del Rio is also required to undergo a mandated "Single Audit" designed to meet the special needs of federal grantor agencies. The standards governing Single Audit

engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and legal requirements involving the administration of federal awards. These reports are included in this report.

GAAP require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The City of Del Rio's MD&A can be found immediately following the report of the independent auditors.

Profile of the Government

The City of Del Rio was originally incorporated as a municipality in 1905, but was reincorporated in 1911. The City of Del Rio is located on the Rio Grande Plains of Southwest Texas, 150 miles due west of San Antonio, Texas. The most southern perimeter borders the Rio Grande River, one of the natural boundaries separating the United States and Mexico. The City of Del Rio incorporated area encompasses 16.09 square miles of the Val Verde County's 3,240.04 square miles of total area. The City of Del Rio serves a population of approximately 36,500. The City of Del Rio is empowered to levy tax on both real and personal properties located within its boundaries. It is also empowered by state statute to extend its corporate limits by annexation, which occurs occasionally when deemed appropriate by the governing council.

The City of Del Rio is a home-rule town with a "*Council-Manager*" form of government. The first version of its present charter was initially adopted in 1967, and was subsequently revised in 1981 and 1998. Policy-making and legislative authority are vested in its city council consisting of the mayor and six other members. The city council is responsible, among other things, for passing ordinances, adopting the budget, appointing citizens to serve on advisory boards, and hiring the city manager, attorney, city secretary and municipal court judge. The city manager is responsible for carrying out the policies and ordinances of the city council, for overseeing the day-to-day operations of the city, and for appointing the heads of various departments subject to the approval of council. The council is elected on a non-partisan basis. The mayor's term of office is for two years. The council members serve four years staggered terms, with three council members elected every two years. The mayor and three council members are elected at large. The other three council members are residents of and elected from one of the three numbered districts. The mayor can serve no more than four consecutive terms and the council members no more than two consecutive terms.

The City of Del Rio provides a full range of services, including police and fire protection; the construction and maintenance of streets and other infrastructure; and recreational activities and cultural events. The City of Del Rio provides water and natural gas through its water and gas system. It also provides sanitation services through a sanitary sewer system. The City of Del Rio has its own landfill and provides for handling and disposition of garbage, trash and rubbish through a private contract and through its health

department. These systems are included as an integral parts of the City of Del Rio's financial statements.

The annual budget serves as the foundation for the City of Del Rio's financial planning and control. All departments of the City of Del Rio are required to submit requests for appropriations to the city manager as specified on the budget process time-line. The city manager uses the requests, historical data and trends information as a starting point for developing a proposed budget. The city manager then presents this proposed budget to the council at least forty-five days prior to the beginning of each budget year. The city council is required to hold a public hearing on the budget and to adopt a final budget no later than September 30, which is the close of the City of Del Rio's fiscal year. The appropriated budget is prepared by fund, department/division and object class (e.g., personnel costs, supplies, contractual, capital outlay). The city manager may at any time transfer up to ten thousand dollars in budget allocations between one-line item and another among departments and divisions within the same fund. The authority may be delegated by the city manager in the interest of efficiency. Budget-to-actual comparisons are provided in this report for each individual governmental fund for which an appropriated annual budget has been adopted. For non-major governmental funds with appropriated annual budgets, this comparison is presented in the non-major governmental fund subsection of this report. For proprietary funds with appropriated annual budgets, this comparison is presented in the proprietary funds subsection of this report.

Factors Affecting Financial Condition

The information presented in the financial statements is perhaps best understood when it is condensed from the broader perspective of the specific environment within which the City of Del Rio operates.

Local Economy. City of Del Rio's economy is slowly being impacted by changes in the national and global economies. Bridge toll activity continued to decrease during the fiscal year 2008-2009. Two major General Fund revenues saw changes during the fiscal year. While there was a slight increase in property tax assessed valuation which contributed to an increase in property tax revenues there was a decrease in sales tax revenue. Overall, there was a decrease in General Fund revenue.

At the end of the fiscal year 2008-2009 Del Rio's unemployment rate was 8.8% with an employed labor force of 15,320 as of September 30, 2009. The top employers are the federal agencies with 1,978 employees, San Felipe Del Rio CISD with 1,420 employees and Laughlin Air Force base with 1,574 military personnel and 1,297 civilian employees. Laughlin Air Force Base (LAFB) located six miles east of Del Rio on U.S. Highway 90 has a significant positive impact on the local economy. It represents the largest flying training operation in the U.S. Air Force. With 2,871 employees, the base is the largest employer in Val Verde County where the City of Del Rio is located.

Val Verde County (which includes the City of Del Rio) had as of September 30, 2009 an employed labor force of approximately 19,358 and an unemployment rate of 9.6%.

The City continues to build and strengthen its economy not only by expanding existing businesses, but also by working to attract new businesses and industries to the city. The primary goal is to assist businesses both small and large in developing and enhancing working relationships among economic development practitioners throughout the city. By supporting the growth of the existing business core and marketing its competitive advantages to attract new businesses, the City will continue to modernize its economy.

Long-term financial planning. The City of Del Rio's General fund balance has had increases in six of the last eight fiscal years. In fiscal year 2002-2003 the fund balance had a small decrease due to the defeasance of bonds. At the end of fiscal year 2003-2004 the General Fund balance represented 59.89% of expenditures. In fiscal year 2004 -2005 the City invested some of the funds for the purchase of capital equipment for fire, parks, health, airport, and nutrition departments and new seating for the Paul Poag Theater. In fiscal year 2005-2006 the City invested in the purchase of a new records management system for the Police Department, purchase of new police vehicles, improvements at the Water Treatment Plant, a new wastewater collection trunk line from the north side of the City to the Silverlake Wastewater Treatment Plant and the purchase of rolling stock for various departments. In fiscal year 2006-2007, the City invested in improvements to park systems and the purchase of rolling stock for various departments. In fiscal year 2007-2008, the City invested in upgrades and repairs to wastewater lift stations, the purchase of hardware/software packages for Tax and Code Compliance departments, police and fire vehicles and equipment, and the purchase of rolling stock for various departments. In fiscal year 2008-2009, the City invested in water distribution line improvements, expansion of the Terminal Building, street paving improvements and the purchase of rolling stock for various departments.

The City of Del Rio has a Five-Year Capital Improvement Plan which is updated annually and approved by City Council. Future projects include water/wastewater distribution line improvements, elimination of wastewater lift stations, gas distribution lines, EOC center, drainage master plan and the purchase of rolling stock for various departments.

Cash Management Policies and Practices

The City of Del Rio's investment policy is to strive to earn the highest rate of return on invested funds without sacrificing either safety or liquidity. All deposits and investments with the official City of Del Rio depository are secured by the Federal Deposit Insurance Corporation and/or pledged securities. Cash temporarily idle during the year was invested in certificates of deposits purchased at the local depository bank and Texas Local Government Investment Pools (TEXPOOL and TexasDAILY).

Debt Management

The primary goal of the City's debt management practices is to access capital markets at the lowest possible cost (interest rate) without endangering its ability to finance essential services. The City's conservative financial practices have earned its general obligation debt the ratings available from national bond rating services as follows:

Moody's Investor Services – A3
Fitch Rating – A

Risk Management

The City is exposed to various risks of loss related to torts; damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City of Del Rio has insurance coverage through the Texas Municipal League Intergovernmental Risk Pool for claims in excess of the deductible. Under this pool the City of Del Rio provides coverage for up to a maximum of $25,000 for each workers' compensation claim, $1,000 for each general liability claim, $2,500 for law enforcement liability, $2,500 for errors and omissions liability, $10,000 for each property damage claim, $500 for automobile physical damage, $1,000 for each automobile liability claim, $1,000 for boiler and machinery loss, and $500 for mobile equipment loss. Costs related to workers' compensation claims are accounted for in the fund under which the affected employee is classified. Other claims are accounted for in the fund related to the property or liability claim.

The Health Claims Self-Insurance Fund (an Internal Service Fund) accounts for and finances its uninsured risk of loss from health and dental claims of eligible City of Del Rio employees, their spouses and dependents. Under this program, the Fund provides coverage for up to a maximum of $100,000 per claimant per year. The City of Del Rio purchase health stop loss insurance from a private carrier for claims in excess of coverage provided by the fund.

All City of Del Rio employees participate in these programs and pay their share of insurance premiums for dependents.

Pension and Other Post Employment Benefits

The City of Del Rio entered into a defined contribution plan on August 1, 1970 with the ING Life Insurance and Annuity Company, the Plan Administrator (formally Aetna Life Insurance Annuity Company and the Participating Annuity Life Insurance Company), to provide pension benefits for all full-time employees with six months continuous service. The plan was restated effective October 1, 1989. The City Council on September 13, 2005 by Resolution No. R:2005-134 resolved that the City of Del Rio Employees Retirement Plan (as restated effective October 1, 1989) be frozen effective October 1, 2005 and that all Employer and Employee contributions to the Plan continue for compensation earned through September 30, 2005 and then cease, and that all Employer Contribution Accounts under the Plan held for participants (other than those whose last date of termination was more than five years prior to September 30, 2005) be fully vested as of that date.

The City Council on August 23, 2005 passed an ordinance to participate in the Texas Municipal Retirement System and the supplemental death benefits fund by the City of Del Rio, Texas; and to make current service and prior service contributions to the City's

account in the Municipal Accumulation Fund of the Texas Municipal Retirement System at the Actuarially determined rate of total employee compensation; and allowing certain employees of the city, who performed or hereafter perform active service in the armed forces (or their reserves or auxiliaries) of the United States under honorable conditions, to apply and receive special credit with the Texas Municipal Retirement System for limited portions of such military service.

Under the plan, all eligible employees are required to participate and contribute at the rate of five percent of the full earnings and the City of Del Rio is required to match participating employee current contributions and prior service contributions.

Each employee of the City who is a member of the TMRS is eligible to retire and receive a service retirement annuity if the member has at least 20 years of credited service in the System performed for one or more municipalities that have adopted a like provision under Section 854.202(g) of the TMRS Act.

The City of Del Rio elected to provide post-retirement group medical insurance coverage for eligible retirees. This coverage became available for individuals who retired on or after February 14, 2001. The City of Del Rio will be responsible for the entire cost of these post-retirement benefits.

Expenditures for the post-retirement health care benefits are recognized as retirees' incur claims through the City's health insurance program.

Relevant Financial Policies

In fiscal year 2006-2007, the City Council approved a policy to maintain a minimum of 25% of annual expenditures in the general fund's fund balance. Every fiscal year the City uses this guideline in the preparation of the annual budget.

Major Initiatives

Water and Wastewater Rate Study: During FY 2008-2009, the City Council authorized a rate study of the City's water and wastewater (sewer) utilities. The primary reasons for this study are to 1) identify the level of revenues which would be necessary to issue the required debt and provide for the budgeted expenditures, 2) to review rate structure from a point of view of fairness and reasonableness, and 3) to make recommendations for changing the rate structure which would ensure that water and wastewater rates were reflective of the cost of providing service to the various classes of customers. The water cost of service includes: 1) operation and maintenance expenses, 2) budgeted capital improvements, 3) debt service, 4) reserve funds requirements and 5) General Fund transfers.

Capital Improvement Projects: The City established a five year capital improvement projects (CIP) plan updated annually to help identify major projects/improvements needed throughout the City. The CIP plan identifies the funding source for each project

that is then taken into consideration in the subsequent fiscal year's budget. Currently, the City has identified $36 million in potential projects.

Police Station: During FY 2007-2008, the City Council authorized the construction of a new $6.4 million dollar Police Station. Construction was started in June 2008 and is expected to be completed in June 2010.

Water Distribution Lines: The City submitted an application to the Texas Water Development Board for the improvements of water distribution lines. The City qualified for a $52 million loan and opted to borrow $10 million and work will be designed in FY 09-10.

Awards and Acknowledgements

The City of Del Rio was awarded a Certificate of Achievement for Excellence in Financial Reporting by the Governments Finance Officers Association for eleven consecutive years up to 1996. For the fiscal years ending in 1997 and 1998, the City did not participate in this program. For the fiscal year ending in 1999 the City applied for the Certificate of Achievement for the City's Comprehensive Annual Financial report but was not successful. For the fiscal years ending 2000 through 2008 (nine consecutive years) the City applied for the Certificate of Achievement for the City's Comprehensive Annual Financial Report and was awarded the Certificate. In order to be awarded a Certificate of Achievement, the City published an easily readable and efficiently organized Comprehensive Annual Financial Report. A certificate of Achievement is valid for a period of one year only. This report satisfies both generally accepted accounting principles and applicable legal requirements. We believe that the City of Del Rio September 30, 2009 Comprehensive Annual Financial Report meets the Certificate of Achievement program requirements.

The preparation of the Comprehensive Annual Financial Report involves the entire staff. The discipline of the budget and other financial plans of the various funds involve management and the departmental supervisors. We are grateful for their participation in making this system work smoothly and efficiently.

Without the interest and support of the members of the City Council in planning and conducting the affairs of the City of Del Rio in a responsible and progressive manner, preparation of this report would not have been possible.

Respectfully submitted,

Manuel B. Chavez
Finance Director

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Certificate of Achievement for Excellence in Financial Reporting

Presented to

City of Del Rio
Texas

For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended
September 30, 2008

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.

President

Executive Director

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FINANCIAL SECTION

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Garza/Gonzalez & Associates
CERTIFIED PUBLIC ACCOUNTANTS

INDEPENDENT AUDITORS' REPORT

Honorable Mayor and Members
of the City Council
City of Del Rio, Texas

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Del Rio, Texas, as of and for the year ended September 30, 2009, which collectively comprise the City's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the City of Del Rio, Texas management. 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 of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Del Rio, Texas, as of September 30, 2009, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America.

207 Arden Grove
San Antonio, TX 78215
210/227-1389
Fax 227-0716

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In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2010, on our consideration of the City of Del Rio, Texas' internal control over financial reporting and 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 the internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in conjunction with this report in considering the results of our audit.

The management's discussion and analysis; budgetary comparison information; the City of Del Rio Retired Employee Healthcare Plan Other Post-Employment Benefit Plan (OPEB) and the Schedule of Funding Progress Texas Municipal Retirement System as listed in the table of contents are not a required part of the basic financial statements but are supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Del Rio, Texas basic financial statements. The introductory section, combining fund financial statements, supplementary schedules, and statistical tables are presented for purposes of additional analysis and are not a required part of the basic financial statements. The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U. S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Nonprofit Organizations, and is also not a required part of the basic financial statements of the City of Del Rio, Texas. The combining fund financial statements, supplementary schedules, and the Schedule of Expenditures of Federal Awards have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken 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 express no opinion on them.

March 10, 2010

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CITY OF DEL RIO

MANAGEMENTS' DISCUSSION AND ANALYSIS

This section of the City of Del Rio's annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year that ended on September 30, 2009. Please read it in conjunction with the transmittal letter at the front of this report and the City's financial statements, which follow this section.

FINANCIAL HIGHLIGHTS

Government Wide

- The net assets of the City of Del Rio exceeded its liabilities by $118.3 million, an increase of $1.8 million from last year. Governmental activities contributed $0.8 million and the business-type activities contributed $1.1 million to the overall increase.

Fund Level

- The Governmental Funds report a combined deficiency of revenues over expenditures of $13.0 million of which $5.3 is in the General Fund, $1.8 million is in the Debt Service Fund, $4.9 million is in the Police Station Capital Projects Fund and $1.1 is in other governmental funds. The deficiencies in the General Fund and Debt Service Funds are financed through proprietary fund transfers. The deficiency in the other governmental funds is financed by transfers from the General Fund, bond proceeds and available beginning fund balances.

- The City's governmental funds reported a combined fund balance of $18.1 million, a decrease of $5.8 million from last fiscal year. Within the combined fund balance total, $16.7 million is unreserved and the remainder is reserved for specific purposes.

- The General Fund reported a fund balance of $8.9 million, which represents a $0.5 million decrease from last year. The unreserved balance is $8.0 million of which $5.8 million was designated for streets/drainage projects, public safety capital equipment, international bridge construction/improvements, General Fund reserve and for future personnel costs. The total fund balance represents 42% of general fund expenditures and other financing uses for the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

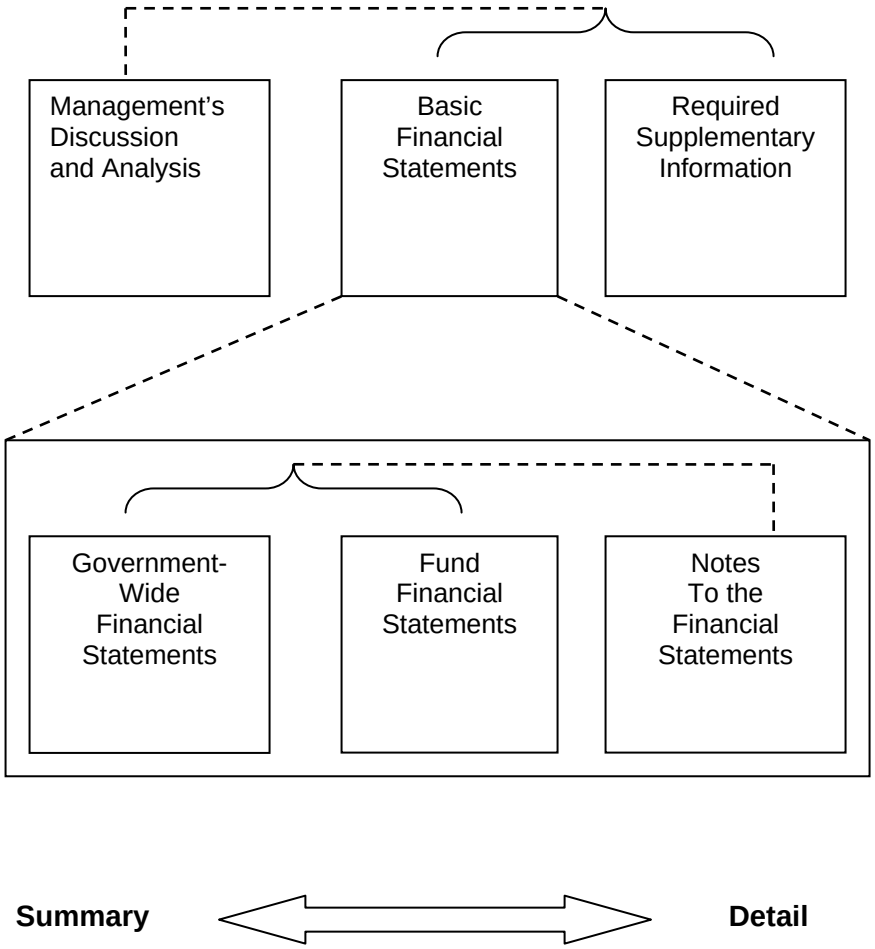
This annual report consists of four parts-management's discussion and analysis (this section), the basic financial statements, required supplementary information, and an optional section that presents combining statements for non-major enterprise funds and internal service funds. The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.

- The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.

The financial statements also include notes that explain some of the information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-1 shows how the required parts of this annual report are arranged and relate to one another. In addition to these required elements, we have included a section with combining statements that provide details about our non-major enterprise funds and internal service funds, each of which are added together and presented in single columns in the basic financial statements.

Figure A-1
Required Components of
City of Del Rio's Annual Financial Report



CITY OF DEL RIO

MANAGEMENTS' DISCUSSION AND ANALYSIS

Below is a summary of the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the statements.

Government-wide Statements

The government-wide statements report information about the City as a whole using accounting methods similar to those used by private-sector companies. The statement of net assets includes *all* of the government's assets and liabilities. All of the current year's revenues and expenses are accounted for in the statements of activities regardless of when cash is received or paid.

The two government-wide statements report the City's net assets and how they have changed. Net assets, the difference between the City's assets and liabilities is one way to measure the City's financial health, or position.

- Over time, increases or decreases in the City's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.

- To assess the overall health of the City one needs to consider additional non-financial factors such as changes in the City's property tax base, level of economy and international bridge crossings.

The government-wide financial statements of the City are divided into three categories:

- Governmental activities- Most of the City's basic services are included here, such as the general government, health & welfare, public safety, highways and streets, culture and recreation, and economic development and assistance. Property taxes, sales taxes, franchise taxes, state grants and transfers from business type activities and state and federal grants finance most of these activities.

- Business-type activities- The City charges fees to customers to help it cover the costs of certain services it provides. The City's gas, water and sewer system, landfill, international bridge, international airport and municipal facilities are included here.

Fund Financial Statements

The fund financial statements provide more detailed information about the City's most significant funds- not the City as a whole. Funds are accounting devices that the City uses to keep track of specific sources of funding and spending for particular purposes.

- Some funds are required by City Charter, State law and by bond covenants.

- The City Council establishes other funds to control and manage money for particular purposes or show that it is properly using certain taxes and grants (like aid from the Texas Department of Transportation).

The City has three kinds of funds:

- Governmental funds- Most of the City's basic services are included in governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the governmental funds statements provide a detailed short-term view that helps one determine whether there are more or fewer financial resources that can be spent in the near future to finance the City's programs. Because this information does not encompass the additional long-term focus of the governmental funds statement, there is a reconciliation on the subsequent page that explains the relationship (or differences) between the governmental fund statements and the government-wide statements.

- Proprietary funds- Services for which the City charges customers a fee are generally reported in propriety funds. Proprietary funds, like the government-wide statements, provide both long- and short- term financial information.

    - In fact, the City's Enterprise Funds (one type of proprietary fund) are the same as its business-type activities, but provide more detail and additional information, such as cash flows.

    - The City uses Internal Service Funds (the other kind of proprietary fund) to report activities that provide supplies and services for the City's other programs and activities- such as the Utility Billing Fund.

- Fiduciary funds- The City's fiduciary funds consist of various agency funds. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City's fiduciary activities are reported in a separate statement of fiduciary net assets and a statement of changes in fiduciary net assets. We exclude these activities from the City's government- wide financial statements because the City cannot use these assets to finance its operations.

CITY OF DEL RIO

MANAGEMENTS' DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Assets

The City's combined net assets were $118,319,979 at year end.

CITY OF DEL RIO'S NET ASSETS

	Governmental Activities		Business-Type Activities		Totals	
	2009	2008	2009	2008	2009	2008
Current and Other assets	$ 23,932,381	$ 29,321,447	$ 34,181,579	$ 30,503,966	$ 58,113,960	$ 59,825,413
Capital Assets	41,012,453	36,473,455	103,561,329	103,551,798	144,573,782	140,025,253
Total Assets	64,944,834	65,794,902	137,742,908	134,055,764	202,687,742	199,850,666
Current Liabilities	$ 5,558,945	$ 5,185,986	$ 7,014,541	$ 5,844,165	$ 12,573,486	$ 11,030,151
Long term Liabilities	26,005,925	28,000,054	45,788,352	44,339,772	71,794,277	72,339,826
Total Liabilities	31,564,870	33,186,040	52,802,893	50,183,937	84,367,763	83,369,977
Net Assets						
Invested in Capital Assets, Net of related Debt	25,316,082	26,004,429	71,715,885	72,313,297	97,031,967	98,317,726
Restricted	1,621,266	1,528,280	5,357,982	5,181,784	6,979,248	6,710,064
Unrestricted	6,442,616	5,076,153	7,866,148	6,376,746	14,308,764	11,452,899
Total Net Assets	$ 33,379,964	$ 32,608,862	$ 84,940,015	$ 83,871,827	$ 118,319,979	$ 116,480,689

The City's combined change in net assets was $1,839,290.

CITY OF DEL RIO'S CHANGES IN NET ASSETS

	2009	2008	2009	2008	2009	2008
Net (Expenses) Revenues	$ (19,865,267)	$ (19,611,050)	$ 7,196,510	$ 7,180,487	$ (12,668,757)	$ (12,430,563)
General Revenues	13,948,278	13,940,845	309,769	876,393	14,258,047	14,817,238
Excess Before Special Items and Transfers	(5,916,989)	(5,670,205)	7,506,279	8,056,880	1,589,290	2,386,675
Special Items	-	-	250,000	-	250,000	-
Transfers	6,688,091	5,769,101	(6,688,091)	(5,769,101)	-	-
Changes in Net Assets	771,102	98,896	1,068,188	2,287,779	1,839,290	2,386,675
Net Assets, Beginning,	32,608,862	32,509,966	83,871,827	81,584,048	116,480,689	114,094,014
Prior Period Adjustment	-	-	-	-	-	-
Net Assets, Ending	$ 33,379,964	$ 32,608,862	$ 84,940,015	$ 83,871,827	$ 118,319,979	$ 116,480,689

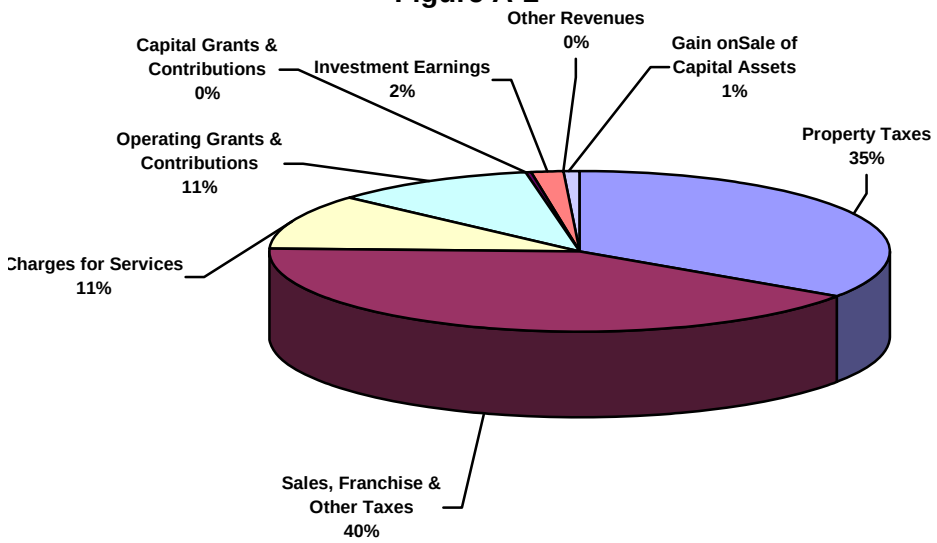
The combined net assets of the City for the primary government increased $1.8 million compared to last fiscal year. Governmental activities contributed $0.8 million of this increase while the business-type activities contributed $1.1 million of the increase. The largest component of net assets represents the City's investment in capital assets, net of related debt. The second largest component of net assets represents unrestricted net assets, while the final component of net assets is restricted.

Governmental Activities

Revenues for the City's governmental activities were $17,878,797. The revenue was derived from seven major sources as listed below and as reflected on Figure A-2.

	2009	2008	Variance
Property taxes	$ 6,175,495	$ 5,550,083	$ 625,412
Sales, franchise and other taxes	7,329,483	7,491,604	(162,121)
Charges for services	2,006,693	2,181,324	(174,631)
Operating grants and contributions	1,880,961	1,942,606	(61,645)
Capital grants and contributions	42,865	128,665	(85,800)
Investment earning	269,521	821,417	(551,896)
Other revenues	33,360	34,137	(777)
Gain on sale of capital assets	140,419	43,604	96,815
	$ 17,878,797	$ 18,193,440	$ (314,643)

Figure A-2



- The City's adopted property tax rate for fiscal year 2008-2009 is $0.56055 per $100 of valuation, a change from the previous tax rate of $0.54055.

- Property value increased $94,094,537 to $1,084,549,545 from the prior year's valuation of $990,455,008.

- Sales tax revenues were $4,883,143. This represents a decrease of $106,921 from prior year of $4,990,064.

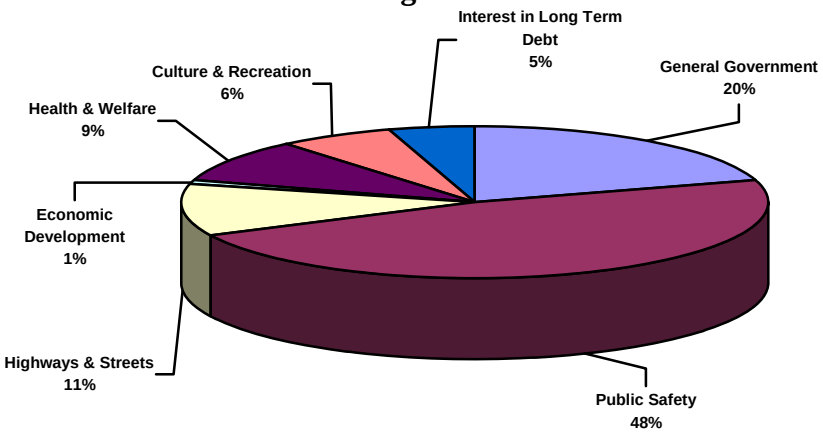
- In addition to the revenue, the City transferred $6,688,091 from proprietary funds to fund its governmental operations.

Expenses for the City's governmental activities were $23,795,786. Expenses were incurred in seven major categories as listed below and as reflected on Figure A-3.

Functional Expenses by Category:

	2009	2008	Variance
a) General Government	$ 4,811,856	$ 4,874,568	$ (62,712)
b) Public Safety	11,295,932	11,358,661	(62,729)
c) Highways and Streets	2,675,125	2,831,743	(156,618)
d) Economic Development	186,179	56,997	129,182
e) Health and Welfare	2,203,587	2,153,804	49,783
f) Culture and Recreation	1,466,511	1,469,681	(3,170)
h) Interest in long term debt	1,156,596	1,118,191	38,405
	$ 23,795,786	$ 23,863,645	$ (67,859)

Figure A-3



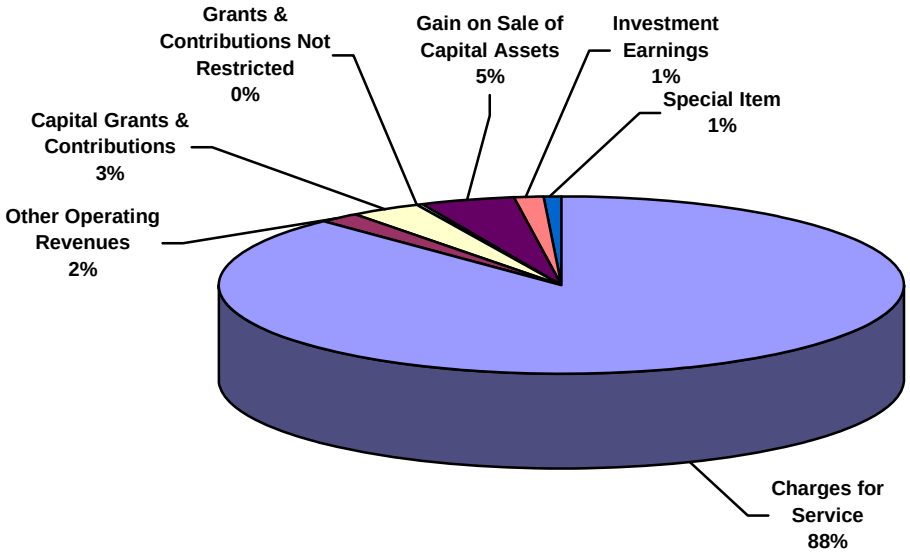
The City monitored its budget very closely during the year in order to ensure that expenses were within budgeted amounts.

Business-type Activities

Revenues of the City's business-type activities totaled $25,838,265 as shown on Figure A-4:

	2009	2008	Variance
Charges for Services	$ 22,674,726	$ 22,291,718	$ 383,008
Other Operating Revenues	509,705	617,377	(107,672)
Capital Grants & Contributions	881,323	292,441	588,882
Grants & Contributions not restricted to specific programs	14,402	910,985	(896,583)
Gain on Sale of Capital Assets	1,198,340	-	1,198,340
Investment Earnings	309,769	876,393	(566,624)
Special Item-Resource	250,000	-	250,000
	$ 25,838,265	$ 24,988,914	$ 849,351

Figure A-4



The amount realized from charges for services for the gas fund was $3,091,857. The gas rates fluctuated during the year due to the increase in price of natural gas purchased for resale.

The amount realized for charges for services for the water fund was $7,840,793 which is an increase of $564,105 from the prior year charges for service of $7,276,688. The increase is attributed a change in the local climate. During the year ended 2009, the climate was exceptionally dry while during a portion of the fiscal year ended in 2008 the City experienced a wetter period.

The amount realized for international bridge tolls was $4,385,476, a decrease of $601,217 from the prior year. As expected, Bridge crossings continue to decline from those of prior years attributable, in part, to the increased security requirements at all United States ports of entry, a slow-down in maquiladora-related traffic and increased Mexican ports of entry security inspections.

The amount realized for international airport charges for services is $42,314 and is for fees for fuel sold at the airport by a commercial vendor.

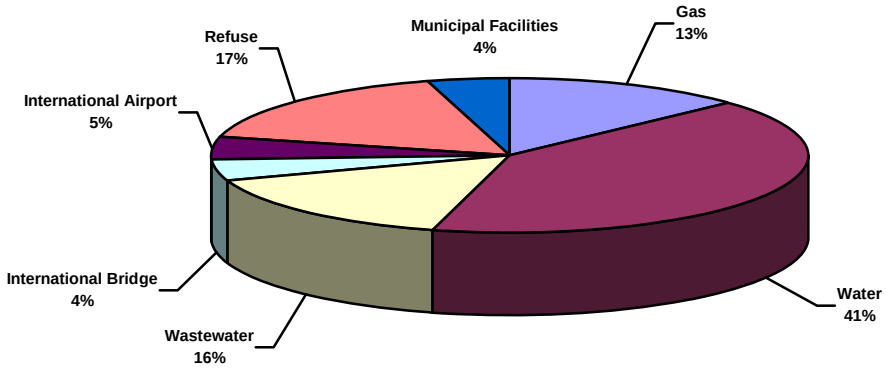
The amount realized for charges for services for the refuse fund was $3,605,290, an increase of $1,447,299 from the prior year. During 2009, the City changed its refuse collection service provider, its landfill operator and, for the first time, the City brought the entire commercial account operations in-house. The City also implemented a new rate structure to cover both residential and commercial accounts. The result is that residential accounts contributed $480,446 to the increase, the landfill operations contributed $144,990 to the increase and the commercial accounts $821,980. Other service charges and bad debts make up the difference.

The amount realized for charges for services for the wastewater (sewer) fund was $3,708,996, an increase of $219,434 from the prior year charges for service of $3,489,562. Rates for collection of wastewater are based on the customer's average monthly water usage for the months of December, January and February with three thousand gallons per month maximum. The increase is attributable, in part, to the increase in the water consumption during the year.

The expenses for the business type activities totaled $18,081,987 as shown on figure A-5:

	2009	2008	Variance
Gas	$ 2,355,155	$ 3,158,366	$ (803,211)
Water	7,423,702	6,659,672	764,030
Wastewater	2,824,730	2,648,629	176,101
International Bridge	789,252	807,082	(17,830)
International Airport	850,861	938,345	(87,484)
Refuse	3,032,432	1,930,453	1,101,979
Municipal Facilities	805,855	789,228	16,627
Total	$ 18,081,987	$ 16,931,775	$ 1,150,212

Figure A-5



The difference between revenues, other revenue sources and expenses was $7,730,623. The City transferred from its Enterprise Funds $7,150,847 to subsidize governmental activities. The City also transferred $569,063 into the Airport and Municipal Facilities Funds to subsidize their operations. The net transfers from the Enterprise Funds amounted to $6,581,784. The City staff monitors all Propriety Funds to ensure that operating expenses are maintained within budget. All revenue sources are checked monthly to ensure that the budget is realized or to adjust the budget as necessary.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

Significant Changes in Fund Balances/Net Assets

Overall, fund balances in the governmental funds decreased by $5.8 million. The General Fund decreased its fund balance by $506 thousand during the year. The change was consistent with the net change in fund balance of $458 thousand for the 2008 fiscal year. Revenues increased from the prior year by $269 thousand while expenditures increased by $302 thousand and other operating sources and uses decreased $15 thousand.

The Debt Service Fund contributed $198 thousand to the deficit because bonds retired and interest paid during the year exceeded the overall revenues and other sources. The deficit is absorbed by the fund balance available at the beginning of the year. The Police Station Capital Project Fund contributed $4.9 million to the deficit for 2009 primarily from the application of revenues earned in prior years for the construction of the new police station. In all other governmental funds there was a net decrease in fund balances of $177 thousand. The decrease resulted primarily from (a) bond proceeds for street and drainage projects to be constructed in subsequent years offset against current year costs for street and drainage construction resulting in a net increase in fund balance of $160 thousand, (b) a decrease in the fund balance of the MIT Grant Fund of $251 thousand and (c) a decrease in the fund balance in the Economic Development Fund of $97 thousand.

The business type funds realized an overall increase in net assets of $1.1 million. In part, the business type funds increased their net assets by $309 thousand because of investment earnings resulting from the careful and prudent investment strategies employed by the City. In addition, the business type funds contributed to other City operations by transferring out $6.7 million overall. The Gas Fund transferred out $1.1 million, the International Bridge transferred out $4.9 million and other business type funds transferred out a total of $1.1 million. The business type funds also received assistance from the other funds. Combined, the International Airport and the Municipal Facilities Funds received $569 thousand during the year.

Individually, the Water Fund contributed $239 thousand, the International Airport Fund $408 thousand, the Refuse Fund $322 thousand and the Wastewater $670 thousand of the increase. The Gas Fund had a decrease for the year of $316 thousand, the International Bridge Fund had decrease of $42 thousand and the Municipal Facilities Fund had a decrease of $133 thousand.

General Fund Budgetary Highlights

Over the course of the year, the City Council revised the City's budget several times. These amendments fall into six categories:

- Supplemental appropriations revising the budget adopted in September 2008.
- Amendments to appropriate funds maintained in reserve at the beginning of the year.
- Changes in appropriations for grant matching funds and other contracted services.
- Increases in appropriations to cover anticipated budget overruns.
- Decrease in appropriations because of budget unexpended balances.
- Changes in the amount budgeted for transfer of funds to General Fund from other funds.

The City monitors its budget to ensure that anticipated revenues are realized and to ensure that expenditures remain within budgeted amounts. For the year, the General Fund experienced a negative variance of $618 thousand in the overall budgeted change in net assets. In total, the City experienced a negative variance of $848 thousand in revenues, a positive variance in total expenditures of $62 thousand and a positive variance in other financing sources of $168 thousand for the year.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's combined capital assets at the end of fiscal year September 30, 2009 amounted to $144,573,782. It is the City's policy to capitalize only purchases of $5,000 or over and some high risk items such as data processing equipment, audio visual equipment, small motorized items and other items on the "hot items list". Additional information related to the City's capital assets is included in Note IX to financial statements.

City of Del Rio's Capital Assets

	Governmental Activities		Business-Type Activities		Totals	
	2009	2008	2009	2008	2009	2008
Land	$ 5,299,169	$ 5,178,385	$ 2,282,015	$ 2,232,015	$ 7,581,184	$ 7,410,400
Buildings	3,262,701	3,262,584	4,294,200	4,277,513	7,556,901	7,540,097
Improvements Other Than Buildings	646,866	397,523	107,697,472	107,406,096	108,344,338	107,803,619
Equipment	11,340,415	10,731,999	4,842,403	4,176,824	16,182,818	14,908,823
Infrastructure	50,793,873	50,793,873	-	-	50,793,873	50,793,873
Construction in Progress	18,408,831	12,497,286	23,135,439	20,987,004	41,544,270	33,484,290
Total at Historical Cost	89,751,855	82,861,650	142,251,529	139,079,452	232,003,384	221,941,102
Total Accumulated Depreciation	48,739,402	46,388,195	38,690,200	35,527,395	87,429,602	81,915,590
Net Capital Amounts	$ 41,012,453	$ 36,473,455	$ 103,561,329	$ 103,552,057	$ 144,573,782	$ 140,025,512

Long- term Debt

At year-end the City had $72,790,000 in bonds and notes payable; a decrease of $211,000 from last year as shown in Table A-6. More detail information about the City's long-term debt is presented in Note X to the financial statements.

Figure A-6
City of Del Rio Outstanding Bond
(in million dollars)

	Governmental Activities		Business-type Activities		Total	
	2009	2008	2009	2008	2009	2008
General Obligation Bonds (backed by the City)	$ 23.93	$ 25.04	$ -	$ -	$ 23.93	$ 25.04
Revenue Bonds, Certificates of Obligation and Notes (backed by Specific tax and fee revenues)	2.68	2.96	46.18	44.58	48.86	47.54
Total	$ 26.61	$ 28.00	$ 46.18	$ 44.58	$ 72.79	72.58

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The City's economy during the fiscal year suffered a slight downturn as reflected by some key indicators.

Sales tax revenues decreased $106,921 from the prior year revenues of $4,990,064.

Employment at the three major employers of City residents remains at approximately the same level. The major employers are federal government agencies such as the border patrol, the school district and Laughlin Air Force Base. These three major employers employ approximately 6,269 persons of an approximate 19,358 work force for Val Verde County.

Unemployment had an increase from a rate of 5.3% in fiscal year ending September 30, 2008 to 8.8% in the fiscal year ended in September 30, 2009.

The management of the City considered the local and state economy in preparing the City's budget of fiscal year 2009-2010.

The City's property tax rate remained at $0.56055 per $100 value for tax year 2009. The City expects to realize $4.1 million in property tax revenues to operate its General Fund and realize $1.5 million for its Debt Service Fund.

The City expects to transfer approximately $6.2 million from propriety funds in order to finance the cost of its governmental activities.

CONTACTING THE CITY'S FINANCIAL MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. If you have questions about this report or need additional financial information, contact the City of Del Rio Finance Department Office at 830-774-8555 Del Rio, Texas 78840.

BASIC FINANCIAL STATEMENTS

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Government-Wide Financial Statements

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CITY OF DEL RIO
Del Rio, Texas

Statement of Net Assets

September 30, 2009

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 18,565,021	$ 7,529,608	$ 26,094,629
Receivables, Net	2,961,289	2,475,022	5,436,311
Intergovernmental Receivables	805,758	5,575	811,333
Internal Balances	881,632	(881,632)	-
Inventory	40,797	358,385	399,182
Prepaids Items	50,939	125	51,064
Deferred Charges	626,945	1,742,731	2,369,676
Restricted Cash and Cash Equivalents	-	22,951,765	22,951,765
Capital Assets, Net:			
Land	5,299,169	2,282,015	7,581,184
Construction In Progress	18,408,831	23,135,436	41,544,267
Buildings	1,417,390	1,394,750	2,812,140
Improvements Other Than Buildings	494,931	75,121,008	75,615,939
Machinery and Equipment	3,976,816	1,628,120	5,604,936
Infrastructure	11,415,316	-	11,415,316
Total Capital Assets, Net of Accumulated Depreciation	41,012,453	103,561,329	144,573,782
Total Assets	$ 64,944,834	$ 137,742,908	$ 202,687,742
LIABILITIES			
Accounts Payable and Other Current Liabilities	$ 2,020,272	$ 1,671,082	$ 3,691,354
Accrued Interest Payable	370,592	540,647	911,239
Due to Other Governments	5,120	37,228	42,348
Deposits	45,593	520,700	566,293
Noncurrent Liabilities - Due Within One Year	3,117,368	4,244,884	7,362,252
Noncurrent Liabilities - Due in More Than One Year	26,005,925	45,788,352	71,794,277
Total Liabilities	31,564,870	52,802,893	84,367,763
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	25,316,082	71,715,885	97,031,967
Restricted For:			
Debt Service	1,611,498	3,768,024	5,379,522
Public Grants	9,768	116,700	126,468
Construction	-	1,473,258	1,473,258
Unrestricted	6,442,616	7,866,148	14,308,764
Total Net Assets	$ 33,379,964	$ 84,940,015	$ 118,319,979

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

CITY OF DEL RIO
Del Rio, Texas

Statement of Activities

Year Ended September 30, 2009

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental Activities:				
General Government	$ 4,811,856	$ 989,946	$ -	$ -
Public Safety	11,295,932	609,312	417,400	-
Highways and Streets	2,675,125	5,656	-	-
Economic Development	186,179	-	-	-
Health and Welfare	2,203,587	332,999	1,463,561	42,865
Culture and Recreation	1,466,511	68,780	-	-
Interest on Long-Term Debt	1,156,596	-	-	-
Total Governmental Activities	23,795,786	2,006,693	1,880,961	42,865
Business-Type Activities:				
Gas	2,355,155	3,117,130	-	-
Water	7,423,702	7,857,279	-	-
Wastewater	2,824,730	3,708,996	-	-
International Bridge	789,252	4,402,791	-	-
International Airport	850,861	173,325	-	881,323
Refuse	3,032,432	3,612,041	14,402	-
Municipal Facilities	805,855	312,870	-	-
Total Business-Type Activities	18,081,987	23,184,432	14,402	881,323
Total Primary Government	$ 41,877,773	$ 25,191,125	$ 1,895,363	$ 924,188

General Revenues:
- Taxes
  - Property
  - Sales
  - Franchise Taxes
  - Other
- Investment Earnings
- Miscellaneous
- Gain/(Loss) on Sale of Capital Assets
- Special Item

Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets - Beginning

Net Assets - Ending

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

Net (Expense) Revenue and Changes in Net Assets		
Governmental Activities	Business-Type Activities	Total
$ (3,821,910)	$ -	$ (3,821,910)
(10,269,220)	-	(10,269,220)
(2,669,469)	-	(2,669,469)
(186,179)	-	(186,179)
(364,162)	-	(364,162)
(1,397,731)	-	(1,397,731)
(1,156,596)	-	(1,156,596)
(19,865,267)	-	(19,865,267)
-	761,975	761,975
-	433,577	433,577
-	884,266	884,266
-	3,613,539	3,613,539
-	203,787	203,787
-	594,011	594,011
-	(492,985)	(492,985)
-	5,998,170	5,998,170
(19,865,267)	5,998,170	(13,867,097)
6,175,495	-	6,175,495
4,883,143	-	4,883,143
1,799,776	-	1,799,776
646,564	-	646,564
269,521	309,769	579,290
33,360	-	33,360
140,419	1,198,340	1,338,759
-	250,000	250,000
6,688,091	(6,688,091)	-
20,636,369	(4,929,982)	15,706,387
771,102	1,068,188	1,839,290
32,608,862	83,871,827	116,480,689
$ 33,379,964	$ 84,940,015	$ 118,319,979

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Governmental Fund Financial Statements

CITY OF DEL RIO
Del Rio, Texas

Balance Sheet
Governmental Funds

September 30, 2009

	General Fund	Debt Service	Capital Project Police Station	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Investments	$ 7,726,223	$ 1,175,695	$ 1,279,317	$ 7,261,689	$ 17,442,924
Receivables, Net	2,621,284	339,464	176	125	2,961,049
Intergovernmental Receivables	104,020	-	-	701,738	805,758
Due from Other Funds	1,429,470	86,071	-	391,885	1,907,426
Inventories	40,797	-	-	-	40,797
Prepaid Items	50,939	-	-	-	50,939
Total Assets	$ 11,972,733	$ 1,601,230	$ 1,279,493	$ 8,355,437	$ 23,208,893
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$ 461,239	$ -	$ 435,232	$ 193,911	$ 1,090,382
Wages and Salaries Payable	618,375	-	-	59,167	677,542
Intergovernmental Payable	3,468	-	-	1,652	5,120
Due to Other Funds	194,581	7,816	-	959,054	1,161,451
Due to Others	45,093	-	-	500	45,593
Accrued Interest Payable	-	4,516	-	-	4,516
Deferred Revenue	1,724,580	339,463	-	-	2,064,043
Other Current Liabilities	21,323	-	55,669	-	76,992
Total Liabilities	3,068,659	351,795	490,901	1,214,284	5,125,639
Fund Balances:					
Reserved for:					
Improvements	67,814	-	-	-	67,814
Insurance	195,502	-	-	-	195,502
Encumbrances	622,236	-	293,550	218,784	1,134,570
Unreserved, Designated, Reported In:					
General Fund	5,804,537	-	-	-	5,804,537
Unreserved, Undesignated:					
Reported in General Fund	2,213,985	-	-	-	2,213,985
Reported in the Special Revenue Fund	-	-	-	9,768	9,768
Reported in the Debt Service Fund	-	1,249,435	-	-	1,249,435
Reported in the Capital Projects Fund	-	-	495,042	6,912,601	7,407,643
Total Fund Balances	8,904,074	1,249,435	788,592	7,141,153	18,083,254
Total Liabilities and Fund Balances	$ 11,972,733	$ 1,601,230	$ 1,279,493	$ 8,355,437	$ 23,208,893

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

CITY OF DEL RIO
Del Rio, Texas

Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Assets

September 30, 2009

Total fund balances, governmental funds	$	18,083,254
Amounts reported for governmental activities in the statement of net assets are different because:		
Capital assets used in governmental activities are not current financial resources and, therefore, are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets.		40,749,794
Certain other long-term assets are not available to pay current period expenditures and, therefore, are not reported in this fund financial statement, but are reported in the governmental activities of the Statement of Net Assets.		620,998
The effect of full accrual accounting in the government activities Statement of Net Assets requires the recognition of certain earned revenues which have not been collected and therefore the elimination of deferred revenues as reported in the modified accrual basis in the fund financial statements.		2,064,043
The assets and liabilities of certain Internal Service Funds are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Assets.		1,088,686
Long-term liabilities, (such as claims payable, compensated absences, accrued interest payable, and bonds payable) are not due and payable in the current period and are not included in the fund financial statement, but are included in the governmental activities of the Statement of Net Assets.		(29,226,811)
Net Assets of Governmental Activities	$	33,379,964

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

CITY OF DEL RIO
Del Rio, Texas

Statement of Revenues, Expenditures, and Changes in Fund Balance
Governmental Funds

Year Ended September 30, 2009

	General Fund	Debt Service	Capital Project Police Station	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 11,087,820	$ 1,711,715	$ -	$ 591,801	$ 13,391,336
Licenses and Permits	372,305	-	-	-	372,305
Intergovernmental Revenue and Grants	417,401	-	-	1,506,423	1,923,824
Charges for Services	996,203	-	-	332,999	1,329,202
Fines	598,820	-	-	-	598,820
Investment Earnings	144,843	10,095	50,329	60,997	266,264
Rents and Royalties	36,375	-	-	33,427	69,802
Other Revenue	32,108	-	-	16,959	49,067
Total Revenues	13,685,875	1,721,810	50,329	2,542,606	18,000,620
EXPENDITURES					
Current:					
General Government	4,385,649	-	7,747	369,875	4,763,271
Public Safety	10,525,222	-	-	8,129	10,533,351
Highways and Streets	1,645,043	-	-	-	1,645,043
Health and Welfare	-	-	-	1,997,567	1,997,567
Culture and Recreation	1,382,621	-	-	-	1,382,621
Economic Development and Assistance	50,189	-	-	137,142	187,331
Debt Service:					
Bond Principal	-	2,376,014	-	-	2,376,014
Bond Interest	-	1,095,161	-	-	1,095,161
Issuance Costs	-	3,177	-	42,847	46,024
Capital Outlay:					
Capital Outlay	992,119	-	4,956,302	1,056,795	7,005,216
Total Expenditures	18,980,843	3,474,352	4,964,049	3,612,355	31,031,599
Excess/(Deficiency) of Revenues Over (Under) Expenditures	(5,294,968)	(1,752,542)	(4,913,720)	(1,069,749)	(13,030,979)
OTHER FINANCING SOURCES/(USES)					
Capital-related Debt Issued (Regular Bonds)	-	-	-	1,044,000	1,044,000
Sale of Real and Personal Property	144,634	-	-	-	144,634
Transfers In	6,768,872	1,554,088	-	65,526	8,388,486
Premium or Discount on Issuance of Bonds	2,901	-	-	4,709	7,610
Transfers Out (Use)	(2,127,550)	-	-	(221,925)	(2,349,475)
Total Other Financing Sources/(Uses)	4,788,857	1,554,088	-	892,310	7,235,255
Net Change in Fund Balances	(506,111)	(198,454)	(4,913,720)	(177,439)	(5,795,724)
Fund Balance - October 1 (Beginning)	9,410,185	1,447,889	5,702,312	7,318,592	23,878,978
Fund Balance - September 30, (Ending)	$ 8,904,074	$ 1,249,435	$ 788,592	$ 7,141,153	$ 18,083,254

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

CITY OF DEL RIO
Del Rio, Texas

Reconciliation of the Statement of Revenue, Expenditures, and
Changes in Fund Balance of Governmental Funds to the Statement of Activities

For The Year Ended September 30, 2009

Net changes in fund balances - total governmental funds	$	(5,795,724)
Amounts reported for governmental activities in the Statement of Activities are different because:		
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets estimated useful lives as depreciation expense for the period. This is the amount by which capital outlays (7,048,064) exceeded depreciation $2,435,372) in the current year.		4,612,692
In the Statement of Activities, only the loss on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increases financial resources, Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold.		(4,117)
Governmental funds do not present revenues that are not available to pay current obligations. In contrast, such revenues are reported in the Statement of Activities when earned.		134,501
Governmental funds report repayment of bond principal as an expenditure. In contrast, the Statement of Activities treats such repayments as a reduction in long-term liabilities.		2,376,083
The issuance of long-term debt (e.g., bonds) provides current financial resources to governmental funds. However, this transaction has no effect on net assets.		(1,044,000)
Governmental funds report the effect of bond issuance costs, premiums, discounts, and similar items when debt is first issued. These amounts are deferred and amortized in the Statement of Activities.		(38,343)
Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds.		(220,818)
Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The net revenue of certain Internal Service Funds is reported with governmental activities.		750,828
Change in net assets of governmental activities	$	771,102

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

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Proprietary Fund Financial Statements

CITY OF DEL RIO
Del Rio, Texas

Statement of Net Assets
Proprietary Funds

September 30, 2009

	Enterprise			
	Gas System	Water System	International Bridge	International Airport
ASSETS				
Current Assets				
Cash and Cash Equivalents	$ 3,055,897	$ 1,973,734	$ 340,992	$ 119,152
Restricted Cash & Cash Equivalents	409,395	10,679,503	2,045,995	2,194,432
Accounts Receivable, Net	209,311	1,202,465	1,027	147
Due from Other Funds	4,788	209,186	432	32,139
Due from Other Government	-	-	-	5,575
Inventory	92,096	266,289	-	-
Prepaid Items	-	125	-	-
Total Current Assets	3,771,487	14,331,302	2,388,446	2,351,445
Non-Current Assets				
Deferred Charges	19,339	1,220,772	12,707	34,244
Capital Assets				
Land	7,800	159,600	476,399	1,080,827
Construction In Progress	826,261	7,315,542	-	11,103,102
Buildings and Improvement	771,573	68,503,292	4,744,721	7,307,979
Equipment	756,354	1,673,582	180,056	152,348
Less: Accumulated Depreciation	(963,269)	(16,408,159)	(2,607,245)	(3,564,682)
Total Capital Assets	1,398,719	61,243,857	2,793,931	16,079,574
Total Non-Current Assets	1,418,058	62,464,629	2,806,638	16,113,818
TOTAL ASSETS	$ 5,189,545	$ 76,795,931	$ 5,195,084	$ 18,465,263
LIABILITIES AND FUND BALANCES				
Current Liabilities				
Accounts Payable	$ 90,388	$ 446,990	$ 17,242	$ 49,723
Accrued Payroll	27,594	65,915	15,886	9,406
Due to Other Funds	82,238	211,557	125,254	1
Due to Other Government	-	16,840	-	-
Other Liabilities	35,152	78,835	-	-
Claims Payable	-	-	-	-
Deposits	102,968	351,357	-	-
Accrued Interest Payable	9,125	311,628	24,543	18,010
Compensated Absences	25,292	57,501	17,215	6,175
Bonds Payable	60,000	2,075,172	450,000	85,000
Total Current Liabilities	432,757	3,615,795	650,140	168,315
Noncurrent Liabilities				
Compensated Absence	51,358	100,627	42,907	11,553
Landfill Closure and Postclosure Care Cost	-	-	-	-
Bonds Payable	650,000	27,006,335	950,000	1,650,000
Total Noncurrent Liabilities	701,358	27,106,962	992,907	1,661,553
TOTAL LIABILITIES	1,134,115	30,722,757	1,643,047	1,829,868
NET ASSETS				
Investment in Capital Assets Net of Related Debt	977,512	38,149,408	1,406,640	16,573,256
Restricted for Public Grants	-	-	-	-
Restricted for Debt Service	29,125	1,512,762	844,701	52,348
Restricted for Construction	-	930,506	542,752	-
Unrestricted	3,048,793	5,480,498	757,944	9,791
Total Net Assets	$ 4,055,430	$ 46,073,174	$ 3,552,037	$ 16,635,395

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

Funds					
			Nonmajor Fund		
	Refuse	Wastewater	Municipal Facilities	Total	Internal Service
	$ 489,370	$ 1,164,261	$ 369,267	$ 7,512,673	$ 967,675
	2,823,527	4,749,233	49,680	22,951,765	171,357
	497,731	562,690	1,651	2,475,022	175
	422	1,252	187	248,406	232,068
	-	-	-	5,575	-
	-	-	-	358,385	-
	-	-	-	125	-
	3,811,050	6,477,436	420,785	33,551,951	1,371,275
	79,367	365,886	10,416	1,742,731	5,947
	391,903	76,286	89,200	2,282,015	-
	-	3,890,531	-	23,135,436	-
	3,513,710	24,470,494	2,669,422	111,981,191	61,199
	744,429	839,527	227,725	4,574,021	1,196,870
	(3,330,795)	(9,445,827)	(2,163,206)	(38,483,183)	(923,561)
	1,319,247	19,831,011	823,141	103,489,480	334,508
	1,398,614	20,196,897	833,557	105,232,211	340,455
	$ 5,209,664	$ 26,674,333	$ 1,254,342	$ 138,784,162	$ 1,711,730
	$ 485,802	$ 143,235	$ 56,548	$ 1,289,928	$ 51,834
	7,845	17,276	12,525	156,447	35,385
	24,169	565,454	58	1,008,731	217,653
	-	20,388	-	37,228	-
	33,506	49,538	-	197,031	-
	-	-	-	-	115,898
	66,375	-	-	520,700	-
	26,255	144,768	6,318	540,647	2,600
	5,918	14,974	12,090	139,165	37,541
	419,886	951,855	45,486	4,087,399	60,000
	1,069,756	1,907,488	133,025	7,977,276	520,911
	10,077	37,723	15,223	269,468	100,201
	3,371,425	-	-	3,371,425	-
	1,386,413	9,997,597	452,565	42,092,910	135,000
	4,767,915	10,035,320	467,788	45,733,803	235,201
	5,837,671	11,942,808	600,813	53,711,079	756,112
	1,304,675	12,897,038	335,506	71,644,035	178,425
	-	-	116,700	116,700	-
	218,805	1,089,636	20,647	3,768,024	22,600
	-	-	-	1,473,258	-
	(2,151,487)	744,851	180,676	8,071,066	754,593
	$ (628,007)	$ 14,731,525	$ 653,529	85,073,083	$ 955,618
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds.				(133,068)	
Net Assets Business Type Activities				$ 84,940,015	

CITY OF DEL RIO
Del Rio, Texas

Statement of Revenues, Expenses, and Changes in Fund Net Assets
Proprietary Funds

For The Year Ended September 30, 2009

	Enterprise			
	Gas System	Water System	International Bridge	International Airport
Operating Revenues				
Charges for Services	$ 3,091,857	$ 7,840,793	$ 4,385,476	$ 42,314
Rental Revenues	-	-	12,000	131,011
Miscellaneous	25,272	16,486	5,315	-
Total Operating Revenues	3,117,129	7,857,279	4,402,791	173,325
Operating Expenses				
Personnel	666,798	1,561,976	427,451	245,578
Contractual Services	353,069	2,721,294	145,226	172,552
Purchases for Resale	1,104,993	-	-	-
Supplies	125,477	400,607	13,114	21,033
Depreciation	82,370	1,762,812	139,295	393,687
Total Operating Expenses	2,332,707	6,446,689	725,086	832,850
Operating Income/(Loss)	784,422	1,410,590	3,677,705	(659,525)
Non-Operating Revenues (Expenses)				
Investment Earnings	50,184	141,536	31,886	3,674
Gain (Loss) on Disposal of Assets	-	(355)	1,200,000	(972)
Intergovernmental	-	-	-	-
Interest and Amortization Expense	(30,677)	(993,731)	(64,166)	(18,011)
Total Non-Operating Revenues/(Expenses)	19,507	(852,550)	1,167,720	(15,309)
Income/(Loss) Before Contributions and Transfers	803,929	558,040	4,845,425	(674,834)
Capital Contributions	-	-	-	881,323
Transfers In	-	-	-	205,482
Transfers Out	(1,119,706)	(569,394)	(4,887,312)	(3,941)
Special Item - Resource	-	250,000	-	-
Change in Net Assets	(315,777)	238,646	(41,887)	408,030
Total Net Assets. Beginning	4,371,207	45,834,528	3,593,924	16,227,365
Total Net Assets, Ending	$ 4,055,430	$ 46,073,174	$ 3,552,037	$ 16,635,395

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

Funds					
			Nonmajor Fund		
	Refuse	Wastewater	Municipal Facilities	Total	Internal Service
	$ 3,605,290	$ 3,708,996	$ -	$ 22,674,726	$ 3,940,902
	6,751	-	291,530	441,292	-
	-	-	21,340	68,413	-
	3,612,041	3,708,996	312,870	23,184,431	3,940,902
	161,880	416,981	314,857	3,795,521	877,338
	2,609,453	1,358,469	330,650	7,690,713	2,463,499
	-	-	-	1,104,993	-
	25,716	41,586	34,391	661,924	362,213
	132,891	538,426	107,275	3,156,756	102,632
	2,929,940	2,355,462	787,173	16,409,907	3,805,682
	682,101	1,353,534	(474,303)	6,774,524	135,220
	30,798	49,291	1,987	309,356	3,671
	-	-	(173)	1,198,500	(258)
	14,402	-	-	14,402	-
	(97,954)	(471,372)	(21,571)	(1,697,482)	(11,230)
	(52,754)	(422,081)	(19,757)	(175,224)	(7,817)
	629,347	931,453	(494,060)	6,599,300	127,403
	-	-	-	881,323	-
	-	-	363,581	569,063	649,868
	(307,094)	(261,035)	(2,365)	(7,150,847)	(107,094)
	-	-	-	250,000	-
	322,253	670,418	(132,844)	1,148,839	670,177
	(950,260)	14,061,107	786,373		285,441
	$ (628,007)	$ 14,731,525	$ 653,529		$ 955,618
Adjustment to reflect consolidation of internal service fund activities related to enterprise funds.				(80,651)	
Change in Net Assets of Business Type Activities				$ 1,068,188	

CITY OF DEL RIO
Del Rio, Texas

Statement of Cash Flows
Proprietary Funds

For The Year Ended September 30, 2009

	Gas System	Water System	International Bridge	International Airport
Cash Flows from Operating Activities:				
Receipts from Customers	$ 3,236,318	$ 7,446,278	$ 4,609,756	$ 176,520
Payments to Suppliers for Goods and Services	(1,671,472)	(2,783,753)	(152,274)	(236,532)
Payments to Employees for Services	(652,557)	(1,539,663)	(425,017)	(282,073)
Net Cash Provided/(Used) by Operating Activities	912,289	3,122,862	4,032,465	(342,085)
Cash Flows from Non-Capital Financing Activities:				
Receipts from Interfund Borrowings	-	746	-	-
Payments for Interfund Repayments	-	49,795	-	-
Proceeds from Legal Settlement	-	250,000	-	-
Receipts from Noncapital Grants	-	-	-	-
Transfers from Other Funds	-	-	-	205,482
Transfers to Other Funds	(1,119,706)	(569,394)	(4,911,515)	(3,941)
Net Cash Provided/(Used) by Non-Capital Financing Activities	(1,119,706)	(268,853)	(4,911,515)	201,541
Cash Flows from Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets	(90,341)	(1,526,021)	(3,493)	(900,261)
Proceeds from Capital Grants	-	-	-	1,125,934
Proceeds from Debt	-	2,259,328	1,200,000	1,700,754
Principal Payments on Debt	(60,000)	(1,959,277)	(430,000)	-
Interest and Fiscal Charges Paid on Debt	(29,964)	(855,214)	(58,217)	-
Net Cash Provided/(Used) by Capital and Related Financing Activities	(180,305)	(2,081,184)	708,290	1,926,427
Cash Flows from Investing Activities:				
Receipts from Earnings on Investments	50,525	149,254	33,359	3,674
Net Cash Provided/(Used) by Investing Activities	50,525	149,254	33,359	3,674
Net Increase/(Decrease) in Cash and Cash Equivalents	(337,197)	922,079	(137,401)	1,789,557
Cash and Cash Equivalents at Beginning of Year	3,802,489	11,731,158	2,524,388	524,027
Cash and Cash Equivalents at End of Year	$ 3,465,292	$ 12,653,237	$ 2,386,987	$ 2,313,584

The accompanying notes to financial statements form an integral part of this statement.

Refuse/ Landfill	Wastewater	Nonmajor Fund Municipal Facilities	Total	Internal Funds
$ 3,390,445	$ 3,583,539	$ 314,198	$ 22,757,054	$ 3,796,942
(2,067,691)	(1,246,424)	(360,343)	(8,518,489)	(2,876,593)
(153,111)	(405,815)	(304,372)	(3,762,608)	(876,775)
1,169,643	1,931,300	(350,517)	10,475,957	43,574
-	-	-	746	203,432
-	-	-	49,795	-
-	-	-	250,000	-
-	-	-	-	-
-	-	363,581	569,063	649,868
(307,094)	(261,035)	(2,365)	(7,175,050)	(107,094)
(307,094)	(261,035)	361,216	(6,305,446)	746,206
(3,085)	(594,369)	(16,686)	(3,134,256)	(17,864)
14,402	2,714	-	1,143,050	-
-	1,255,449	-	6,415,531	(60,000)
(403,462)	(884,760)	(45,486)	(3,782,985)	-
(88,882)	(392,217)	(21,573)	(1,446,067)	(10,198)
(481,027)	(613,183)	(83,745)	(804,727)	(88,062)
30,184	53,185	1,987	322,168	3,496
30,184	53,185	1,987	322,168	3,496
411,706	1,110,267	(71,059)	3,687,952	705,214
2,901,191	4,803,227	490,006	26,776,486	433,818
$ 3,312,897	$ 5,913,494	$ 418,947	$ 30,464,438	$ 1,139,032

(Continued)

CITY OF DEL RIO
Del Rio, Texas

Statement of Cash Flows (Continued)
Proprietary Funds

For The Year Ended September 30, 2009

	Gas System	Water System	International Bridge	International Airport
Reconciliation of Operating Income to Net Cash Provided/(Used) By Operating Activities:				
Operating Income/(Loss)	$ 784,422	$ 1,410,590	$ 3,677,705	$ (659,525)
Adjustments to Reconcile Operating Income to Net Cash Provided/(Used) by Operating Activities:				
Depreciation	82,370	1,762,812	139,295	393,687
Provision for Uncollectible Accounts	35,837	65,709		18,260
Changes in Assets and Liabilities:				
Decrease/(Increase) in Receivables:				
Customer Charges	72,212	(209,220)	-	-
Unbilled Charges	10,523	(287,439)	900	-
Intergovernmental	-	-	-	-
Other	(396.00)	3,088	-	-
Miscellaneous	-	(16,919)	-	(4,219)
Increase/(Decrease) in Liabilities				
Due from Other funds	(1,518)	(25,424)	206,065	(15,470)
Inventory	1,465	(6,440)	-	-
Prepaid Expenses	-		-	-
Vouchers and Accounts Payable	(137,242)	290,836	8,094	(35,621)
Other Liabilities	(5,981)	7,934	-	4,625
Accrued Liabilities	14,244	22,287	2,434	(36,497)
Due to Other Funds	49,358	79,183	(2,028)	(7,325)
Estimated Liabilities	-	-	-	-
Customer Deposits	6,995	25,865	-	-
Net Cash Provided/(Used) by Operations	$ 912,289	$ 3,122,862	$ 4,032,465	$ (342,085)

The accompanying notes to financial statements form an integral part of this statement.

Refuse/ Landfill	Wastewater	Nonmajor Fund Municipal Facilities	Total	Internal Funds
$ 682,101	$ 1,353,534	$ (474,303)	$ 6,774,524	$ 135,220
132,891	538,426	107,275	3,156,756	102,632
31,007	46,454	3,637	200,904	-
(247,517)	(79,057)	(2,310)	(465,892)	-
(70,489)	(94,282)	-	(440,787)	-
-	-	-	-	-
(967)	-	-	1,725	-
-	(16)	-	(21,154)	-
(341)	3,563	(136)	166,739	(153,618)
-	-	-	(4,975)	-
-	-	-	-	-
383,208	87,651	19,894	616,820	(11,860)
15,974	1,442		23,994	1,850
8,768	11,171	10,487	32,894	(36,578)
16,825	62,414	(15,061)	183,366	5,928
151,807	-	-	151,807	-
66,376	-	-	99,236	-
$ 1,169,643	$ 1,931,300	$ (350,517)	$ 10,475,957	$ 43,574

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Fiduciary Funds Financial Statements

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CITY OF DEL RIO
Del Rio, Texas

Statement of Assets and Liabilities
Agency Funds

September 30, 2009

ASSETS		
Cash and Cash Equivalents	$	10,815
Total Assets	$	10,815
LIABILITIES		
Accounts Payable	$	2,534
Due to Other Governments		1,102
Due to Other Funds		66
Other Liabilities		7,113
Total Liabilities	$	10,815

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

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I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Del Rio, Texas, operates under a council-manager form of City government, with all powers of the City vested in an elective City Council, and provides the following services as authorized by its charter: general administrative services, public safety, public works (streets, bridge, airport and utilities), cultural and educational, planning and zoning, and health and social services.

B. Basic Financial Statements – Government-wide Statements and Fund Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the City. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

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

Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the fiduciary funds are excluded from the government-wide financial statements. Major individual governmental and major individual enterprise funds are reported as separate columns in the fund financial statements.

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

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of 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 as all eligibility requirements imposed by the provider have been met.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The governmental funds financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual (i.e., both measurable and available). "Available" means collectible within the current period or within 60 days after year-end. Expenditures are generally recognized under the modified accrual basis of accounting when the related liability is incurred. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Property taxes, sales taxes, franchise taxes, fines, grants 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 when determined to be both measurable and available. All other revenue items are considered to be measurable and available only when cash is received by the City.

The City reports the following major governmental funds:

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

The *Debt Service Fund* is used to account for the accumulation of resources for the repayment of general long-term debt.

The *Police Station Capital Project Fund* is used to account for the resources, liabilities and related activities for the construction of a new police station.

The City reports the following major proprietary funds:

The *Gas Fund* accounts for the activities of the natural gas distribution system.

The *Water Fund* accounts for the activities of the water distribution system.

The *International Bridge Fund* accounts for the activities of the Toll Bridge between the City and Mexico.

The *International Airport Fund* accounts for the activities of the airport.

The *Refuse Fund* accounts for the activities for collection of solid waste and landfill use.

The *Wastewater Fund* accounts for the activities of the sewer system.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Additionally, the City reports the following fund types:

Internal Service Funds account for utility billings, computer services, fleet management services, and self-insurance provided to other departments on a cost reimbursement basis.

Agency Funds are used to report taxes and federal program funds held in a custodial capacity for certain nonprofit organizations.

The City's financial statements are prepared in accordance with generally accepted accounting principles (GAAP). The Governmental Accounting Standards Board (GASB) is responsible for establishing GAAP for state and local governments through its pronouncements (statements and interpretations). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989, when applicable, that do not conflict with or contradict GASB pronouncements. Although the City has the option to apply FASB pronouncements issued after that date to its business-type activities and Enterprise Funds, the City has chosen not to do so.

As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are charges between the City's Gas System, Water System, Wastewater System, and Refuse Collection Services and various other functions of the City. Elimination of these charges would distort the direct costs and program revenues reported for the various functions concerned.

Amounts reported as program revenues include (1) charges to customer or applicants for goods, services, or privileges provided; (2) operating grants and contributions; and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as general revenues rather than as program revenues. Likewise, general revenues include all taxes.

Proprietary funds distinguish between operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. Operating expenses from enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

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

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

D. Assets, Liabilities, and Net Assets or Equity

1. Cash and Cash Equivalents

The City has defined cash and cash equivalents to include cash on hand, demand deposits, cash with fiscal agents, and short-term investments with original maturities of three months or less from the date of acquisition.

2. Investments

Investments are stated at fair value, based on publicly quoted market prices or the best available estimate.

3. Inventories and Prepaid Items

Inventories consist of expendable supplies held for the City's use and are carried at cost using the weighted average method. Prepaid items are reported based on the consumption method.

4. Capital Assets

Capital assets purchased or acquired with an original cost of $5,000 or more are reported at historical cost or estimated historical cost. In addition, items with a cost below $5,000 included in a "hot items" list (computer, software, etc.) are also capitalized. Contributed assets are reported at fair market value as of the date received. Additions, improvements and other capital outlays that significantly extend the useful life of an asset are capitalized. Other costs incurred for repairs and maintenance are expensed as incurred since these amounts do not increase the capacity or efficiency of the item or extend its useful life beyond the original estimate. Depreciation on all assets is provided on the straight-line basis over the following estimated useful lives:

Buildings & Building Improvements	25 - 40 Years
Improvements	20 - 50 Years
Park & Other Improvements	5 - 10 Years
Equipment	2 - 20 Years

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

5. Interfund Activity

Interfund activity is reported as either loans, services provided, reimbursements or transfers. Loans are reported as interfund receivables and payables as appropriate and are subject to elimination in the government-wide financial statements. Services provided, deemed to be at market or near market rates, are treated as revenues and expenditures/expenses. Reimbursements are when one fund incurs a cost, charges the appropriate benefiting fund and reduces its related cost as a reimbursement. All other interfund transactions are treated as transfers. Transfers between governmental or proprietary funds are netted as part of the reconciliation to the government-wide financial statements.

6. Fund Equity

Governmental Funds

In the fund financial statements, governmental fund types report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

Net Assets Invested in Capital Assets, Net of Related Debt

In accordance with GASB Statement No. 34, the unspent proceeds of capital debt are not considered to be a capital asset until they are actually spent. Accordingly, only the portion of debt equal to the amount spent is included in the calculation of net assets invested in capital assets, net of related debt. Upon completion of the project, all of the remaining debt will be considered to be capital-related and included as part of future calculations of net assets invested in capital assets, net of related debt.

7. Long-term Liabilities

In the government-wide financial statements and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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

8. Encumbrance Accounting

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is used as an extension of formal budgetary integration in the budgeted funds.

Encumbrances outstanding at year-end represent the estimated amount of the expenditures ultimately to result if unperformed commitments are completed. Encumbrances outstanding at year-end do not constitute expenditures or liabilities and, therefore, are presented in the financial statements as reservations of fund balances as of the end of the fiscal year.

9. Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results could differ from those estimates.

10. Accumulated Unpaid Vacation and Sick Pay

The personnel policies allow employees to accrue sick leave and vacation leave at various rates during the fiscal year. Accumulated leave vested with the employee is leave which is allowed to be used by the employee or may be paid to the employee upon termination. Vested sick leave for all employees, with the exception of public safety employees, is limited to 90 days and vested vacation leave is limited to 15 days. Public safety employees, with the exception of certain public safety positions which accumulate leave as other civilian employees do, accumulate leave as stated under the Civil Service laws. Vested sick leave for the public safety employees is limited to 90 days and vested personal leave is limited to 45 days.

A liability for these amounts has been accrued in the government-wide and proprietary fund financial statements.

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between fund balance – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains, "Long-term liabilities are not due and payable in the current period and therefore are not reported in the funds." The details of this $(29,226,811) difference are as follows:

Bonds Payable	$ (26,414,614)
Deferred Gain on Refunding	(215,995)
Claims Payable	(58,913)
Accrued Interest Payable	(363,478)
Compensated Absences	(2,173,811)
Net Adjustment to Reduce Fund Balance – Total Governmental Funds to Arrive at Net Assets – Governmental Activities	$ (29,226,811)

B. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund Statement of Revenues, Expenditures and Changes in Fund Balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide Statement of Activities. One element of that reconciliation states that "Some expenses reported in the Statement of Activities do not require the use of current financial resources and these are not reported as expenditures in governmental funds." $(220,818) difference are as follows:

Claims and Judgments	$ (37,121)
Compensated Absences	(167,332)
Accrued Interest	(16,365)
Net Adjustment to Increase Net Changes in Fund Balances – Total Governmental Funds to Arrive at Net Assets – Governmental Activities	$ (220,818)

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budget and Budgetary Accounting

The City Charter establishes requirements for the adoption of budgets and budgetary control. Under provisions of the Charter, expenditures of each City department or agency cannot legally exceed the final departmental budget as amended and legally enacted. Budgets are legally adopted for all governmental funds except the Capital Projects Funds.

The City follows these procedures in establishing the budgetary data reflected in the financial statements.

1. At least 45 days prior to the beginning of the fiscal year, the City Manager is required to submit to the City Council a proposed budget for the fiscal year beginning on the following October 1. The budget includes proposed expenditures and the means of financing them.

2. Public hearings are held to obtain taxpayer comments.

3. Prior to October 1, the budget is legally enacted through passage of an ordinance or alternatively the budget submitted by the City Manager on or before the 20th day of September if no final ordinance is enacted.

4. The City Manager may, with City Council approval, transfer any unencumbered appropriation between classifications of expenditures (object class) within an office, department or agency except for transfers of $10,000 or less. The legal level of budgetary control is the department level. The City Council may authorize the transfer of any unencumbered appropriation balance or portion thereof from one office, department or agency to another.

5. The City can appropriate an amount of not more than three percent of the total general and utility funds expenditure appropriations for contingent use by the City Manager with the approval of the City Council. These contingent appropriations are distributed to other departmental appropriations and can only be transferred on an established emergency basis.

6. Formal budgetary integration is required by the City Charter as a management control device for all funds. Capital projects are budgeted on a project-length basis or remaining project-length basis. Annual budgets are adopted on a basis consistent with generally accepted accounting principles plus encumbrances except for certain transfer outs classified as expenditures.

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

Annual budgets for certain proprietary funds are adopted on a basis consistent with generally accepted accounting principles except that the City includes bond proceeds, bond principal payments, and capital asset acquisitions in its annual budget and does not include depreciation expenses. Since comparative budget and actual data is not required in the basic financial statements for proprietary funds, comparative data is not presented in the City's basic financial statements.

7. All appropriations lapse at the end of the budget year to the extent that they shall not have been expended or lawfully encumbered. Supplemental budgetary appropriations were necessary during the year, and were approved through resolution by the City Council.

IV. CASH AND INVESTMENTS

The City's cash and investments as of September 30, 2009, consist of the following:

Cash on Hand	$	7,157
Deposits with Depository Bank		9,465,886
Certificates of Deposit		11,455,000
Cash Held by Others		1,719,836
Texpool		24,099,503
Texas Term		2,309,827
	$	49,057,209

A. Deposits

The City's funds are required to be deposited and invested under the terms of a depository contract. Under Texas State law, a bank serving as the depository must have a bond or in lieu thereof, deposited or pledged securities with the City or independent third party agent, an amount equal to the highest daily balance of all deposits the City may have during the term of the depository contract, less an applicable federal depository insurance (FDIC). Cash held by others is subject to custodial credit risk since the amounts are not held by the City's financial institutions and are not collateralized or secured.

At September 30, 2009, the carrying amount of the City's deposits (including certificates of deposit) was $20,920,886 and the bank balance was $21,205,329. The City's deposits at September 30, 2009, and during the year then ended were fully insured by FDIC insurance or collateralized with securities pledged to the City and/or by a depository bond pledged to the City's agent in the City's name.

IV. CASH AND INVESTMENTS

B. Investments

The City's investments are reported at cost, amortized cost, or fair value. Money market investments may be reported at amortized cost if the remaining maturity at time of purchase is one year or less, provided that the fair value of those investments is not significantly affected by the impairment of the credit standing of the issuer or by other factors. Accordingly, the City's money market investments are reported at amortized cost and do not include any unrealized gains and losses. The fair value of the position in the government investment pools is the same as the value of the pool shares. With the exception of the funds held in governmental investment pools, the City's investments are insured, registered or held by the City or its agent in the City's name.

The City is required by the Public Funds Investment Act, Chapter 2256, Texas Government Code (PFIA) to adopt and implement an investment policy. That policy must address the following areas: safety of principal and liquidity, portfolio diversification, allowable investments, acceptable risk levels, expected rates of return, maximum allowable stated maturity of portfolio investments, maximum average dollar-weighted maturity allowed based on the stated maturity date for the portfolio, investments staff quality and capabilities and bid solicitation preferences for certificates of deposit. State statutes and Board policy authorize the City to invest in the following investment types meeting criteria and eligibility requirements established by Texas Government Code 2256: obligations of, or guaranteed by, governmental entities, certificates of deposit and share certificates, fully collateralized repurchase agreements, a securities lending program, banker's acceptances, commercial paper, no-load money market mutual funds and no-load mutual funds, guaranteed investment contracts as an investment vehicle for bond proceeds and public funds investment pools.

The PFIA also requires the City to have independent auditors perform procedures related to investment practices as provided by the PFIA. The City is in substantial compliance with the requirements of the PFIA and with local policies.

The investment pools used by the City are organized under the authority of the Interlocal Cooperation Act, Chapter 791, Texas Government Code, and the Public Funds Investment Act, Chapter 2256, Texas Government Code. The public fund investment pools were created to provide a safe environment for the placement of local government funds in authorized short-term investments. The City's investments in investment pools are exempt from regulation by the Securities and Exchange Commission.

IV. CASH AND INVESTMENTS

Texas Local Government Investment Pool (TexPool) operates in a manner consistent with the SEC's Rule 2a7 of the Investment Company Act of 1940. The Texas Comptroller of Public Accounts is the sole officer, director and shareholder of the Texas Treasury Safekeeping Trust Company, which is authorized to operate TexPool. In addition, the TexPool Advisory Board advises on TexPool's investment policy. This Board is composed equally of participants in TexPool and other persons who do not have a business relationship with TexPool who are qualified to advise Texpool. Financial information on Texpool can be obtained from the Internet website, www.texpool.com. TexPool uses amortized cost rather than market value to report assets to compute share prices. Accordingly, the fair value of the position in the Pool is the same as the value of the shares in each pool.

Credit Risk. In accordance with state law and the City's investment policy, investments in investment pools must be rated at least AAA or AAA-m or have an equivalent rating by at least one nationally recognized rating service while the mutual fund must have a minimum rating of A. As of September 30, 2009, TexPool was rated AAAm by Standard & Poor's. The U. S. Government Money Market Mutual Fund was rated AAA by Standard & Poor's; Moody's and Fitch.

Concentration of Credit Risk. The City places no limit on the amount the City may invest in any one issuer, rather investments are governed by the objectives of preservation and safety principal and liquidity. In addition, the City mitigates risk by limiting investments to those allowed by the Public Funds Investment Act, avoiding over-concentration of assets in a specific maturity sector, limitation of average maturity of operating funds to one year, avoidance of over-concentration of assets in other than U. S. Treasury securities or collateralized certificates of deposit, and the liquidity risk shall be controlled by the selection of securities dealers.

Interest Rate Risk. State law does not permit investments with maturities greater than five (5) years. As a means of limiting its exposure to fair value losses arising from rising interest rates, the City's investment policy limits the average maturity of investments to one (1) year from the time of purchase. City policy limits the maximum stated maturity of any investment to three (3) years. As of September 30, 2009, all investments held by the City have maturities of less than one (1) year.

V. PROPERTY TAX

Property taxes are assessed on the appraised value of taxable property on January 1 and levied on October 1 of the tax year. Property taxes are payable on or before January 31 following the levy date. Unpaid property taxes attach as an enforceable lien on property as of January 1. The appraisal of property values is performed by the Val Verde County Appraisal District jointly for the City and other local taxing entities. The billing and collecting of tax levies are the responsibility of the City and the other taxing entities individually.

VI. CUSTOMER AND OTHER RECEIVABLE BALANCES

A. Governmental Funds

	Gross	Estimated Uncollectible	Net
General fund -fines and forfeitures	$ 1,635,467	$ (1,308,374)	$ 327,093
General fund-delinquent property taxes	854,898	(18,065)	836,833
General fund-taxes, penalties and interest	516,164	(10,907)	505,257
General fund- sales taxes	805,988	-	805,988
General fund- lot clearing	533,283	(479,955)	53,328
General fund- miscellaneous	78,313	-	78,313
General fund- paving lien assessment	7,413	(6,888)	525
General fund- returned checks	7,806	-	7,806
Debt service-delinquent taxes	243,448	(5,143)	238,305
Debt service- taxes, penalties and interest	103,343	(2,184)	101,159
Other non-major governmental funds-miscellaneous	125	-	125
Interest receivable	6,317	-	6,317
Total	$ 4,792,565	$ (1,831,516)	$ 2,961,049

B. Enterprise Funds

	Gas System	Water	Refuse	Wastewater	Bridge	Airport	NonMajor	Total
Customer charges	$ 170,237	$ 743,802	$ 392,837	$ 365,195	$ -	$ -	$ -	$ 1,672,071
Interest	788	664	945	-	877	-	-	3,274
Connections and repairs	-	124,398	-	22,549	-	-	-	146,947
Unbilled charges	112,749	560,385	157,573	261,976	-	-	-	1,092,683
Rental	-	-	-	-	-	-	5,778	5,778
Miscellaneous	486	218	974	1,085	150	18,407	10	21,330
Estimated uncollectible	(74,949)	(227,002)	(54,598)	(88,115)	-	(18,260)	(4,137)	(467,061)
Net Receivables	$ 209,311	$ 1,202,465	$ 497,731	$ 562,690	$ 1,027	$ 147	$ 1,651	$ 2,475,022

VII. INTERFUND RECEIVABLES AND PAYABLES

	Receivable	Payable
Governmental Fund		
Major Funds		
General Fund	$ 1,429,470	$ 194,581
Debt Service Fund	86,071	7,816
Non-Major Funds		
Special Revenue Funds		
MIT-5311 Grant	75,117	746,713
Women, Infants and Children	51,519	19,605
Nutrition/Social Services	3,127	31,950
Law Enforcement Employee Continuing Ed	-	-
Economic Development Administration	110	2,870
TxDot Section 5310	50	16,208
JARC Colonias Grant	18	33,973
Total Special Revenue Funds	129,941	851,319
Capital Projects Funds		
Streets and drainage	261,944	107,735
San Felipe Neighborhood Center	-	-
	261,944	107,735
Total Governmental funds	1,907,426	1,161,451
Enterprise Fund		
Major Funds		
Gas System	4,788	82,238
Water	209,186	211,557
International Bridge	432	125,254
Refuse	422	24,169
Wastewater	1,252	565,454
International Airport	32,139	1
Non-Major Fund		
Municipal Facilities	187	58
Total Enterprise Funds	248,406	1,008,731
Internal Service Funds		
Utility Billing	115,548	-
Fleet Services	24,259	3
Computer Services	92,207	207,996
Health claims self-insurance	54	9,654
	232,068	217,653
Agency Funds:		
Brown Plaza Association	-	65
Total	$ 2,387,900	$ 2,387,900

The outstanding balances as of September 30, 2009, result mainly from short-term loans between funds which are caused by differences between the date that transactions are recorded in the accounting system and the payment between funds are made.

VIII. DUE FROM OTHER GOVERNMENTS

Amounts due from other governments include:

Governmental Funds		
General Fund		
Texas Department of Transportation	$	10,512
Due from Other Governments		40,420
Federal Emergency Management Assistance		53,088
		104,020
Non-major Funds		
Special Revenue Funds		
Texas Department of Transportation		522,447
USDA - Texas Department of State Health Services		106,100
Texas Department of State Health Services		21,573
Middle Rio Grande Development Council		51,618
Total Non-major Funds		701,738
Total Governmental Funds		805,758
Enterprise Funds		
Airport Fund		5,575
Total	$	811,333

(Continued)

IX. CAPITAL ASSETS

Capital assets activity of the year ended September 30, 2009, was as follows:

	9/30/2008	Additions	Deductions	9/30/2009
Governmental activities				
Capital assets, not being depreciated				
Land	$ 5,178,385	$ 120,784	$ -	$ 5,299,169
Construction in progress	12,497,286	5,911,545	-	18,408,831
Total capital assets, not being depreciated	17,675,671	6,032,329	-	23,708,000
Capital assets, being depreciated				
Buildings	3,262,584	117	-	3,262,701
Improvements other than buildings	397,523	249,343	-	646,866
Machinery and equipment	10,731,999	776,075	167,659	11,340,415
Infrastructure	50,793,873	-	-	50,793,873
Total capital assets, being depreciated	65,185,979	1,025,535	167,659	66,043,855
Less accumulated depreciation for:				
Buildings	1,741,694	103,617	-	1,845,311
Improvements other than buildings	113,410	38,526	-	151,936
Machinery and equipment	6,437,900	1,089,143	163,445	7,363,598
Infrastructure	38,095,192	1,283,365	-	39,378,557
Total accumulated depreciation	46,388,196	2,514,651	163,445	48,739,402
Total capital assets being depreciated, net	18,797,783	(1,489,116)	(4,214)	17,304,453
Total Governmental activities capital assets, net	$ 36,473,454	$ 4,543,213	$ (4,214)	$ 41,012,453

(Continued)

IX. CAPITAL ASSETS (Continued)

Business-type activities	Capital Assets 9/30/2008	Additions	Deductions	Capital Assets 9/30/2009
Capital assets, not being depreciated				
Land	$ 2,232,015	50,000	-	$ 2,282,015
Construction in Progress	20,987,003	2,148,436	-	23,135,439
Total captial assets, not being depreciated	23,219,018	2,198,436	-	25,417,454
Capital Assets, being depreciated				
Buildings	4,277,514	16,686	-	4,294,200
Improvements other than buildings	107,406,097	291,375		107,697,472
Machinery and equipment	4,176,824	684,546	18,967	4,842,403
Total capital assets, being depreciated	115,860,435	992,607	18,967	116,834,075
Less accumulated depreciation for:				
Buildings	2,709,477	189,972	-	2,899,449
Improvements other than buildings	29,949,564	2,626,900	-	32,576,464
Machinery and equipment	2,868,352	363,242	17,307	3,214,287
Total accumulated depreciation	35,527,393	3,180,114	17,307	38,690,200
Total capital assets being depreciated, net	80,333,042	(2,187,507)	1,660	78,143,875
Total Business-Type Activities capital assets, net	$ 103,552,060	$ 10,929	$ 1,660	$ 103,561,329

Depreciation expense was charged to the functions/programs of the City as follows:

Governmental Activities	
General Government	$ 57,072
Public Safety	698,634
Highway and Streets	1,388,132
Welfare	217,673
Culture and Recreation	73,861
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	79,281
Total depreciation expense - governmental activities	$ 2,514,653

IX. CAPITAL ASSETS (Continued)

Business-type activities	
Gas	$ 82,370
Water	1,762,812
Wastewater	538,426
International Bridge	139,295
International Airport	393,687
Refuse	132,891
Municipal facilities	107,275
Capital assets held by the City's internal service fund are charged to various functions based on their usage	23,351
Total depreciation expense - business-type activities	$ 3,180,107

X. LONG-TERM DEBT

A. Changes in Long-term Debt

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Governmental Activities					
Bonds Payable					
Certificate of obligations	$ 25,040,314	$ 1,044,000	$ 2,150,005	$ 23,934,309	$ 2,027,592
Refunding bonds	2,961,385	-	286,078	2,675,307	306,009
Add: deferred gain on refunding	236,988	-	20,993	215,995	20,993
Compensated absences	2,075,084	1,298,200	1,134,515	2,238,769	703,861
Claims and judgements	21,792	86,169	49,048	58,913	58,913
Governmental activity long-term debt	$ 30,335,563	$ 2,428,369	$ 3,640,639	$ 29,123,293	$ 3,117,368
Business-Type Activities					
Bonds Payable					
Certificate of obligations	$ 18,692,685	$ 5,386,000	$ 1,635,995	$ 22,442,690	$ 1,878,408
Revenue Bonds	661,000	-	48,000	613,000	55,000
Refunding bonds	25,223,615	-	2,098,922	23,124,693	2,153,991
Total bonds payable	44,577,300	5,386,000	3,782,917	46,180,383	4,087,399
Compensated absences	472,482	354,266	345,321	481,427	157,485
Landfill closure	3,219,619	151,807	-	3,371,426	-
Business-type activity debt	$ 48,269,401	$ 5,892,073	$ 4,128,238	$ 50,033,236	$ 4,244,884

X. LONG-TERM DEBT (Continued)

B. Certificates of Obligation and Revenue Bonds

The City has issued certificates of obligation to provide funds for the acquisition and construction of major capital facilities. Certificates of obligation have been issued for both general government and proprietary activities. These certificates therefore are reported in both business-type activities and the governmental activities long-term debt.

Description	Interest Rate	Original Issue	Amounts Outstanding 10/1/2008	Issued Current Year	Retired	Amounts Outstanding 09/30/2009	Amounts Due Within One Year
Certificate of Obligations							
Series 1997	5.7%	$ 2,000,000	$ 455,000	$ -	$ 105,000	$ 350,000	$ 110,000
Series 2000A (1)	0.00%	6,173,000	3,473,000		316,000	3,157,000	316,000
Series 2001 B	4.625% - 5.50%	1,100,000	840,000	-	50,000	790,000	50,000
Series 2001	3.5% - 5.25%	6,630,000	1,945,000	-	290,000	1,655,000	305,000
Series 2002A	3.810% - 5.810%	4,970,000	920,000	-	135,000	785,000	140,000
Series 2002B	3.5% - 4.625%	5,335,000	3,555,000	-	335,000	3,220,000	350,000
Series 2002C(2)	1.15% - 3.95%	6,435,000	4,845,000	-	290,000	4,555,000	300,000
Series 2003A	2% - 5%	1,825,000	830,000	-	135,000	695,000	135,000
Series 2003B	2% - 4.25%	1,320,000	405,000	-	200,000	205,000	210,000
Series 2003C	085% - 4.45%	2,190,000	1,850,000	-	90,000	1,760,000	90,000
Series 2004	3.4% - 4.6%	4,870,000	3,695,000	-	300,000	3,395,000	270,000
Series 2005	3% - 4.45%	5,885,000	4,930,000	-	335,000	4,595,000	270,000
Series 2006	4%-4.125%	8,000,000	7,105,000	-	420,000	6,685,000	360,000
Series 2007	4%-4.5%	4,815,000	4,385,000	-	455,000	3,930,000	470,000
Series 2008	4.15%	4,500,000	4,500,000	-	330,000	4,170,000	290,000
Series 2009A	2.5%-4.625%	4,695,000	-	4,695,000	-	4,695,000	155,000
Series 2009B	4.95%	1,735,000	-	1,735,000	-	1,735,000	85,000
Revenue Bonds							
Series 1995	5.69%-6.74%	502,000	272,000	-	25,000	247,000	30,000
Series 2000	4.5%-6.2%	533,000	389,000	-	23,000	366,000	25,000
Refunding Bonds							
Series 2001	0.0%	5,400,000	3,510,000	-	270,000	3,240,000	270,000
Series 2002	3% - 4.125%	7,795,000	4,760,000	-	705,000	4,055,000	740,000
Series 2002	3% -3.75%	1,885,000	1,830,000	-	430,000	1,400,000	450,000
Series 2003	3% - 4%	4,190,000	3,770,000	-	400,000	3,370,000	410,000
Series 2005	3%-4.25%	6,780,000	6,620,000		580,000	6,040,000	590,000
Series 2007	4%-4.5%	7,695,000	7,695,000			7,695,000	7,695,000
TOTAL			$ 72,579,000	$ 6,430,000	$ 6,219,000	$ 72,790,000	$ 6,421,000

(1) There is a difference of $328,000 between the Certificate of Obligation Amortization schedule and this schedule representing bond proceeds not yet drawn down from TWDB.

(2) There is a difference of $215,000 between the Certificate of Obligation Amortization schedule and this schedule representing bond proceeds not yet drawn down from TWDB.

X. LONG-TERM DEBT (Continued)

C. Current Year Activity

On May 1, 2009, the City issued $4,695,000 on Combination Tax and Revenue Certificates of Obligation, Series 2009-A. The interest rates for the certificates of obligation are 2.5% through 4.625%. The certificates are payable beginning June 1, 2010 in varying installments from $155,000 to $335,000 through June 1, 2029. Simultaneously, with the issuance of the certificates the City is issuing a $1,735,000 Combination Tax and Revenue Certificates of Obligation, Series 2009-B. The Interest rates for the certificates of obligation are 4.95%. The certificates are payable beginning June 1, 2010 in varying installments from $85,000 to $255,000 through June 1, 2021.

D. Advance Refundings

In prior years, the City defeased certain certificates of obligation and revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the City's financial statements. On September 30, 2009, $7,185,000 of bonds defeased in prior years remained outstanding.

E. There are a number of limitations and restrictions contained in the bond indentures for the Certificates of Obligation, Revenue, and Refunding Bonds and City ordinances authorizing the bond indentures. The City is in compliance with all significant debt limitations and restrictions.

F. The annual requirements to amortize the bonds outstanding as of September 30, 2009, are as follows:

Certificates of Obligation:

	Governmental Activities		Business Type Activities	
Year Ending September 30,	Principal	Interest	Principal	Interest
2010	$ 2,027,592	$ 1,023,475	$ 1,878,408	$ 1,194,814
2011	1,783,249	942,250	1,678,750	1,124,185
2012	1,695,903	873,048	1,701,097	1,060,049
2013	1,634,489	806,591	1,657,511	981,717
2014	1,649,076	741,087	1,722,924	927,329
2015-2019	7,421,000	2,546,489	7,319,000	2,301,074
2020-2024	5,098,000	1,231,235	5,098,000	1,061,993
2025-2029	2,625,000	237,136	1,935,000	273,409
Total Certificates of Obligations	$ 23,934,309	$ 8,401,312	$ 22,990,690	$ 8,924,570

X. LONG-TERM DEBT (Continued)

Revenue Bonds:

	Governmental Activities		Business Type Activities	
Year Ending September 30,	Principal	Interest	Principal	Interest
2010	$ -	$ -	$ 55,000	$ 38,239
2011	-	-	61,000	34,877
2012	-	-	62,000	31,102
2013	-	-	64,000	27,239
2014	-	-	66,000	23,215
2015-2019	-	-	261,000	53,711
2020-2024	-	-	44,000	2,728
Total Revenue Bonds	$ -	$ -	$ 613,000	$ 211,112

Refunding Bonds:

	Governmental Activities		Business Type Activities	
Year Ending September 30,	Principal	Interest	Principal	Interest
2010	$ 306,009	$ 102,971	$ 2,153,991	$ 760,443
2011	346,009	89,952	2,323,991	698,049
2012	371,009	74,802	2,403,991	625,605
2013	485,512	57,029	1,934,488	556,247
2014	520,532	36,909	2,014,468	491,580
2015-2019	472,419	82,727	8,472,581	1,393,486
2020-2024	173,817	7,673	2,801,183	430,853
2025-2029	-	-	1,020,000	70,200
Total Revenue Bonds	$ 2,675,307	$ 452,063	$ 23,124,693	$ 5,026,463

G. Accrued Compensated Absences

For the governmental activities, claims and judgments are generally liquidated by the General Fund. Compensated absences are generally liquidated by the General Fund, the MIT-5311 Grant Fund, the Women, Infants and Children Fund, the Nutrition/Social Services Fund and the Economic Development Administration Fund.

X. LONG-TERM DEBT (Continued)

H. Landfill Closure and Postclosure Care Costs

The City currently operates one active landfill site. State and federal laws and regulations require the City to place a final cover on its landfill when it stops accepting waste and to perform certain maintenance and monitoring functions at landfill sites closed after 1991, for thirty years after closure. Although the majority of closure and postclosure care costs will be paid only near or after the date that a landfill stops accepting waste, the City reports a portion of these closure and postclosure care costs as an operating expense in each period based on landfill capacity used as of each statement of net assets date. The $3,371,426 reported as landfill closure and postclosure liabilities at September 30, 2009, represents the cumulative amount reported to that date based on the use of 66 percent of the estimated capacity of the operating landfill. The City will recognize the remaining estimated cost of closure and postclosure care of approximately $1,737,441 for operating landfill as the remaining estimated capacity is filled. The remaining life of the landfill is 10.2 years. These amounts are based on what it would cost to perform all closure and postclosure care in 2009. Based on the current demographic information and engineering estimates of landfill consumption, the City expects to close the landfill in approximately 2019. Actual costs may be higher due to inflation, changes in technology, or changes in applicable laws or regulations.

On April 9, 1997, the Financial Responsibility Requirements found in Environmental Protection Agency Subtitle D regulations as they relate to publicly owned or operated municipal solid waste landfill facilities became effective. The regulations require that financial assurance to perform closure, post-closure, and corrective activities for landfill operations be provided.

The City has chosen to provide this assurance through use of the Local Government Financial Test and Government Guarantee. This guarantee consists of three basic components, which are a financial component, public notice component, and a record keeping and reporting component.

The public notice component of the Local Government Financial Test and Government Guarantee demonstrating financial assurance for closure, post-closure, or corrective action required by Environmental Protection Agency Subtitle D regulations for landfills operated by local government requires the following disclosures to be made.

X. LONG-TERM DEBT (Continued)

1. The specific facility covered is the City of Del Rio Municipal Solid Waste Landfill, Permit #207A.

2. Financial assurance costs are anticipated in the following categories of expenditures and in the amount of the corresponding cost estimates. The original estimates will be adjusted for inflation.

Closure Costs	$	3,929,387
Post-Closure Costs		1,179,030
Corrective Action		-
Total	$	5,108,417

3. The anticipated year of closure is 2020 with closure costs having been fully incurred within that time. It is anticipated that post-closure costs will be incurred evenly across the 30-year post-closure monitoring period at $39,301 per year.

XI. PENSION PLAN

A. Plan Description

The City provides pension benefits for all of its fulltime employees through a non-traditional, joint contributory, hybrid defined benefit plan in the statewide Texas Municipal Retirement System (TMRS), one of 827 currently administered by TMRS, an agent multiple-employer public employee retirement system.

The plan provisions that have been adopted by the City are within the options available in the governing statutes of TMRS.

TMRS issues a publicly available comprehensive annual financial report that includes financial statements and required supplemental information (RSI) in TMRS; the report also provides detailed explanations of the contributions benefits and actuarial methods and assumptions used by the TMRS. The report may be obtained by writing to TMRS, P.O. Box 149153, Austin, Texas 78714-9153 or by calling 800-924-8677; in addition, the report is available on TMRS website at www.tmrs.com.

XI. PENSION PLAN (Continued)

B. Benefits

Benefits depend upon the sum of the employee's contributions to the plan, with interest, and the City-financed monetary credits, with interest. At the date the plan began, the City granted monetary credits for service rendered before the plan began of a theoretical amount at least equal to two times what would have been contributed by the employee, with interest, prior to establishment of the plan. Monetary credits for service since the plan began are a percent (100%, 150%, or 200%) of the employee's accumulated contributions. In addition, the City can grant, as often as annually, another type of monetary credit referred to as an updated service credit which is a theoretical amount which, when added to the employee's accumulated contributions and the monetary credits for service since the plan began, would be the total monetary credits and employee contributions accumulated with interest if the current employee contribution rate and City matching percent had always been in existence and if the employee's salary had always been the average of his salary in the last three years that are one year before the effective date. At retirement, the benefit is calculated as if the sum of the employee's accumulated contributions with interest and the employer-financed monetary credits with interest were used to purchase an annuity.

The plan provisions are adopted by the governing body of the City, within the options available in the state statutes governing TMRS. Plan provisions for the City were as follows:

	Plan Year 2008	Plan Year 2009
Deposit Rate	5%	5%
Matching Ration (City of Employee)	1 to 1	1 to 1
A member is vested after	5 years	5 years

Members can retire at certain ages, based on the years of service with the City. The Service Retirement Eligibilities for the City are: 5 yrs/age 60, 20 yrs/any age for the plan years 2008 and 2009.

C. Contributions

Under the state law governing TMRS, the contribution rate is determined annually by the actuary, using the Projected Unit Credit actuarial cost method. This rate consists of the normal cost contribution rate and the prior service cost contribution rate, both of which are calculated to be a level percent of payroll from year to year. The normal cost contribution rate finances the currently accruing monetary credits due to the City matching percent, which are the obligation of the City as of an employee's retirement date, not at the time the

XI. PENSION PLAN (Continued)

employee's contributions are made. The normal cost contribution rate is the actuarially determined percent of payroll necessary to satisfy the obligation of the City to each employee at the time his/her retirement becomes effective. The prior service contribution rate amortizes the unfunded (overfunded) actuarial liability (asset) over the remainder of the plan's 25-year amortization period. Both the normal cost and prior service contribution rates include recognition of the projected impact of annually repeating benefits such as Updated Service Credits and Annuity increases. The City contributes to the TMRS plan at an actuarially determined rate. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that serves as the basis for the rate and the calendar year when the rate goes into effect. (i.e. December 31, 2007 valuation is effective for rates beginning January 2009).

Schedule of Actuarial Liabilities and Funding Progress

Actuarial Valuation Date	December 31, 2008
Actuarial Value of Assets	$ 4,931,981
Actuarial Accrued Liability	12,326,505
Unfunded (Over-Funded) Actuarial Accrued Liability (UAAL)	7,394,524
Funded Ratio	40%
Annual Covered Payroll	14,542,929
UAAL as a Percentage of Covered Payroll	50.8%

Annual Pension Cost

Fiscal Year Ending	September 30, 2009
Annual Required Contribution (ARC)	$ 1,135,114
Interest on NPO	-
Adjustment to ARC	-
Percentage of ARC Contributed	100%
Net Pension Obligation at end of year	-

XI. PENSION PLAN (Continued)

Trend Information for the Retirement Plan for the Employees of the City of Del Rio, Texas.

Accounting Year Ending	Annual Pension Cost (APC)	Percentage of APC Contributed	Net Pension Obligation
9/30/2006	$ 898,633	100%	$ -
9/30/2007	979,967	100%	-
9/30/2008	1,106,116	100%	-

The required schedule of funding progress immediately following the notes to the financial statements presents multiyear trend information about whether the actuarial value of plan assets is increasing or decreasing over time relative to the actuarial accrued liability for benefits.

General System-wide Actuarial Assumptions

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent of Payroll
Remaining Amortization Period	29 Year – Closed Period
Asset Valuation Method	Amortized cost (to accurately reflect the requirements of GASB Statement No. 25, paragraphs 36e and 138)
Investment Rate of Return	7.5%
Projected Salary Increases	Varies by Age and Service
Includes Inflation at	3.0%
Cost-of-living Adjustments	None

In addition to the general system-wide assumptions stated above, the following actuarial assumptions were used for the City:

Payroll growth assumption	- 3%
Withdrawal rates (low, mid or high) for Male/Female	- Mid-Low/Mid-Low

XII. POST-EMPLOYMENT BENEFITS

The City implemented the requirements of GASB Statement No. 45 of the Government Accounting Standards Board by applying the standards on a prospective basis to the basic financial statements presented herein and, as such, no net OPEB liability existed at the transition date.

A. Plan Description

The City of Del Rio is self insured for employee and retiree healthcare. The City administers a single employer defined benefit post employment healthcare Plan that covers 9 qualified retired City employees and their dependents and 402 active employees. Participation in the Plan is elective by each retiree. Healthcare benefits include, but are not limited to, prescription drugs, hospitalization, and preventive care. To be eligible, the retiree must meet the requirements for retirement.

For a retiree to qualify for the City-paid health plan, a retiree must meet the following criteria:

1. City will continue to pay 100% of the employee costs for the retiree's coverage.

2. Coverage will only be allowed for those employees being at least age 62 and having 25 years of service with the City at the time they retire or, for those older than 62, any combination of age and years of service that equal the benchmark figure of 87 (e.g., 62 years of age and 25 years of service = 87).

3. Coverage will be allowed to age 65 or when the retiree becomes eligible for Medicare or Medicaid. At that point, the retiree and/or their dependents will no longer be eligible for the group coverage.

Additionally, the benefit provisions are subject to change at any time and to annual appropriation of funds by the City Council. Currently, the City is accounting for OPEB using an internal service fund. A separate financial report for the healthcare plan is not issued.

B. Summary of Significant Accounting Policies

The Plan's transactions are recorded using the accrual basis of accounting. Plan members' and employer's contributions are recognized in the period in which the contributions are due. Benefits and refunds are recognized when due and payable. Investments, if any, are reported at fair value which is the amount the Plan could reasonably expect to receive for it in a current sale between a willing buyer and a willing seller. Fair value, for financial reporting, purposes, is measured by the market price unless such prices are not available, in which case, fair value is estimated.

XII. POST-EMPLOYMENT BENEFITS (Continued)

C. Funding Policy

City Council has the authority to establish and amend contribution requirements of the plan members and the City. The plan is funded on a pay-as-you-go basis and incurred $11,427 in total claims for the fiscal year ended September 30, 2009. The funds to pay these claims are derived from employer contributions and retiree premiums. The following table presents the monthly premium amounts paid by retirees based on their classification.

Participant	Contribution Per Retiree
Single Retiree	$ -
Two Party Retiree	213
Retiree (1 child)	106
Retiree (2 Children)	212
Retiree (Family)	444

D. Annual OPEB Cost

For the fiscal year ended September 30, 2009, the City's annual OPEB cost was $21,338, which consisted entirely of the actuarially defined annual required contribution (ARC). The dollar amount contributed by the City toward the OPEB cost was $17,502, the amount required to cover current year expenditures. At September 30, 2009, the City had a net OPEB obligation of $0.

Annual Required Contribution	$ 21,338
Contributions Made	17,502
Increase in Net OPEB Obligation	3,836
Net OPEB Obligation – Beginning of Year	-
Net OPEB Obligation – End of Year	3,836

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2009 is as follows:

Fiscal Year Beginning	Fiscal Year Ending	Annual OPEB Cost	Percentage Of Annuals OPEB Cost Contributed	Net OPEB Obligation Beginning	Change to Net OPEB Obligation	Net OPEB Obligation Ending
10/1/08	9/30/09	$ 21,338	82.02%	$ -	$ 17,502	$ 3,836

XII. POST-EMPLOYMENT BENEFITS (Continued)

E. Funded Status and Funding Progress

As of December 31, 2007, the most recent actuarial valuation date, the plan was 0% funded. The actuarial accrued liability for benefits was $285,354. The actuarial value of assets was $0 resulting in an unfunded actuarial accrued liability (UAAL) of $285,354. The covered payroll (annual payroll of active employees covered by the plan) was $14,542,929 and the ratio of the UAAL to the covered payroll was 1.96%. The schedule of funding progress, on page 65, presented as RSI following the notes to the financial statements show only the first year of funding status.

Actuarial valuations of an ongoing plan involve estimates of the value of reported amounts and assumptions about the probability of occurrence of events far into the future. The actuarial assumptions used in calculating the City's UAAL and ARC are elaborated later in this note. Amounts determined regarding the funded status of the plan and the ARC contributions of the employer are subject to continual revisions as actual results are compared with past expectations and new estimates are made about the future.

F. Actuarial Methods and Assumptions

Projections of benefits for financial reporting purposes are made on the substantive plan (the plan as understood by the employer and Plan members) and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and Plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. In order to perform the valuation, it was necessary for the City and the actuary to make certain assumptions regarding such items as rates of employee turnover, retirement, and mortality, as well as economic assumptions regarding healthcare trend and interest rates.

Actuarial Valuation Information

Actuarial Valuation Date	December 31, 2007
Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percentage of Payroll, Closed
Amortization Period in Years	30
Asset Valuation Method	First Year Not Required
Actuarial Assumptions:	
Discount Rate	4.5%
Payroll	3.0%
Medical Trend Rates	10.0%

XIII. EXPENDITURES IN EXCESS OF APPROPRIATIONS

Departmental expenditures exceeded appropriations as follows:

	Appropriations	Expenditures	Excess Expenditures
General Fund			
General Government			
City Manager	$ 561,954	$ 564,299	$ (2,345)
Finance Department	1,277,203	1,294,458	(17,255)
Public Safety			
Local Border Security	100,000	117,894	(17,894)
Fire Station Airport	217,633	234,623	(16,990)
Community Health Department	485,773	493,734	(7,961)
Highway and Streets			
Communication Systems	-	861	(861)
Culture and Recreation			
Parks	1,080,114	1,129,708	(49,594)

(Continued)

XIV. TRANSFERS

	Transfers In	Transfers Out
General Fund	$ 6,768,872	$ 2,127,550
Debt service fund	1,554,088	-
Nonmajor Funds		
Special Revenue Funds		
Property and Forefeiture	13,500	-
Nutrition/Social Services	11,367	-
Room Tax	-	221,925
Eco. Comm. & Housing Development	40,659	-
Total SpecialRevenue Funds	65,526	221,925
Total Nonmajor Funds	65,526	221,925
Total Governmental Activities	8,388,486	2,349,475
Enterprise Funds		
Gas System	-	1,119,706
International Bridge	-	4,887,313
International Airport	205,482	3,941
Refuse	-	307,094
Water system		569,394
Municipal Facilities	363,581	2,365
Wastewater		261,035
Total Proprietary Funds	569,063	7,150,848
Internal Service Funds		
Fleet Services	649,868	-
Utility Billing	-	106,306
MIS		788
Total Internal Service Funds	649,868	107,094
Total Transfers In and Out	$ 9,607,417	$ 9,607,417

The City of Del Rio made significant transfers from the Enterprise Funds to the General Fund to subsidize the operations of general government functions. Conversely, the General Fund contributed to the operations of various programs accounted for as Special Revenue Funds and transfers to subsidize the Airport Fund and Municipal Facilities Fund.

XV. DEFICIT NET ASSETS AND DEFICIT FUND BALANCES

The following funds have deficit net assets or fund balances:

Enterprise Funds		
Refuse Funds	$	(628,007)
Non-Major Special Revenue Funds		
MIT 5311 Grant		(243,628)
JARC Colonias Grant		(15,450)
Economic Development Administration		(2,295)

The Refuse Fund deficit net assets results from estimated costs related to the landfill closure and post closure costs. All deficits will be reduced in future years by subsidies from the General Fund and/or increases in rates to meet budgeted expenditures for landfill improvements.

XVI. GENERAL FUND – DESIGNATED FUND BALANCE

The City has designated a portion of its General Fund balance in accordance with Ordinance 2001-02 and various other ordinances. These ordinances require that certain toll bridge increases be transferred to the General Fund. The designated net assets at September 30, 2008, are as follows:

Designated net assets from bridge toll increases:

Street Drainage	$	2,483,515
General Fund Reserve		819,921
Public Safety		374,463
Bridge Reserve		1,363,638
	$	5,041,537

Other designated net assets:

Land Purchase	$	200,000
Future Construction		563,000
	$	5,804,537

XVII. COMMITMENTS AND CONTINGENCIES

A. Construction Commitments

The total contractual commitment for construction in progress by project at September 30, 2009, is as follows:

Project Description	Commitments
Government Activity	
Police Station	$ 726084
Main Street Improvement	49401
Avenue E Project	24072
Avenue G Project	51,298
Total Government Activity	850,855
Business Type Activity	
Wastewater Outfall Collection Line	277,357
Total Business Type Activity	277,357
Total Commitments	$ 1,128,212

B. Contingent Liabilities

The City has received significant financial assistance from federal and state agencies in the form of grants. The disbursement of funds received under these programs generally requires compliance with terms and conditions specified in the grant agreements and is subject to audit by the grantor agencies. Any disallowed claims resulting from such audits could become a liability of the General Fund or other applicable funds. However, in the opinion of management, liabilities resulting from disallowed claims, if any, will not have a material adverse effect on the City's financial position at September 30, 2009.

C. Litigation

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 counsel, the resolution of these matters will not have a material adverse effect on the financial condition of the City.

XVIII. RISK MANAGEMENT

A. Workers' Compensation, Tort Claims and Insurance

The City is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The City accounts for these risk management operations in its General Fund.

The City participates in the Texas Municipal League Intergovernmental Risk Pool Insurance Program. The City is a member of the Texas Municipal League (TML), an unincorporated association of political subdivisions of the State of Texas. The TML is not intended to operate as an insurance company, but rather is intended to be a contracting mechanism, which the City, as a member, utilizes to administer its self-insurance program. Under this program, the City retains risk for up to a maximum of $25,000 for each workers' compensation claim, $1,000 for each general liability claim, $5,000 for each property damage claim, $2,500 for law enforcement liability, $2,500 for errors and omissions liability, $10,000 for each property damage claim, $500 for automobile physical damage, $1,000 for each automobile liability claim, $5,000 for public employee dishonesty loss, and $500 for mobile equipment loss. The City purchases TML insurance for claims in excess of coverage provided by the City and for all other risks of loss. Settled claims have not exceeded this TML coverage in any of the past five (5) fiscal years. Claims expenditures and liabilities are reported when it is probable that a loss has occurred and the amount of that loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. At September 30, 2009, the amount of these liabilities was $58,913. This liability, which is recorded as long-term debt, is the City's best estimate based on available information. Changes in the reported liability since October 1, 2006, resulted from the following:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claims Payments	Balance At Fiscal Year-End
2006-2007	$ 122,395	$ 171,112	$ (181,217)	$ 112,290
2007-2008	122,290	36,173	(126,671)	21,792
2008-2009	21,792	86,169	(49,049)	58,913

XVIII. RISK MANAGEMENT (Continued)

B. Health Insurance

The City has established the Health Claims Self-insurance Fund, an internal service fund, to account for and finance its uninsured risk of loss from health claims of eligible City employees, their spouses and dependents. Under this program, the City provides coverage for up to a maximum of $45,000 per claimant per year. The City purchases health insurance from a private carrier for claims in excess of coverage provided by the Fund.

All funds of the City participate in these programs and make payments to the Self-insurance Fund based on management's estimates of the amounts needed to pay current year claims. The claims liabilities of $115,898 for the Health Claims Self-insurance Fund are based on the requirement that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the loss can be reasonably estimated. Health insurance claims are not considered long-term liabilities and, accordingly, are not included in the changes in long-term debt disclosure in Note 10.

Change in claims payable for the last two years were as follows:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claims Payments	Balance At Fiscal Year-End	Amount Due Within One Year
2007-2008	$ 60,908	$ 1,928,403	$ (1,836,272)	$ 153,039	$ 153,039
2008-2009	153,039	1,594,844	(1,631,985)	115,898	115,898

C. Legal Settlement

During the year, the City reached a compromise settlement and release agreement with certain parties related to construction at the San Felipe Springs Water Treatment Plant. As a result of the agreement, the City has received $250,000 during the year and has accordingly reported a Special Item Resource in the Water Fund.

REQUIRED SUPPLEMENTARY INFORMATION

CITY OF DEL RIO
Del Rio, Texas

General Fund

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL - (NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual	Over (Under)
REVENUES				
Taxes	$ 11,217,897	$ 11,182,713	$ 11,087,820	$ (94,893)
Fines and Forfeitures	781,685	770,985	598,820	(172,165)
Charges for Services	976,659	1,018,959	996,203	(22,756)
Licenses and Permits	504,000	534,750	372,305	(162,445)
Intergovernmental	112,904	799,328	417,401	(381,927)
Investment income	375,000	145,000	144,843	(157)
Rental	33,500	36,000	36,375	375
Miscellaneous	97,500	46,500	32,108	(14,392)
TOTAL REVENUES	14,099,145	14,534,235	13,685,875	(848,360)
EXPENDITURES				
Current Expenditures				
General Government	4,158,286	4,531,326	4,381,304	150,022
Public Safety	10,823,146	10,572,733	10,565,186	7,547
Highway and Streets	1,636,583	1,725,130	1,629,257	95,873
Culture and Recreation	1,484,214	1,502,267	1,348,833	153,434
Economic Development & Assistance	52,937	53,327	49,548	3,779
Debt Service:				
Bond issuance costs	-	-	-	-
Capital Outlay	421,971	619,141	968,008	(348,867)
TOTAL EXPENDITURES	18,577,137	19,003,924	18,942,136	61,788
Excess/(Deficiency) of Revenues Over Expenditures	(4,477,992)	(4,469,689)	(5,256,261)	(786,572)
OTHER FINANCING SOURCES/(USES)				
Proceeds of Long Term Debt	318,912	-	-	-
Discount Premium on Long Term Debt	-	-	2,901	2,901
Issuance proceeds	-	-	-	-
Transfers In	5,995,385	6,780,385	6,768,872	(11,513)
Transfers Out	(2,213,873)	(2,304,291)	(2,127,550)	176,741
Proceeds from sale of capital assets	-	144,634	144,634	-
TOTAL OTHER FINANCING SOURCES/(USES)	4,100,424	4,620,728	4,788,857	168,129
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ (377,568)	$ 151,039	(467,404)	$ (618,443)
ADD CURRENT YEART ENCUMBRANCES			576,280	
LESS PRIOR YEAR ENCUMBRANCES			(614,987)	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (GAAP Basis)			(506,111)	
Fund Balance at Beginning of Year			9,410,185	
Fund Balance at End of Year			$ 8,904,074	

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED SEPTEMBER 30, 2009

SUMMARY OF BUDGET AND BUDGETARY BASIS OF ACCOUNTING

Budgets and Budgetary Accounting

Formal budgetary integration is required by the City Charter as a management control device. An annual budget is adopted for the General Fund on a basis consistent with generally accepted accounting principles except for the recognition of encumbrances as expenditures.

All appropriations lapse at the end of the budget year to the extent that they shall not have been expended or lawfully encumbered. Supplemental budgetary appropriations were necessary during the year, and were approved through resolution by the City Council. Amounts budgeted for other financing uses are included in budget amounts.

CITY OF DEL RIO
Del Rio, Texas

REQUIRED SUPPLEMENTARY INFORMATION

September 30, 2009

Schedule of Funding Progress for City of Del Rio
Retired Employee Healthcare Plan - OPEB

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) Entry Age (b)	Unfunded AAL (UAAL) (b-a)	Funded Ratio (a/b)	Covered Payroll (c)	UAAL as a Percentage of Covered Payroll ((b-a)/c)
12/31/07	$ -	$ 285,354	$ 285,354	0.00%	$ 14,542,929	1.96%

See Note XII for a complete description of the City's Other Postemployment Benefits.

CITY OF DEL RIO
Del Rio, Texas

Schedule of Funding Progress
Texas Municipal Retirement System

September 30, 2009

Historical trend information about the Texas Municipal Retirement System (TMRS), an agent multiple-employer defined benefit pension plan, is presented as supplementary information. It is intended to help users assess the plan's funding status on an on-going basis, assess progress made in accumulating assets to pay benefits when due, and make comparisons with other comparable retirement systems

ANALYSIS OF FUNDING PROGRESS

Actuarial Valuation Date	Actuarial Value of Assets (a)	Actuarial Accrued Liability (AAL) (b)	Funded Ratio (a/b)	Unfunded AAL (UAAL) (b-a)	Annual Covered Payroll (c)	UAAL as a Percentage of Payroll ((b-a)/c)
12/31/06	$ 1,862,626	$ 10,284,435	18.11%	$ 8,421,809	$ 12,459,374	67.59%
12/31/07	$ 3,320,679	$ 11,317,704	29.34%	$ 7,997,025	$ 13,289,525	60.18%
12/31/08	$ 4,931,981	$ 12,326,505	40%	$ 7,394,524	$ 14,542,929	50.8%

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NON-MAJOR GOVERNMENTAL FUNDS AND BUDGET SCHEDULES

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COMBINING STATEMENTS OF NON-MAJOR GOVERNMENTAL FUNDS

CITY OF DEL RIO
Del Rio, Texas

Combining Balance Sheet
Nonmajor Governmental Funds

September 30, 2009

	Special Revenue	Capital Projects	Total
ASSETS			
Cash and Cash Equivalents	$ 293,009	$ 6,968,680	$ 7,261,689
Receivables, Net of Allowance	125	-	125
Due from Other Funds	129,941	261,944	391,885
Interngovernmental Receivables	701,738	-	701,738
Total Assets	$ 1,124,813	$ 7,230,624	$ 8,355,437
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	$ 92,089	$ 101,822	$ 193,911
Accrued Payroll	59,167	-	59,167
Due to Other Governments	1,652	107,735	109,387
Due to Other Funds	851,319	-	851,319
Deposits	500	-	500
Total Liabilities	1,004,727	209,557	1,214,284
Fund Balances			
Reserved for			
Encumbrances	110,318	108,466	218,784
Unreserved, Reported in			
Capital Projects	-	6,912,601	6,912,601
Special Revenue	9,768	-	9,768
Total Fund Balances	120,086	7,021,067	7,141,153
Total Liabilities and Fund Balances	$ 1,124,813	$ 7,230,624	$ 8,355,437

CITY OF DEL RIO
Del Rio, Texas

Combining Statement of Revenues, Expenditures and Changes in Fund Balance
Nonmajor Governmental Funds

For The Year Ended September 30, 2009

	Special Revenue	Capital Projects	Total
REVENUES			
Taxes	$ 591,801	$ -	$ 591,801
Intergovernmental	1,503,951	2,472	1,506,423
Charges for Service	332,999	-	332,999
Investment Earnings	778	60,219	60,997
Rental	33,427	-	33,427
Miscellaneous	16,959	-	-
Total Revenues	2,479,915	62,691	2,542,606
EXPENDITURES			
Current			
General Government	369,875	-	369,875
Public Safety	8,129	-	8,129
Economic Development	137,142	-	137,142
Health and Welfare	1,997,567	-	1,997,567
Debt Service			
Bond Issuance Costs	-	42,847	42,847
Capital Outlay	140,979	915,816	1,056,795
Total Expenditures	2,653,692	958,663	3,612,355
Excess (Deficiency) of Revenues Over (Under) Expenditures	(173,777)	(895,972)	(1,069,749)
OTHER FINANCING SOURCES (USES)			
Issuance of Debt	-	1,045,983	1,045,983
Premium or Discount on Issuance of Bonds	-	2,726	2,726
Transfers In	65,526	-	65,526
Transfers Out	(221,925)	-	(221,925)
Total Other Financing Sources (Uses)	(156,399)	1,048,709	892,310
Net Change in Fund Balances	(330,176)	152,737	(177,439)
Fund Balances - Beginning	450,262	6,868,330	7,318,592
Fund Balance - Ending	$ 120,086	$ 7,021,067	$ 7,141,153

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GENERAL FUND

The General Fund is used to account for resources traditionally associated with governments which are not required to be accounted for in another fund. The general fund has a greater number and variety of revenue sources than any other fund and its resources finance a wider range of activities. The resources of the general fund are generally expended and replenished on an annual basis.

CITY OF DEL RIO
Del Rio, Texas

General Fund

SCHEDULE OF REVENUES COMPARED TO BUDGET

For The Year Ended September 30, 2009

	Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Taxes			
Property Tax	$ 4,165,641	$ 4,115,592	$ (50,049)
Attorney's Fees	88,300	93,049	4,749
Penalty and Interest	145,000	141,496	(3,504)
General Sales Tax	4,894,385	4,883,143	(11,242)
Franchise Fees	1,834,624	1,799,777	(34,847)
Mixed Beverage Tax	54,763	54,763	-
Total Taxes	11,182,713	11,087,820	(94,893)
Fines and Forfeitures			
Municipal Court	371,000	288,241	(82,759)
Dog Pound	7,000	5,185	(1,815)
State Violation Fines	362,985	273,809	(89,176)
Time Payment Fee	30,000	31,585	1,585
Total Fines and Forfeitures	770,985	598,820	(172,165)
Charges for Services			
Xerox Use Fees	2,200	802	(1,398)
Sale of Maps and Documents	12,000	10,817	(1,183)
Sale of Plastic Protect	2,300.00	1,352	(948)
Police Services & Fees	42,750	32,242	(10,508)
Street Sign and Striping	7,300	5,655	(1,645)
Other Maintenance Service Fees	400,000	400,000	-
New Paving	1,000	240	(760)
Demolition and Lot Clearing	37,000	33,360	(3,640)
No Nuisance Ordinance Fees	3,450	3,440	(10)
Vital Statistics	127,489	115,097	(12,392)
Concession Stand Income	-	-	-
Buena Vista Pool	25,000	14,387	(10,613)
Moore Park Pool	30,000	20,429	(9,571)
Recreational Uses	7,000	4,385	(2,615)
Swimming Lessons Fees	12,000	3,137	(8,863)
Field Light Usage	2,700	3,602	902
Adopt A Pet Program Fee	2,800	2,741	(59)
Misc. Park & Recreation	5,500	5,643	143
Inter-administration Services	51,074	48,375	(2,699)
Inter-service charges	29,396	29,397	1
Indirect Cost-WIC	20,000	44,121	24,121
Inter-admin purchasing	198,000	216,981	18,981
Total Charges for Services	1,018,959	996,203	(22,756)

(Continued)

CITY OF DEL RIO
Del Rio, Texas

General Fund

SCHEDULE OF REVENUES COMPARED TO BUDGET

For The Year Ended September 30, 2009

	Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES (Continued)			
Licenses and Permits			
Building Permits	$ 200,000	$ 134,262	$ (65,738)
Electrical Permits	45,000	26,359	(18,641)
Plumbing Permits	42,000	34,998	(7,002)
Gas Permits	3,000	800	(2,200)
Health Permits	52,000	51,952	(48)
Commercial Pet Vendors	1,500	880	(620)
Garage Sale Permits	23,000	23,330	330
Fire Alarm Permit	5,000	625.00	(4,375)
Zoning Permits	12,000	7,825	(4,175)
Plan & Specification	13,000	9,818	(3,182)
Certificates of Compliance	5,000	2,350	(2,650)
Other Permits	90,000	45,981	(44,019)
Professional and Occupation Licenses	23,250	16,687	(6,563)
Mechanical Permits	20,000	16,438	(3,562)
Total Licenses and Permits	534,750	372,305	(162,445)
Intergovernmental			
Federal Emergency Management	168,263	153,941	(14,322.00)
Border Star Grant	100,000	94,469	(5,531)
TxCDBG Program	360,839	-	(360,839)
TXDOT-OP Seatbelt	-	-	-
Auto Theft Grant- State	141,929	143,342	1,413
Payments in Lieu of Taxes	12,395	12,395	-
BP Vest- Federal Revenue	4,932	12,384	7,452
State Revenues	870	870	-
Parks Grant	10,100	-	(10,100.00)
Total Intergovernmental	799,328	417,401	(381,927)
Interest Income	145,000	144,843	(157)
Rental Income			
Facilities Rental	-	2	2
Barricade Rental	1,000	1,065	65
Joe Ramos Center	10,000	9,975	(25)
Other Rental	25,000	25,333	333.00
Total Rental Income	36,000	36,375	375
Miscellaneous Revenues			
Miscellaneous Donations	17,000	9,100	(7,900.00)
Pavilion Rentals	12,000	8,460	(3,540)
Cash Over & Short	-	(85)	(85)
Vending Machine Income	500	112	(388)
Property Tax Overpayment	-	(1,415)	(1,415)
Return Check Fees	2,000	2,127	127
Miscellaneous Income	15,000	13,809	(1,191)
Total Miscellaneous Revenues	46,500	32,108	(14,392)
TOTAL REVENUES	$ 14,534,235	$ 13,685,875	$ (848,360)

CITY OF DEL RIO
Del Rio, Texas

General Fund

SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED TO BUDGET
(NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES			
GENERAL GOVERNMENT			
City Council			
Personnel Services	$ 21,585	18,247	$ 3,338
Supplies	9,848	9,762	86
Contractual Services and Other Costs	73,260	77,425	(4,165)
Capital Outlay	120,784	120,784	-
Intergovernmental	31,196	27,445	3,751
Total City Council	256,673	253,663	3,010
City Attorney			
Personnel Services	261,953	261,142	811
Supplies	2,755	2,281	474
Capital Outlay	-	-	-
Contractual Services and Other Costs	361,225	353,126	8,099
Total City Attorney	625,933	616,549	9,384
City Manager			
Personnel Services	426,272	429,153	(2,881)
Supplies	18,583	16,678	1,905
Contractual Services and Other Costs	79,956	85,113	(5,157)
Marketing / Promo	-	-	-
Capital Outlay	15,453	15,271	182
Reserves	-	-	-
Sub-total	540,264	546,215	(5,951)
Marketing/Promo			
Personnel Services	-	188	(188)
Contractual Services and Other Costs	5,000	4,502	498
Total Marketing/Promo	5,000	4,690	310
City Hall Maintenance			
Supplies	11,590	10,286	1,304
Contractual Services and Other Costs	5,100	3,108	1,992
Sub-total	16,690	13,394	3,296
Total City Manager	561,954	564,299	(2,345)

(Continued)

CITY OF DEL RIO
Del Rio, Texas

General Fund

SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED TO BUDGET
(NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Civil Service			
Personnel Services	$ 23,759	$ 23,899	$ (140)
Supplies	4,400	3,647	753
Contractual Services and Other Costs	9,243	7,620	1,623
Sub-total	37,402	35,166	2,236
Personnel			
Personnel Services	180,679	180,796	(117)
Supplies	19,538	17,710	1,828
Contractual Services and Other Costs	66,977	67,996	(1,019)
Capital Outlay	-	117	(117)
Sub-total	267,194	266,619	575
Total Personnel	304,596	301,785	2,811
Finance Department			
Finance			
Personnel Services	208,428	217,753	(9,325)
Supplies	4,325	3,897	428
Contractual Services and Other Costs	61,825	67,309	(5,484)
Capital Outlay	420	336	84
Total Finance	274,998	289,296	(14,298)
Operations			
Personnel Services	58,044	58,551	(507)
Supplies	1,172	804	368
Contractual Services and Other Costs	6,075	4,676	1,399
Total Operations	65,291	64,031	1,260
Central Purchasing			
Personnel Services	186,762	182,022	4,740
Supplies	5,617	10,780	(5,163)
Contractual Services and Other Costs	41,813	46,031	(4,218)
Capital Outlay	-	-	-
Total Central Purchasing	234,192	238,833	(4,641)

(Continued)

CITY OF DEL RIO
Del Rio, Texas

General Fund

SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED TO BUDGET
(NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Accounting			
Personnel Services	$ 272,960	$ 270,798	$ 2,162
Supplies	3,550	3,325	225
Contractual Services and Other Costs	21,510	20,936	574
Total Accounting	298,020	295,059	2,961
Tax			
Personnel Services	128,337	127,928	409
Supplies	3,886	3,564	322
Contractual Services and Other Costs	272,099	275,375	(3,276)
Capital Outlay	380	372	8
Total Tax	404,702	407,239	(2,537)
Total Finance Department	1,277,203	1,294,458	(17,255)
Planning/Code Compliance			
Personnel Services	409,517	403,537	5,980
Supplies	7,241	7,168	73
Contractual Services and Other Costs	188,449	177,082	11,367
Capital Outlay	-	5,400	(5,400)
Total Planning/Code Compliance	605,207	593,187	12,020
Engineering			
Personnel Services	215,782	216,786	(1,004)
Supplies	8,030	5,475	2,555
Contractual Services and Other Costs	37,105	34,558	2,547
Capital Outlay	-	-	-
Sub-total	260,917	256,819	4,098
GIS Engineering			
Personnel Services	27,357	26,968	389
Supplies	2,404	2,524	(120)
Contractual Services and Other Costs	24,924	26,111	(1,187)
Capital Outlay	788	788	-
Sub-total	55,473	56,391	(918)
Total Engineering	316,390	313,210	3,180

(Continued)

CITY OF DEL RIO
Del Rio, Texas

General Fund

SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED TO BUDGET
(NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Records Department			
City Secretary			
Personnel Services	$ 110,237	$ 110,085	$ 152
Supplies	8,806	4,212	4,594
Contractual Services and Other Costs	24,820	22,986	1,834
Total City Secretary	143,863	137,283	6,580
Municipal Court			
Personnel Services	203,278	198,885	4,393
Supplies	1,630	1,070	560
Contractual Services and Other Costs	251,640	249,984	1,656
Total Municipal Court	456,548	449,939	6,609
Total Records Department	600,411	587,222	13,189
TOTAL GENERAL GOVERNMENT	4,548,367	4,524,372	23,995
PUBLIC SAFETY			
Public Safety Department			
Police - Patrol			
Personnel Services	4,856,304	4,823,055	33,249
Supplies	170,351	164,646	5,705
Contractual Services and Other Costs	321,405	353,816	(32,411)
Capital Outlay	27,146	30,979	(3,833)
Total Police - Patrol	5,375,206	5,372,496	2,710
Auto Theft			
Personnel Services	127,386	129,359	(1,973)
Supplies	6,753	3,021	3,732
Contractual Services and Other Costs	18,170	15,857	2,313
Capital Outlay	38,675	38,534	141
Total Auto Theft	190,984	186,771	4,213
BP Vest			
Supplies	5,600	610	4,990

(Continued)

CITY OF DEL RIO
Del Rio, Texas

General Fund

SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED TO BUDGET
(NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Police Training Academy			
Personnel Services	$ 139,804	$ 134,594	$ 5,210
Supplies	7,160	2,553	4,607
Contractual Services and Other Costs	38,196	43,062	(4,866)
Capital Outlay	-	-	-
Total Police Training Academy	185,160	180,209	4,951
Local Border Security			
Personnel Services	100,000	117,894	(17,894)
Total Local Border Security	100,000	117,894	(17,894)
Fire			
Personnel Services	3,677,789	3,635,482	42,307
Supplies	126,294	124,594	1,700
Contractual Services and Other Costs	268,323	279,825	(11,502)
Capital Outlay	362,679	339,239	23,440
Total Fire	4,435,085	4,379,140	55,945
Emergency Management			
Supplies	1,737	3,254	(1,517)
Contractual Services and Other Costs	4,955	5,207	(252)
Capital Outlay	45,000	42,301	2,699
Total Emergency Management	51,692	50,762	930
Fire Station Airport			
Personnel	188,303	199,582	(11,279)
Contractual Services and Other Costs	29,330	35,041	(5,711)
Total Fire Station Airport	217,633	234,623	(16,990)
Total Fire	4,704,410	4,664,525	39,885

(Continued)

CITY OF DEL RIO
Del Rio, Texas

General Fund

SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED TO BUDGET
(NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Community Health			
Personnel Services	$ 381,511	$ 385,875	$ (4,364)
Supplies	35,278	32,406	2,872
Contractual Services and Other Costs	68,084	75,071	(6,987)
Capital Outlay	900	382	518
Total Community Health Department	485,773	493,734	(7,961)
Total Public Safety Department	11,047,133	11,016,239	30,894
TOTAL PUBLIC SAFETY	11,047,133	11,016,239	30,894
HIGHWAY AND STREETS			
Public Works - Streets and Drainage			
Personnel Services	623,987	629,148	(5,161)
Supplies	212,030	201,179	10,851
Contractual Services and Other Costs	193,093	197,785	(4,692)
Capital Outlay	203,350	203,350	-
Total Public Works - Streets and Drainage	1,232,460	1,231,462	998
Streets Reclaiming			
Personnel Services	97,189	95,224	1,965
Contractual Services and Other Costs	1,747	589	1,158
Total Streets Reclaiming	98,936	95,813	3,123
Traffic Control			
Personnel Services	159,886	152,868	7,018
Supplies	42,993	37,626	5,367
Contractual Services and Other Costs	313,805	313,978	(173)
Capital Outlay	-	-	-
Total Traffic Control	516,684	504,472	12,212
Communication Systems			
Personnel Services	-	-	-
Supplies	-	-	-
Contractual Services and Other Costs	-	861	(861)
Capital Outlay	-	-	-
Total Communication Systems	-	861	(861)
TOTAL HIGHWAY AND STREETS	1,848,080	1,832,607	15,473

(Continued)

CITY OF DEL RIO
Del Rio, Texas

General Fund

SCHEDULE OF EXPENDITURES AND ENCUMBRANCES COMPARED TO BUDGET
(NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Parks			
Personnel Services	$ 567,376	$ 562,318	$ 5,058
Supplies	57,861	55,898	1,963
Contractual Services and Other Costs	305,297	363,116	(57,819)
Capital Outlay	149,580	148,376	1,204
Total Parks	1,080,114	1,129,708	(49,594)
Recreation Department			
Personnel Services	119,686	89,193	30,493
Supplies	21,593	20,254	1,339
Contractual Services and Other Costs	18,578	18,798	(220)
Capital Outlay	5,231	5,231	-
Total Recreation Department	165,088	133,476	31,612
Facility Maintenance			
Personnel Services	237,904	233,854	4,050
Supplies	14,112	12,954	1,158
Contractual Services and Other Costs	9,799	9,378	421
Capital Outlay	-	-	-
Total Facility Maintenance	261,815	256,186	5,629
TOTAL CULTURE AND RECREATION	1,507,017	1,519,370	(12,353)
ECONOMIC DEVELOPMENT AND ASSISTANCE			
Main Street Project			
Personnel Services	44,593	44,363	230
Supplies	2,530	246	2,284
Contractual Services and Other Costs	6,204	4,939	1,265
Capital Outlay	-	-	-
Total Main Street Project	53,327	49,548	3,779
TOTAL ECONOMIC DEVELOPMENT AND ASSISTANCE	53,327	49,548	3,779
TOTAL EXPENDITURES	$ 19,003,924	18,942,136	$ 61,788

CITY OF DEL RIO
Del Rio, Texas

General Fund

SCHEDULE OF OTHER FINANCING SOURCES/(USES) COMPARED TO BUDGET
(NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance with Final Budget - Positive (Negative)
Other Financing Sources/(Uses)			
Other Sources			
Disposal of Capital Assets	$ 27,633	$ 27,633	$ -
Discount Premium Long Term Debt	-	2,901	2,901
Disposal of Real Estate Property	117,001	117,001	-
Total Other Sources	144,634	147,535	2,901
Operating Transfers In			
Gas System	1,100,000	1,100,000	-
Water System	535,500	535,500	-
International Bridge	4,594,885	4,583,372	(11,513)
Refuse	300,000	300,000	-
Wastewater	250,000	250,000	-
Total Operating Transfers In	6,780,385	6,768,872	(11,513)
Operating Transfers Out			
Nutrition and Social Services	11,367	11,367	-
Economic Development	40,659	40,659	-
Debt Service	1,508,904	1,332,163	176,741
Capital Projects	13,500	13,500	-
International Airport	205,482	205,482	-
Municipal Facilities Fund	363,581	363,581	-
Fleet	160,798	160,798	-
Total Operating Transfers Out	2,304,291	2,127,550	176,741
Total Other Financing Sources/(Uses)	$ 4,620,728	$ 4,788,857	$ 168,129

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SPECIAL REVENUE FUNDS

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

The MIT- 5311 Grant Fund is used to account for funds received from the Texas Department of Transportation through the Section 5311 Grant Program. The City of Del Rio operates and maintains a public transportation center by utilizing grant funds. These funds originally provided for the renovation and expansion of the existing Southern Pacific Depot in order to create a multi-modal transportation center. The current center (which opened in November, 1994) presently houses Kerrville Bus Lines, Amtrak Services, and the City of Del Rio Transportation Department. Presently, the City of Del Rio Transportation Department provided transportation services to individuals of the community that are generally categorized as being physically- impaired, minority, elderly, or low income.

The Women, Infants and Children Fund is used to account for the cost reimbursement program funded by the U.S.D.A. and the Texas Department of Health and the City of Del Rio through the Val Verde County Health Department. Under the program, the City provides special supplemental food and nutrition education to qualified recipients.

The Nutrition and Social Services Fund is used to account for the 90% federal- 10% local matching grant program. The program provides nutritious meals in a group and home setting, encourages social interaction and makes needed supportive services available to participants. Qualifying participants are over age 60 and low income.

The Room Tax Fund is used to account for revenues received from the City's hotels and motels occupancy tax. This tax is at the rate of 7% of gross receipts and is restricted in use by state law and by City ordinance. Ordinance 83-48 specifies how revenues will be expended.

The Loan Repayment Fund is currently being used to account for funds for contract # 705512 funded by the Office of Community Affairs. Revolving loan funds are utilized to provide first time water and sewer services, streets and electricity for the Villarreal sub-division and infrastructure improvements in support of new economic development in the City.

The Property and Forfeiture Fund is used to account for property seized during police operations against illegal activities. Seized property is held by and accounted for in this fund, pending final determination of related alleged illegal acts.

The Law Enforcement Employee Continuing Education Fund is used to account for funds received from Texas State Comptroller as per Senate Bill 1135 passed in 1991. The funds are used to augment training and acquisition of equipment for police officers training.

The TXDOT Section 5310 Fund is used to account for funds received for the Texas Department of Transportation. The purpose of the grant is to provide funds for preventive maintenance cost associated with Elderly and Disabled Transportation in Val Verde County. The Section 5310 Grant provides this funding for the vehicles utilized in the Section 5311 Grant which provides elderly and disabled transportation to the citizens of Val Verde County.

The JARC Colonias Grant Fund is used to account for funds received to provide job access transportation to the Colonias areas in Val Verde County.

The EDA contract # 08-06365-0 Fund is used to account for funds received from the U.S. Department of Commerce Economic Development Administration. The funds were used for consultant services. The consultant was to develop an economic strategies plan for the City.

CITY OF DEL RIO
Del Rio, Texas

Combining Balance Sheet
Nonmajor Special Revenue Funds

September 30, 2009

	MIT-5311 Grant	Women Infants & Children	Nutrition/ Social Services	Room Tax	Loan Repayment Fund
ASSETS					
Cash and Cash Equivalents	$ 15,239	$ 7,437	$ 17,293	$ 4,993	$ 147,534
Due from Other Funds	75,117	51,519	3,127	-	-
Receivables, Net	-	-	-	-	-
Intergovernmental Receivables	484,576	106,100	73,191	-	-
Total Assets	$ 574,932	$ 165,056	$ 93,611	$ 4,993	$ 147,534
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts Payable	$ 43,986	$ 19,901	$ 23,291	$ 1,817	$ -
Accrued Payroll	27,361	16,041	10,555	-	-
Due to Other Funds	746,713	19,605	31,950	-	-
Due to Other Governments	-	-	-	-	-
Deposits	500	-	-	-	-
Total Liabilities	818,560	55,547	65,796	1,817	-
Fund Balances					
Reserved for Encumbrances	44,274	35,436	200	-	-
Unreserved	(287,902)	74,073	27,615	3,176	147,534
Total Fund Balances	(243,628)	109,509	27,815	3,176	147,534
Total Liabilities and Fund Balances	$ 574,932	$ 165,056	$ 93,611	$ 4,993	$ 147,534

Property & Forfeiture Fund	Law Enforcement Employee Continuing Education	TXDOT - Section 5310	JARC Colonias Grant	Economic Development Administration	Total Nonmajor Special Revenue Funds
$ 89,041	$ 4,384	$ -	$ -	$ 7,088	$ 293,009
-	-	50	18	110	129,941
-	-	-	-	125	125
-	-	17,810	20,061	-	701,738
$ 89,041	$ 4,384	$ 17,860	$ 20,079	$ 7,323	$ 1,124,813
$ -	$ -	$ -	$ 347	$ 2,747	$ 92,089
-	-	-	1,209	4,001	59,167
-	-	16,208	33,973	2,870	851,319
-	-	1,652	-	-	1,652
-	-	-	-	-	500
-	-	17,860	35,529	9,618	1,004,727
28,654	110	-	-	1,644	110,318
60,387	4,274	-	(15,450)	(3,939)	9,768
89,041	4,384	-	(15,450)	(2,295)	120,086
$ 89,041	$ 4,384	$ 17,860	$ 20,079	$ 7,323	$ 1,124,813

CITY OF DEL RIO
Del Rio, Texas

Combining Statement of Revenues, Expenditures, and Changes in Fund Balances
Nonmajor Special Revenue Funds

For The Year Ended September 30, 2009

	MIT-5311 Grant	Women Infants & Children	Nutrition/ Social Services	Room Tax	Loan Repayment Fund
REVENUES					
Taxes	$ -	$ -	$ -	$ 591,801	$ -
Intergovernmental	437,529	447,656	502,055	-	-
Charges for Service	310,171	-	-	-	-
Investment Earnings	-	-	-	38	524
Rental	16,500	-	16,927	-	-
Miscellaneous	-	-	16,959	-	-
Total Revenues	764,200	447,656	535,941	591,839	524
EXPENDITURES					
Current					
General Government	-	-	-	369,875	-
Public Safety	-	-	-	-	-
Economic Development	-	-	-	-	-
Health and Welfare	900,630	454,260	548,409	-	-
Capital Outlay	114,785	4,757	20,999	-	-
Total Expenditures	1,015,415	459,017	569,408	369,875	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(251,215)	(11,361)	(33,467)	221,964	524
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	11,367	-	-
Transfers Out	-	-	-	(221,925)	-
Total Other Financing Sources (Uses)	-	-	11,367	(221,925)	-
Net Change in Fund Balances	(251,215)	(11,361)	(22,100)	39	524
Fund Balances - Beginning	7,587	120,870	49,915	3,137	147,010
Fund Balances - Ending	$ (243,628)	$ 109,509	$ 27,815	$ 3,176	$ 147,534

Property & Forfeiture Fund	Law Enforcement Employee Continuing Education	TXDOT - Section 5310	JARC Colonias Grant	Economic Development Administration	Total Nonmajor Special Revenue Funds
$ -	$ -	$ -	$ -	$ -	$ 591,801
63,238	5,621	34,770	13,082	-	1,503,951
-	-	8,692	14,136	-	332,999
216	-	-	-	-	778
-	-	-	-	-	33,427
-	-	-	-	-	16,959
63,454	5,621	43,462	27,218	-	2,479,915
-	-	-	-	-	369,875
-	8,129	-	-	-	8,129
-	-	-	-	137,142	137,142
8,138	-	43,462	42,668	-	1,997,567
-	-	-	-	438	140,979
8,138	8,129	43,462	42,668	137,580	2,653,692
55,316	(2,508)	-	(15,450)	(137,580)	(173,777)
13,500	-	-	-	40,659	65,526
-	-	-	-	-	(221,925)
13,500	-	-	-	40,659	(156,399)
68,816	(2,508)	-	(15,450)	(96,921)	(330,176)
20,225	6,892	-	-	94,626	450,262
$ 89,041	$ 4,384	$ -	$ (15,450)	$ (2,295)	$ 120,086

CITY OF DEL RIO
Del Rio, Texas

MIT 5311 Grant

Special Revenue Fund

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND CHANGES IN FUND BALANCE
COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

For the Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Transit Service	$ 698,976	$ 310,171	$ (388,805)
Special Grants	767,840	437,530	(330,310)
Miscellaneous Revenues	33,500	16,500	(17,000)
TOTAL REVENUES	1,500,316	764,201	(736,115)
EXPENDITURES			
Welfare			
Transportation			
Personnel Services	482,710	492,278	(9,568)
Supplies	378,406	120,455	257,951
Contractual and Other Costs	130,408	101,924	28,484
Capital Outlay	257,769	59,587	198,182
Administration			
Personnel Services	137,102	139,051	(1,949)
Supplies	25,447	2,119	23,328
Contractual and Other Costs	117,089	47,330	69,759
TOTAL EXPENDITURES	1,528,931	962,744	566,187
Excess/(Deficiency) of Revenues Over Expenditures	(28,615)	(198,543)	(169,928)
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ (28,615)	(198,543)	$ (169,928)
Add: Current Year Encumbrances		44,275	
Less: Prior Year Encumbrances		(96,947)	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (GAAP Basis)		(251,215)	
Fund Balances at Beginning of Year		7,587	
Fund Balances at End of Year		$ (243,628)	

CITY OF DEL RIO
Del Rio, Texas

Women, Infants & Children

Special Revenue Fund

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND CHANGES IN FUND BALANCE
COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

For the Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Special Grants	$ 507,525	$ 447,656	$ (59,869)
Miscellaneous	-	-	-
TOTAL REVENUES	507,525	447,656	(59,869)
EXPENDITURES			
Welfare			
WIC - Immunization			
Personnel Services	355,988	351,157	4,831
Supplies	51,011	48,670	2,341
Contractual and Other Costs	87,114	78,944	8,170
Capital Outlay	1,516	1,160	356
TOTAL EXPENDITURES	495,629	479,931	15,698
Excess/(Deficiency) of Revenues Over Expenditures	$ 11,896	(32,275)	$ (44,171)
Add: Current Year Encumbrances		35,436	
Less: Prior Year Encumbrances		(14,522)	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures (GAAP Basis)		(11,361)	
Fund Balances at Beginning of Year		120,870	
Fund Balances at End of Year		$ 109,509	

CITY OF DEL RIO
Del Rio, Texas

Nutrition and Social Services

Special Revenue Fund

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND CHANGES IN FUND BALANCE
COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

For the Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Special Grants	$ 526,658	$ 502,055	$ (24,603)
Miscellaneous Revenues	33,058	33,886	828
TOTAL REVENUES	559,716	535,941	(23,775)
EXPENDITURES			
Welfare			
Nutrition and Social Services			
Personnel Services	260,192	250,774	9,418
Supplies	244,865	246,800	(1,935)
Contractual and Other Costs	51,590	51,036	554
Capital Outlay	21,000	20,999	1
TOTAL EXPENDITURES	577,647	569,609	8,038
Excess/(Deficiency) of Revenues Over Expenditures	(17,931)	(33,668)	(15,737)
OTHER FINANCING SOURCES/(USES)			
Operating Transfer In	11,367	11,367	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ (6,564)	(22,301)	$ (15,737)
Add: Encumbrances		201	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (GAAP Basis)		(22,100)	
Fund Balances at Beginning of Year		49,915	
Fund Balances at End of Year		$ 27,815	

CITY OF DEL RIO
Del Rio, Texas

Room Tax

Special Revenue Fund

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND CHANGES IN FUND BALANCE
COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

For the Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Taxes	$ 594,504	$ 591,801	$ (2,703)
Interest Income	150	38	(112)
TOTAL REVENUES	594,654	591,839	(2,815)
EXPENDITURES			
General Government			
Room Tax			
Contractual and Other Costs	252,664	251,515	1,149
Intergovernmental	118,902	118,360	542
TOTAL EXPENDITURES	371,566	369,875	1,691
Excess/(Deficiency) of Revenues Over Expenditures	223,088	221,964	(1,124)
OTHER FINANCING SOURCES/(USES)			
Operating Transfers Out	(222,939)	(221,925)	1,014
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ 149	39	$ (110)
Add: Encumbrances		-	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (GAAP Basis)		39	
Fund Balances at Beginning of Year		3,137	
Fund Balances at End of Year		$ 3,176	

CITY OF DEL RIO
Del Rio, Texas

Loan Repayment

Special Revenue Fund

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND CHANGES IN FUND BALANCE
COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

For the Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Taxes	$ 4,000	$ 524	$ (3,476)
Miscellaneous Revenues	-	-	-
TOTAL REVENUES	4,000	524	(3,476)
EXPENDITURES			
Capital Outlays			
Reserves and Other Expenses	-	-	-
TOTAL EXPENDITURES	-	-	-
Excess/(Deficiency) of Revenues Over Expenditures	$ 4,000	524	$ (3,476)
Add: Encumbrances		-	
Excess/(Deficiency) of Revenues Over Expenditures (GAAP Basis)		524	
Fund Balances at Beginning of Year		147,010	
Fund Balances at End of Year		$ 147,534	

CITY OF DEL RIO
Del Rio, Texas

Property & Forfeiture

Special Revenue Fund

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND CHANGES IN FUND BALANCE
COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

For the Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Special Grants	$ 67,239	$ 63,239	$ (4,000)
Miscellaneous Revenues	600	216	(384)
TOTAL REVENUES	67,839	63,455	(4,384)
EXPENDITURES			
Supplies	-	3,590	(3,590)
Contract Services	4,500	4,350	150
Capital Outlay	81,339	25,084	56,255
TOTAL EXPENDITURES	85,839	33,024	52,815
Excess/(Deficiency) of Revenues Over Expenditures	(18,000)	30,431	48,431
OTHER FINANCING SOURCES/(USES)			
Operating Transfers Out	13,500	13,500	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ (4,500)	43,931	$ 48,431
Add: Encumbrances		28,654	
Less: Prior Year Encumbrances		(3,769)	
Excess/(Deficiency) of Revenues Over Expenditures (GAAP Basis)		68,816	
Fund Balances at Beginning of Year		20,225	
Fund Balances at End of Year		$ 89,041	

CITY OF DEL RIO
Del Rio, Texas

Law Enforcement Employee

Special Revenue Fund

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND CHANGES IN FUND BALANCE
COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

For the Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Special Grants	$ 6,500	$ 5,621	$ (879)
TOTAL REVENUES	6,500	5,621	(879)
EXPENDITURES			
Contractual and Other Costs	13,392	8,240	5,152
TOTAL EXPENDITURES	13,392	8,240	5,152
Excess/(Deficiency) of Revenues Over Expenditures	(6,892)	(2,619)	4,273
OTHER FINANCING SOURCES/(USES)			
Operating Transfer In	-	-	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ (6,892)	(2,619)	$ (4,273)
Add: Encumbrances		111	
Excess/(Deficiency) of Revenues Over Expenditures (GAAP Basis)		(2,508)	
Fund Balances at Beginning of Year		6,892	
Fund Balances at End of Year		$ 4,384	

CITY OF DEL RIO
Del Rio, Texas

TXDOT Section 5310

Special Revenue Fund

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND CHANGES IN FUND BALANCE
COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

For the Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Transit Service - Local	$ 5,771	$ 8,692	$ 2,921
Special Grants	23,083	34,770	11,687
TOTAL REVENUES	28,854	43,462	14,608
EXPENDITURES			
Welfare			
Supplies	-	7,481	(7,481)
Contractual and Other Costs	28,854	35,981	(7,127)
Capital Outlay	-	-	-
TOTAL EXPENDITURES	28,854	43,462	(14,608)
Excess/(Deficiency) of Revenues Over Expenditures	$ -	-	$ -
Add: Encumbrances		-	
Less: Prior Year Encumbrances		-	
Excess/(Deficiency) of Revenues Over Expenditures (GAAP Basis)		-	
Fund Balances at Beginning of Year		-	
Fund Balances at End of Year		$ -	

CITY OF DEL RIO
Del Rio, Texas

JARC Colonias Grant

Special Revenue Fund

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND CHANGES IN FUND BALANCE
COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

For the Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Transit Service	$ -	$ 13,082	$ 13,082
Special Grants	43,670	14,136	(29,534)
TOTAL REVENUES	43,670	27,218	(16,452)
EXPENDITURES			
Personnel Services	44,821	42,668	2,153
TOTAL EXPENDITURES	44,821	42,668	2,153
Excess/(Deficiency) of Revenues Over Expenditures	$ (1,151)	(15,450)	$ (14,299)
Add: Current Year Encumbrances		-	
Less: Prior Year Encumbrances		-	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures (GAAP Basis)		(15,450)	
Fund Balances at Beginning of Year		-	
Other Changes to Fund Balance		-	
Fund Balance at End of Year (Budgeted Funds)		$ (15,450)	

CITY OF DEL RIO
Del Rio, Texas

Economic Development Administration

Special Revenue Fund

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND CHANGES IN FUND BALANCE
COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

For the Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Miscellaneous	$ -	$ -	$ -
TOTAL REVENUES	-	-	-
EXPENDITURES			
Personnel	48,785	49,384	(599)
Supplies	22,450	22,760	(310)
Contract Serv/Oth Costs	23,003	24,908	(1,905)
Capital Outlay	534	438	96
TOTAL EXPENDITURES	94,772	97,490	(2,718)
Excess/(Deficiency) of Revenues Over Expenditures	(94,772)	(97,490)	(2,718)
OTHER FINANCING SOURCES/(USES)			
Transfer In	40,659	40,659	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ (54,113)	(56,831)	$ (2,718)
Add: Encumbrances		1,645	
Less: Prior Year Encumbrances		(41,735)	
Excess/(Deficiency) of Revenues Over Expenditures (GAAP Basis)		(96,921)	
Fund Balances at Beginning of Year		94,626	
Fund Balances at End of Year		$ (2,295)	

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Debt Service Funds

CITY OF DEL RIO
Del Rio, Texas

Debt Service Fund

SCHEDULE OF REVENUES, EXPENDITURES, ENCUMBRANCES AND CHANGES IN FUND BALANCE
COMPARED TO BUDGET (NON-GAAP BUDGETARY BASIS)

For the Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Taxes	$ 1,710,992	$ 1,711,715	$ 723
Miscellaneous Revenues	45,000	10,095	(34,905)
TOTAL REVENUES	1,755,992	1,721,810	(34,182)
EXPENDITURES			
Supplies	-	-	-
Debt Service	3,538,767	3,474,352	64,415
TOTAL EXPENDITURES	3,538,767	3,474,352	64,415
Excess/(Deficiency) of Revenues Over Expenditures	(1,782,775)	(1,752,542)	30,233
OTHER FINANCING SOURCES/(USES)			
Interfund Transfers	1,731,843	1,554,088	(177,755)
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ (50,932)	(198,454)	$ (147,522)
Add: Encumbrances		-	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (GAAP Basis)		(198,454)	
Fund Balances at Beginning of Year		1,447,889	
Fund Balances at End of Year		$ 1,249,435	

CAPITAL PROJECTS FUNDS

The Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities (other than those financed by Proprietary Funds).

Nonmajor Funds are as follows:

Qualia Relief Route Fund

The Qualia Relief Route Fund is for the construction of an alternative relief route from Qualia Road to Spur 239 in Del Rio and Val Verde County necessitated because of the closing of Rio Grande Road to accommodate relocation of the port of entry on Spur 239. The project is to be funded by federal grants, state grants and the City of Del Rio.

Animal Shelter

The Animal Shelter Project is for donations and other financial resources to be used for capital improvements to the animal shelter at the Health Department for the City of Del Rio.

Bicycle and Walking Trail

The Bicycle and Walking Trail Project is the construction of a trail from a point near (1/4 mile) Brown Plaza to the Regional Transportation Center located at the intersection of South Main and Ogden Avenue in Del Rio. This project is funded by the Texas Department of Transportation and the City of Del Rio.

Fire Station

The Fire Station Project is to construct a fire station and city-wide emergency communications center with required communications equipment to be located near the City's International Airport. Funding for this project is to be through the Texas Community Development Program administered by the Office of Rural Community Affairs and by cost sharing by the City of Del Rio.

The Streets and Drainage Fund

The Streets and Drainage Fund is the City's Capital Projects Fund that accounts for the construction and improvement of the City's streets and drainage projects.

CITY OF DEL RIO
Del Rio, Texas

Combining Balance Sheet
Nonmajor Capital Projects Funds

September 30, 2009

	Qualia Relief Route	Animal Shelter	Bicycle and Walking Trail	Fire Station	Capital Projects Streets and Drainage	Total Nonmajor Capital Projects Funds
ASSETS						
Cash and Cash Equivalents	$ 276,472	$ 246,777	$ 121,810	$ 132,825	$ 6,190,796	$ 6,968,680
Receivables, Net	-	-	-	-	-	-
Due from Other Funds	-	-	-	-	261,944	261,944
Total Assets	$ 276,472	$ 246,777	$ 121,810	$ 132,825	$ 6,452,740	$ 7,230,624
LIABILITIES AND FUND BALANCE						
Liabilities						
Accounts Payable	$ -	$ -	$ -	$ 14,150	$ 87,672	$ 101,822
Due to Other Funds	-	-	-	-	107,735	107,735
Total Liabilities	-	-	-	14,150	195,407	209,557
Fund Balances						
Reserved for Encumbrances	-	-	-	-	108,466	108,466
Unreserved	276,472	246,777	121,810	118,675	6,148,867	6,912,601
Total Fund Balances	276,472	246,777	121,810	118,675	6,257,333	7,021,067
Total Liabilities and Fund Balances	$ 276,472	$ 246,777	$ 121,810	$ 132,825	$ 6,452,740	$ 7,230,624

CITY OF DEL RIO
Del Rio, Texas

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance
Nonmajor Capital Projects Funds

For the Year Ended September 30, 2009

	Qualia Relief Route	Animal Shelter	Bicycle and Walking Trail	Fire Station	Capital Projects Streets and Drainage	Total Nonmajor Capital Projects Funds
REVENUES						
Intergovernmental	$ -	$ -	$ 2,472	$ -	$ -	$ 2,472
Investment Earnings	1,787	1,903	559	2,846	53,124	60,219
Total Revenues	1,787	1,903	3,031	2,846	53,124	62,691
EXPENDITURES						
General Government	-	-	-	-	-	-
Debt Service						
Bond Issuance Costs	-	-	-	-	42,847	42,847
Capital Outlay	-	-	3,092	14,151	898,573	915,816
Total Expenditures	-	-	3,092	14,151	941,420	958,663
Excess/(Deficiency) of Revenues Over Expenditures	1,787	1,903	(61)	(11,305)	(888,296)	(895,972)
OTHER FINANCING SOURCES/(USES)						
Issuance of Debt	225	-	-	-	1,045,758	1,045,983
Premium or Discount on Issuance of Bonds	-	-	-	-	2,726	2,726
Total Other Financing Sources/(Uses)	225	-	-	-	1,048,484	1,048,709
Net Change in Fund Balances	2,012	1,903	(61)	(11,305)	160,188	152,737
Fund Balances - Beginning	274,460	244,874	121,871	129,980	6,097,145	6,868,330
Fund Balances - Ending	$ 276,472	$ 246,777	$ 121,810	$ 118,675	$ 6,257,333	$ 7,021,067

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PROPRIETARY FUNDS

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ENTERPRISE FUNDS

The Enterprise Funds are used to account for the provision of specified services to the residents of the City and in some cases to residents of the County. All activities necessary to provide such services are accounted for in the respective funds including administration, maintenance, financing and related debt service, billing and collection.

The financial statements of the Major Enterprise funds operated by the City are included in the basic financial statements section. The Major Enterprise funds and the related services are as follows:

FUND	SERVICE
Gas System	Gas Service
Water System	Water Service
International Bridge	Operation of Toll Bridge
International Airport	Operation of Airport
Refuse/Landfill	Refuse Collection Service
Wastewater	Sewer Service

The Nonmajor Enterprise Fund operated by the City and the related services are as follows:

FUND	SERVICE
Municipal Facilities	Rental of City Facilities

CITY OF DEL RIO
Del Rio, Texas

Gas System

Enterprise Fund

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services			
Utility Charges	$ 3,333,089	$ 3,118,334	$ (214,755)
Miscellaneous Revenues			
Interest Income	75,645	50,184	(25,461)
Other Revenues	-	(1,206)	(1,206)
TOTAL REVENUES	3,408,734	3,167,312	(241,422)
EXPENSES			
Personnel	653,078	666,798	(13,720)
Supplies	132,867	125,852	7,015
Contractual Services and Other Costs	361,594	353,368	8,226
Purchases for Resale	1,124,820	1,080,936	43,884
Debt Charges	90,551	90,677	(126)
Capital Outlay	54,779	46,209	8,570
TOTAL EXPENSES	2,417,689	2,363,840	53,849
Excess/(Deficiency) of Revenues Over Expenses	991,045	803,472	(187,573)
OTHER FINANCING SOURCES/(USES)			
Bond Proceeds	-	-	-
Transfers Out	(1,119,706)	(1,119,706)	-
TOTAL OTHER FINANCING SOURCES/(USES)	(1,119,706)	(1,119,706)	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ (128,661)	(316,234)	$ (187,573)
RECONCILIATION TO NET INCOME (LOSS)			
Add: Capital Outlay		90,341	
Bond Principal		60,000	
Current Year Encumbrances		825	
Less: Prior Year Encumbrances		(68,339)	
Depreciation		(82,370)	
Net Income/(Loss)		$ (315,777)	

CITY OF DEL RIO
Del Rio, Texas

Water System

Enterprise Fund

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Intergovernmental			
Charges for Services			
Metered Water Sales	$ 7,525,275	$ 7,840,793	$ 315,518
Interest Income	205,000	141,536	(63,464)
Miscellaneous Revenue	2,500	16,486	13,986
TOTAL REVENUES	7,732,775	7,998,815	266,040
EXPENSES			
Water Production			
Personnel	439,153	435,747	3,406
Supplies	243,306	192,017	51,289
Contractual Services and Other Costs	2,212,338	2,153,340	58,998
Debt Charges	1,861,535	2,090,749	(229,214)
Capital Outlay	2,369,500	1,183,034	1,186,466
Water Distribution			
Personnel	1,115,514	1,126,229	(10,715)
Supplies	215,769	218,440	(2,671)
Contractual Services and Other Costs	566,550	568,333	(1,783)
Debt Charges	764,603	862,260	(97,657)
Capital Outlay	1,700,000	328,976	1,371,024
Repairs and Replacement			
Supplies	171,500	-	171,500
TOTAL EXPENSES	11,659,768	9,159,125	2,500,643
Excess/(Deficiency) of Revenues Over Expenses	(3,926,993)	(1,160,310)	2,766,683
OTHER FINANCING SOURCES/(USES)			
Proceeds from Long Term Debt	2,348,105	2,347,500	605
Special Item - Legal Settlement	250,000	250,000	-
Transfers Out	(569,394)	(569,394)	-
TOTAL OTHER FINANCING SOURCES/(USES)	2,028,711	2,028,106	4,056,817
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ (1,898,282)	867,796	$ 2,766,078

RECONCILIATION TO NET INCOME/(LOSS)	
Add: Capital Outlay	1,320,851
Principal on Long Term Debt	1,959,277
Current Year Encumbrances	316,332
Less: Depreciation	(1,762,812)
Prior Year Encumbrances	(114,943)
Loss on Disposal of Asset	(355)
Proceeds from Long Term Debt	(2,347,500)
Net Income/(Loss)	$ 238,646

CITY OF DEL RIO
Del Rio, Texas

International Bridge

Enterprise Fund

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services			
Bridge Tolls	$ 4,436,448	$ 4,385,476	$ (50,972)
Miscellaneous Revenues			
Interest Income	60,000	31,886	(28,114)
Rental Income	12,000	12,000	-
Other	22,000	5,315	(16,685)
TOTAL REVENUES	4,530,448	4,434,677	(95,771)
EXPENSES			
International Bridge			
Personnel	434,779	427,451	7,328
Supplies	16,015	16,147	(132)
Contractual Services and Other Costs	151,978	147,708	4,270
Debt Charges	490,038	494,167	(4,129)
Capital Outlay	-	333	(333)
TOTAL EXPENSES	1,092,810	1,085,806	7,004
Excess/(Deficiency) of Revenues Over Expenses	3,437,638	3,348,871	(88,767)
OTHER FINANCING SOURCES/(USES)			
Gain on Sale of Real Property	1,200,000	1,200,000	-
Operating Transfers In	-	-	-
Operating Transfers Out	(4,898,826)	(4,887,312)	11,514
TOTAL OTHER FINANCING SOURCES/(USES)	(3,698,826)	(3,687,312)	11,514
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ (261,188)	(338,441)	$ (77,253)
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Capital Outlay		3,493	
Principal on Long Term Debt		430,000	
Current Year Encumbrances		8,166	
Less: Depreciation		(139,295)	
Prior Year Encumbrances		(5,810)	
Net Income/(Loss)		$ (41,887)	

CITY OF DEL RIO
Del Rio, Texas

International Airport

Enterprise Fund

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services			
Aviation Fuel Fees	$ 55,000	$ 42,314	$ (12,686)
Special Grants	716,948	881,323	164,375
Rental Revenues	168,555	131,011	(37,544)
Interest Income	10,000	3,674	(6,326)
TOTAL REVENUES	950,503	1,058,322	107,819
EXPENSES			
International Airport			
Personnel	230,869	222,263	8,606
Supplies	23,297	21,340	1,957
Contractual Services and Other Costs	124,629	131,111	(6,482)
Debt Service	-	18,011	(18,011)
Capital Outlay	1,735,465	501	1,734,964
Airport Marketing			
Personnel	22,833	22,885	(52)
Contractual Services and Other Costs	46,536	39,037	7,499
CO's Series			
Contractual Services and Other Costs	35,700	3,666	32,034
Capital Outlay	156,538	174,118	(17,580)
JLUS Study			
Personnel	-	428	(428)
FAA Grant			
Contractual Services and Other Costs	50,000	-	50,000
Capital Outlay	638,530	599,710	38,820
TOTAL EXPENSES	3,064,397	1,233,070	1,831,327
Excess/(Deficiency) of Revenues Over Expenses	(2,113,894)	(174,748)	1,939,146
OTHER FINANCING SOURCES/(USES)			
Proceeds from Long Term Debt	1,735,000	1,735,000	-
Transfers In	205,482	205,482	-
Transfers Out	(3,941)	(3,941)	-
TOTAL OTHER FINANCING SOURCES/(USES)	1,936,541	1,936,541	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ (177,353)	1,761,793	$ 1,939,146
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Capital Outlay		774,231	
Current Year Encumbrances		6,644	
Less: Depreciation		(393,687)	
Prior Year Encumbrances		(4,979)	
Loss on Disposal of Capital Asset		(972)	
Proceeds from Long Term Debt		(1,735,000)	
Net Income/(Loss)		$ 408,030	

CITY OF DEL RIO
Del Rio, Texas

Refuse/Landfill

Enterprise Fund

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services			
Refuse Collections	$ 3,508,582	$ 3,626,419	117,837
Miscellaneous Revenues			
Special Grants	-	14,402	14,402
Other Income	14,600	(14,381)	(28,981)
Interest Income	50,000	30,798	(19,202)
TOTAL REVENUES	3,573,182	3,657,238	84,056
EXPENSES			
Refuse			
Personnel	98,766	98,081	685
Supplies	16,022	15,486	536
Contractual Services and Other Costs	2,476,470	2,605,073	(128,603)
Debt Service	498,499	501,417	(2,918)
Capital Outlay	71,253	3,086	68,167
Reserves			
Capital Outlay	235,267	-	235,267
Recycling Program			
Personnel	65,116	63,798	1,318
Supplies	8,630	6,911	1,719
Contractual Services and Other Costs	3,535	2,460	1,075
TOTAL EXPENSES	3,473,558	3,296,312	177,246
Excess/(Deficiency) of Revenues Over Expenses	99,624	360,926	261,302
OTHER FINANCING SOURCES/(USES)			
Transfer In	31,785	-	31,785
Transfers Out	(307,094)	(307,094)	-
TOTAL OTHER FINANCING SOURCES/(USES)	(275,309)	(307,094)	(582,403)
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ (175,685)	53,832	$ 229,517
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Principal on Long Term Debt		403,462	
Capital Outlay		3,086	
Current Year Encumbrances		1,029	
Less: Depreciation		(132,892)	
Prior Year Encumbrances		(6,264)	
Net Income/(Loss)		$ 322,253	

CITY OF DEL RIO
Del Rio, Texas

Wastewater

Enterprise Fund

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services			
Metered Water Sales	$ 3,569,609	$ 3,674,373	$ 104,764
Service Charges	42,000	34,623	(7,377)
Interest Income	75,000	49,291	(25,709)
TOTAL REVENUES	3,686,609	3,758,287	71,678
EXPENSES			
Wastewater Collections			
Personnel	401,921	416,985	(15,064)
Supplies	51,095	43,255	7,840
Contractual Services and Other Costs	362,581	340,652	21,929
Debt Charges	226,149	289,167	(63,018)
Capital Outlay	2,096,749	568,692	1,528,057
Water Treatment			
Contractual Services and Other Costs	1,033,588	1,053,703	(20,115)
Debt Charges	997,377	1,066,965	(69,588)
Wastewater Repairs & Replacement			
Supplies	35,800	(1,931)	37,731
TOTAL EXPENSES	5,205,260	3,777,488	1,427,772
Excess/(Deficiency) of Revenues Over Expenses	(1,518,651)	(19,201)	1,499,450
OTHER FINANCING SOURCES/(USES)			
Proceeds from Long Term Debt	1,304,105	1,303,500	605
Transfers Out	(261,035)	(261,035)	-
TOTAL OTHER FINANCING SOURCES/(USES)	1,043,070	1,042,465	605
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ (475,581)	1,023,264	$ 1,498,845
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Capital Outlays		568,692	
Principal on Long Term Debt		884,761	
Current Year Encumbrances		46,578	
Less: Prior Year Encumbrances		(10,951)	
Depreciation		(538,426)	
Proceeds from Long Term Debt		(1,303,500)	
Net Income/(Loss)		$ 670,418	

CITY OF DEL RIO
Del Rio, Texas

Municipal Facilities

Enterprise Fund

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Facility Rentals	$ 300,335	$ 291,530	$ (8,805)
Miscellaneous Revenues			
Interest Income	5,000	1,987	(3,013)
Miscellaneous	20,500	21,340	840
TOTAL REVENUES	325,835	314,857	(10,978)
EXPENSES			
Civic Center			
Personnel	194,397	207,747	(13,350)
Supplies	27,460	26,872	588
Contractual Services and Other Costs	190,584	185,326	5,258
Debt Service	64,468	67,057	(2,589)
Capital Outlay	110	2,506	(2,396)
San Felipe Center			
Contractual Services and Other Costs	1,015	2	1,013
Chihuahua Center			
Personnel	10,182	5,808	4,374
Supplies	311	310	1
Contractual Services and Other Costs	22,698	25,123	(2,425)
Joe Ramos Center			
Supplies	275	250	25
Contractual Services and Other Costs	14,235	16,251	(2,016)
Paul Poag Facility			
Personnel	101,234	101,304	(70)
Supplies	3,317	2,351	966
Contractual Services and Other Costs	38,783	42,913	(4,130)
DPS Building			
Contractual Services and Other Costs	-	9	(9)
DRCA - Fire Station			
Contractual Services and Other Costs	13,660	9,242	4,418
Capital Outlay	-	14,180	(14,180)
SER - Fire Station			
Supplies	363	399	(36)
Contractual Services and Other Costs	7,334	8,751	(1,417)
Casa De La Cultura			
Contractual Services and Other Costs	7,943	9,966	(2,023)

(Continued)

CITY OF DEL RIO
Del Rio, Texas

Municipal Facilities

Enterprise Fund

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL (NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
EXPENSES (Continued)			
Brown Plaza			
Contractual Services and Other Costs	393	371	22
Whitehead Museum			
Supplies	23,415	28,990	(5,575)
VV Shelter - Fire Station			
Contractual Services and Other Costs	8,938	8,536	402
AARP Building			
Contractual Services and Other Costs	200	213	(13)
Legal Aid/Guzman Building			
Contractual Services and Other Costs	-	4	(4)
TOTAL EXPENSES	731,315	764,481	(33,166)
Excess/(Deficiency) of Revenues Over Expenses	(405,480)	(449,624)	(44,144)
OTHER FINANCING SOURCES/(USES)			
Transfers In	363,581	363,581	-
Transfers Out	(2,365)	(2,365)	-
TOTAL OTHER FINANCING SOURCES/(USES)	361,216	361,216	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ (44,264)	(88,408)	$ (44,144)

RECONCILIATION TO NET INCOME/(LOSS)	
Add: Capital Outlay	16,686
Principal on Long Term Debt	45,486
Current Year Encumbrances	5,185
Less: Depreciation	(107,275)
Prior Year Encumbrances	(4,345)
Loss on Disposal of Asset	(173)
Net Income/(Loss)	$ (132,844)

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INTERNAL SERVICE FUNDS

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

The Internal Service Funds operated by the City and their related services are as follows:

FUND	SERVICE
Utility Billing	Operations of the Utility Billing Office
Computer Services	Operation of In-House Data Processing System
Fleet Services	Operation of the Maintenance Shop
Health Claims Fund	Operation of the Health Claims Self-Insurance Program

CITY OF DEL RIO
Del Rio, Texas

Combining Statement of Net Assets
Internal Service Funds

September 30, 2009

	Utility Billing	Computer Services	Fleet Services	Health Claims Fund	Total Internal Service Funds
ASSETS					
Current Assets					
Cash and Cash Equivalents	$ 16,935	$ -	$ 582,124	$ 368,616	$ 967,675
Restricted Cash and Cash Equivalents	-	171,357	-	-	171,357
Accounts Receivable, Net	-	-	-	175	175
Due from Other Funds	115,548	92,207	24,259	54	232,068
Total Current Assets	132,483	263,564	606,383	368,845	1,371,275
Noncurrent Assets					
Deferred Charges	-	5,947	-	-	5,947
Capital Assets					
Buildings and Improvement	10,478	-	50,721	-	61,199
Equipment	268,649	887,989	40,232	-	1,196,870
Less: Accumulated Depreciation	(207,278)	(633,274)	(83,009)	-	(923,561)
Total Noncurrent Assets	71,849	260,662	7,944	-	340,455
Total Assets	$ 204,332	$ 524,226	$ 614,327	$ 368,845	$ 1,711,730
LIABILITIES AND FUND BALANCE					
Current Liabilities					
Accounts Payable	$ 9,652	$ 7,845	$ 34,337	$ -	$ 51,834
Accrued Payroll	18,109	6,088	11,188	-	35,385
Claims Payable	-	-	-	115,898	115,898
Due to Other Funds	-	207,996	3	9,654	217,653
Compensated Absences	18,315	6,927	12,299	-	37,541
Accrued Interest Payable	-	2,600	-	-	2,600
Bonds Payable	-	60,000	-	-	60,000
Total Current Liabilities	46,076	291,456	57,827	125,552	520,911
Noncurrent Liabilities					
Compensated Absences	54,469	21,413	24,319	-	100,201
Bonds Payable	-	135,000	-	-	135,000
Total Noncurrent Liabilities	54,469	156,413	24,319	-	235,201
Total Liabilities	100,545	447,869	82,146	125,552	756,112
NET ASSETS					
Invested in Capital Assets, Net of Related Debt	71,850	98,631	7,944	-	178,425
Restricted for Debt Service	-	22,600	-	-	22,600
Unrestricted	31,937	(44,874)	524,237	243,293	754,593
Total Net Assets	$ 103,787	$ 76,357	$ 532,181	$ 243,293	$ 955,618

CITY OF DEL RIO
Del Rio, Texas

Combining Statement of Revenues, Expenses, and Changes in Fund Net Assets
Internal Service Funds

For The Year Ended September 30, 2009

	Utility Billing	Computer Services	Fleet Services	Health Claims Fund	Total Internal Service Funds
OPERATING REVENUES					
Charges for Services	$ 690,755	$ 407,990	$ 553,892	$ 2,288,265	$ 3,940,902
Total Operating Revenues	690,755	407,990	553,892	2,288,265	3,940,902
OPERATING EXPENSES					
Personnel	492,886	140,949	243,503	-	877,338
Contractual Service	116,719	200,830	146,587	1,999,363	2,463,499
Supplies	20,259	7,739	334,215	-	362,213
Depreciation	23,353	76,346	2,933	-	102,632
Total Operating Expenses	653,217	425,864	727,238	1,999,363	3,805,682
Operating Income/(Loss)	37,538	(17,874)	(173,346)	288,902	135,220
NON-OPERATING REVENUES/(EXPENSES)					
Investment Earnings	413	1,933	527	798	3,671
(Loss) on Sale of Real and Personal Property	(160)	(98)	-	-	(258)
Interest Expense	-	(11,230)	-	-	(11,230)
Total Non-Operating Revenues/(Expenses)	253	(9,395)	527	798	(7,817)
Income/(Loss) Before Transfers	37,791	(27,269)	(172,819)	289,700	127,403
Transfers In	-	-	649,868	-	649,868
Transfers Out	(106,306)	(788)	-	-	(107,094)
Total Transfers	(106,306)	(788)	649,868	-	542,774
Net Income/(Loss)	(68,515)	(28,057)	477,049	289,700	670,177
Total Net Assets - Beginning	172,302	104,414	55,132	(46,407)	285,441
Total Net Assets - Ending	$ 103,787	$ 76,357	$ 532,181	$ 243,293	$ 955,618

CITY OF DEL RIO
Del Rio, Texas

Combining Statement of Cash Flows
Internal Service Funds

For The Year Ended September 30, 2009

	Utility Billing	Computer Services	Fleet Services	Health Claims Fund	Totals
Cash Flows from Operating Activities:					
Receipts from Users	$ 575,340	$ 315,783	$ 543,302	$ 2,362,517	$ 3,796,942
Payments to Suppliers for Goods and Services	(137,788)	(213,236)	(489,057)	(2,036,512)	(2,876,593)
Payments to Employees for Services	(502,693)	(142,621)	(231,461)	-	(876,775)
Net Cash Provided/(Used) by Operating Activities	(65,141)	(40,074)	(177,216)	326,005	43,574
Cash Flows from Non-Capital Financing Activities:					
Receipts from Interfund Borrowings	-	203,432	-	-	203,432
Transfers In	-	-	649,868	-	649,868
Transfers Out	(106,306)	(788)	-	-	(107,094)
Net Cash Provided/(Used) by Non-Capital Financing Activities	(106,306)	202,644	649,868	-	746,206
Cash Flows from Capital and Related Financing Activities:					
Acquisition of Capital Assets	(8,062)	(9,802)	-	-	(17,864)
Principal Payments on Debt	-	(60,000)	-	-	(60,000)
Interest and Fiscal Charges Paid on Debt	-	(10,198)	-	-	(10,198)
Net Cash Provided/(Used) by Capital and Related Financing Activities	(8,062.00)	(80,000)	-	-	(88,062)
Cash Flows from Investing Activities:					
Receipts from Earnings on Investments	413	1,933	527.00	623	3,496
Net Cash Provided/(Used) by Investing Activities	413	1,933	527.00	623	3,496
Net Increase/(Decrease) in Cash and Cash Equivalents	(179,096)	84,503	473,179	326,628	705,214
Cash and Cash Equivalents at Beginning of Year	196,031	86,854	108,945.00	41,988	433,818
Cash and Cash Equivalents at End of Year	$ 16,935	$ 171,357	$ 582,124	$ 368,616	$ 1,139,032
Reconciliation of Operating Income to Net Cash Provided/(Used) By Operating Activities:					
Operating Income/(Loss)	$ 37,538	$ (17,874)	$ (173,346)	$ 288,902	$ 135,220
Adjustments to Reconcile Operating Income to Net Cash Provided/(Used) by Operating Activities:					
Depreciation	23,353	76,346	2,933	-	102,632
Changes in Assets and Liabilities:					
Increase/(Decrease) in Liabilities:					
Miscellaneous	80	1,770	-	-	1,850
Decrease/(Increase) in Due from Other Funds	(115,414)	(92,207)	(10,587)	64,590	(153,618)
Increase/(Decrease) in Vouchers and Accounts Payable	1,293	(5,969)	(7,184)	-	(11,860)
Increase/(Decrease) in Accrued Liabilities	(9,807)	(1,672)	12,042	(37,141)	(36,578)
Increase/(Decrease) in Due to Other Funds	(2,184)	(468)	(1,074)	9,654.00	5,928
Net Cash Provided/(Used) by Operations	$ (65,141)	$ (40,074)	$ (177,216)	$ 326,005	$ 43,574

CITY OF DEL RIO
Del Rio, Texas

Utility Billing

Internal Service Fund

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services	$ 690,775	$ 690,755	$ (20)
Interest Revenue	2,000	413	(1,587)
TOTAL REVENUES	692,775	691,168	(1,607)
EXPENSES			
Billing			
Personnel Services	526,808	492,886	33,922
Supplies	17,713	17,221	492
Contractual and Other Costs	115,849	116,456	(607)
Capital Outlay	2,172	2,172	-
TOTAL EXPENSES	662,542	628,735	33,807
Excess/(Deficiency) of Revenues Over Expenses	30,233	62,433	32,200
OTHER FINANCING SOURCES/(USES)			
Transfers Out	(106,306)	(106,306)	-
TOTAL OTHER FINANCING SOURCES/(USES)	(106,306)	(106,306)	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ (76,073)	(43,873)	$ 32,200
Add: Capital Outlay		8,063	
Current Year Encumbrances		1,860	
Less: Depreciation		(23,353)	
Loss on Disposal of Asset		(160)	
Prior Year Encumbrances		(11,052)	
Net Income/(Loss)		$ (68,515)	

CITY OF DEL RIO
Del Rio, Texas

Computer Services

Internal Service Fund

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services	$ 393,950	$ 407,990	$ 14,040
Interest Revenue	5,000	1,933	(3,067)
TOTAL REVENUES	398,950	409,923	10,973
EXPENSES			
Personnel Services	148,374	140,949	7,425
Supplies	8,481	7,635	846
Contractual and Other Costs	176,211	198,324	(22,113)
Debt Charges	70,200	71,230	(1,030)
Capital Outlay	-	2,482	(2,482)
TOTAL EXPENSES	403,266	420,620	(17,354)
Excess/(Deficiency) of Revenues Over Expenses	(4,316)	(10,697)	(6,381)
OTHER FINANCING SOURCES/(USES)			
Interfund Transfers	(788)	(788)	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ (5,104)	(11,485)	$ (6,381)
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Capital Outlay		9,802	
Principal on Long Term Debt		60,000	
Current Year Encumbrances		3,794	
Less: Depreciation		(76,346)	
Loss on Disposal of Asset		(98)	
Prior Year Encumbrances		(13,724)	
Net Income/(Loss)		$ (28,057)	

CITY OF DEL RIO
Del Rio, Texas

Fleet Maintenance

Internal Service Fund

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services	$ 724,515	$ 553,892	$ (170,623)
Miscellaneous Revenue	-	527	527.00
TOTAL REVENUES	724,515	554,419	(170,096)
EXPENSES			
Maintenance Shop			
Personnel Services	248,750	243,503	5,247
Supplies	335,550	338,536	(2,986)
Contractual Services and Other Costs	150,058	146,355	3,703
Capital Outlay	-	-	-
TOTAL EXPENSES	734,358	728,394	5,964
Excess/(Deficiency) of Revenues Over Expenses	(9,843)	(173,975)	(164,132)
OTHER FINANCING SOURCES/(USES)			
Bond Proceeds	-	-	-
Interfund Transfers	649,868	649,868	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ 640,025	475,893	$ (164,132)
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Current Year Encumbrances		4,336	
Less: Depreciation		(2,933)	
Prior Year Encumbrances		(247)	
Net Income/(Loss)		$ 477,049	

CITY OF DEL RIO
Del Rio, Texas

Health Claims Self-Insurance

Internal Service Fund

SCHEDULE OF REVENUES AND EXPENSES - BUDGET AND ACTUAL
(NON-GAAP BUDGETARY BASIS)

For The Year Ended September 30, 2009

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services	$ 2,250,828	$ 2,288,265	$ 37,437
Interest Revenue	15,000	798	(14,202)
TOTAL REVENUES	2,265,828	2,289,063	23,235
EXPENSES			
Claims and Insurance Expense	2,154,000	1,999,363	154,637
TOTAL EXPENSES	2,154,000	1,999,363	154,637
Excess/(Deficiency) of Revenues Over Expenses	$ 111,828	289,700	$ 177,872
RECONCILIATION TO NET INCOME/(LOSS)		-	
Net Income/(Loss)		$ 289,700	

FIDUCIARY FUNDS

AGENCY FUNDS

Val Verde Migratory Fund

This fund is used to retain funds of a federal program that was completed in preceding periods but is awaiting final distribution of funds.

Brown Plaza Association

This fund is used to account for Hotels Occupancy Taxes Allocated to the Brown Plaza Association for the purpose of historical preservation and restoration.

Familias Unidas

This fund is used to account for funds provided by the City of Del Rio to Familias Unidas of Val Verde County, Inc., a Texas non-profit corporation, to develop a self-help home ownership project.

CITY OF DEL RIO
Del Rio, Texas

Combining Statement of Assets and Liabilities
All Agency Funds

September 30, 2009

	Val Verde Migratory	Brown Plaza Association	Familias Unidas	Total Agency Funds
ASSETS				
Cash & Cash Equivalents	$ 1,102	$ 6,836	$ 2,877	$ 10,815
Due from Other Funds	-	-	-	-
Total Assets	$ 1,102	$ 6,836	$ 2,877	$ 10,815
LIABILITIES				
Accounts Payable	$ -	$ 2,534	$ -	$ 2,534
Due to Other Governments	1,102	-	-	1,102
Due to Other Funds	-	66	-	66
Other Liabilities	-	4,236	2,877	7,113
Total Liabilities	$ 1,102	$ 6,836	$ 2,877	$ 10,815

CITY OF DEL RIO
Del Rio, Texas

Combining Statement of Changes in Assets and Liabilities - All Agency Funds

For Fiscal Year Ended September 30, 2009

	Balance September 30, 2008	Additions	Deductions	Balance September 30, 2009
VAL VERDE MIGRATORY				
ASSETS				
Cash and Cash Equivalents	$ 1,102	$ -	$ -	$ 1,102
LIABILITIES				
Due to Other governments	$ 1,102	$ -	$ -	$ 1,102
BROWN PLAZA ASSOCIATIONS				
ASSETS				
Cash and Cash Equivalents	$ 8,346	$ -	$ 1,510	$ 6,836
Due from Other Funds	1,539	-	1,539	-
Total Assets	$ 9,885	$ -	$ 3,049	$ 6,836
LIABILITIES				
Accounts Payable	$ 213	$ 2,321	$ -	$ 2,534
Due to Other Funds	66	-	-	66
Other Liabilities	9,606	-	5,370	4,236
Total Assets	$ 9,885	$ 2,321	$ 5,370	$ 6,836
FAMILIAS UNIDAS FUND				
ASSETS				
Cash and Cash Equivalents	$ 2,864	$ 13	$ -	$ 2,877
LIABILITIES				
Other Liabilities	$ 2,864	$ 13	$ -	$ 2,877
TOTALS ALL AGENCY FUNDS				
ASSETS				
Cash and Cash Equivalents	$ 12,312	$ 13	$ 1,510	$ 10,815
Due from Other Funds	1,539	-	1,539	-
Total Assets	$ 13,851	$ 13	$ 3,049	$ 10,815
LIABILITIES				
Accounts Payable	$ 213	$ 2,321	$ -	$ 2,534
Due to Other Governments	1,102	-	-	1,102
Due to Other Funds	66	-	-	66
Other Liabilities	12,470	13	5,370	7,113
Total Liabilities	$ 13,851	$ 2,334	$ 5,370	$ 10,815

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STATISTICAL SECTION

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NET ASSETS BY COMPONENT

Last Seven Fiscal Years
(accrual basis of accounting)

	Fiscal Year Ended		
	2003	2004	2005
Governmental activities:			
Invested in capital assets, net of related debt	$ 814,849	$ 846,131	$ 7,509,898
Restricted	6,092,470	7,973,654	917,303
Unrestricted	9,683,684	7,078,583	7,454,168
Total governmental activities net assets	$ 16,591,003	$ 15,898,368	$ 15,881,369
Business-type activities:			
Invested in capital assets, net of related debt	$ 37,679,248	$ 34,360,833	$ 42,390,269
Restricted	4,045,051	4,045,051	4,976,141
Unrestricted	13,348,353	16,017,827	12,415,787
Total business-type activities net assets	$ 55,072,652	$ 54,423,711	$ 59,782,197
Primary government:			
Invested in capital assets, net of related debt	$ 38,494,097	$ 35,206,964	$ 49,900,167
Restricted	10,137,521	12,018,705	5,893,444
Unrestricted	23,032,037	23,096,410	19,869,955
Total primary government net assets	$ 71,663,655	$ 70,322,079	$ 75,663,566

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

September 30,			
2006	2007	2008	2009
$ 8,199,922	$ 23,019,074	$ 26,004,429	$ 25,316,082
4,637,793	1,461,375	1,528,280	1,621,266
6,655,175	8,029,517	5,076,153	6,442,616
$ 19,492,890	$ 32,509,966	$ 32,608,862	$ 33,379,964
$ 52,695,228	$ 70,638,087	$ 72,313,297	$ 71,715,885
5,012,557	3,907,175	5,181,784	5,357,982
7,105,779	7,038,786	6,376,746	7,866,148
$ 64,813,564	$ 81,584,048	$ 83,871,827	$ 84,940,015
$ 60,895,150	$ 93,657,161	$ 98,317,726	$ 97,031,967
9,650,350	5,368,550	6,710,064	6,979,248
13,760,954	15,068,303	11,452,899	14,308,764
$ 84,306,454	$ 114,094,014	$ 116,480,689	$ 118,319,979

CITY OF DEL RIO, TEXAS
Del Rio, Texas

CHANGES IN NET ASSETS

Last Seven Fiscal Years

	Fiscal Year Ended		
	2003	2004	2005
EXPENSES			
Governmental activities:			
General government	$ 3,363,001	$ 3,695,073	$ 3,839,470
Public Safety	8,773,534	8,502,128	8,802,378
Highway and Streets	1,160,942	1,054,279	1,133,554
Health and Welfare	1,379,786	1,746,705	1,983,877
Culture and Recreation	1,225,644	1,141,002	1,217,415
Economic Development & Assistance	43,097	52,936	53,652
Debt Service	797,172	582,151	725,282
Total governmental activities expenses	16,743,176	16,774,274	17,755,628
Business-type activities:			
Gas System Fund	2,663,044	2,563,779	2,904,210
Water Fund	5,137,591	6,323,336	6,152,730
Wastewater Fund	2,812,963	3,115,354	3,151,744
International Bridge	777,383	865,131	867,836
International Airport	759,307	690,262	1,310,428
Refuse Fund	1,585,337	2,133,973	1,909,430
Municipal Facility	712,395	653,039	684,440
Total business-type activities expenses	14,448,020	16,344,874	16,980,818
Total primary government expenses	$ 31,191,196	$ 33,119,148	$ 34,736,446
PROGRAM REVENUES			
Governmental activities:			
Charges for services:	2,407,278	2,401,322	2,278,866
Operating grants and contributions	1,093,675	1,477,708	1,762,712
Capital grants and contributions	68,671	54,265	232,837
Total governmental activities program revenues	3,569,624	3,933,295	4,274,415
Business-type activities:			
Charges for services:	19,340,725	19,387,372	20,383,105
Operating grants and contributions	-	-	213,320
Capital grants and contributions	1,271,531	442,313	4,318,020
Total business-type activities program revenues	20,612,256	19,829,685	24,914,445
Total primary government program revenues	$ 24,181,880	$ 23,762,980	$ 29,188,860

September 30, 2006	2007	2008	2009
$ 4,435,554	$ 4,641,023	$ 4,874,568	$ 4,811,856
9,249,477	9,608,589	11,358,661	11,295,932
1,044,844	2,691,478	2,831,743	2,675,125
2,193,550	1,979,321	2,153,804	2,203,587
1,333,113	1,393,745	1,469,681	1,466,511
3,763	-	56,997	186,179
848,916	1,049,381	1,118,191	1,156,596
19,109,217	21,363,537	23,863,645	23,795,786
3,323,198	2,656,139	3,158,365	2,355,155
6,492,167	6,845,309	6,659,671	7,423,702
3,160,761	2,906,194	2,648,891	2,824,730
762,408	792,628	807,081	789,252
1,196,736	763,646	938,345	850,861
2,310,023	2,033,810	1,930,453	3,032,432
757,395	784,911	789,228	805,855
18,002,688	16,782,637	16,932,034	18,081,987
$ 37,111,905	$ 38,146,174	$ 40,795,679	$ 41,877,773
1,936,095	2,153,438	2,181,324	2,006,693
1,727,117	1,493,750	1,942,606	1,880,961
950,024	171,039	128,665	42,865
4,613,236	3,818,227	4,252,595	3,930,519
22,565,786	21,646,406	22,909,095	23,184,432
111,320	481,121	910,985	14,402
3,562,130	59,400	292,441	881,323
26,239,236	22,186,927	24,112,521	24,080,157
$ 30,852,472	$ 26,005,154	$ 28,365,116	$ 28,010,676

(Continued)

CITY OF DEL RIO, TEXAS
Del Rio, Texas

CHANGES IN NET ASSETS

Last Seven Fiscal Years

	Fiscal Year Ended		
	2003	2004	2005
NET (EXPENSE) REVENUES			
Governmental activities	$ (13,173,552)	$ (12,840,979)	$ (13,481,213)
Business-type activities	6,164,236	3,484,811	7,933,627
Total primary government net expense	(7,009,316)	(9,356,168)	(5,547,586)
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS			
Governmental activities:			
Property Taxes	3,508,992	3,769,546	4,157,226
Sales Taxes	3,997,270	4,152,974	4,296,541
Franchise Taxes	1,578,781	1,516,110	1,585,572
Other Taxes	527,087	522,182	549,139
Miscellaneous Revenue	16,602	22,615	31,562
Investment Earnings	209,428	168,034	497,534
Gain/(Loss) on Sale of Capital Assets	82,994	47,069	2,317
Transfers	3,981,392	4,475,174	3,443,668
Total governmental activities	13,902,546	14,673,704	14,563,559
Business-type activities:			
Grants & Contributios Not Restricted to Specific Programs	22,250	269,534	-
Investment earnings	230,088	199,620	468,527
Transfers	(3,981,392)	(4,475,174)	(3,443,668)
Total business-type activities	(3,729,054)	(4,006,020)	(2,975,141)
Total primary government	10,173,492	10,667,684	11,588,418
CHANGE IN NET ASSETS			
Governmental activities	728,994	1,832,725	1,082,346
Business-type activities	2,435,182	(521,209)	4,958,486
Total primary government	$ 3,164,176	$ 1,311,516	$ 6,040,832

Note: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

September 30, 2006	2007	2008	2009
$ (14,495,981)	$ (17,545,310)	$ (19,611,050)	$ (19,865,267)
8,236,548	5,404,290	7,180,487	5,998,170
(6,259,433)	(12,141,020)	(12,430,563)	(13,867,097)
4,561,255	4,958,440	5,550,083	6,175,495
4,732,125	4,967,765	4,990,064	4,883,143
1,705,967	1,712,242	1,794,502	1,799,776
605,502	686,807	707,038	646,564
45,061	22,988	34,137	33,360
864,698	1,172,883	821,417	269,521
77,493	-	43,604	140,419
4,196,113	5,034,899	5,769,101	6,688,091
16,788,214	18,556,024	19,709,946	20,636,369
-	-	-	-
990,932	1,295,463	876,393	309,769
(4,196,113)	(5,034,899)	(5,769,101)	(6,688,091)
(3,205,181)	(3,739,436)	(4,892,708)	(6,378,322)
13,583,033	14,816,588	14,817,238	14,258,047
2,292,233	1,010,714	98,896	771,102
5,031,367	1,664,854	2,287,779	(380,152)
$ 7,323,600	$ 2,675,568	$ 2,386,675	$ 390,950

CITY OF DEL RIO, TEXAS
Del Rio, Texas

FUND BALANCES
GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	Fiscal Year Ended				
	2000	2001	2002	2003	2004
General fund					
Reserved	$ 2,138,458	$ 382,871	$ 825,575	$ 423,742	$ 629,074
Unreserved	3,187,411	5,671,722	6,539,395	6,745,503	7,579,802
Total general fund	$ 5,325,869	$ 6,054,593	$ 7,364,970	$ 7,169,245	$ 8,208,876
All other governmental funds					
Reserved	$ 46,448	$ 87,086	$ 111,472	$ 285,210	$ 154,492
Unreserved, reported in:					
Special revenue funds	946,362	899,477	654,254	206,406	292,095
Capital projects funds	226,554	1,388,828	5,873,234	4,778,263	6,887,134
Debt service funds	460,725	455,392	523,747	650,285	639,916
Total all other governmental funds	$ 1,680,089	$ 2,830,783	$ 7,162,707	$ 5,920,164	$ 7,973,637

September 30				
2005	2006	2007	2008	2009
$ 823,506	$ 571,575	$ 1,319,600	$ 1,025,167	$ 885,552
7,080,607	7,770,946	8,548,649	8,385,018	8,018,522
$ 7,904,113	$ 8,342,521	$ 9,868,249	$ 9,410,185	$ 8,904,074
$ 182,647	$ 79,395	$ 263,639	$ 165,266	$ 512,334
343,537	468,235	93,097	284,996	9,768
8,379,656	6,277,655	12,314,262	12,570,642	7,407,643
827,240	948,496	1,288,784	1,447,889	1,249,435
$ 9,733,080	$ 7,773,781	$ 13,959,782	$ 14,468,793	$ 9,179,180

CITY OF DEL RIO, TEXAS
Del Rio, Texas

CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

Last Ten Fiscal Years

	Fiscal Year Ended				
	2000	2001	2002	2003	2004
REVENUES					
Taxes	$ 8,071,092	$ 8,585,224	$ 9,126,219	$ 9,473,258	$ 9,869,525
Licenses, fees and permits	344,828	384,400	524,800	402,271	363,476
Intergovernmental	8,020,599	4,418,097	3,100,178	1,162,345	1,492,433
Charges for services	496,541	369,032	361,398	585,024	1,159,618
Fines and forfeitures	475,098	552,888	547,182	592,495	712,666
Investment earnings	-	-	-	193,846	155,764
Rental revenues	-	-	-	41,814	35,219
Miscellaneous	872,389	506,527	529,040	61,672	256,037
Total revenues	18,280,547	14,816,168	14,188,817	12,512,725	14,044,738
EXPENDITURES					
General government	2,298,665	3,043,733	3,437,811	3,335,825	3,579,351
Public safety	6,749,241	7,158,590	7,672,647	7,717,481	7,909,777
Highway and streets	2,795,385	1,669,011	1,983,542	1,138,831	1,372,482
Health and welfare	5,137,764	1,930,905	1,266,333	1,232,157	1,561,777
Culture and recreation	189,416	1,136,461	1,096,966	1,129,729	1,066,098
Economic development and assistance	-	-	-	42,880	49,838
Debt service	687,443	859,526	1,025,715	-	-
Principal	-	-	-	1,077,414	1,209,916
Interest	-	-	-	595,412	562,547
Administrative charges	-	-	-	-	-
Capital outlay	3,086,871	2,561,113	2,451,803	3,350,279	1,439,996
Total expenditures	20,944,785	18,359,339	18,934,817	19,620,008	18,751,782
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(2,664,238)	(3,543,171)	(4,746,000)	(7,107,283)	(4,707,044)
OTHER FINANCING SOURCES (USES)					
Bonds issued	772,992	1,273,217	5,150,000	5,768,058	3,217,000
Sale of capital assets	70,612	27,106	56,391	96,044	107,974
Insurance proceeds	-	-	1,154,446	-	-
Transfer in	4,781,946	5,290,066	5,165,648	6,069,139	5,925,088
Payments of refunded debt	-	-	-	(4,155,000)	-
Discount on issuance of debt	-	-	-	-	-
Premium on issuance of debt	-	-	-	-	-
Transfer out	(750,432)	(1,059,877)	(917,099)	(2,087,748)	(1,449,914)
Total other financing sources (uses)	4,875,118	5,530,512	10,609,386	5,690,493	7,800,148
NET CHANGE IN FUND BALANCES	$ 2,210,880	$ 1,987,341	$ 5,863,386	$ (1,416,790)	$ 3,093,104
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	4.0%	5.8%	6.6%	11.5%	11.4%

Note: Detailed information on debt service expenditures is not available in this format prior to 2003.

September 30				
2005	2006	2007	2008	2009
$ 10,457,768	$ 11,420,528	$ 12,235,530	$ 12,901,104	$ 13,391,336
438,592	397,350	512,538	500,120	372,305
2,086,291	2,677,141	1,660,319	2,066,264	1,923,824
1,297,217	1,335,327	1,182,562	1,165,902	1,329,202
731,120	669,961	708,683	720,678	598,820
464,321	814,467	1,115,628	790,991	266,264
55,333	48,014	81,161	53,136	69,802
98,524	69,863	68,601	72,142	49,067
15,629,166	17,432,651	17,565,022	18,270,337	18,000,620
3,794,923	4,160,811	4,489,078	4,527,501	4,763,271
8,200,423	8,453,094	9,118,216	10,285,753	10,533,351
1,439,312	1,495,074	1,689,994	1,683,606	1,645,043
1,698,972	1,940,665	1,857,207	1,875,811	1,997,567
1,147,504	1,245,095	1,303,430	1,363,903	1,382,621
50,044	3,738	-	56,350	187,331
-	-	-	-	-
1,530,066	1,592,347	1,860,695	2,016,487	2,376,014
614,332	754,716	879,729	1,058,150	1,095,161
-	-	265,588	60,525	46,024
4,574,866	4,799,256	2,810,808	4,287,092	7,005,216
23,050,442	24,444,796	24,274,745	27,215,178	31,031,599
(7,421,276)	(7,012,145)	(6,709,723)	(8,944,841)	(13,030,979)
5,333,171	-	9,750,385	3,485,000	1,044,000
99,119	73,494	56,191	135,298	144,634
-	-	-	11,389	-
6,437,302	6,843,542	7,813,430	8,433,925	8,388,486
-	-	(422,055)	-	-
-	-	(18,479)	-	7,610
-	-	20,511	-	-
(2,993,634)	(2,745,070)	(2,778,531)	(3,069,824)	(2,349,475)
8,875,958	4,171,966	14,421,452	8,995,788	7,235,255
$ 1,454,682	$ (2,840,179)	$ 7,711,729	$ 50,947	$ (5,795,724)
13.1%	13.6%	16.3%	15.8%	17.1%

CITY OF DEL RIO
Del Rio, Texas

ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY

Last Ten Fiscal Years

Fiscal Year Ended Sept. 30	Tax Year	Real Property			Personal Property
		Residential Property	Agricultural Property	Commercial Property	
2000	1999	$ 289,916,470	$ 1,880,810	$ 241,389,699	$ 77,292,682
2001	2000	437,486,823	7,724,565	113,692,709	80,308,711
2002	2001	494,677,590	6,225,310	114,867,710	114,319,620
2003	2002	520,270,610	5,952,840	115,048,430	129,977,430
2004	2003	548,864,500	8,043,420	125,146,040	162,376,740
2005	2004	576,958,680	8,246,980	125,606,450	149,825,670
2006	2005	587,341,790	8,210,570	142,805,070	167,547,740
2007	2006	656,285,904	9,645,230	160,516,430	158,049,890
2008	2007	694,787,175	9,720,500	199,147,015	163,950,590
2009	2008	762,395,404	8,825,800	233,825,075	154,678,270

Source: Val Verde County Appraisal District certified totals for the years indicated

Note: Property in Val Verde County is reassessed once every three years on average.
Tax rates are per $100 of assessed value.

Less: Tax-exempt Property	Total Taxable Assessed Value	Total Direct Tax Rate Per $100	Estimated Actual Taxable Value	Assessed Value as a Percentage of Actual Vaule
$ 23,513,532	$ 586,966,129	0.00000	$ 610,479,661	96.15%
39,437,570	599,775,238	0.00000	639,212,808	93.83%
61,557,365	668,532,865	0.00000	730,090,230	91.57%
59,858,480	711,390,830	0.00000	771,249,310	92.24%
76,347,445	768,083,255	0.00000	844,430,700	90.96%
64,182,156	796,455,624	0.00000	860,637,780	92.54%
62,313,097	843,592,073	0.52055	905,905,170	93.12%
75,012,529	909,484,925	0.52055	984,497,454	92.38%
77,150,272	990,455,008	0.54055	1,067,605,280	92.77%
75,175,004	1,084,549,545	0.56055	1,159,724,549	93.52%

CITY OF DEL RIO
Del Rio, Texas

DIRECT AND OVERLAPPING PROPERTY TAX RATES

Last Ten Fiscal Years

		City Direct Rates			Overlapping Rates			
Fiscal Year Ended Sept. 30	Tax Year	Maintenance and Operations	General Obligation Debt Service	Total Direct Rate	San Felipe Del Rio School District	Val Verde County	Val Verde Regional Hospital	Total Direct and Overlapping Debt
2000	1999	0.42312	0.04236	0.46548	1.34220	0.37560	0.20910	2.39238
2001	2000	0.42519	0.04029	0.46548	1.44860	0.39700	0.19010	2.50118
2002	2001	0.41942	0.05058	0.47000	1.44860	0.38970	0.14450	2.45280
2003	2002	0.41900	0.05100	0.47000	1.45500	0.46900	0.15200	2.54600
2004	2003	0.39659	0.07341	0.47000	1.44550	0.46600	0.15020	2.53170
2005	2004	0.42466	0.08089	0.50555	1.51268	0.46600	0.14630	2.63053
2006	2005	0.41238	0.10817	0.52055	1.51200	0.46600	0.13800	2.63655
2007	2006	0.38904	0.13151	0.52055	1.43185	0.46600	0.13420	2.55260
2008	2007	0.386130	0.154420	0.54055	1.139048	0.466000	0.13420	2.27980
2009	2008	0.397630	0.162920	0.56055	1.166700	0.463700	0.12840	2.31935

Source: Val Verde County Tax Office
Val Verde County Appraisal District

CITY OF DEL RIO
Del Rio, Texas

PRINCIPAL PROPERTY TAXPAYERS

Current Year and Nine Years Ago

	Fiscal Year Ended September 30, 2009			Fiscal Year Ended September 30, 2000		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
WAL MART REAL ESTATE	$ 13,365,540	1	1.23%	$ -		0.00%
AEP	8,793,040	2	0.81%	-		0.00%
WAL-MART STORES #01-0447	7,979,050	3	0.74%	3,952,499	5	0.73%
HOME DEPOT USA INC	7,812,250	4	0.72%	-		0.00%
MALL SHOPPING CTR INC	7,472,110	5	0.69%	7,288,237	2	1.35%
VERIZON SOUTHWEST	7,306,950	6	0.67%	2,623,030		0.49%
HOME DEPOT USA INC	5,267,460	7	0.49%	-		0.00%
ALCOA INC	4,934,350	8	0.45%	-		0.00%
MAX & MAX INC.	4,834,060	9	0.45%	2,244,845		0.42%
H E BUTT GROCERY CO	4,764,700	10	0.44%	5,162,369	4	0.96%
GENERAL TEL CO OF SW	-		0.00%	8,466,440	1	1.57%
CENTRAL POWER & LIGHT	-		0.00%	6,873,670	3	1.27%
H E BUTT GROCERY CO	-		0.00%	3,784,985	6	0.70%
NSC ELECTRONICS INC	-		0.00%	3,544,490	7	0.66%
MAX & MAX INC.	-		0.00%	2,358,898	8	0.44%
DL DEL RIO I L P	-		0.00%	2,097,480	9	0.39%
OLSON DAVID C	-		0.00%	2,050,000	10	0.38%
Total	$ 72,529,510		6.69%	$ 50,446,943		9.35%
Total Taxable Assessed Value	$ 1,084,549,545			$ 539,482,566		

Source: Val Verde County Appraisal District

CITY OF DEL RIO
Del Rio, Texas

PROPERTY TAX LEVIES AND COLLECTIONS

Last Ten Fiscal Years

(Amounts Expressed in Thousands

Fiscal Year Ended Sept. 30	Tax Year	Taxes Levied for the Fiscal Year	Collected With the Fiscal Year of the Levy		Collections in Subsequent Years	Adjustments	Total Collections to Date	
			Amount	Percentage of Levy			Amount	Percentage of Levy
2000	1999	$ 2,653	$ 2,485	93.67%	152	(1)	$ 2,637	99.40%
2001	2000	2,792	2,601	93.16%	164	(7)	2,765	99.03%
2002	2001	3,142	2,911	92.65%	182	(2)	3,093	98.44%
2003	2002	3,344	3,073	91.90%	206	(7)	3,279	98.06%
2004	2003	3,610	3,309	91.66%	218	(19)	3,527	97.70%
2005	2004	4,008	3,695	92.19%	227	(1)	3,922	97.85%
2006	2005	4,391	3,984	90.73%	214	(87)	4,198	95.60%
2007	2006	4,736	4,399	92.88%	179	(41)	4,578	96.66%
2008	2007	5,244	4,937	94.15%	130	5	5,067	96.62%
2009	2008	5,910	5,513	93.28%	-	(64)	5,513	93.28%

Sources: City of Del Rio Tax Division

CITY OF DEL RIO
Del Rio, Texas

WATER PUMPED AND WATER BILLED

Last Four Fiscal Years

Fiscal Year Ended Sept. 30	Gallons of Water Produced	Gallons of Water Consumed	Gallons of Water Unbilled	Average Percent Unbilled	Total Direct Rate Water	
					Base Rate (1)	Usage Rate (2)
2006 (3)	3,089,820,000	2,419,552,100	670,267,900	21.69%	$ 8.90	$ 2.62
2007	2,398,180,000	1,897,272,400	500,907,600	20.89%	8.90	2.77
2008	2,785,720,000	2,335,020,300	450,699,700	16.18%	8.90	2.77
2009	3,065,620,000	2,462,731,400	602,888,600	19.67%	8.90	2.77

Note
(1) Base rate shown is for 5/8" and 3/4" meters.
(2) The usage rate shown is for residential customers.
(3) Information prior to 2006 is not available

CITY OF DEL RIO
Del Rio, Texas

NEW WATER AND SEWER CONNECTIONS

Last Four Fiscal Years

Fiscal Year Ended Sept. 30	New Water Connections	New Sewer Connections	Total New Connections
2006	242	-	242
2007	348	97	445
2008	220	82	302
2009	115	75	190

CITY OF DEL RIO
Del Rio, Texas

NUMBER OF WATER AND SEWER CUSTOMERS

Last Three Fiscal Years

Fiscal Year Ended Sept. 30		Water						Sewer
		Residential		Commercial (1)				
		Inside City	Outside City	Inside City	Outside City	Cemeteries	Total	
2007	(2)	11,474	1,197	1,317	75	9	14,072	12,269
2008		11,622	1,220	1,348	79	9	14,278	12,469
2009		11,685	1,227	1,355	75	9	14,351	12,562

Note (1) Commercial meter counts include governments
(2) Information prior to 2007 is not available

CITY OF DEL RIO
Del Rio, Texas

WATER AND SEWER RATES

LAST FOUR FISCAL YEARS

Water Rates (per meter size)	Fiscal Year Ended September 30, 2006	2007	2008	2009
5/8"	$ 8.90	$ 8.90	$ 8.90	$ 8.90
3/4"	8.90	8.90	8.90	8.90
1"	13.28	13.28	13.28	13.28
1.5"	22.28	22.28	22.28	22.28
2"	34.88	34.88	34.88	34.88
3"	70.86	70.86	70.86	70.86
4"	121.25	121.25	121.25	121.25
6"	276.22	276.22	276.22	276.22
8"	466.70	466.70	466.70	466.70
10"	725.81	725.81	725.81	725.81
12"	1,042.48	1,042.48	1,042.48	1,042.48
Water Usage Rates (per 1,000 gallons)				
Residences	2.62	2.77	2.77	2.77
Business House	2.62	2.77	2.77	2.77
Cemeteries	2.62	2.77	2.77	2.77
Governments				
Inside City	3.02	3.17	3.17	3.17
Outside City	3.62	3.62	3.62	3.62
Laughlin AFB	1.89	1.89	1.89	1.89
Sprinkler	3.61	3.76	3.76	3.76
Sewer Rates				
Minimum (3,00 gallons)	8.19	8.19	8.19	8.19
Per 1,000 gallons over minimum				
Residential	1.98	2.49	2.49	2.49
Duplexes	1.98	2.49	2.49	2.49
All other	1.98	2.49	2.49	2.49
High-strength	As computed	As computed	As computed	As computed

Note: Information prior to 2006 is not available.

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CITY OF DEL RIO
Del Rio, Texas

WATER BILLED BY USER

Last Four Fiscal Years

Fiscal Year Ended Sept. 30	Residential	Commercial	Industrial	Cemeteries	City of Del Rio
2006	1,584,569,300	365,581,100	11,259,600	12,439,700	70,453,900
2007	1,195,748,000	326,046,800	12,645,100	9,142,300	46,022,300
2008	1,538,905,700	318,902,000	6,917,300	12,194,400	55,130,300
2009	1,591,482,200	338,910,400	5,425,800	9,114,900	65,348,600

Note: Information prior to 2006 is not available.

Governments					Gallons of Water Billed
Laughlin AFB	School District	Val Verde County	State of Texas	Federal	
233,504,000	87,640,800	39,034,200	4,062,500	11,007,000	2,419,552,100
216,207,000	48,941,100	33,460,400	3,882,500	5,176,900	1,897,272,400
296,672,000	65,584,200	31,853,100	3,391,800	5,469,500	2,335,020,300
342,143,000	68,495,800	30,995,100	2,849,000	8,266,600	2,463,031,400

CITY OF DEL RIO, TEXAS
Del Rio, Texas

RATIOS OF NET GENERAL BONDED DEBT OUTSTANDING

LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year Ended Sept. 30	General Bonded Debt Outstanding			Percentage of Actual Taxable Value of Property	Per Capita
	General Obligation Bonds	Less Debt Service	Total		
2000	$ 5,380	$ 234	$ 5,146	0.90%	$ 123
2001	7,241	392	6,849	1.14%	202
2002	12,255	498	11,757	1.76%	347
2003	13,381	674	12,707	1.79%	375
2004	16,077	664	15,413	2.01%	453
2005	20,762	859	19,903	2.51%	569
2006	19,068	948	18,120	2.15%	510
2007	26,588	1,289	25,299	2.78%	693
2008	28,002	1,448	26,554	2.68%	728
2009	26,610	1,249	25,360	2.34%	695

Notes:

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

Property value data can be found on Pages 125-126.

Population data can be found on Page 148.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

As of September 30, 2009
(amounts expressed in thousands)

Government Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
City of Del Rio	$ 73,006	100.00%	$ 73,006
San Felipe Del Rio Independent School District	54,351	85.37%	46,399
Val Verde County	360	70.59%	254
Val Verde County Hospital	-	0.00%	-
Total direct and overlapping debt			$ 119,659

Sources: San Felipe Del Rio Consolidated Independent School District
Val Verde County Treasurer's Office

CITY OF DEL RIO, TEXAS
Del Rio, Texas

DEBT MARGIN INFORMATION

Last Ten Fiscal Years
(amounts expressed in thousands)

	Fiscal Year Ended				
	2000	2001	2002	2003	2004
Debt limit	$ 81,511	$ 85,685	$ 91,785	$ 77,125	$ 84,443
Total net debt applicable to limit	5,146	6,849	11,756	13,381	16,077
Debt margin	$ 76,365	$ 78,836	$ 80,029	$ 63,744	$ 68,366
Total net debt applicable to the limit as a percentage of debt limit.	6%	8%	13%	17%	19%

Notes: (1) Starting in the fiscal year ended in 2003, the city computes its debt limit as 10% of assessed valuation as a guide for itself. The City operates under a home-rule charter as authorixed by the Constitution of the State of Texas. The Constitution and the City Charter provide that taxes levied for general purposes and for paying debt cannot exceed $2.50 of assessed valuation. There is no constitutional or statutory limitation within the $2.50 for interest and sinking fund purposes. However, the Texas Attorney General adopted an administrative policy prohibiting issuance of debt if the issuance produces debt service requirements exceeding that which can be paid from $1.50 of the $2.50 tax rate calculated at 90% collection.

Debt Margin Calculation for Fiscal Year 2009

Assessed value		$ 1,082,826
Debt limit (10% of assessed value)		108,283
Debt applicable to limit:		
General obligation bonds	26,610	
Less: Amount set aside for repayment of general obligation debt	1,249	
Total net debt applicable to limit		25,360
Debt margin		$ 82,923

September 30,				
2005	2006	2007	2008	2009
$ 85,743	$ 84,359	$ 90,949	$ 99,046	$ 108,283
20,762	18,120	25,299	27,066	25,360
$ 64,981	$ 66,239	$ 65,650	$ 71,980	$ 82,923
24%	21%	28%	27%	23%

CITY OF DEL RIO, TEXAS
Del Rio, Texas

RATIOS OF OUTSTANDING DEBT BY TYPE

Last Ten Fiscal Years
(amounts expressed in thousands

	Governmental Activities			Business-type Activities			
Fiscal Year Ended Sept. 30	Certificates of Obligation	Refunding Bonds Note (1)	Capital Leases	Certificates of Obligation	Revenue Bonds Note (1)	Refunding Bonds Note (1)	Capital Leases
2000	1,025	4,355	874	8,165	24,035	-	681
2001	3,021	4,220	862	10,254	28,034	-	529
2002	8,710	4,075	1,262	26,383	6,883	10,985	202
2003	9,512	4,255	813	27,191	2,286	15,960	64
2004	12,477	4,010	425	30,735	1,948	15,275	19
2005	17,042	3,720	25	25,984	1,579	21,295	-
2006	15,773	3,295	-	24,982	1,294	20,295	-
2007	23,343	3,245	-	19,671	988	26,460	-
2008	25,040	3,198	-	18,693	661	25,224	-
2009	23,934	2,675	-	22,443	613	23,125	-

Notes: (1) Prior to the fiscal year ending in 2002, the City did not separate its bonds outstanding into revenue or refunding type bor

(2) Personal income and population data can be found on Page 14

Total Primary Governmen	Per Capita Income	Percentage of Personal Income	Popu-lation	Per Capita
39,135	11,277	8.33%	41,637	940
46,920	11,919	11.62%	33,865	1,386
58,500	12,039	14.35%	33,865	1,727
60,081	13,053	13.59%	33,865	1,774
64,889	13,234	14.48%	33,865	1,916
69,645	13,378	14.66%	35,500	1,962
65,639	13,255	13.95%	35,500	1,849
73,707	13,306	15.18%	36,491	2,020
72,816	13,306	15.00%	36,491	1,995
72,790	14,174	14.07%	36,491	1,995

CITY OF DEL RIO, TEXAS
Del Rio, Texas

PLEDGED REVENUE COVERAGE - WASTEWATER FUND BONDED DEBT

(amounts expressed in thousands)

Fiscal Year Ended	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2003	$ 2,794	$ 1,458	$ 1,335	$ 436	$ 405	$ 841	1.59
2004	2,556	1,619	1,020	447	462	909	1.12
2005	2,898	1,666	1,232	568	468	1,035	1.19
2006	3,123	1,706	1,417	662	625	1,287	1.10
2007	3,472	1,857	1,615	803	535	1,338	1.21
2008	3,490	1,629	1,860	830	465	1,295	1.44
2009	3,709	1,817	1,892	885	468	1,353	1.40

Notes: Prior to the fiscal year ended Septemeber 30, 2003. The City combined the Water and Wastewater funds into one bond coverage statistical data table. Starting with fiscal year ended September 30, 2003, the city separated it into two statistical data tables, the bond coverage for the Water fund and the Wastewater fund.

Operating expenses does not include depreciation expense.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

BOND COVERAGE - UTILITY COMMISSION / WATER FUND BONDED DEBT

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended		Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
					Principal	Interest	Total	
2000	(1)	$ 7,032	$ 3,231	$ 3,801	$ -	$ -	$ 2,050	1.85
2001	(1)	7,493	3,803	3,690	-	-	2,776	1.33
2002	(1)	8,780	3,620	5,160	-	-	2,975	1.73
2003		6,407	3,150	3,257	1,145	1,233	2,378	1.37
2004		5,941	3,265	2,676	1,447	1,215	2,659	1.01
2005		6,704	3,015	3,689	1,501	1,154	2,655	1.39
2006		8,047	3,316	4,731	1,558	984	2,542	1.86
2007		6,025	3,947	2,078	1,798	1,185	2,983	0.70
2008		7,277	3,920	3,356	1,840	917	2,758	1.22
2009		7,857	4,684	3,173	1,959	989	2,948	1.08

Notes: (1) Prior to the fiscal year ended Septemeber 30, 2003. The City combined the Water and Wastewater funds into one bond coverage statistical data table. Starting with fiscal year ended September 30, 2003, the city separated it into two statistical data tables, the bond coverage for the Water fund and the Wastewater fund.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

BOND COVERAGE - INTERNATIONAL BRIDGE FUND BONDED DEBT

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2000	$ 4,780	$ 418	$ 4,362	$ 240	$ 244	$ 484	9.01
2001	4,684	479	4,205	255	232	487	8.63
2002	4,960	462	4,498	270	220	490	9.19
2003	4,746	448	4,298	270	206	476	9.04
2004	4,567	552	4,015	285	141	426	9.43
2005	4,610	566	4,044	295	126	421	9.61
2006	4,631	474	4,157	315	110	425	9.79
2007	5,300	532	4,768	330	105	435	10.95
2008	5,027	545	4,482	400	81	481	9.31
2009	4,403	586	3,817	430	61	491	7.77

CITY OF DEL RIO, TEXAS
Del Rio, Texas

BOND COVERAGE - REFUSE FUND BONDED DEBT

Last Ten Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2000	$ 1,495	$ 1,168	$ 326	$ 75	$ 120	$ 195	1.67
2001	1,698	879	819	80	115	195	4.20
2002	1,897	1,156	742	96	174	270	2.75
2003	2,207	1,148	1,060	113	130	243	4.35
2004	2,503	1,584	919	283	168	451	2.04
2005	2,154	1,349	805	296	145	441	1.83
2006	2,189	1,763	426	367	137	504	0.85
2007	2,142	1,531	610	370	149	519	1.18
2008	2,196	1,698	498	386	107	493	1.01
2009	3,612	2,797	815	403	97	501	1.63

CITY OF DEL RIO, TEXAS
Del Rio, Texas

BOND COVERAGE - GAS FUND BONDED DEBT

Last Four Fiscal Years
(amounts expressed in thousands)

Fiscal Year Ended	Gross Revenues	Operating Expenses	Net Revenue Available for Debt Service	Debt Service Requirements			Coverage
				Principal	Interest	Total	
2005	$ 3,947	$ 2,694	$ 1,253	$ 35	$ 22	$ 57	21.98
2006	4,136	3,093	1,043	55	39	94	11.06
2007	4,235	2,562	1,672	55	34	89	18.69
2008	4,354	3,011	1,343	60	32	92	14.52
2009	3,117	2,250	867	60	30	90	9.60

CITY OF DEL RIO, TEXAS
Del Rio, Texas

DEMOGRAPHIC AND ECONOMIC STATISTICS

Last Ten Fiscal Years

Calendar Year	Population	Per Capita Personal Income	Median Age	Education Level Years of Formal Schooling	School Enrollment	Unemployment Rate
2000	41,637	11,277	31.1	11.4	10,046	5.9%
2001	33,865	11,919	30	11.4	10,171	5.0%
2002	33,865	12,039	31	11.4	10,296	7.0%
2003	33,865	13,053	32	11.4	10,501	7.4%
2004	33,865	13,234	33	11.4	10,304	6.4%
2005	35,500	13,378	33	11.4	10,376	5.5%
2006	35,500	13,255	33	11.4	10,461	5.3%
2007	36,491	13,306	34	11.4	10,162	4.9%
2008	36,491	13,306	34	11.4	10,232	5.3%
2009	36,491	14,174	34	11.4	10,229	8.8%

Sources: Population, per capita personal income and median age information provided by the CBL & Associates Properties Inc.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

PRINCIPAL EMPLOYERS

Current Year and Three Years Ago

	2006		2009	
Employer	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment
Laughlin Airforce Base	2,782	13.81%	2,871	14.83%
Federal Agencies	1,955	9.70%	1,978	10.22%
San Felipe Del Rio CISD	1,567	7.78%	1,420	7.34%
City of Del Rio	485	2.41%	470	2.43%
Plaza Del Sol Mall	445	2.21%	381	1.97%
Wal-Mart Supercenter	473	2.35%	472	2.44%
Val Verde Regional Medical Center	500	2.48%	379	1.96%
The GEO Group Correctional Facility	198	0.98%	289	1.49%
HEB Grocery	256	1.27%	305	1.58%
Texas State Agencies	222	1.10%	222	1.15%
Val Verde County	206	1.02%	207	1.07%
Union Pacific Railroad	150	0.74%	150	0.77%
Home Depot	79	0.39%	79	0.41%
Total	9,318	46.25%	9,223	47.64%

Source: Del Rio Chamber of Commerce Website and individual employers

Note: Information for nine years ago is not available; 2006 is the first year principal employer information is available.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

SCHEDULE OF INTERNATIONAL BRIDGE FUND TRAFFIC AND REVENUE

LAST TEN FISCAL YEARS

Fiscal Year Ended	Trucks		Automobiles (1)		Pedestrians/Bicycles	
	Number	Revenue	Number	Revenue	Number	Revenue
2000	63,329	$ 705,915	1,956,335	$ 3,912,670	59,738	$ 14,934
2001	62,373	687,084	1,922,537	3,845,074	59,105	14,776
2002	71,413	796,830	2,025,881	4,051,762	66,468	16,617
2003	70,431	791,853	1,935,818	3,871,636	68,202	17,051
2004	65,381	760,458	1,871,726	3,743,452	88,867	22,217
2005	65,957	766,977	1,708,646	3,713,675	66,912	43,910
2006	70,955	816,192	1,709,980	3,729,188	55,205	35,593
2007	70,071	799,455	1,739,030	4,403,178	57,767	43,325
2008	64,159	852,786	1,600,006	4,048,616	65,890	49,418
2009	50,019	678,542	1,443,413	3,647,862	69,340	52,005

Fiscal Year Ended	Recreational Vehicles		Buses/Trucks	
	Number	Revenue	Number	Revenue
2000	44	$ 176	7,370	$ 33,165
2001	71	284	7,336	33,012
2002	88	352	6,576	29,592
2003	50	200	4,341	19,535
2004	41	164	182	819
2005	42	168	2,494	11,223
2006	49	196	3,512	15,804
2007	41	164	3,495	15,728
2008	40	280	1,731	12,117
2009	17	119	1,025	7,175

Fiscal Year Ended	Total		
	Number of Vehicles	Number of People	Revenue
2000	2,027,078	$ 59,738	$ 4,666,860
2001	1,992,317	59,105	4,580,230
2002	2,103,958	66,468	4,895,153
2003	2,010,640	68,202	4,700,274
2004	1,937,330	88,867	4,527,110
2005	1,777,139	66,912	4,535,953
2006	1,784,496	55,205	4,596,973
2007	1,812,637	57,767	5,261,850
2008	1,665,936	65,890	4,963,216
2009	1,494,474	69,340	4,385,703

Notes: (1) Includes motorcycles and carts.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

FULLTIME EQUIVALENT CITY GOVERNMENT EMPLOYEES

BY FUNCTION/PROGRAM
Fiscal Year Ended September 30,

Function/Program	2009	2008	2007	2006
General Government	66	84	78	77
Public Safety	183	175	165	169
Highway and Streets	26	26	28	27
Health and Welfare	41	39	38	37
Culture and Recreation	34	34	35	34
Economic Development	0	1	-	-
Gas	24	20	19	20
Water	54	43	43	44
Bridge	14	14	14	13
Airport	7	7	6	8
Refuse	8	2	2	2
Municipal Facilities	9	8	9	9
Wastewater	16	13	16	17
Total	482	466	453	457

Notes: Generally, full time employees are scheduled to work 80 hours bi-weekly. Full time equivalents were computed by

Starting in the fiscal year ended September 30, 2009, the full time equivalents in the City's Utility Billing Fund are

Information prior to 2006 is not available.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

OPERATING INDICATORS BY FUNCTION/PROGRAM

Fiscal Year Ended September 30,

Function/Program	2009	2008	2007	2006
General government				
Building permits issued	474	654	710	705
Police				
Physical arrests	1,947	2,396	1,970	2,094
Parking violations	100	10	12	115
Traffic violations	5,341	14,308	4,639	6,978
Fire				
Emergency responses	1,560	1,032	1,046	1,170
Fires extinguished	78	110	78	133
Inspections	650	408	515	756
Refuse collection				
Refuse collected (tons per day)	155	204	159	398
Other public works				
Street resurfacing (miles)	2	3	3	12
Potholes repaired	1,793	2,208	4,003	2,422
Water				
New connections	115	220	348	242
Water main breaks	944	935	998	921
Average daily consumption (thousands of gallons)	8,547	8,484	12,280	15,790
Peak daily consumption (thousands of gallons)	12,869	14,920	14,520	16,190
Wastewater				
Average daily sewage treatment (thousands of gallons)	4,138	3,638	3,810	3,655

Note: Information prior to 2006 is not available.

Source: Various City departments

CITY OF DEL RIO, TEXAS
Del Rio, Texas

CAPITAL ASSET STATISTICS BY FUNCTION/PROGRAM

Fiscal Year Ended September 30,

Function/Program	2009	2008	2007	2006
Police				
Stations	1	1	1	1
Patrol units	33	45	47	32
Fire				
Stations	4	4	4	3
Other public works				
Streets (miles)	218	218	225	224
Streetlights	1,765	1,800	1,900	1,750
Traffic signals	16	16	15	15
Parks and recreation				
Acreage	276	276	276	163
Swimming Pools	2	2	2	2
Tennis Courts	2	2	2	2
Community centers	1	1	1	1
Water				
Water mains (miles)	250	245	250	235
Fire hydrants	1,135	1,100	1,115	1,137
Wastewater				
Sanitary sewers (miles)	220	181	210	196
Storm sewers (miles)	1	1	1	1

Note: Information prior to 2006 is not available.

Source: Various City department

SINGLE AUDIT SECTION

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Garza/Gonzalez & Associates
CERTIFIED PUBLIC ACCOUNTANTS

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 and Members
of the City of Council
City of Del Rio, Texas

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Del Rio, Texas, (the "City") as of and for the year ended September 30, 2009, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 10, 2010. 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.

Internal Control Over Financial Reporting

In planning and performing our audit, we considered the City's internal control over financial reporting as a basis for designing our auditing procedures 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 over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over financial reporting.

A control deficiency 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 misstatements on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the City's ability to initiate, authorize, record, process, or report financial data reliably in accordance with generally accepted accounting principles such that there is more than a remote likelihood that a misstatement of the City's financial statements that is more than inconsequential will not be prevented or detected by the City's internal control.

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A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that a material misstatement of the financial statements will not be prevented or detected by the City's internal control.

Our consideration of internal control over financial reporting was for the limited purpose described in the preceding paragraph and would not necessarily identify all deficiencies in internal control over financial reporting that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City's financial statements are free of 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.*

We noted certain matters that we reported to management of the City in a separate letter dated March 10, 2010.

This report is intended solely for the information and use of management, the City Council, and federal and state awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

March 10, 2010

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Garza/Gonzalez & Associates
CERTIFIED PUBLIC ACCOUNTANTS

REPORT ON COMPLIANCE WITH REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH OMB CIRCULAR A-133

Honorable Mayor and Members
of the City Council
City of Del Rio, Texas

Compliance

We have audited the compliance of the City of Del Rio, Texas, with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that are applicable to its major federal program for the year ended September 30, 2009. The City of Del Rio, Texas' major federal program is identified in the summary of auditors' results section of the accompanying Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to its major federal program is the responsibility of the City of Del Rio, Texas' management. Our responsibility is to express an opinion on the City of Del Rio, Texas' compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, Audits of States, Local Governments and Nonprofit Organizations. Those standards and OMB Circular A133 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 program occurred. An audit includes examining, on a test basis, evidence about the City of Del Rio, Texas compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City of Del Rio, Texas compliance with those requirements.

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In our opinion, the City of Del Rio, Texas complied, in all material respects, with the requirements referred to above that are applicable to its major federal program for the year ended September 30, 2009.

Internal Control Over Compliance

The management of the City is responsible for establishing and maintaining effective internal control over compliance with the requirements of laws, regulations, contracts, and grants applicable to federal programs. In planning and performing our audit, we considered the City's internal control over compliance with the requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance, 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 control deficiency in an entity's internal control over compliance 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 noncompliance with a type of compliance requirement of a federal program on a timely basis. A significant deficiency is a control deficiency, or combination of control deficiencies, that adversely affects the entity's ability to administer a federal program such that there is more than a remote likelihood that noncompliance with a type of compliance requirement of a federal program that is more than inconsequential will not be prevented or detected by the entity's internal control.

A material weakness is a significant deficiency, or combination of significant deficiencies, that results in more than a remote likelihood that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected by the entity's internal control.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and would not necessarily identify all deficiencies in internal control that might be significant deficiencies or material weaknesses. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses, as defined above.

This report is intended solely for the information and use of management, the City Council, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

March 10, 2010

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CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended September 30, 2009

SECTION I --- SUMMARY OF AUDITORS' RESULTS

Financial Statements			
	Type of auditor's report issued: Unqualified		
	Internal control over financial reporting: • Material weakness(es) identified?	_____Yes	__X__No
	• Reportable condition(s) identified not considered to be material weaknesses?	_____Yes	__X__None Reported
	Noncompliance material to financial statements noted?	_____Yes	__X__No

Federal Awards			
	Internal control over major programs: • Material weakness(es) identified?	_____Yes	__X__No
	• Reportable condition(s) identified not considered to be material weaknesses?	_____Yes	__X__None Reported
	Type of auditor's report issued on compliance for major programs	Unqualified	
	Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section. 510(a)?	_____Yes	__X__No

Identification of Major Programs		
	CFDA Numbers(s)	**Name of Federal Program or Cluster**
	10.557 20.509	Women, Infants and Children Section 5311 Transportation Grant
Dollar threshold used to distinguish between Type A and Type B programs:		$300,000
Auditee qualified as low-risk auditee?		__X__Yes _____No

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended September 30, 2009

SECTION II --- FINANCIAL STATEMENT FINDINGS

There were no financial statement findings required to be reported in accordance with *Government Auditing Standards*.

SECTION III --- FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

There were no federal award findings and questioned costs required to be reported in accordance by OMB Circular A-133, Section .510(a).

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended September 30, 2009

Pass Through Grantor's Number	Grantor/Pass Through Grantor/Program Title/Grant Title	Passed Through Entity Identifying Number	Federal CFDA Number	Expenditures
FEDERAL AWARDS:				
	U.S. Department of Agriculture			
	Pass Through Texas Department of Health			
C4000543	Women, Infants and Children		10.557	$ 15,617
C4000543	Women, Infants and Children		10.557	476,166
	Total U.S. Department of Agriculture			491,783
	Office of Economic Adjustment, Department of Defense			
	Joint Land Use Study		12.610	428
	U.S. Department of Transportation			
	Federal Aviation Administration			
	Airport Expansion Project	0422DLRio	20.106	27,000
	Airport Improvement	3-48-0066-006-2007	20.106	22,061
	Airport Improvement	3-48-0066-007-2007/008-2008	20.106	442,760
	Airport Improvement	3-48-0066-009-2009	20.106	130,958
	Airport Hanger Project	09HGDLRio	20.106	34,769
	Federal Transit Administration			
	Section 5311 Grant	51822F7095	20.509	168,823
	Section 5311 Grant	51822F7256	20.509	12,488
	Section 5311 Grant	51922F7016RPT901(22)	20.509	143,546
	Section 5311 Grant	51922F7016RPT903(22)	20.509	178,562
	Section 5310 Elderly Disabled Transportation	51822F7180	20.513	38,168
	Section 5316 JARC Colonias Grant	51722F7088	20.516	11,230
	Section 5316 JARC Colonias Grant	51922F7310	20.516	9,803
	Total U.S. Department of Transportation			1,220,168
	Passed Through Texas Department			
	Texas Department of Transportation			
	Del Rio San Felipe Bicycle and Walking	C35-922-11-018, 0224827	n/a	2,531
	Texas Traffic Safety Program - Click it or Ticket		20.600	6,478
	Total Passed Through Texas Department of Transportation			6,478
	U.S. Department of Health & Human Services			
	Passed Through Middle Rio Grande Development Council			
	Home Delivered Meal Rate $4.95		93.045	96,485
	Congregate Meal Rate $5.95		93.045	77,173
	Transportation Rate of Reimburse $5.35		93.044	13,282
	Participant Assessment $37.75		93.045	9,011
	Total Passed Through Texas Department of Transportation			195,951
	Passed Through Texas Department of Aging and Disability Services			
	Home Delivered Meals, Title XX	AAA-2005-024-01	93.667	196,322
	Home Delivered Meals, Title XIX	AAA-2005-024-01	93.778	89,015
	Total Passed Through Texas Department of Transportation			285,337
	Total U.S. Department of Health & Human Services			481,288
	U.S. Department of Homeland Security			
	Federal Emergency Management Agency			
	SAFER Grant	EMW-2008-FF-01252	97.044	153,941
	Bullet Proof Vest Partnership Grant		Unknown	610
	Total U.S. Department of Homeland Security			154,551
	Total Federal Awards			$ 2,354,268

The notes to the Schedule of Expenditures of Federal Awards form an integral part of this schedule.

CITY OF DEL RIO
Del Rio, Texas

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For Year Ended September 30, 2009

1. The accompanying schedule of expenditures of federal and state awards includes the federal grant activity of the City and is presented on the modified accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, "*Audits of States, Local Governments, and Non-Profit Organizations.*" Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic financial statements.

   For programs which require a local match the amount reported as expenditures does not include expenditures paid with local matching funds.

2. Expenditures reported for the Section 5311 Grant are reported to the extent they match federal grant receipts since the projects are financed by multiple sources.

CITY OF DEL RIO
Del Rio, Texas

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

Year Ended September 30, 2009

There were no findings or questioned costs in the prior year.

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Schedules of Grant Receipts and Expenditures

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Federal Programs

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR W.I.C.
CFDA	10.557
FUND SOURCE	U.S.D.A. - TEXAS DEPARTMENT OF HEALTH
GRANT NO.	C4000543
PERIOD	OCTOBER 1, 2008 - SEPTEMBER 30, 2008

	ACTUAL		
	PRIOR YEAR	CURRENT YEAR	TOTAL
RECEIPTS			
TDH Contract	$ 346,548	$ 88,513	$ 435,061
TDH Contract-Dietician	9,029	794	9,823
TDH Contract-Lactation	-	7,175	7,175
TDH Contract-Vendor Liaison	238	515	753
Total Receipts	355,815	96,997	452,812
EXPENDITURES			
PERSONNEL	247,601	233	247,834
FRINGE BENEFITS	71,348	(237)	71,111
TRAVEL	5,235	-	5,235
SUPPLIES	16,783	11,007	27,790
OTHER	67,302	4,614	71,916
INDIRECT	28,926	-	28,926
Total Expenditures	437,195	15,617	452,812
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ (81,380)	$ 81,380	$ -

Note: Current year expenditures adjusted to reflect actual report total as submitted to WIC.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	SPECIAL SUPPLEMENTAL FOOD PROGRAM FOR W.I.C.
CFDA	10.557
FUND SOURCE	U.SD.A. - TEXAS DEPARTMENT OF HEALTH
GRANT NO.	C4000543
PERIOD	OCTOBER 1, 2009 - SEPTEMBER 30, 2009

	ACTUAL
RECEIPTS	
TDH Contract	$ 362,937
TDH Contract-Dietician/	6,661
TDH Contract-Vendor Liaison	458
Total Receipts	370,056
EXPENDITURES	
Personnel	260,049
Fringe benefits	87,168
Travel	6,075
Equipment	-
Supplies	23,022
Other	63,141
Indirect	36,711
Total Expenditures	476,166
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ (106,110)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	JOINT LAND USE STUDY
CFDA	12.610
FUND SOURCE	OFFICE OF ECONOMIC ADJUSTMENT, DEPARTMENT OF DEFENSE
GRANT NO.	EN0416-07-01-07-01
PERIOD	JANUARY 1, 2007 - JUNE 31, 2008

		ACTUAL			
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL	
RECEIPTS					
Federal	$ 195,696	$ 71,297	$ 152,480	$ 223,777	
Local	21,718	24,414	47	24,461	(a)
Total Receipts	217,414	95,711	152,527	248,238	
EXPENDITURES					
Salaries	78,130	59,253	428	59,681	
Fringe Benefits	19,236	13,842	-	13,842	
Contractual	148,779	148,850	-	148,850	
Total Expenditures	246,145	221,945	428	222,373	
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ (28,731)	$ (126,234)	$ 152,099	$ 25,865	

(a) Eleven percent of total expenditures

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	AIRPORT EXPANSION PROJECT
CFDA	20.106
FUND SOURCE	TEXAS DEPARTMENT OF TRANSPORTATION
GRANT NO.	0422DLRIO

		ACTUAL			
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL	
REVENUES					
Federal	$ 8,590,530	$ 8,093,242	$ 27,000	$ 8,120,242	
Local	968,958	899,250	3,000	902,250	(a)
Total Receipts	9,559,488	8,992,492	30,000	9,022,492	
EXPENDITURES					
Capital Outlay	9,559,488	8,992,491	30,000	9,022,491	
Total Expenditures	9,559,488	8,992,491	30,000	9,022,491	
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ 1	$ -	$ 1	

(a) The City has sent in $1,259,660 in local contributions for both 0422DLRIO and 09HGDLRIO. The CIty match is generally 10% but portions of the project are 100% City match. For interim purposes, City portion is calculated at 10%.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	AIRPORT IMPROVEMENT
CFDA	20.106
FUND SOURCE	FEDERAL AVIATION ADMINISTRATION
GRANT NO.	3-48-0066-006-2007
PERIOD	AUGUST 1, 2007 - SEPTEMBER 30, 2008

		ACTUAL		
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL
RECEIPTS				
Federal	$ 1,000,000	$ 757,676	$ 22,061	$ 779,737
Local	52,632	39,878	1,161	41,039 (a)
Total Receipts	1,052,632	797,554	23,222	820,776
EXPENDITURES				
Capital Outlay	1,052,632	797,554	23,228	820,782
Total Expenditures	1,052,632	797,554	23,228	820,782
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ -	$ (6)	$ (6)

(a) Five percent of capital outlay

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	AIRPORT IMPROVEMENT
CFDA	20.106
FUND SOURCE	FEDERAL AVIATION ADMINISTRATION
GRANT NO.	3-48-0066-007-2008/3-48-0066-008-2008
PERIOD	OCTOBER 1, 2007 - SEPTEMBER 30, 2009

		ACTUAL		
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL
RECEIPTS				
Federal	$ 1,000,000	$ -	$ 692,945	$ 692,945
Local	52,632	13,168 (a)	23,303	36,471
Total Receipts	1,052,632	13,168	716,248	729,416
EXPENDITURES				
Capital Outlay	1,052,632	263,353	466,063	729,416
Total Expenditures	1,052,632	263,353	466,063	729,416
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (250,185)	$ 250,185	$ -

(a) Five percent of capital outlay

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2008

PROGRAM	AIRPORT IMPROVEMENT
CFDA	20.106
FUND SOURCE	FEDERAL AVIATION ADMINISTRATION
GRANT NO.	3-48-0066-009-2009
PERIOD	OCTOBER 1, 2008 - SEPTEMBER 30, 2009

	BUDGET	CURRENT YEAR	
RECEIPTS			
Federal	$ 324,621	$ 125,382	
Local	17,086	6,892	(a)
Total Receipts	341,707	132,274	
EXPENDITURES			
CAPITAL OUTLAY	341,707	137,850	
Total Receipts	341,707	137,850	
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (5,575)	

(a) Five percent of capital outlay

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	AIRPORT HANGAR PROJECT
CFDA	20.106
FUND SOURCE	TEXAS DEPARTMENT OF TRANSPORTATION
GRANT NO.	09HGDLRIO

	BUDGET	CURRENT YEAR	
REVENUES			
Federal	$ 300,000	$ 34,769	
Local	276,711	8,692	(a)
Total Receipts	576,711	43,461	
EXPENDITURES			
Capital Outlay	576,711	43,461	
Total Expenditures	576,711	43,461	
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ -	

(a) The City has sent in $1,259,660 in local contributions for both 0422DLRIO and 09HGDLRIO. The CIty match is generally 20% but portions of the project are 100% City match. For interim purposes, City match is calculated at 20%.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	SECTION 5311 GRANT
CFDA	20.509
FUND SOURCE	U.S. DEPARTMENT OF TRANSPORTATION-TRANSIT-TXDOT
CONTRACT No.	51822F7095
PROJECT No.	RPT 803 (22) 31
PERIOD	FEBRUARY 5, 2008 - AUGUST 31, 2009

		ACTUAL		
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL
RECEIPTS				
Federal (TxDOT)	$ 334,080	$ 57,859	$ 168,823	$ 226,682
Local Fares and Contract Revenue	-	-	2,754	2,754
Total Receipts	334,080	57,859	171,577	229,436
EXPENDITURES				
Capital	97,000	18,791	73,190	91,981
Other Capital	19,931		22,685	22,685
Administrative	84,149	84,149	-	84,149
Operations	133,000	133,000	-	133,000
Total Expenditures	334,080	235,940	95,875	331,815
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (178,080)	$ 75,702	$ (102,378)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	SECTION 5311 GRANT
CFDA	20.509
FUND SOURCE	U.S. DEPARTMENT OF TRANSPORTATION-TRANSIT-TXDOT
GRANT NO.	51722F7241
PROJECT NO.	RPT 705 (22) 30
PERIOD	MARCH 1, 2007 - AUGUST 31, 2008

		ACTUAL		
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL
RECEIPTS				
Federal (TxDot Contract)	$ 257,211	$ 270,382	$ -	$ 270,382
Local Fares/Contract Revenue	-	164,443	-	164,443
Building Rental	-	16,500	-	16,500
City Match	-	13,948	-	13,948
Total Receipts	257,211	465,273	-	465,273
EXPENDITURES				
Administrative	71,442	71,442	-	71,442
Operations	185,769	198,940	-	198,940
Local-Operations	-	247,556	(52,665)	194,891
Total Expenditures	257,211	517,938	(52,665)	465,273
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (52,665)	$ 52,665	$ -

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	SECTION 5311 GRANT
CFDA	20.509
FUND SOURCE	U.S. DEPARTMENT OF TRANSPORTATION-TRANSIT-TXDOT
CONTRACT No.	51822F7256
PROJECT No.	RPT 805 (22) 30
PERIOD	JULY 1, 2008 - AUGUST 31, 2009

	BUDGET	CURRENT YEAR
RECEIPTS		
Federal (TxDOT)	$ 12,488	$ 12,488
Total Receipts	12,488	12,488
EXPENDITURES		
Operations	12,488	12,488
Total Expenditures	12,488	12,488
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ -

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	SECTION 5311 GRANT
CFDA	20.509
FUND SOURCE	U.S. DEPARTMENT OF TRANSPORTATION-TRANSIT-TXDOT
CONTRACT No.	51922F7016
PROJECT No.	RPT 901 (22)
PERIOD	SEPTEMBER 1, 2008 - AUGUST 31, 2009

		ACTUAL		
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL
RECEIPTS				
State (TxDOT)	$ 256,414	$ -	$ 143,546	$ 143,546
Total Receitps	256,414	-	143,546	143,546
EXPENDITURES				
Administrative	51,251	16,670	34,581	51,251
Operations	205,163	96,139	109,024	205,163
Total Expenditures	256,414	112,809	143,605	256,414
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (112,809)	$ (60)	$ (112,868)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	SECTION 5311 GRANT
CFDA	20.509
FUND SOURCE	U.S. DEPARTMENT OF TRANSPORTATION-TRANSIT-TXDOT
CONTRACT No.	51922F7016
PROJECT No.	RPT 903 (22)
PERIOD	SEPTEMBER 1, 2008 - AUGUST 31, 2009

	BUDGET	CURRENT YEAR
RECEIPTS		
Federal (TxDOT)	$ 256,414	$ 178,562
Total Receipts	256,414	178,562
EXPENDITURES		
Administrative	70,005	48,747
Operations	186,409	129,815
Total Expenditures	256,414	178,562
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ -

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	SECTION 5310 GRANT
CFDA	20.513
FUND SOURCE	U.S. DEPARTMENT OF TRANSPORTATION-TRANSIT-TXDOT
CONTRACT No.	51822F7180
PROJECT No.	ED 803 (22) 03
PERIOD	SEPTEMBER 1, 2008 - AUGUST 31, 2009

		ACTUAL		
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL
RECEIPTS				
Federal (TxDOT)	$ 63,152	$ 6,907	$ 38,168	$ 45,075
Local Fares and Contract Revenue	15,788	686	1,245	1,931
Total Receipts	78,940	7,593	39,413	47,006
EXPENDITURES				
Preventive Maintenance as Capital	78,940	21,352	43,410	64,762
Total Expenditures	78,940	21,352	43,410	64,762
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (13,759)	$ (3,997)	$ (17,756)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	SECTION 5310 GRANT
CFDA	20.513
FUND SOURCE	U.S. DEPARTMENT OF TRANSPORTATION-TRANSIT-TXDOT
CONTRACT No.	51922F7222
PROJECT No.	ED 0902 (22) 04
PERIOD	SEPTEMBER 1, 2009 - AUGUST 31, 2010

	BUDGET	CURRENT YEAR
RECEIPTS		
Federal (TxDOT)	$ 30,771	$ -
Local Fares and Contract Revenue	2,484	-
Total Receipts	33,255	-
EXPENDITURES		
Preventive Maintenance as Capital	33,255	53
Total Expenditures	33,255	53
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (53)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	JARC GRANT
CFDA	20.516
FUND SOURCE	U.S. DEPARTMENT OF TRANSPORTATION-TRANSIT-TXDOT
CONTRACT No.	51722F7088
PROJECT No.	JAC 0701 (22) 47
PERIOD	JANUARY 15, 2007 - JANUARY 31, 2009

		ACTUAL		
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL
RECEIPTS				
Federal (TxDOT)	$ 108,829	$ 60,316	$ 10,711	$ 71,027
Local Fares and Contract Revenue	50,307	-	-	-
Total Receipts	159,136	60,316	10,711	71,027
EXPENDITURES				
Capital	58,522	57,373	-	57,373
Other Capital	2,638	-	-	-
Operations	32,783	7,670	5,615	13,285
Administrative	14,886	368	-	368
Local-Other Capital	2,638	-	-	-
Local-Operations	32,783	7,670	5,615	13,285
Local-Administrative	14,886	368	-	368
Total Expenditures	159,136	73,449	11,230	84,679
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (13,133)	$ (519)	$ (13,652)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	JARC GRANT
CFDA	20.516
FUND SOURCE	U.S. DEPARTMENT OF TRANSPORTATION-TRANSIT-TXDOT
CONTRACT No.	51922F7310
PROJECT No.	JAC 0901 (22) 47
PERIOD	

	BUDGET	CURRENT YEAR
RECEIPTS		
Federal (TxDOT)	$ 37,803	$ 3,396
Local Fares and Contract Revenue	37,803	6,342
Total Receipts	75,606	9,738
EXPENDITURES		
Operations	37,803	8,072
Local-Other Capital	-	8,072
Local-Operations	37,803	-
Total Expenditures	75,606	16,145
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	(6,407)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	DEL RIO SAN FELIPE BICYCLE and WALKING TRAIL
CFDA	20.205
FUND SOURCE	TEXAS DEPARTMENT OF TRANSPORTATION
GRANT NO.	CSJ 0922-11-018, 0922-11-022 and 0922-11-027
PERIOD	SEPTEMBER 30, 2001-

		ACTUAL		
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL
RECEIPTS				
TxDOT	$ 519,648	$ 405,170	$ 2,473	$ 407,643
Local	129,912	287,633	-	287,633
Interest Income	-	14,892	560	15,452
Total Receipts	649,560	707,695	3,033	$ 710,728
EXPENDITURES				
ADMINISTRATIVE	108,260	31,944	-	31,944
ENGINEERING	40,000	17,056	-	17,056
CONSTRUCTION	501,300	536,825	3,091	539,916
Total Expenditures	649,560	585,825	3,091	588,916
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ 121,870	$ (58)	$ 121,812 *

* Reconciled to the Fund Balance

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	STAFFING FOR ADEQUATE FIRE AND EMERGENCY RESPONSE (SAFER)
CFDA	97.044
FUND SOURCE	U. S. DEPARTMENT OF HOMELAND SECURITY
GRANT NO.	EMW-2008-FF-01252
PERIOD	MAY 13, 2009 - MAY 12, 2014

	BUDGET	ACTUAL
RECEIPTS		
Grant Contract	$ 1,287,344	$ 100,853
Local	1,463,849	17,105 (a)
Total Receipts	2,751,193	117,958
EXPENDITURES		
PERSONNEL	2,132,708	134,503
FRINGE BENEFITS	618,485	36,543
Total Expenditures	2,751,193	171,046
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (53,088)

(a) 10% of total expenditures

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	BULLET PROOF VEST PARTNERSHIP GRANT
CFDA	UNKNOWN
FUND SOURCE	U. S. DEPARTMENT OF JUSTICE, OFFICE OF JUSTICE PROGRAMS
GRANT NO.	UNKNOWN
PERIOD	UNKNOWN

		ACTUAL			
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL	
RECEIPTS					
Grant Contract	$ -	$ 13,309	$ 14,805	$ 28,114	
Local	-	24,504	305	24,809	(a)
Total Receipts	-	37,813	15,110	52,923	
EXPENDITURES					
Safety Supplies-BP Vest	-	49,008	610	49,618	
Total Expenditures	-	49,008	610	49,618	
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (11,195)	$ 14,500	$ 3,305	

(a) 50% of expenditures

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF REVENUE AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	NUTRITION/SOCIAL SERVICES
CFDA	93.667 and 93.778
FUND SOURCE	TEXAS DEPARTMENT OF AGING AND DISABILITY SERVICES
GRANT NO.	AAA-2005-024-01
PERIOD	OCTOBER 1, 2008 - SEPTEMBER 30, 2009

	ACTUAL
REVENUES	
Middle Rio Grande Development Council	$ 195,952
Title XIX	89,015
Title XX	196,322
Total Grant Revenues	481,289
Joe Ramos Center Rental	16,927
Donations	16,959
Transfers from the City of Del Rio General Fund	11,367
In-Kind Contributions	30,000
Total Revenues	556,542
EXPENDITURES	
Personnel	238,090
Travel	1,747
Utilities	22,228
Raw Food	216,157
Supplies and Materials	8,924
Gas and Oil	5,360
Repair and Maintenance	8,761
Other	52,800
In-Kind Contributions	30,000
Total Expenditures	584,067
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES	$ (27,525)

State Programs

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	AUTO THEFT PREVENTION AND RECOVERY UNIT
CFDA	N/A
FUND SOURCE	TEXAS DEPARTMENT OF TRANSPORTATION
GRANT NO.	SA-T01-10048-08
PERIOD	SEPTEMBER 1, 2007 - AUGUST 31, 2008

		ACTUAL		
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL
RECEIPTS				
Grant Contract	$ 74,026	$ 48,755	$ 16,494	$ 65,249
Local	18,528	16,313	-	16,313
Total Receipts	92,554	65,068	16,494	81,562
EXPENDITURES				
Personnel	49,583	57,568	-	57,568
Prof. & Cont.	2,400	-	-	-
Travel	3,320	1,791	-	1,791
Equipment	-	7,301	-	7,301
SUPPL & DOE	18,723	14,902	-	14,902
Total Expenditures	74,026	81,562	-	81,562
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ 18,528	$ (16,494)	$ 16,494	$ -

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	AUTO THEFT PREVENTION AND RECOVERY UNIT
CFDA	N/A
FUND SOURCE	TEXAS DEPARTMENT OF TRANSPORTATION
GRANT NO.	SA-T01-10048-09
PERIOD	SEPTEMBER 1, 2008 - AUGUST 31, 2009

		ACTUAL		
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL
RECEIPTS				
Grant Contract	$ 141,929	$ -	$ 139,837	$ 139,837
Local	26,054	1,752	36,191	37,943
Total Receipts	167,983	1,752	176,028	177,780
EXPENDITURES				
Personnel	112,828	8,019	114,509	122,528
Prof. & Cont.	1,000	-	-	-
Travel	2,730	-	3,184	3,184
Equipment	38,675	-	38,569	38,569
Construction	-	-	-	-
Suppl & Doe	12,750	740	14,851	15,591
Indirect Cost	-	-	-	-
Total Expenditures	167,983	8,759	171,113	179,872
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (7,007)	$ 4,915	$ (2,092)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	AUTO THEFT PREVENTION AND RECOVERY UNIT
CFDA	N/A
FUND SOURCE	TEXAS DEPARTMENT OF TRANSPORTATION
GRANT NO.	SA-T01-10048-10
PERIOD	SEPTEMBER 1, 2009 - AUGUST 31, 2010

	BUDGET	ACTUAL
RECEIPTS		
Grant Contract	$ 119,770	$ -
Local	34,259	3,990
Total Receipts	154,029	3,990
EXPENDITURES		
Personnel	128,913	11,203
Prof. & Cont.	1,000	-
Travel	4,501	-
Suppl. & DOE	19,615	1,207
Total Expenditures	154,029	12,410
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (8,420)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	SOLID WASTE IMPLEMENTATION PROJECT
CFDA	N/A
FUND SOURCE	TEXAS COMMISSION ON ENVIRONMENTAL QUALITY
GRANT NO.	582-8-86693
PERIOD	APRIL 1, 2008 - JULY 31, 2008

		ACTUAL			
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL	
RECEIPTS					
Grant Contract	$ 14,402	$ -	$ 14,402	$ 14,402	
Local	-	-	222	222	(a)
Total Receipts	14,402	-	14,624	14,624	
EXPENDITURES					
Equipment	8,804	8,586	4,350	12,936	
Other	5,598	1,688	-	1,688	
Total Expenditures	14,402	10,274	4,350	14,624	
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ (14,402)	$ (10,274)	$ 10,274	$ -	

(a) Local funding to extent of actual costs; to balance out the project.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF REVENUE AND EXPENDITURES

For The Year Ended September 30, 2009

PROGRAM	NUTRITION/SOCIAL SERVICES
CFDA	NOT APPLICABLE
FUND SOURCE	TEXAS DEPARTMENT OF AGRICULTURE
GRANT NO.	HDM-09-373
PERIOD	FEBRUARY 1, 2009 TO JANUARY 31, 2010

	BUDGET	ACTUAL
RECEIPTS		
Texas Dept. of Agriculture	$ 20,766	20,766
Total Revenues	20,766	20,766
EXPENDITURES		
Food/Meals	15,000	8,580
Equipment	2,000	1,890
Transportation	2,000	3,188
Supplies	1,766.00	1,682
Total Expenditures	20,766	15,341
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES	$ -	$ 5,425