COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF DEL RIO
Del Rio, Texas

Year Ended September 30, 2010

Prepared by the Finance Department

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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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Del Rio, Texas

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CITY OF DEL RIO, TEXAS

LIST OF PRINCIPAL OFFICIALS

CITY COUNCIL MEMBERS

Roberto Fernandez
Mayor

Mary Ann Zepeda	Councilwoman-At-Large	Place A
Mike Wrob	Councilman-At-Large	Place B
Alfredo Contreras	Councilman-At-Large	Place C
Rene Luna	Councilwoman	District 1
Al Arreola	Councilwoman	District 2
Ernestina Martinez	Councilwoman	District 3

CITY STAFF

Robert A. Eads	Acting City Manager
David Sorola	City Attorney
Susan Corp	City Secretary
Filemon Ortiz, Jr.	Municipal Court Judge
Arnaldo Ramos	Police Chief
Harold Bean	Fire Chief
Manuel B. Chavez	Finance Director
Robert C. Parker	Public Works/Engineering Director
Mary Rodriguez	Human Resources Director

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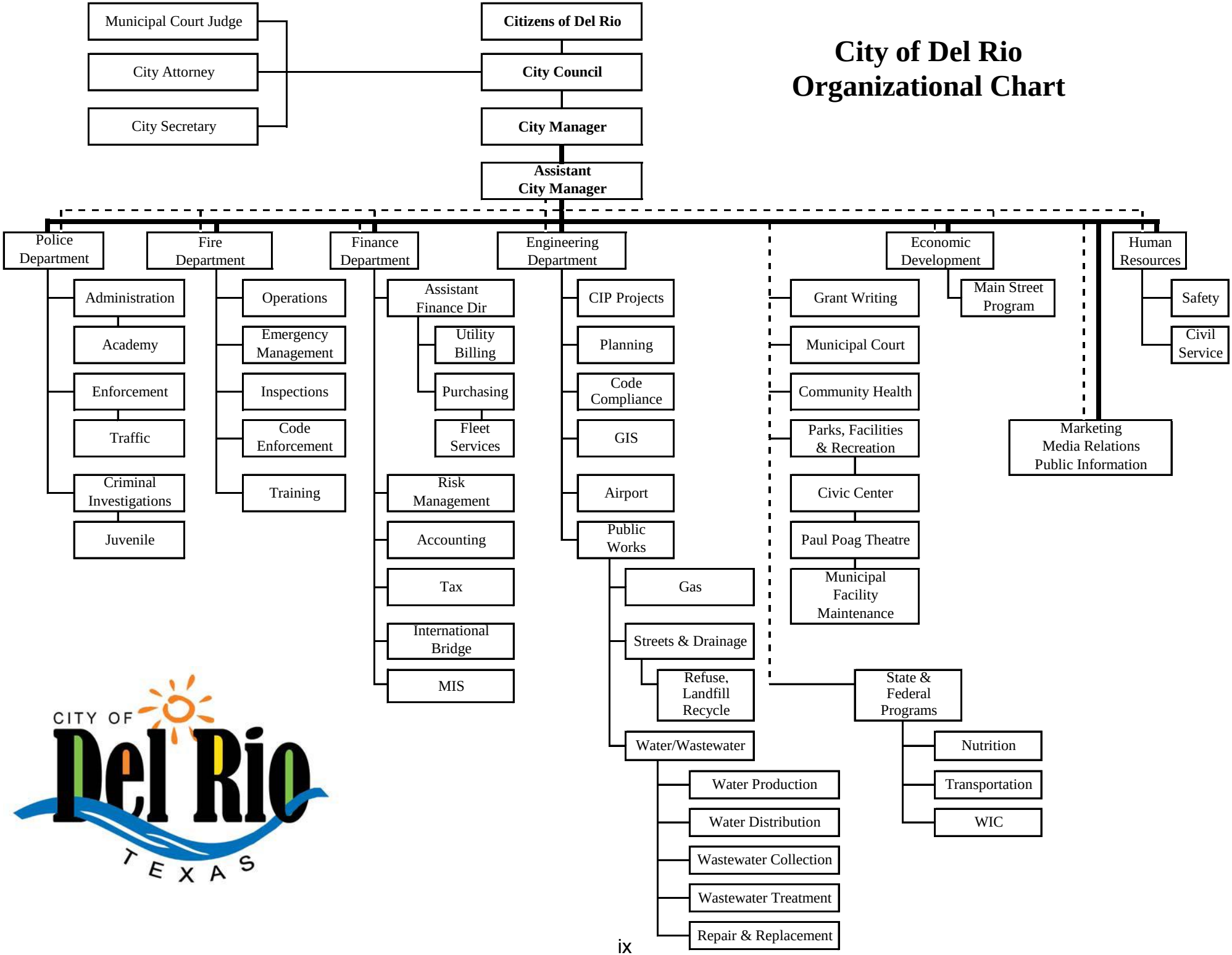
City of Del Rio Organizational Chart



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

March 10, 2011

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, 2010 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, 2010, 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, 2010, 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 2009-2010. Two major General Fund revenues saw small increases during the fiscal year. There were slight increases in property tax assessed valuation which contributed to an increase in property tax revenues and in sales tax revenue. Overall, there was an increase in General Fund revenue.

At the end of the fiscal year 2009-2010 Del Rio's unemployment rate was 7.8% with an employed labor force of 15,728 as of September 30, 2010. 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 1,586 military personnel and 1,056 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 2,642 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, 2010 an employed labor force of approximately 19,829 and an unemployment rate of 8.4%.
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 seven of the last nine 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. In fiscal year 2009-2010, the City invested in water/wastewater distribution line improvements, elimination of wastewater lift stations, street paving improvements, drainage master study, EOC center, 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, raw water pump at the treatment plant, street paving improvements 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 – A2
Fitch Rating – AA-
Standard and Poors− 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

Planning and Capacity Building Study: During FY 2009-2010, the City Council authorized a study for Planning and Capacity Building through a TDRA grant. The purpose of this study is to provide the City with a document that can be utilized in both current and future decision-making for the following elements 1) Base Mapping 2) Housing Inventory Analysis plan 3) population analysis 4) land use 5) Street system 6) Recreation and open space 7) Capital improvements program 8) Zoning plan.
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 $91 million in potential projects.

Main Street Improvements: During FY 2009-2010, the City Council authorized the infrastructure improvements and paving of Main Street (from Gibbs Street to Nicholson Street) in the amount of $3.1 million. Construction was started in July 2010 and is expected to be completed in March 2011.

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, work was designed in FY 09-10 and construction is to begin in FY 10-11.

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 2009 (ten 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, 2010 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

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, 2009

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, 2010, 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, 2010, 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.

In accordance with *Government Auditing Standards*, we have also issued our report dated March 10, 2011, 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.

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

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Accounting principles generally accepted in the United States of America require that 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 be presented to supplement the basic financial statements. Such information, although not a part of the basis financial statements, is required by the Governmental Accounting Standard Board, who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic or historical content. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquires, the basic financial statements and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express our opinion or provide any assurance.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City of Del Rio, Texas financial statements as a whole. 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 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 financial statements of the City of Del Rio, Texas. The combining fund financial statements, supplementary schedules, and the Schedule of Expenditures of Federal Awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information to the underlying accounting and other records used to prepare the financial statements or the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United states of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole. The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express any opinion or provide and assurance on it.

Garza / Gonzalez & Associates

March 10, 2011

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CITY OF DEL RIO

MANAGEMENTS' DISCUSSION AND ANALYSIS
(UNAUDITED)

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, 2010. 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 $117.9 million, a decrease of $0.5 million from last year. Governmental activities contributed $0.3 million while the business-type activities experienced a decrease of $0.7 million in net assets.

Fund Level

- The Governmental Funds report a combined deficiency of revenues over expenditures of $(2.0) million of which $(.8) is in the General Fund, $.2 million is in the Debt Service Fund, $(1.0) million is in the Streets and Drainage Capital Projects Fund and $.4 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 $16.1 million, a decrease of $2.0 million from last fiscal year. Within the combined fund balance total, $15.3 million is unreserved and the remainder is reserved for specific purposes.

- The General Fund reported a fund balance of $8.1 million, which represents a $0.8 million decrease from last year. The unreserved balance is $7.4 million of which $5.4 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 31% of general fund expenditures and other financing uses for the fiscal year.

OVERVIEW OF THE FINANCIAL STATEMENTS

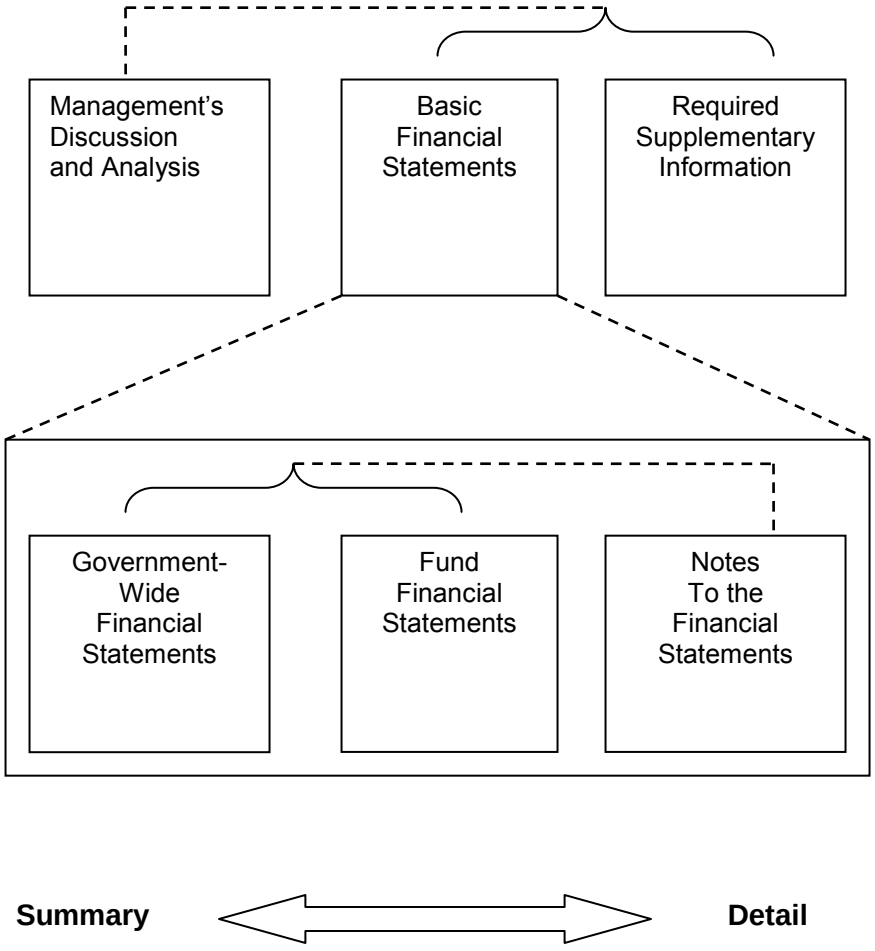
This annual report consists of four parts-management's discussion and analysis (this section), the basic financial statements, required supplementary information, and an optional section that presents combining statements for non-major enterprise funds and internal service funds. The basic financial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



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.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Assets

The City's combined net assets were $117,869,913 at year end.

CITY OF DEL RIO'S NET ASSETS

	Governmental Activities		Business-Type Activities		Totals	
	2010	2009	2010	2009	2010	2009
Current and Other assets	$ 22,609,532	$ 23,932,381	$ 31,717,944	$ 34,181,579	$ 54,327,476	$ 58,113,960
Capital Assets	43,514,819	41,012,453	104,912,115	103,561,329	148,426,934	144,573,782
Total Assets	66,124,351	64,944,834	136,630,059	137,742,908	202,754,410	202,687,742
Current Liabilities	$ 6,382,462	$ 5,558,945	$ 8,024,269	$ 7,014,541	$ 14,406,731	$ 12,573,486
Long term Liabilities	26,080,617	26,005,925	44,397,149	45,788,352	70,477,766	71,794,277
Total Liabilities	32,463,079	31,564,870	52,421,418	52,802,893	84,884,497	84,367,763
Net Assets						
Invested in Capital Assets, Net of related Debt	28,371,740	25,316,082	71,853,703	71,715,885	100,225,443	97,031,967
Restricted	1,842,042	1,621,266	5,483,570	5,357,982	7,325,612	6,979,248
Unrestricted	3,447,490	6,442,616	6,871,368	7,866,148	10,318,858	14,308,764
Total Net Assets	$ 33,661,272	$ 33,379,964	$ 84,208,641	$ 84,940,015	$ 117,869,913	$ 118,319,979

The City's combined change in net assets was a decrease of $450,066.

CITY OF DEL RIO'S CHANGES IN NET ASSETS

	Governmental Activities		Business-Type Activities		Totals	
	2010	2009	2010	2009	2010	2009
Net (Expenses) Revenues	$ (19,600,321)	$ (19,865,267)	$ 5,194,042	$ 7,196,510	$ (14,406,279)	$ (12,668,757)
General Revenues	13,843,289	13,948,278	112,924	309,769	13,956,213	14,258,047
Excess Before Special Items and Transfers	(5,757,032)	(5,916,989)	5,306,966	7,506,279	(450,066)	1,589,290
Special Items	-	-	-	250,000	-	250,000
Transfers	6,038,340	6,688,091	(6,038,340)	(6,688,091)	-	-
Changes in Net Assets	281,308	771,102	(731,374)	1,068,188	(450,066)	1,839,290
Net Assets, Beginning,	33,379,964	32,608,862	84,940,015	83,871,827	118,319,979	116,480,689
Net Assets, Ending	$ 33,661,272	$ 33,379,964	$ 84,208,641	$ 84,940,015	$ 117,869,913	$ 118,319,979

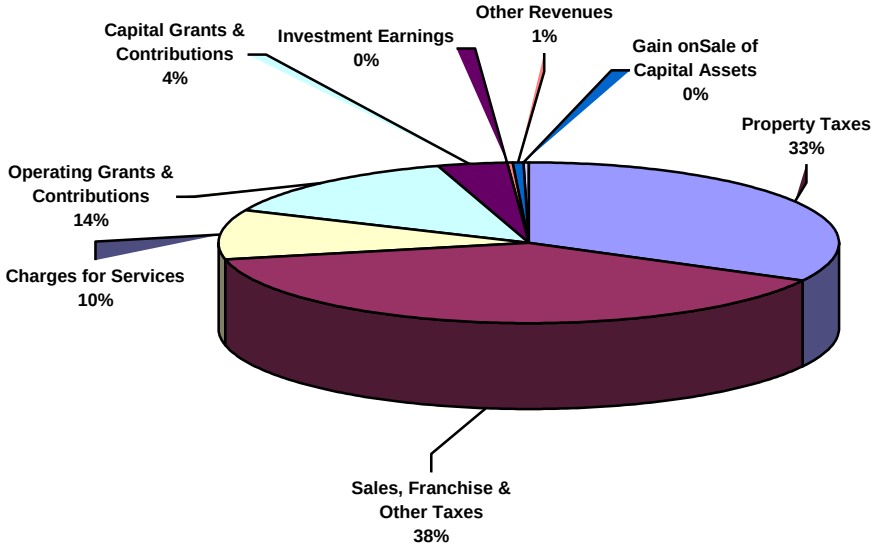
The combined net assets of the City for the primary government decreased $450 thousand compared to last fiscal year. Governmental activities realized an increase of $281 thousand while the business-type activities experienced a decrease of $731 thousand. The largest component of net assets represents 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 $19,013,413. The revenue was derived from seven major sources as listed below and as reflected on Figure A-2.

	2010	2009	Variance
Property taxes	$ 6,244,729	$ 6,175,495	$ 69,234
Sales, franchise and other taxes	7,374,004	7,329,483	44,521
Charges for services	1,888,507	2,006,693	(118,186)
Operating grants and contributions	2,590,444	1,880,961	709,483
Capital grants and contributions	691,173	42,865	648,308
Investment earning	72,839	269,521	(196,682)
Other revenues	117,734	33,360	84,374
Gain on sale of capital assets	33,983	140,419	(106,436)
	$ 19,013,413	$ 17,878,797	$ 1,134,616

Figure A-2



- The City's adopted property tax rate for fiscal year 2009-2010 is $0.56055 per $100 of valuation, no change from the previous tax rate of $0.56055.

- Property value increased $38,283,221 to $1,123,180,403 from the prior year's valuation of $1,084,897,182.

- Sales tax revenues were $4,898,828. This represents an increase of $15,685 from prior year of $4,883,143.

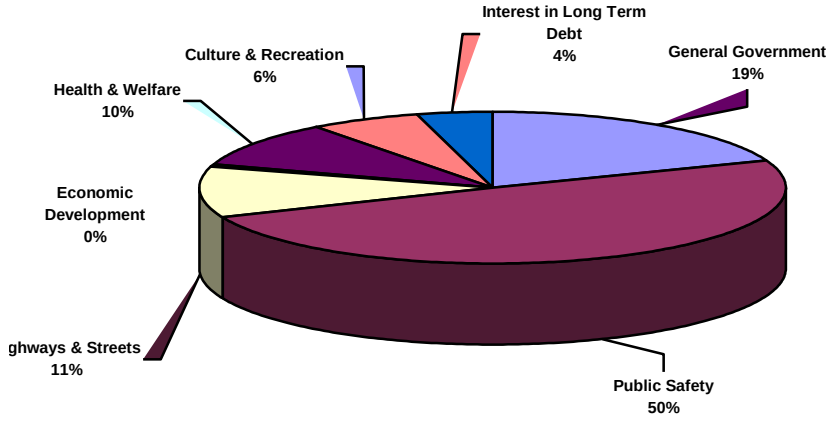
- In addition to the revenue, the City transferred $6,038,340 from proprietary funds to fund its governmental operations.

Expenses for the City's governmental activities were $24,770,445. Expenses were incurred in seven major categories as listed below and as reflected on Figure A-3.

Functional Expenses by Category:

	2010	2009	Variance
a) General Government	$ 4,742,105	$ 4,811,856	$ (69,751)
b) Public Safety	12,232,086	11,295,932	936,154
c) Highways and Streets	2,727,749	2,675,125	52,624
d) Economic Development	108,174	186,179	(78,005)
e) Health and Welfare	2,416,906	2,203,587	213,319
f) Culture and Recreation	1,488,027	1,466,511	21,516
h) Interest in long term debt	1,055,398	1,156,596	(101,198)
	$ 24,770,445	$ 23,795,786	$ 974,659

Figure A-3



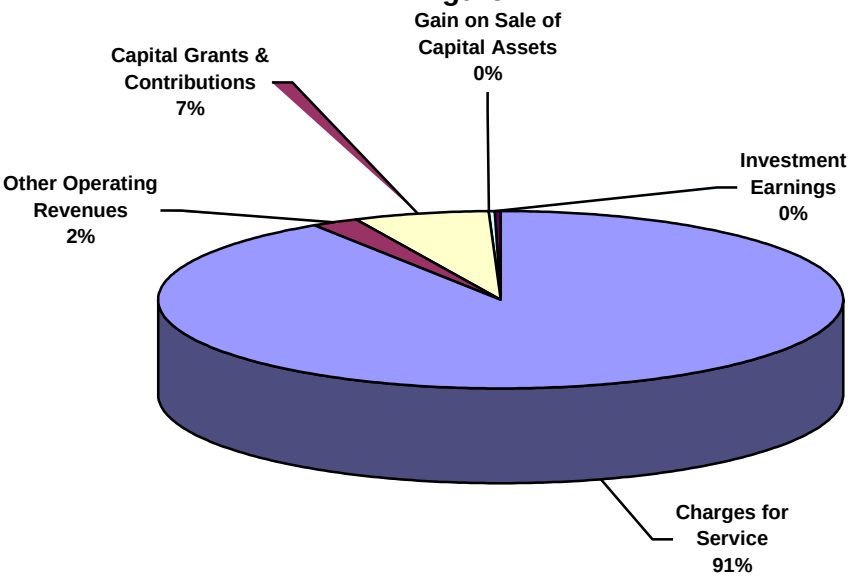
The City monitored its budget very closely during the year in order to ensure that expenses were within budgeted amounts.

Business-type Activities

Revenues of the City's business-type activities totaled $24,550,848 as shown on Figure A-4:

	2010	2009	Variance
Charges for Services	$ 22,324,602	$ 22,674,726	$ (350,124)
Other Operating Revenues	499,474	509,705	(10,231)
Capital Grants & Contributions	1,613,848	881,323	732,525
Grants & Contributions not restricted to specific programs	-	14,402	(14,402)
Gain on Sale of Capital Assets	23,257	1,198,340	(1,175,083)
Investment Earnings	89,667	309,769	(220,102)
Special Item-Resource	-	250,000	(250,000)
	$ 24,550,848	$ 25,838,265	$ (1,287,417)

Figure A-4



The amount realized from charges for services for the gas fund was $3,663,931. 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 $6,704,005 which is a decrease of $1,136,788 from the prior year charges for service of $7,840,793. The decrease is attributed to a change in the local climate. During the year ended 2010, the climate experienced a couple of more wet months than in year ended 2009.

The amount realized for international bridge tolls was $4,143,129, a decrease of $242,347 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 $76,748 and is for fees for fuel sold at the airport by a commercial vendor.

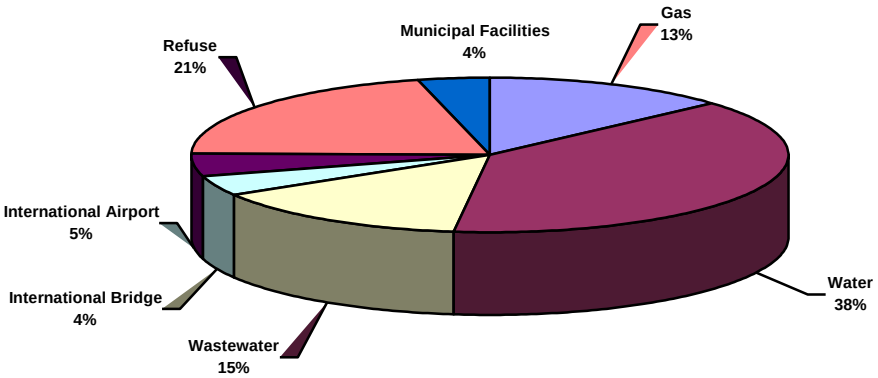
The amount realized for charges for services for the refuse fund was $4,365,108, an increase of $759,818 from the prior year. During 2009, the City changed its refuse collection service provider, its landfill operator and, for the first time, the City brought the entire commercial account operations in-house. The City also implemented a new rate structure to cover both residential and commercial accounts.

The amount realized for charges for services for the wastewater (sewer) fund was $3,371,681, a decrease of $337,315 from the prior year charges for service of $3,708,996. 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 decrease is attributable, in part, to the decrease in the water consumption during the year.

The expenses for the business type activities totaled $19,243,882 as shown on figure A-5:

	2,010	2009	Variance
Gas	$ 2,556,579	$ 2,355,155	$ 201,424
Water	7,437,481	7,423,702	13,779
Wastewater	2,807,609	2,824,730	(17,121)
International Bridge	763,664	789,252	(25,588)
International Airport	904,065	850,861	53,204
Refuse	4,002,820	3,032,432	970,388
Municipal Facilities	771,664	805,855	(34,191)
Total	$ 19,243,882	$ 18,081,987	$ 1,161,895

Figure A-5



The difference between revenues, other revenue sources and expenses was $5,306,966. The City transferred from its Enterprise Funds $6,451,457 to subsidize governmental activities. The City also transferred $450,116 into the Airport and Municipal Facilities Funds to subsidize their operations. The net transfers from the Enterprise Funds amounted to $6,001,341. 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 $2 million. The General Fund decreased its fund balance by $829 thousand during the year. The net change in fund balance for the 2008 fiscal year was a decrease of $506 thousand. Revenues increased from the prior year by $920 thousand while expenditures increased by $413 thousand and other operating sources and uses decreased $792 thousand.

The fund balance in the Debt Service Fund increased by $217 thousand because during the year the overall revenues and other sources exceeded bonds retired and interest paid. The Streets and Drainage Capital Project Fund contributed $1 million to the deficit for 2010 primarily from the application of revenues earned in prior years for the street and drainage construction projects. In all other governmental funds there was a net decrease in fund balances of $357 thousand. The decrease resulted primarily from bond proceeds in prior years utilized during the current year for the completion of the police station construction project resulting in a net decrease in the Police Station Capital Projects fund balance of $729 thousand. In addition, a decrease in the fund balance of the MIT Grant Fund of $285 thousand contributed to the overall decrease.

The business type funds realized an overall decrease in net assets of $599 thousand. In part, the business type funds increased their net assets by $90 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 $6.5 million overall. The Gas Fund transferred out $1.3 million, the International Bridge transferred out $3.5 million and other business type funds transferred out a total of $1.7 million. The business type funds also received assistance from the other funds. Combined, the International Airport and the Municipal Facilities Funds received $450 thousand during the year.

Individually, the International Bridge Fund contributed $5 thousand, the International Airport Fund $999 thousand, the Refuse Fund $24 thousand and the Wastewater $32 thousand of the increase. The Gas Fund had a decrease for the year of $156 thousand, the Water System Fund had decrease of $1.4 million and the Municipal Facilities Fund had a decrease of $142 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 2009.
- 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 positive variance of $344 thousand in the overall budgeted change in fund balance. In total, the City experienced a negative variance of $439 thousand in revenues, a positive variance in total expenditures of $634 thousand and a positive variance in other financing sources of $150 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, 2010 amounted to $148,426,934. 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	
	2010	2009	2010	2009	2010	2009
Land	$ 5,303,376	$ 5,299,169	$ 2,287,111	$ 2,282,015	$ 7,590,487	$ 7,581,184
Buildings	11,454,028	3,262,701	4,347,996	4,294,200	15,802,024	7,556,901
Improvements Other Than Buildings	646,866	646,866	131,174,984	107,697,472	131,821,850	108,344,338
Equipment	12,576,914	11,340,415	4,803,067	4,842,403	17,379,981	16,182,818
Infrastructure	51,474,392	50,793,873	-	-	51,474,392	50,793,873
Construction in Progress	13,153,737	18,408,831	3,850,444	23,135,439	17,004,181	41,544,270
Total at Historical Cost	94,609,313	89,751,855	146,463,602	142,251,529	241,072,915	232,003,384
Total Accumulated Depreciation	51,094,494	48,739,402	41,551,487	38,690,200	92,645,981	87,429,602
Net Capital Amounts	$ 43,514,819	$ 41,012,453	$ 104,912,115	$ 103,561,329	$ 148,426,934	$ 144,573,782

Long- term Debt

At year-end the City had $71,284,000 in bonds and notes payable; a decrease of $1,506,000 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	
	2010	2009	2010	2009	2010	2009
General Obligation Bonds (backed by the City)	$ 24.18	$ 23.93	$ -	$ -	$ 24.18	$ 23.93
Revenue Bonds, Certificates of Obligation and Notes (backed by Specific tax and fee revenues)	2.37	2.68	44.73	46.18	47.10	48.86
Total	$ 26.55	$ 26.61	$ 44.73	$ 46.18	$ 71.28	72.79

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 increased $15,685 from the prior year revenues of $4,883,143.

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 6,040 persons of an approximate 19,829 work force for Val Verde County.

Unemployment had a decrease from a rate of 8.8% in fiscal year ending September 30, 2009 to 7.8% in the fiscal year ended in September 30, 2010.

The management of the City considered the local and state economy in preparing the City's budget of fiscal year 2010-2011.

The City's property tax rate increased to $0.57555 per $100 value for tax year 2010. The City expects to realize $4.6 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 $6.4 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, 2010

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	$ 19,517,637	$ 2,614,474	$ 22,132,111
Receivables, Net	3,161,300	2,523,813	5,685,113
Intergovernmental Receivables	850,569	376,546	1,227,115
Internal Balances	(1,582,270)	1,582,270	-
Inventory	43,577	351,335	394,912
Prepaids Items	48,789	125	48,914
Deferred Charges	569,930	1,876,510	2,446,440
Restricted Cash and Cash Equivalents	-	22,392,871	22,392,871
Capital Assets, Net:			
Land	5,303,376	2,287,112	7,590,488
Construction In Progress	13,153,736	3,850,444	17,004,180
Buildings	9,505,263	1,269,898	10,775,161
Improvements Other Than Buildings	455,659	95,966,780	96,422,439
Machinery and Equipment	4,284,316	1,537,881	5,822,197
Infrastructure	10,812,469	-	10,812,469
Total Capital Assets, Net of Accumulated Depreciation	43,514,819	104,912,115	148,426,934
Total Assets	$ 66,124,351	$ 136,630,059	$ 202,754,410
LIABILITIES			
Accounts Payable and Other Current Liabilities	$ 2,917,048	$ 2,361,209	$ 5,278,257
Accrued Interest Payable	346,609	511,972	858,581
Due to Other Governments	3,380	40,319	43,699
Deposits	45,593	570,798	616,391
Noncurrent Liabilities - Due Within One Year	3,069,832	4,539,971	7,609,803
Noncurrent Liabilities - Due in More Than One Year	26,080,617	44,397,149	70,477,766
Total Liabilities	32,463,079	52,421,418	84,884,497
NET ASSETS			
Invested in Capital Assets, Net of Related Debt	28,371,740	71,853,703	100,225,443
Restricted For:			
Debt Service	1,842,042	3,818,161	5,660,203
Public Grants	-	116,700	116,700
Construction	-	1,548,709	1,548,709
Unrestricted	3,447,490	6,871,368	10,318,858
Total Net Assets	$ 33,661,272	$ 84,208,641	$ 117,869,913

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, 2010

Functions/Programs	Expenses	Program Revenues: Charges for Services	Program Revenues: Operating Grants and Contributions	Program Revenues: Capital Grants and Contributions
Governmental Activities:				
General Government	$ 4,742,105	$ 899,088	$ -	$ -
Public Safety	12,232,086	660,237	680,750	360,839
Highways and Streets	2,727,749	7,387	-	330,334
Economic Development	108,174	-	-	-
Health and Welfare	2,416,906	270,371	1,909,694	-
Culture and Recreation	1,488,027	51,424	-	-
Interest on Long-Term Debt	1,055,398	-	-	-
Total Governmental Activities	24,770,445	1,888,507	2,590,444	691,173
Business-Type Activities:				
Gas	2,556,579	3,674,778	-	-
Water	7,437,481	6,704,005	-	-
Wastewater	2,807,609	3,371,681	-	-
International Bridge	763,664	4,164,973	-	47,876
International Airport	904,065	234,162	-	1,511,484
Refuse	4,002,820	4,374,108	20,030	-
Municipal Facilities	771,664	280,339	-	54,488
Total Business-Type Activities	19,243,882	22,804,046	20,030	1,613,848
Total Primary Government	$ 44,014,327	$ 24,692,553	$ 2,610,474	$ 2,305,021

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

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
$ (3,843,017)	$ -	$ (3,843,017)
(10,530,260)	-	(10,530,260)
(2,390,028)	-	(2,390,028)
(108,174)	-	(108,174)
(236,841)	-	(236,841)
(1,436,603)	-	(1,436,603)
(1,055,398)	-	(1,055,398)
(19,600,321)	-	(19,600,321)
-	1,118,199	1,118,199
-	(733,476)	(733,476)
-	564,072	564,072
-	3,449,185	3,449,185
-	841,581	841,581
-	391,318	391,318
-	(436,837)	(436,837)
-	5,194,042	5,194,042
(19,600,321)	5,194,042	(14,406,279)
6,244,729	-	6,244,729
4,898,828	-	4,898,828
1,848,848	-	1,848,848
626,328	-	626,328
72,839	89,667	162,506
117,734	-	117,734
33,983	23,257	57,240
6,038,340	(6,038,340)	-
19,881,629	(5,925,416)	13,956,213
281,308	(731,374)	(450,066)
33,379,964	84,940,015	118,319,979
$ 33,661,272	$ 84,208,641	$ 117,869,913

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Governmental Fund Financial Statements

CITY OF DEL RIO
Del Rio, Texas

Balance Sheet
Governmental Funds

September 30, 2010

	General Fund	Debt Service	Capital Project Streets and Drainage	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Investments	$ 6,763,325	$ 1,482,833	$ 8,807,947	$ 1,900,371	$ 18,954,476
Receivables, Net	2,674,240	351,850	15	35	3,026,140
Intergovernmental Receivables	89,192	-	-	761,377	850,569
Due from Other Funds	1,910,514	132,702	26,880	102,962	2,173,058
Inventories	43,577	-	-	-	43,577
Prepaid Items	48,789	-	-	-	48,789
Total Assets	$ 11,529,637	$ 1,967,385	$ 8,834,842	$ 2,764,745	$ 25,096,609
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	$ 657,368	$ -	$ 565,557	$ 189,999	$ 1,412,924
Wages and Salaries Payable	755,762	-	-	61,350	817,112
Intergovernmental Payable	1,728	-	-	1,652	3,380
Due to Other Funds	202,487	136,704	2,965,584	872,915	4,177,690
Due to Others	45,093	-	-	500	45,593
Accrued Interest Payable	-	12,105	-	-	12,105
Deferred Revenue	1,771,632	351,836	-	-	2,123,468
Other Current Liabilities	20,024	-	87,793	322,865	430,682
Total Liabilities	3,454,094	500,645	3,618,934	1,449,281	9,022,954
Fund Balances:					
Reserved for:					
Improvements	67,814	-	-	-	67,814
Insurance	193,998	-	-	-	193,998
Encumbrances	426,295	-	73,431	41,145	540,871
Unreserved, Designated, Reported In:					
General Fund	5,417,058	-	-	-	5,417,058
Unreserved, Undesignated:					
Reported in General Fund	1,970,378	-	-	-	1,970,378
Reported in the Special Revenue Fund	-	-	-	(186,012)	(186,012)
Reported in the Debt Service Fund	-	1,466,740	-	-	1,466,740
Reported in the Capital Projects Fund	-	-	5,142,477	1,460,331	6,602,808
Total Fund Balances	8,075,543	1,466,740	5,215,908	1,315,464	16,073,655
Total Liabilities and Fund Balances	$ 11,529,637	$ 1,967,385	$ 8,834,842	$ 2,764,745	$ 25,096,609

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, 2010

Total fund balances, governmental funds	$	16,073,655
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. An additional amount of $189,000 from certain Internal Service funds considered to be Governmental Activities are reported as Capital Assets under Governmental Activities.		43,325,819
Deferred Charges or Long Term Debt of the Governmental funds of $565,813 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. An additional amount of $4,117 Deferred Charges from certain Internal Service funds considered to be Governmental Activities are reported as Deferred Charges in the Governmental Activities Statement of Net Assets.		565,813
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.		2,123,468
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.		851,860
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.		(29,279,343)
Net Assets of Governmental Activities	$	33,661,272

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, 2010

	General Fund	Debt Service	Capital Project Streets and Drainage	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	$ 11,347,684	$ 1,691,270	$ -	$ 562,747	$ 13,601,701
Licenses and Permits	426,342	-	-	-	426,342
Intergovernmental Revenue and Grants	1,117,695	-	-	2,163,923	3,281,618
Charges for Services	883,432	-	-	252,280	1,135,712
Fines	625,799	-	-	-	625,799
Investment Earnings	57,093	1,733	7,631	5,368	71,825
Rents and Royalties	27,074	-	-	36,091	63,165
Other Revenue	83,812	-	-	29,017	112,829
Total Revenues	14,568,931	1,693,003	7,631	3,049,426	19,318,991
EXPENDITURES					
Current:					
General Government	4,281,184	-	-	343,177	4,624,361
Public Safety	11,330,724	-	-	5,856	11,336,580
Highways and Streets	1,650,217	-	-	-	1,650,217
Health and Welfare	-	-	-	2,175,451	2,175,451
Culture and Recreation	1,357,501	-	-	-	1,357,501
Economic Development and Assistance	4,109	-	-	102,296	106,405
Debt Service:					
Bond Principal	-	2,273,601	-	-	2,273,601
Bond Interest	-	1,088,367	-	-	1,088,367
Issuance Costs	21,705	3,570	-	5,080	30,355
Capital Outlay:					
Capital Outlay	748,756	-	2,674,116	1,516,912	4,939,784
Total Expenditures	19,394,196	3,365,538	2,674,116	4,148,772	29,582,622
Excess/(Deficiency) of Revenues Over (Under) Expenditures	(4,825,265)	(1,672,535)	(2,666,485)	(1,099,346)	(10,263,631)
OTHER FINANCING SOURCES/(USES)					
Capital-related Debt Issued (Regular Bonds)	580,000	-	1,565,000	130,000	2,275,000
Sale of Real and Personal Property	37,202	-	-	-	37,202
Transfers In	6,404,175	1,889,840	-	823,348	9,117,363
Premium or Discount on Issuance of Bonds	15,705	-	60,060	80	75,845
Transfers Out (Use)	(3,040,348)	-	-	(211,030)	(3,251,378)
Total Other Financing Sources/(Uses)	3,996,734	1,889,840	1,625,060	742,398	8,254,032
Net Change in Fund Balances	(828,531)	217,305	(1,041,425)	(356,948)	(2,009,599)
Fund Balance - October 1 (Beginning)	8,904,074	1,249,435	6,257,333	1,672,412	18,083,254
Fund Balance - September 30, (Ending)	$ 8,075,543	$ 1,466,740	$ 5,215,908	$ 1,315,464	$ 16,073,655

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, 2010

Net changes in fund balances - total governmental funds	$	(2,009,599)
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 $4,939,788 exceeded depreciation ($2,360,544) in the current year.		2,579,244
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.		(3,219)
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.		59,425
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.		2,273,601
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.		(2,275,000)
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.		(34,192)
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.		(72,126)
Internal Service Funds are used by management to charge the costs of certain activities to individual funds. The net loss of certain Internal Service Funds is reported with governmental activities.		(236,826)
Change in net assets of governmental activities	$	281,308

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, 2010

	Enterprise			
	Gas System	Water System	International Bridge	International Airport
ASSETS				
Current Assets				
Cash and Cash Equivalents	$ 1,032,691	$ -	$ -	$ 46,139
Restricted Cash & Cash Equivalents	410,637	11,298,104	2,083,923	1,881,868
Account Receivable, Net	287,528	1,152,786	1,373	2,913
Due from Other Funds	1,720,799	1,072,421	-	23,054
Due from Other Governments	-	-	47,876	302,216
Inventory	72,484	278,851	-	-
Prepaid Items	-	125	-	-
Total Current Assets	3,524,139	13,802,287	2,133,172	2,256,190
Non-Current Assets				
Deferred Charges	17,898	1,437,070	4,295	29,903
Capital Assets				
Land	7,800	159,600	476,399	1,085,924
Construction in Progress	-	1,145,071	52,611	1,796,283
Buildings and Improvement	1,683,576	76,402,797	4,744,722	18,209,841
Equipment	778,160	1,997,927	180,056	152,678
Less: Accumulated Depreciation	(1,030,668)	(18,174,535)	(2,738,424)	(3,954,997)
Total Capital Assets	1,438,868	61,530,860	2,715,364	17,289,729
Total Non-Current Assets	1,456,766	62,967,930	2,719,659	17,319,632
TOTAL ASSETS	$ 4,980,905	$ 76,770,217	$ 4,852,831	$ 19,575,822
LIABILITIES AND FUND BALANCES				
Current Liabilities				
Accounts Payable	$ 126,915	$ 692,489	$ 34,414	$ 143,803
Accrued Payroll	27,576	72,418	16,622	9,834
Due to Other Funds	41,653	1,966,171	209,490	-
Due to Other Government	-	16,840	-	-
Other Liabilities	41,304	70,309	-	90,031
Claims Payable	-	132,000	-	-
Deposits	110,570	391,632	-	-
Accrued Interest Payable	8,400	294,476	17,231	27,225
Compensated Absences	25,602	56,877	18,765	7,207
Bonds Payable	65,000	2,435,825	465,000	50,000
Total Current Liabilities	447,020	6,129,037	761,522	328,100
Noncurrent Liabilities				
Compensated Absences	49,711	102,548	49,544	13,707
Landfill Closure and Postclosure Care Cost	-	-	-	-
Bonds Payable	585,000	25,825,512	485,000	1,600,000
Total Noncurrent Liabilities	634,711	25,928,060	534,544	1,613,707
TOTAL LIABILITIES	1,081,731	32,057,097	1,296,066	1,941,807
NET ASSETS				
Invested in Capital Assets Net of Related Debt	1,076,252	38,887,094	1,769,659	16,950,844
Restricted for Public Grants	-	-	-	-
Restricted for Debt Service	30,066	1,617,800	852,389	-
Restricted for Construction	-	930,506	574,311	43,892
Restricted for Health Claims	-	-	-	-
Unrestricted Net Assets	2,792,856	3,277,720	360,406	639,279
Total Net Assets	$ 3,899,174	$ 44,713,120	$ 3,556,765	$ 17,634,015

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

Funds				
		Nonmajor Fund		
Refuse	Wastewater	Municipal Facilities	Total	Internal Service
$ 1,198,920	$ 69,184	$ 192,091	$ 2,539,025	$ 379,462
2,215,624	4,456,297	46,418	22,392,871	259,148
608,629	468,943	1,641	2,523,813	133,520
1,097	1,394,086	4,923	4,216,380	356,669
-	-	26,454	376,546	-
-	-	-	351,335	-
-	-	-	125	-
4,024,270	6,388,510	271,527	32,400,095	1,128,799
68,429	309,087	9,825	1,876,507	4,117
391,903	76,286	89,200	2,287,112	-
-	856,479		3,850,444	-
3,513,711	28,234,638	2,723,218	135,512,503	61,199
338,167	839,528	228,913	4,515,429	1,215,390
(3,161,800)	(9,997,163)	(2,263,946)	(41,321,533)	(1,019,426)
1,081,981	20,009,768	777,385	104,843,955	257,163
1,150,410	20,318,855	787,210	106,720,462	261,280
$ 5,174,680	$ 26,707,365	$ 1,058,737	$ 139,120,557	$ 1,390,079
$ 477,685	$ 214,298	$ 48,713	$ 1,738,317	$ 58,966
9,934	16,339	13,225	165,948	37,517
26,569	80,909	-	2,324,792	241,985
-	23,479	-	40,319	-
33,994	57,940	-	293,578	-
-	-	-	132,000	191,213
68,596	-	-	570,798	-
20,442	138,459	5,739	511,972	1,800
6,576	10,534	10,229	135,790	41,869
190,834	1,131,529	45,486	4,383,674	65,000
834,630	1,673,487	123,392	10,297,188	638,350
11,823	18,999	16,985	263,317	95,525
3,736,515	-	-	3,736,515	-
1,195,580	10,251,068	407,080	40,349,240	70,000
4,943,918	10,270,067	424,065	44,349,072	165,525
5,778,548	11,943,554	547,457	54,646,260	803,875
448,144	12,297,071	356,476	71,785,540	160,659
-	-	116,700	116,700	-
136,146	1,161,692	20,068	3,818,161	23,467
-	-	-	1,548,709	-
-	-	-	-	698,382
(1,188,158)	1,305,048	18,036	7,205,187	(296,304)
$ (603,868)	$ 14,763,811	$ 511,280	84,474,297	$ 586,204

Adjustment to reflect consolidation of internal service fund activities related to enterprise funds.	(265,656)
Net Assets Business Type Activities	$ 84,208,641

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, 2010

	Enterprise			
	Gas System	Water System	International Bridge	International Airport
Operating Revenues				
Charges for Services	$ 3,663,931	$ 6,704,005	$ 4,143,129	$ 76,748
Rental Revenues	-	-	11,000	157,414
Intergovernmental (Operating)	-	-	-	-
Miscellaneous	10,847	-	10,844	-
Total Operating Revenues	3,674,778	6,704,005	4,164,973	234,162
Operating Expenses				
Personnel	689,409	1,708,014	424,980	239,835
Contractual Services	321,169	2,472,622	148,845	150,983
Purchases for Resale	1,288,294	-	-	-
Supplies	141,884	417,834	13,284	29,614
Depreciation	67,399	1,766,376	131,179	390,314
Total Operating Expenses	2,508,155	6,364,846	718,288	810,746
Operating Income/(Loss)	1,166,623	339,159	3,446,685	(576,584)
Non-Operating Revenues (Expenses)				
Investment Earnings	15,356	54,259	8,478	677
Gain (Loss) on Disposal of Assets	-	7,358	-	-
Intergovernmental	-	-	47,876	1,511,484
Interest and Amortization Expense	(28,501)	(1,025,484)	(45,376)	(93,319)
Total Non-Operating Revenues/(Expenses)	(13,145)	(963,867)	10,978	1,418,842
Income/(Loss) Before Contributions and Transfers	1,153,478	(624,708)	3,457,663	842,258
Transfers In	-	-	-	158,216
Transfers Out	(1,309,734)	(735,346)	(3,452,935)	(1,854)
Change in Net Assets	(156,256)	(1,360,054)	4,728	998,620
Total Net Assets - October 1 (Beginning)	4,055,430	46,073,174	3,552,037	16,635,395
Total Net Assets - September 30 (Ending)	$ 3,899,174	$ 44,713,120	$ 3,556,765	$ 17,634,015

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

Funds				
		Nonmajor Fund		
Refuse	Wastewater	Municipal Facilities	Total	Internal Service
$ 4,365,108	$ 3,371,681	$ -	$ 22,324,602	$ 4,193,316
9,000	-	255,932	433,346	-
20,030	-	-	20,030	-
-	-	24,407	46,098	-
4,394,138	3,371,681	280,339	22,824,076	4,193,316
227,337	364,782	317,873	3,972,230	882,592
3,514,274	1,370,431	299,616	8,277,940	3,342,249
-	-	-	1,288,294	-
46,231	23,877	30,594	703,318	368,553
132,318	551,336	100,740	3,139,662	96,607
3,920,160	2,310,426	748,823	17,381,444	4,690,001
473,978	1,061,255	(468,484)	5,442,632	(496,685)
6,544	3,865	482	89,661	1,021
15,899	-	-	23,257	-
-	-	54,488	1,613,848	-
(78,574)	(475,881)	(19,708)	(1,766,843)	(9,105)
(56,131)	(472,016)	35,262	(40,077)	(8,084)
417,847	589,239	(433,222)	5,402,555	(504,769)
-	-	291,900	450,116	172,819
(393,708)	(556,953)	(927)	(6,451,457)	(37,464)
24,139	32,286	(142,249)	(598,786)	(369,414)
(628,007)	14,731,525	653,529		955,618
$ (603,868)	$ 14,763,811	$ 511,280		$ 586,204

Adjustment to reflect consolidation of internal service fund activities related to enterprise funds.	(132,588)
Change in Net Assets of Business Type Activities	$ (731,374)

CITY OF DEL RIO
Del Rio, Texas

Statement of Cash Flows
Proprietary Funds

For The Year Ended September 30, 2010

	Gas System	Water System	International Bridge	International Airport
Cash Flows from Operating Activities:				
Receipts from Customers	$ 3,610,498	$ 6,801,013	$ 4,165,557	$ 235,866
Payments to Suppliers for Goods and Services	(1,772,572)	(2,449,248)	(144,958)	(81,899)
Payments to Employees for Services	(690,766)	(1,700,224)	(416,061)	(236,226)
Net Cash Provided/(Used) by Operating Activities	1,147,160	2,651,541	3,604,538	(82,259)
Cash Flows from Non-Capital Financing Activities:				
Payments for Interfund Borrowings	(1,679,230)	(903,150)	-	-
Receipts from Interfund Repayments	-	1,718,254	-	-
Other Reimbursements	-	-	-	-
Transfers from Other Funds	-	-	-	158,216
Transfers to Other Funds	(1,309,734)	(735,346)	(3,368,699)	(1,854)
Net Cash Provided/(Used) by Non-Capital Financing Activities	(2,988,964)	79,758	(3,368,699)	156,362
Cash Flows from Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets	(107,547)	(2,060,979)	(52,611)	(1,510,435)
Proceeds from Capital Grants	-	-	-	1,214,843
Proceeds from Debt	-	915,829	-	-
Principal Payments on Debt	(60,000)	(2,075,172)	(450,000)	(85,000)
Interest and Fiscal Charges Paid on Debt	(27,773)	(919,761)	(44,281)	(79,766)
Net Cash Provided/(Used) by Capital and Related Financing Activities	(195,320)	(4,140,083)	(546,892)	(460,358)
Cash Flows from Investing Activities:				
Receipts from Earnings on Investments/Interest Received	15,169	53,651	7,989	678
Net Cash Provided/(Used) by Investing Activities	15,169	53,651	7,989	678
Net Increase/(Decrease) in Cash and Cash Equivalents	(2,021,955)	(1,355,133)	(303,064)	(385,577)
Cash and Cash Equivalents at Beginning of Year	3,465,283	12,653,237	2,386,987	2,313,584
Cash and Cash Equivalents at End of Year	$ 1,443,328	$ 11,298,104	$ 2,083,923	$ 1,928,007
Cash & Cash Equivlents	$ 1,032,691	$ -	$ -	$ 46,139
Restricted Cash & Cash Equivalents	410,637	11,298,104	2,083,923	1,881,868
	$ 1,443,328	$ 11,298,104	$ 2,083,923	$ 1,928,007

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

Refuse/ Landfill	Wastewater	Nonmajor Fund Municipal Facilities	Total	Internal Funds
$ 4,405,364	$ 3,463,374	$ 275,611	$ 22,957,283	$ 4,290,431
(3,201,325)	(1,389,863)	(338,103)	(9,377,968)	(3,762,162)
(222,844)	(388,885)	(317,272)	(3,972,278)	(880,825)
981,195	1,684,626	(379,764)	9,607,037	(352,556)
-	(1,389,620)	-	(3,972,000)	(196,900)
-	(421,146)	-	1,297,108	-
-	3,091	-	3,091	-
-	-	291,900	450,116	172,819
(393,708)	(556,953)	(927)	(6,367,221)	(37,464)
(393,708)	(2,364,628)	290,973	(8,588,906)	(61,545)
-	(719,640)	(54,984)	(4,506,196)	(19,262)
-	-	28,034	1,242,877	-
-	1,389,620	-	2,305,449	-
(419,885)	(951,855)	(45,486)	(4,087,398)	(60,000)
(73,445)	(430,001)	(19,693)	(1,594,720)	(8,080)
(493,330)	(711,876)	(92,129)	(6,639,988)	(87,342)
7,490	3,865	482	89,324	1,021
7,490	3,865	482	89,324	1,021
101,647	(1,388,013)	(180,438)	(5,532,533)	(500,422)
3,312,897	5,913,494	418,947	30,464,429	1,139,032
$ 3,414,544	$ 4,525,481	$ 238,509	$ 24,931,896	$ 638,610
$ 1,198,920	$ 69,184	$ 192,091	2,539,025	$ 379,462
2,215,624	4,456,297	46,418	22,392,871	259,148
$ 3,414,544	$ 4,525,481	$ 238,509	$ 24,931,896	$ 638,610

CITY OF DEL RIO
Del Rio, Texas

Statement of Cash Flows
Proprietary Funds

For The Year Ended September 30, 2010

	Gas System	Water System	International Bridge	International Airport
Reconciliation of Operating Income to Net Cash Provided/(Used) By Operating Activities:				
Operating Income/(Loss)	$ 1,166,623	$ 339,159	$ 3,446,685	$ (576,584)
Adjustments to Reconcile Operating Income to Net Cash Provided/(Used) by Operating Activities:				
Depreciation	67,400	1,766,376	131,179	390,314
Provision for Uncollectible Accounts	40,532	93,880	-	-
Changes in Assets and Liabilities:				
Decrease/(Increase) in Receivables:				
Customer Charges	(108,942)	(165,348)	-	-
Unbilled Charges	(7,519)	129,183	-	-
Intergovernmental	-	-	-	-
Other	350	795	150	-
Miscellaneous	(2,451)	(865)	-	(2,766)
Increase/(Decrease) in Liabilities				
Due from Other funds	(36,780)	39,917	432	9,086
Inventory	19,613	(12,561)	-	-
Prepaid Expenses	-	-	-	-
Vouchers and Accounts Payable	36,527	245,499	-	98,704
Other Liabilities	6,150	131,076	17,171	(4,625)
Accrued Liabilities	(1,356)	7,799	8,921	3,613
Due to Other Funds	(40,587)	36,356	-	(1)
Estimated Liabilities	-	-	-	-
Customer Deposits	7,600	40,275	-	-
Net Cash Provided/(Used) by Operations	$ 1,147,160	$ 2,651,541	$ 3,604,538	$ (82,259)

Refuse/ Landfill	Wastewater	Nonmajor Fund Municipal Facilities	Total	Internal Funds
$ 473,978	$ 1,061,255	$ (468,484)	$ 5,442,632	$ (496,685)
132,318	551,336	100,740	3,139,663	96,607
30,123	44,309	750	209,594	-
(47,416)	(25,931)	(750)	(348,387)	-
26,131	74,608	-	222,403	-
-	-	-	-	-
170	-	-	1,465	-
-	761	10	(5,311)	-
(674)	(3,214)	(4,735)	4,032	(133,346)
-	-	-	7,052	105,498
-	-	-	-	-
(8,118)	71,062	(7,835)	435,839	7,131
487	(2,052)	-	148,207	75,314
4,491	(24,103)	599	(36)	1,782
2,397	(63,405)	(59)	(65,299)	(8,857)
365,089	-	-	365,089	-
2,219	-	-	50,094	-
$ 981,195	$ 1,684,626	$ (379,764)	$ 9,607,037	$ (352,556)

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Fiduciary Funds Financial Statements

CITY OF DEL RIO
Del Rio, Texas

Statement of Assets and Liabilities
Agency Funds

September 30, 2010

ASSETS		
Cash and Cash Equivalents	$	3,980
Receivables, Net		2,141
Due from Other Funds		600
Total Assets	$	6,721
LIABILITIES		
Accounts Payable	$	501
Due to Other Governments		1,102
Due to Other Funds		2,240
Other Liabilities		2,878
Total Liabilities	$	6,721

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

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 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 *Capital Projects Streets and Drainage Fund* is used to account for the resources, liabilities and related activities for significant improvements and construction of streets and drainage projects.

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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. Agency funds report only assets and liabilities and, accordingly, use the accrual basis of accounting for recognition of receivables and payables.

The City reports various non-major government funds in the following governmental fund types:

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

The Capital Project 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).

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). The City's financial statements are accounted for under generally accepted accounting standards as promulgated by Governmental Accounting Standards Board (GASB) GASB Statement No.56.

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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.

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 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

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Net Assets Invested in Capital Assets, Net of Related Debt

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.

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.

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 $(29,279,343) difference are as follows:

Bonds Payable	$ (26,347,205)
Deferred Gain on Refunding	(195,002)
Claims Payable	(88,519)
Accrued Interest Payable	(332,704)
Compensated Absences	(2,309,886)
OPEB Liability	(6,027)
Net Adjustment to Reduce Fund Balance – Total Governmental Funds to Arrive at Net Assets – Governmental Activities	$ (29,279,343)

II. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

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." $(72,126) difference are as follows:

Claims and Judgments	$	(29,606)
Compensated Absences		(67,265)
Accrued Interest		30,772
OPEB Liability		(6,027)
Net Adjustment to Increase Net Changes in Fund Balances – Total Governmental Funds to Arrive at Net Assets – Governmental Activities	$	(72,126)

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.

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

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.

   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, 2010, consist of the following:

Cash on Hand	$	7,157
Deposits with Depository Bank		13,359,825
Certificates of Deposit		4,881,520
Cash Held by Others		1,664,305
Texpool		22,301,406
TexasDAILY		2,314,749
	$	44,528,962

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, 2010, the carrying amount of the City's deposits (including certificates of deposit) was $18,241,346 and the bank balance was $18,741,072. The City's deposits at September 30, 2010, 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.

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.

IV. CASH AND INVESTMENTS (Continued)

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.

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.

IV. CASH AND INVESTMENTS (Continued)

TexasTERM was created by and for Texas Local Governments to provide investment programs tailored to the needs of Texas cities, counties, school districts and other public investors. TexasTERM investments are designed to comply with all Texas statutes, including regulations for the allowable investments of public funds. TexasTERM is owned and operated by the TexasTERM investors. The investors elect advisory board members who are responsible for the overall management of TexasTERM including overall formulation and implementation of investment and operating policies. Financial information on TexasTERM can be obtained from the internet website, www.texasterm.net. TexasDAILY is a money market portfolio with daily liquidity designed to maintain a $1.00 per share net asset value.

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. As of September 30, 2010, TexPool was rated AAAm by Standard & Poor's. TexasDAILY was rated AAAm by Standard & Poor's.

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, 2010, 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	$ 1,731,330	$ (1,385,064)	$ 346,266
General fund-delinquent property taxes	876,334	(19,058)	857,276
General fund-taxes, penalties and interest	500,356	(10,882)	489,474
General fund- sales taxes	805,988	-	805,988
General fund- lot clearing	556,525	(479,955)	76,570
General fund- miscellaneous	88,868	-	88,868
General fund- paving lien assessment	7,389	(6,888)	501
General fund- returned checks	8,573	-	8,573
Debt service-delinquent taxes	261,638	(5,690)	255,948
Debt service- taxes, penalties and interest	98,034	(2,132)	95,902
CP - Streets & Drainage - Miscellaneous	15	-	15
Other non-major governmental funds-miscellaneous	35	-	35
Interest receivable	724	-	724
Total	$ 4,935,809	$ (1,909,669)	$ 3,026,140

B. Enterprise Funds

	Gas System	Water	Refuse	Wastewater	Bridge	Airport	NonMajor	Total
Customer charges	$ 279,179	$ 909,150	$ 440,253	$ 391,126	$ -	$ -	$ -	$ 2,019,708
Interest	976	1,272	-	-	1,448	-	-	3,696
Connections and repairs	-	123,604	-	22,549	-	-	-	146,153
Unbilled charges	120,268	431,201	131,442	187,368	-	-	-	870,279
Rental	-	-	-	-	-	-	1,641	1,641
Miscellaneous	2,587	8,441	121,654	324	(75)	2,913	-	135,844
Estimated uncollectible	(115,482)	(320,882)	(84,720)	(132,424)	-	-	-	(653,508)
Net Receivables	$ 287,528	$ 1,152,786	$ 608,629	$ 468,943	$ 1,373	$ 2,913	$ 1,641	$ 2,523,813

VII. INTERFUND RECEIVABLES AND PAYABLES

	Receivable	Payable
Governmental Fund		
Major Funds		
General Fund	$ 1,910,514	$ 202,487
Debt Service Fund	132,702	136,704
CP - Streets and drainage	26,880	2,965,584
Non-Major Funds		
Special Revenue Funds		
MIT-5311 Grant	75,894	734,812
Women, Infants and Children	21,731	7,274
Nutrition/Social Services	3,742	36,582
Law Enforcement Employee Continuing Ed	-	-
Economic Development Administration	119	701
TxDot VCR Grant	-	76,069
TxDot Section 5310	-	2,172
JARC Colonias Grant	-	15,305
Total Special Revenue Funds	101,486	872,915
Capital Projects Funds		
Qualia Relief Route	1,476	-
	1,476	-
Total Governmental funds	2,173,058	4,177,690
Enterprise Fund		
Major Funds		
Gas System	1,720,799	41,653
Water	1,072,421	1,966,171
International Bridge	-	209,490
Refuse	1,097	26,569
Wastewater	1,394,086	80,909
International Airport	23,054	-
Non-Major Fund		
Municipal Facilities	4,923	-
Total Enterprise Funds	4,216,380	2,324,792
Internal Service Funds		
Utility Billing	82,724	-
Fleet Services	273,945	-
Computer Services	-	230,042
Health claims self-insurance	-	11,943
	356,669	241,985
Agency Funds:		
Brown Plaza Association	600	2,240
Total	$ 6,746,707	$ 6,746,707

The outstanding balances as of September 30, 2010, 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	$	25,759
Department of Energy		17,520
Federal Emergency Management Assistance		45,913
		89,192
Non-major Special Revenue Funds		
Texas Department of Transportation		338,675
USDA - Texas Department of State Health Services		68,305
Texas Department of State Health Services		40,362
Middle Rio Grande Development Council		53,751
Non-major Capital Project Funds		
Texas Department of Transportation		260,284
Total Non-major Funds		761,377
Total Governmental Funds		850,569
Major Enterprise Funds		
Bridge Fund		47,876
Airport Fund		302,216
Total Major Enterprise Funds		350,092
Non-major - Municipal Facilities Fund		26,454
Total Enterprise Funds		376,546
Total	$	1,227,115

IX. CAPITAL ASSETS

Capital assets activity of the year ended September 30, 2010, was as follows:

	Balance 9/30/2009	Additions	Deductions	Balance 9/30/2010
Governmental activities				
Capital assets, not being depreciated				
Land	$ 5,299,169	$ 4,207	$ -	$ 5,303,376
Construction in progress	18,408,831	3,601,132	8,856,226	13,153,737
Total capital assets, not being depreciated	23,708,000	3,605,339	8,856,226	18,457,113
Capital assets, being depreciated				
Buildings	3,262,701	8,191,327	-	11,454,028
Improvements other than buildings	646,866	-	-	646,866
Machinery and equipment	11,340,415	1,318,830	82,331	12,576,914
Infrastructure	50,793,873	680,519	-	51,474,392
Total capital assets, being depreciated	66,043,855	10,190,676	82,331	76,152,200
Less accumulated depreciation for:				
Buildings	1,845,311	103,454	-	1,948,765
Improvements other than buildings	151,936	39,271	-	191,207
Machinery and equipment	7,363,598	1,008,112	79,111	8,292,599
Infrastructure	39,378,557	1,283,366	-	40,661,923
Total accumulated depreciation	48,739,402	2,434,203	79,111	51,094,494
Total capital assets being depreciated, net	17,304,453	7,756,473	(3,220)	25,057,706
Total Governmental activities capital assets, net	$ 41,012,453	$ 11,361,812	$ 8,853,006	$ 43,514,819

(Continued)

IX. CAPITAL ASSETS (Continued)

Business-type activities	Balance 9/30/2009	Additions	Deductions	Balance 9/30/2010
Capital assets, not being depreciated				
Land	$ 2,282,015	5,096	-	$ 2,287,111
Construction in Progress	23,135,439	3,922,531	23,207,526	3,850,444
Total captial assets, not being depreciated	25,417,454	3,927,627	23,207,526	6,137,555
Capital Assets, being depreciated				
Buildings	4,294,200	53,796	-	4,347,996
Improvements other than buildings	107,697,472	23,477,512		131,174,984
Machinery and equipment	4,842,403	366,927	406,263	4,803,067
Total capital assets, being depreciated	116,834,075	23,898,235	406,263	140,326,047
Less accumulated depreciation for:				
Buildings	2,899,449	186,158	-	3,085,607
Improvements other than buildings	32,576,464	2,631,740	-	35,208,204
Machinery and equipment	3,214,287	344,701	301,312	3,257,676
Total accumulated depreciation	38,690,200	3,162,599	301,312	41,551,487
Total capital assets being depreciated, net	78,143,875	20,735,636	104,951	98,774,560
Total Business-Type Activities capital assets, net	$ 103,561,329	$ 24,663,263	$ 23,312,477	$ 104,912,115

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

Governmental Activities	
General Government	$ 51,617
Public Safety	649,991
Highway and Streets	1,384,522
Welfare	199,392
Culture and Recreation	75,023
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	73,660
Total depreciation expense - governmental activities	$ 2,434,205

IX. CAPITAL ASSETS (Continued)

Business-type activities	
Gas	$ 67,399
Water	1,766,376
Wastewater	551,336
International Bridge	131,179
International Airport	390,314
Refuse	132,318
Municipal facilities	100,740
Capital assets held by the City's internal service fund are charged to various functions based on their usage	22,947
Total depreciation expense - business-type activities	$ 3,162,609

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	$ 23,934,309	$ 2,275,000	$ 2,027,592	$ 24,181,717	$ 1,888,316
Refunding bonds	2,675,307	-	306,009	2,369,298	346,009
Add: deferred gain on refunding	215,995	-	20,993	195,002	20,993
Compensated absences	2,238,769	1,218,205	1,147,088	2,309,886	725,995
Claims and judgements	58,913	130,735	101,129	88,519	88,519
OPEB Liability	-	6,027	-	6,027	-
Governmental activity long-term debt	$ 29,123,293	$ 3,629,967	$ 3,602,811	$ 29,150,449	$ 3,069,832
Business-Type Activities					
Bonds Payable					
Certificate of obligations	$ 22,442,690	$ 2,640,000	$ 1,878,408	$ 23,204,282	$ 1,998,684
Revenue Bonds	613,000	-	55,000	558,000	61,000
Refunding bonds	23,124,693	-	2,153,991	20,970,702	2,323,989
Total bonds payable	46,180,383	2,640,000	4,087,399	44,732,984	4,383,673
Compensated absences	481,427	227,292	241,098	467,621	156,298
Landfill closure	3,371,426	365,089	-	3,736,515	-
Business-type activity debt	$ 50,033,236	$ 3,232,381	$ 4,328,497	$ 48,937,120	$ 4,539,971

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 10/1/2009	Issued Current Year	Retired	Amounts Outstanding 09/30/2010	Amounts Due Within One Year
Certificate of Obligations							
Series 1997	5.7%	$ 2,000,000	$ 350,000	$ -	$ 110,000	$ 240,000	$ 115,000
Series 2000A (1)	0.00%	6,173,000	3,157,000		316,000	2,841,000	317,000
Series 2001 B	4.625% - 5.50%	1,100,000	790,000	-	50,000	740,000	50,000
Series 2001	3.5% - 5.25%	6,630,000	1,655,000	-	305,000	1,350,000	315,000
Series 2002A	3.810% - 5.810%	4,970,000	780,000	-	140,000	640,000	150,000
Series 2002B	3.5% - 4.625%	5,335,000	3,220,000	-	350,000	2,870,000	360,000
Series 2002C(2)	1.15% - 3.95%	6,435,000	4,555,000	-	300,000	4,255,000	310,000
Series 2003A	2% - 5%	1,825,000	695,000	-	135,000	560,000	40,000
Series 2003B	2% - 4.25%	1,320,000	210,000	-	210,000	-	-
Series 2003C	085% - 4.45%	2,190,000	1,760,000	-	90,000	1,670,000	95,000
Series 2004	3.4% - 4.6%	4,870,000	3,695,000	-	270,000	3,125,000	280,000
Series 2005	3% - 4.45%	5,885,000	4,595,000	-	270,000	4,325,000	285,000
Series 2006	4%-4.125%	8,000,000	6,685,000	-	360,000	6,325,000	365,000
Series 2007	4%-4.5%	4,815,000	3,930,000	-	470,000	3,460,000	250,000
Series 2008	4.15%	4,500,000	4,170,000	-	290,000	3,880,000	305,000
Series 2009A	2.5%-4.625%	4,695,000	4,695,000	-	155,000	4,540,000	175,000
Series 2009B	4.95%	1,735,000	1,735,000	-	85,000	1,650,000	50,000
Series 2009C	.55%-.85%	355,000	-	355,000	-	215,000	355,000
Series 2010	2.0%-4.0%	4,560,000	-	4,560,000	-	210,000	4,560,000
Revenue Bonds							
Series 1995	5.69%-6.74%	502,000	247,000	-	30,000	217,000	35,000
Series 2000	4.5%-6.2%	533,000	366,000	-	25,000	341,000	26,000
Refunding Bonds							
Series 2001	0.0%	5,400,000	3,240,000	-	270,000	2,970,000	270,000
Series 2002	3% - 4.125%	7,795,000	4,055,000	-	740,000	3,315,000	785,000
Series 2002	3% -3.75%	1,885,000	1,400,000	-	450,000	950,000	465,000
Series 2003	3% - 4%	4,190,000	3,370,000	-	410,000	2,960,000	550,000
Series 2005	3%-4.25%	6,780,000	6,040,000	-	590,000	5,450,000	600,000
Series 2007	4%-4.5%	7,695,000	7,695,000	-	-	7,695,000	-
TOTAL			$ 72,790,000	$ 4,915,000	$ 6,421,000	$ 71,284,000	$ 6,618,000

(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 December 18, 2009 the 1st installment in the amount of $355,000 out of $10,000,000 Combination Tax and Revenue Certificates of Obligation Series 2009-C issued through a loan from the Texas Water Development Board. The interest rate for the bonds are .55% through .85% and are payable in annual installments beginning June 2011 and ending June 2012.

On September 17, 2010, the City issued a total of $4,560,000 on Combination Tax and Revenue Certificates of Obligation, Series 2010. Serial bonds were issued in the amount of $2,390,000 the interest rate for the serial bonds are 2.0% through 3.0% and are payable beginning June 1, 2011 in varying installments from $200,000 to $275,000 through June 1, 2020. Term bonds were also issued that date in the amount of $2,170,000 for a total of $4,560,000 in Combination Tax and Revenue Certificates of Obligation. The Interest rates for the term bonds are 4.0%. The term bonds are payable beginning June 1, 2022 in varying installments from $400,000 to $465,000 through June 1, 2030.

D. Advance Refundings

In prior years, the City refunded 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 refunded bonds are not included in the City's financial statements. On September 30, 2010, $7,185,000 of bonds defeased in prior years remained outstanding.

E. Bond Covenant Compliance

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 except.

(Continued)

X. LONG-TERM DEBT (Continued)

F. The annual requirements to amortize the bonds outstanding as of September 30, 2010, are as follows:

Certificates of Obligation:

	Governmental Activities		Business Type Activities	
Year Ending September 30,	Principal	Interest	Principal	Interest
2011	$ 1,888,316	$ 998,219	$ 1,998,684	$ 1,145,320
2012	1,830,903	941,798	1,946,097	1,093,816
2013	1,769,489	872,641	1,762,511	1,013,364
2014	1,794,076	804,437	1,827,924	958,076
2015	1,804,000	704,045	1,378,000	575,701
2016-2020	7,378,000	2,486,449	8,161,000	2,198,490
2021-2025	5,599,000	1,179,059	4,781,000	927,891
2026-2030	2,117,933	191,357	1,892,066	198,218
Total Certificates of Obligations	$ 24,181,717	$ 8,178,005	$ 23,747,282	$ 8,110,875

Revenue Bonds:

	Business Type Activities	
Year Ending September 30,	Principal	Interest
2011	$ 61,000	$ 34,877
2012	62,000	31,102
2013	64,000	27,239
2014	66,000	23,215
2015	110,000	19,060
2016-2020	195,000	37,379
2021-2025	-	-
Total Revenue Bonds	$ 558,000	$ 172,873

(Continued)

X. LONG-TERM DEBT (Continued)

Refunding Bonds:

	Governmental Activities		Business Type Activities	
Year Ending September 30,	Principal	Interest	Principal	Interest
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	100,978	24,478	2,459,022	415,026
2016-2020	456,580	63,938	6,979,881	1,108,977
2021-2025	88,678	1,984	2,159,861	338,923
2026-2030	-	-	695,000	31,613
Total Revenue Bonds	$ 2,369,298	$ 349,092	$ 20,970,702	$ 4,266,020

F. 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.

G. 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 $3,736,515 reported as landfill closure and postclosure liabilities at September 30, 2010, 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 $1,580,026 for operating landfill as the remaining estimated capacity is filled. The estimated remaining life of the landfill is 6.9 years. These amounts are based on what it would cost to perform all closure and postclosure care in 2010. Based on the current demographic information and engineering estimates of landfill consumption, the City expects to close the landfill in approximately 2017. Actual costs may be higher due to inflation, changes in technology, or changes in applicable laws or regulations.

X. LONG-TERM DEBT (Continued)

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.

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	$	4,092,405
Post-Closure Costs		1,224,136
Corrective Action		-
Total	$	5,316,541

3. The anticipated year of closure is 2017 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 $40,805 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. The projection of benefits does not explicitly incorporate the potential effects of legal or contractual funding limitations.

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.

XI. PENSION PLAN (Continued)

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 2009	Plan Year 2010
Deposit Rate	5%	5%
Matching Ration (City to 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, which is calculated to be a level percent of payroll from year to year. The normal cost contribution rate finances the portion of an active member's projected benefit allocated annually; 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, 2008 valuation is effective for rates beginning January 2010).

Schedule of Actuarial Liabilities and Funding Progress

Actuarial Valuation Date	December 31, 2009
Actuarial Value of Assets	$ 6,740,294
Actuarial Accrued Liability	13,992,006
Unfunded (Over-Funded) Actuarial Accrued Liability (UAAL)	7,251,712
Funded Ratio	48.2%
Annual Covered Payroll	15,836,183
UAAL as a Percentage of Covered Payroll	46.7%

XI. PENSION PLAN (Continued)

Annual Pension Cost

Fiscal Year Ending	September 30, 2010
Annual Required Contribution (ARC)	$ 1,140,621
Interest on NPO	-
Adjustment to ARC	-
Percentage of ARC Contributed	100%
Net Pension Obligation at end of year	-

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
9/30/2007	$ 979,967	100%	$ -
9/30/2008	1,106,116	100%	-
9/30/2009	1,135,114	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	28 Years – Closed Period
Asset Valuation Method	10-year Smoothed Market
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

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, 2010. 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	243
Retiree (1 child)	111
Retiree (2 Children)	223
Retiree (Family)	466

D. Annual OPEB Cost

For the fiscal year ended September 30, 2010, the City's annual OPEB cost was $44,462, which consisted entirely of the actuarially defined annual required contribution (ARC). The dollar amount contributed by the City toward the OPEB cost was $42,271 the amount required to cover current year expenditures. At September 30, 2009, the City had a net OPEB obligation of $3,836.

Annual Required Contribution	$ 44,449
Interest on OPEB Obligation	173
Adjustment to ARC	(160)
Annual OPEB Cost (Expense) End of Year	44,462
Contributions Made	42,271
Increase in Net OPEB Obligation	2,191
Net OPEB Obligation – Beginning of Year	3,836
Net OPEB Obligation – End of Year	$ 6,027

XII. POST-EMPLOYMENT BENEFITS (Continued)

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2010 and 2009 is as follows:

Fiscal Year Ended	Annual OPEB Cost	Percentage Of Annual OPEB Cost Contributed	Net OPEB Obligation Beginning	Change to Net OPEB Obligation	Net OPEB Obligation Ending
September 30, 2009	$ 21,338	82.02%	$ -	$ 17,502	$ 3,836
September 30, 2010	$ 44,462	82.02%	$ 3,836	$ 42,271	$ 6,027

E. Funded Status and Funding Progress

As of December 31, 2009, the most recent actuarial valuation date, the plan was 0% funded. The actuarial value of assets was $0 resulting in an unfunded actuarial accrued liability (UAAL) of $207,745. The covered payroll (annual payroll of active employees covered by the plan) was $15,836,183 and the ratio of the UAAL to the covered payroll was 1.31%. The schedule of funding progress, on page 67, presented as required supplementary information following the notes to the financial statements show only the first two years 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.

XII. POST-EMPLOYMENT BENEFITS (Continued)

Actuarial Valuation Information

Actuarial Valuation Date	December 31, 2009
Actuarial Cost Method	Projected Unit Credit Cost Method
Amortization Method	Level Dollar
Amortization Period in Years	20-year open amortization
Asset Valuation Method	7.50% discount rate
Actuarial Assumptions:	
Discount Rate	4.5%
Payroll	3.0%
Healthcare cost trend rate	Initial rate of 9.0%declining to an ultimate rate of 4.50% after 9 years
Inflation Rate	3% per year

XIII. EXPENDITURES IN EXCESS OF APPROPRIATIONS

Departmental expenditures exceeded appropriations budgetary basis as follows:

	Appropriations	Expenditures	Excess Expenditures
General Fund			
General Government			
Central Purchasing	$ 235,803	$ 243,314	$ (7,511)
Public Safety			
BP Vest	6,893	7,127	(234)
Fire Department	4,464,342	4,488,378	(24,036)
Fire-Safer Grant	560,129	568,941	(8,812)
Highway and Streets			
Streets Reclaiming	117,139	118,843	(1,704)
Traffic Control	559,045	562,948	(3,903)
Communication Systems	-	290	(290)
Culture and Recreation			
Parks	942,833	987,138	(44,305)

XIV. TRANSFERS

	Transfers In	Transfers Out
General Fund	$ 6,404,175	$ 3,040,348
Debt service fund	1,889,840	-
Nonmajor Funds		
Special Revenue Funds		
Nutrition/Social Services	11,367	-
Community Development Block Grant	10,000	-
Room Tax	-	211,030
Eco. Comm. & Housing Development	101,981	-
Total SpecialRevenue Funds	123,348	211,030
Capital Project Funds Fund		
Parking Lot Garage	200,000	-
City Hall Building	500,000	-
Total Capital Projects Funds	700,000	-
Total Nonmajor Funds	823,348	211,030
Total Governmental Activities	9,117,363	3,251,378
Enterprise Funds		
Gas System	-	1,309,734
International Bridge	-	3,452,935
International Airport	158,216	1,854
Refuse	-	393,707
Water system	-	735,346
Municipal Facilities	291,900	927
Wastewater	-	556,953
Total Proprietary Funds	450,116	6,451,456
Internal Service Funds		
Fleet Services	172,819	-
Utility Billing	-	37,000
MIS	-	464
Total Internal Service Funds	172,819	37,464
Total Transfers In and Out	$ 9,740,298	$ 9,740,298

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 Capital Project Funds; the Airport Fund and the 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	$	(603,868)
Non-Major Special Revenue Funds		
MIT 5311 Grant		(528,915)
JARC Colonias Grant		(15,450)
Economic Development Administration		(2,659)
Internal Service Funds		
Health Claims Fund		(69,761)

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. Similarly, subsidies from General Fund will be used to reduce deficits in the MIT 5311 and other Special Revenue funds as well as adjusting rates as necessary for the Health Claims Fund.

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 fund balance at September 30, 2010, are as follows:

Designated fund balance from bridge toll increases:

Street Drainage	$	1,955,602
General Fund Reserve		884,931
Public Safety		449,887
Bridge Reserve		1,363,638
		4,654,058
Other designated net assets:		
Land Purchase		200,000
Future Construction		563,000
	$	5,417,058

XVII. COMMITMENTS AND CONTINGENCIES

A. Construction Commitments

The total contractual commitment for construction in progress by project at September 30, 2010, is as follows:

Project Description	Commitments
Government Activity	
Police Station	$ 304,865
Main Street Improvement	886,314
Avenue E Project	636,516
Avenue G Project	51,298
Total Government Activity	1,878,993
Business Type Activity	
Main Street Improvement (Water Fund)	$ 106,058
Avenue E Project (Water Fund)	171,231
Main Street Improvement (Wastewater Fund)	437,787
Avenue E Project (Wastewater Fund)	125,080
Wastewater Outfall Collection Line	8,839
Total Business Type Activity	848,995
Total Commitments	$ 2,727,988

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 are 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, 2010.

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 the loss can be reasonably estimated. These losses include an estimate of claims that have been incurred but not reported. At September 30, 2010, the amount of these liabilities was $88,519. This liability, which is recorded as long-term debt, is the City's best estimate based on available information and is considered to be due within one year since claims are generally liquidated within one year. Changes in the reported liability since October 1, 2007, resulted from the following:

	Beginning of Fiscal Year Liability	Claims and Changes in Estimates	Claims Payments	Balance At Fiscal Year-End
2007-2008	$ 122,290	$ 36,173	$ (126,671)	$ 21,792
2008-2009	21,792	86,169	(49,049)	58,913
2009-2010	58,913	130,735	(101,129)	88,519

(Continued)

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 $191,213 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. Health claims are generally liquidated with one year.

Change in claims payable for the last three 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
2009-2010	115,899	2,406,369	(2,331,054)	191,213	191,213

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REQUIRED SUPPLEMENTARY INFORMATION

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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, 2010

	Budgeted Amounts			Variance with Final Budget -
	Original	Final	Actual	Over (Under)
REVENUES				
Taxes	$ 11,353,540	$ 11,341,479	$ 11,347,684	$ 6,205
Fines and Forfeitures	767,181	640,325	625,799	(14,526)
Charges for Services	985,874	885,359	883,432	(1,927)
Licenses and Permits	477,000	430,232	426,342	(3,890)
Intergovernmental	628,686	1,518,139	1,117,695	(400,444)
Investment income	200,000	56,000	57,093	1,093
Rental	35,000	41,503	27,074	(14,429)
Miscellaneous	30,500	95,720	83,812	(11,908)
TOTAL REVENUES	14,477,781	15,008,757	14,568,931	(439,826)
EXPENDITURES				
Current Expenditures				
General Government	4,194,926	4,396,906	4,245,930	150,976
Public Safety	11,331,659	11,481,741	11,238,947	242,794
Highway and Streets	1,572,572	1,838,483	1,580,712	257,771
Culture and Recreation	1,364,734	1,361,374	1,353,309	8,065
Economic Development & Assistance	53,901	8,384	4,109	4,275
Debt Service:				
Bond issuance costs	-	-	21,705	(21,705)
Capital Outlay	3,000,000	740,924	748,756	(7,832)
TOTAL EXPENDITURES	21,517,792	19,827,812	19,193,468	634,344
Excess/(Deficiency) of Revenues Over Expenditures	(7,040,011)	(4,819,055)	(4,624,537)	194,518
OTHER FINANCING SOURCES/(USES)				
Capital -related Debt Issued (Regular Bonds)	3,000,000	574,000	580,000	6,000
Sale of Real and Personal Property	80,000	50,000	37,202	(12,798)
Transfers In	6,228,559	6,263,559	6,404,175	140,616
Transfers Out	(2,268,548)	(3,040,348)	(3,040,348)	-
Premium or Discount on Issuance of Bonds	-	-	15,705	15,705
TOTAL OTHER FINANCING SOURCES/(USES)	7,040,011	3,847,211	3,996,734	149,523
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ -	$ (971,844)	(627,803)	$ 344,041
ADD CURRENT YEAR ENCUMBRANCES			381,494	
LESS PRIOR YEAR ENCUMBRANCES			(582,222)	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (GAAP Basis)			(828,531)	
Fund Balance at Beginning of Year			8,904,074	
Fund Balance at End of Year			$ 8,075,543	

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED SEPTEMBER 30, 2010

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, 2010

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%
12/31/09	-	207,745	207,745	0.00%	15,836,183	1.31%

CITY OF DEL RIO
Del Rio, Texas

Schedule of Funding Progress
Texas Municipal Retirement System

September 30, 2010

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)
12/31/07	$ 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%
12/31/09	$ 6,740,294	$ 13,992,006	48.2%	$ 7,251,712	$ 15,836,183	46.7%

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

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, 2010

	Special Revenue	Capital Projects	Total
ASSETS			
Cash and Cash Equivalents	$ 299,017	$ 1,601,354	$ 1,900,371
Receivables, Net of Allowance	35	-	35
Due from Other Funds	101,486	1,476	102,962
Intergovernmental Receivables	501,093	260,284	761,377
Total Assets	$ 901,631	$ 1,863,114	$ 2,764,745
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	$ 138,021	$ 51,978	$ 189,999
Accrued Payroll	61,350	-	61,350
Due to Other Governments	1,652	-	1,652
Due to Other Funds	872,915	-	872,915
Other current Liabilities	-	322,865	322,865
Deposits	500	-	500
Total Liabilities	1,074,438	374,843	1,449,281
Fund Balances			
Reserved for			
Encumbrances	13,205	27,940	41,145
Unreserved, Reported in			
Capital Projects	-	1,460,331	1,460,331
Special Revenue	(186,012)	-	(186,012)
Total Fund Balances	(172,807)	1,488,271	1,315,464
Total Liabilities and Fund Balances	$ 901,631	$ 1,863,114	$ 2,764,745

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	$ 562,747	$ -	$ 562,747
Intergovernmental	1,833,588	330,334	2,163,922
Charges for Service	252,280	-	252,280
Investment Earnings	204	5,165	5,369
Rental	36,091	-	36,091
Miscellaneous	29,017	-	29,017
Total Revenues	2,713,927	335,499	3,049,426
EXPENDITURES			
Current			
General Government	343,177	-	343,177
Public Safety	5,856	-	5,856
Economic Development	102,296	-	102,296
Health and Welfare	2,175,451	-	2,175,451
Debt Service			
Bond Issuance Costs	-	5,080	5,080
Capital Outlay	292,358	1,224,554	1,516,912
Total Expenditures	2,919,138	1,229,634	4,148,772
Excess (Deficiency) of Revenues Over (Under) Expenditures	(205,211)	(894,135)	(1,099,346)
OTHER FINANCING SOURCES (USES)			
Issuance of Debt	-	130,000	130,000
Premium or Discount on Issuance of Bonds	-	80	80
Transfers In	123,348	700,000	823,348
Transfers Out	(211,030)	-	(211,030)
Total Other Financing Sources (Uses)	(87,682)	830,080	742,398
Net Change in Fund Balances	(292,893)	(64,055)	(356,948)
Fund Balances - Beginning	120,086	1,552,326	1,672,412
Fund Balance - Ending	$ (172,807)	$ 1,488,271	$ 1,315,464

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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, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES			
Taxes			
Property Tax	$ 4,269,092	$ 4,276,462	$ 7,370
Attorney's Fees	96,000	98,818	2,818
Penalty and Interest	161,000	161,147	147
General Sales Tax	4,898,828	4,898,828	-
Franchise Fees	1,852,978	1,848,848	(4,130)
Mixed Beverage Tax	63,581	63,581	-
Total Taxes	11,341,479	11,347,684	6,205
Fines and Forfeitures			
Municipal Court	288,000	284,013	(3,987)
Dog Pound	4,000	3,987	(13)
State Violation Fines	313,325	304,242	(9,083)
Time Payment Fee	35,000	33,557	(1,443)
Total Fines and Forfeitures	640,325	625,799	(14,526)
Charges for Services			
Xerox Use Fees	1,800	1,792	(8)
Sale of Maps and Documents	8,800	8,784	(16)
Sale of Plastic Protect	1,200	679	(521)
Police Services & Fees	17,300	19,253	1,953
Street Sign and Striping	6,000	7,387	1,387
Other Maintenance Service Fees	400,000	400,000	-
New Paving	-	-	-
Demolition and Lot Clearing	18,000	21,892	3,892
No Nuisance Ordinance Fees	844	844	-
Vital Statistics	83,000	82,349	(651)
Concession Stand Income	-	-	-
Buena Vista Pool	11,866	11,866	-
Moore Park Pool	18,230	18,230	-
Recreational Uses	3,745	4,015	270
Swimming Lessons Fees	-	-	-
Field Light Usage	900	795	(105)
Adopt A Pet Program Fee	3,000	2,580	(420)
Misc. Park & Recreation	9,600	10,238	638
Inter-administration Services	51,074	45,282	(5,792)
Inter-service charges	30,000	29,397	(603)
Indirect Cost-WIC	30,000	36,257	6,257
Inter-admin purchasing	190,000	181,792	(8,208)
Total Charges for Services	885,359	883,432	(1,927)
Licenses and Permits			
Building Permits	135,000	129,508	(5,492)
Electrical Permits	40,000	40,053	53
Plumbing Permits	53,000	54,491	1,491
Gas Permits	500	680	180
Health Permits	57,000	60,616	3,616
Commercial Pet Vendors	-	-	-
Garage Sale Permits	20,000	19,570	(430)

(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 (Continued)			
Fire Alarm Permit	$ -	$ -	$ -
Zoning Permits	7,000	6,650	(350)
Plan & Specification	17,700	18,486	786
Certificates of Compliance	5,000	2,200	(2,800)
Other Permits	49,262	49,362	100
Professional and Occupation Licenses	17,570	15,895	(1,675)
Mechanical Permits	28,200	28,831	631
Total Licenses and Permits	430,232	426,342	(3,890)
Intergovernmental			
Federal Emergency Management	492,216	445,791	(46,425)
Federal Funds EECBG	76,550	76,106	(444)
Border Star Grant	73,530	71,811	(1,719)
Fema-Assistance to Fire Fighter	-	34,075	34,075
Tx CDBG Program	360,839	360,839	-
TXDOT-DWI-STEP	267,819	-	(267,819)
TXDOT-OP Seatbelt	51,350	-	(51,350)
Auto Theft Grant- State	169,295	111,476	(57,819)
Payments in Lieu of Taxes	13,191	13,191	-
BP Vest- Federal Revenue	3,349	3,564	215
State Revenues	-	842	842
Parks Grant	10,000	-	(10,000)
Total Intergovernmental	1,518,139	1,117,695	(400,444)
Interest Income	56,000	57,093	1,093
Rental Income			
Facilities Rental	-	1	1
Barricade Rental	2,000	1,125	(875)
Chihuana Center Rental	-	-	-
Joe Ramos Center	14,503	14,968	465
Other Rental	25,000	10,980	(14,020)
Total Rental Income	41,503	27,074	(14,429)
Miscellaneous Revenues			
Miscellaneous Donations	13,220	13,229	9
Pavilion Rentals	8,000	6,350	(1,650)
Cash Over & Short	-	52	52
Vending Machine Income	500	111	(389)
Property Tax Overpayment	12,000	11,789	(211)
Return Check Fees	2,000	1,290	(710)
Excess Insurance Reim	-	13	13
Miscellaneous Income	60,000	50,978	(9,022)
Total Miscellaneous Revenues	95,720	83,812	(11,908)
TOTAL REVENUES	$ 15,008,757	$ 14,568,931	$ (439,826)

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, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES			
GENERAL GOVERNMENT			
City Council			
Personnel Services	$ 19,685	$ 16,814	$ 2,871
Supplies	7,940	7,724	216
Contractual Services and Other Costs	64,523	58,509	6,014
Capital Outlay	4,307	4,151	156
Intergovernmental	16,411	16,411	-
Total City Council	112,866	103,609	9,257
City Attorney			
Personnel Services	276,986	276,290	696
Supplies	2,632	2,677	(45)
Capital Outlay	-	-	-
Contractual Services and Other Costs	252,961	219,398	33,563
Total City Attorney	532,579	498,365	34,214
City Manager			
Personnel Services	471,425	470,737	688
Supplies	21,074	18,604	2,470
Contractual Services and Other Costs	102,722	91,480	11,242
Marketing / Promo	-	-	-
Capital Outlay	-	-	-
Reserves	-	-	-
Sub-total	595,221	580,821	14,400
Marketing/Promo			
Personnel Services	23,341	23,106	235
Contractual Services and Other Costs	12,185	12,136	49
Total Marketing/Promo	35,526	35,242	284
City Hall Maintenance			
Supplies	9,860	7,897	1,963
Contractual Services and Other Costs	17,216	11,596	5,620
Sub-total	27,076	19,493	7,583
Total City Manager	657,823	635,556	22,267

(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, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Personnel			
Personnel Services	$ 169,924	$ 168,998	$ 926
Supplies	19,150	13,631	5,519
Contractual Services and Other Costs	57,261	58,665	(1,404)
Capital Outlay	-	-	-
Sub-total	246,335	241,294	5,041
Civil Service			
Personnel Services	24,136	23,349	787
Supplies	4,950	4,271	679
Contractual Services and Other Costs	6,150	3,173	2,977
Sub-total	35,236	30,793	4,443
Total Personnel	281,571	272,087	9,484
Finance Department			
Finance			
Personnel Services	225,087	225,265	(178)
Supplies	3,900	3,364	536
Contractual Services and Other Costs	56,516	48,224	8,292
Capital Outlay	-	-	-
Total Finance	285,503	276,853	8,650
Accounting			
Personnel Services	273,689	272,405	1,284
Supplies	3,850	3,778	72
Contractual Services and Other Costs	20,088	19,732	356
Total Accounting	297,627	295,915	1,712
Tax			
Personnel Services	117,207	113,674	3,533
Supplies	3,550	3,036	514
Contractual Services and Other Costs	311,968	305,651	6,317
Capital Outlay	-	-	-
Total Tax	432,725	422,361	10,364

(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, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Operations			
Personnel Services	$ 59,126	$ 59,055	$ 71
Supplies	946	414	532
Contractual Services and Other Costs	4,595	3,498	1,097
Capital Outlay	2,000	1,717	283
Total Operations	66,667	64,684	1,983
Central Purchasing			
Personnel Services	189,330	185,685	3,645
Supplies	4,971	20,565	(15,594)
Contractual Services and Other Costs	40,913	36,534	4,379
Capital Outlay	589	530	59.00
Total Central Purchasing	235,803	243,314	(7,511)
Total Finance Department	1,318,325	1,303,127	15,198
Planning/Code Compliance			
Code Compliance			
Personnel Services	290,405	290,774	(369)
Supplies	8,062	8,039	23
Contractual Services and Other Costs	50,245	49,562	683
Capital Outlay	27,739	25,639	2,100
Total Code Compliance	376,451	374,014	2,437
Planning & Zoning			
Personnel Services	104,698	98,778	5,920
Supplies	989	203	786
Contractual Services and Other Costs	4,398	4,148	250
Total Planning & Zoning	110,085	103,129	6,956
Total Planning/Code Compliance	486,536	477,143	9,393
Engineering			
Engineering			
Personnel Services	297,450	282,944	14,506
Supplies	5,470	4,813	657
Contractual Services and Other Costs	34,861	31,255	3,606
Capital Outlay	2,370	1,990	380
Total Engineering	340,151	321,002	19,149

(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, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
GIS Engineering			
Personnel Services	$ 43,691	$ 43,763	$ (72)
Supplies	2,224	1,546	678
Contractual Services and Other Costs	36,082	34,127	1,955
Capital Outlay	5,614	5,292	322
Total GIS Engineering	87,611	84,728	2,883
Total Engineering	427,762	405,730	22,032
City Secretary			
Personnel Services	139,497	138,708	789
Supplies	10,754	9,558	1,196
Contractual Services and Other Costs	36,243	32,390	3,853
Capital Outlay	1,050	-	1,050
Total City Secretary	187,544	180,656	6,888
Municipal Court			
Personnel Services	198,227	196,434	1,793
Supplies	1,630	1,406	224
Contractual Services and Other Costs	235,712	234,990	722
Capital Outlay	3,150	-	3,150
Total Municipal Court	438,719	432,830	5,889
TOTAL GENERAL GOVERNMENT	4,443,725	4,309,103	134,622
PUBLIC SAFETY			
Police			
Police - Patrol			
Personnel Services	4,974,782	4,981,713	(6,931)
Supplies	239,047	201,910	37,137
Contractual Services and Other Costs	423,967	413,823	10,144
Capital Outlay	51,518	51,518	-
Total Police - Patrol	5,689,314	5,648,964	40,350
Justice Assistance Grant			
Personnel Services	150,000	-	150,000
Capital Outlay	117,819	8,508	109,311
Total Justice Assistance Grant	267,819	8,508	259,311

(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, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Auto Theft			
Personnel Services	$ 132,039	$ 128,938	$ 3,101
Supplies	3,888	4,295	(407)
Contractual Services and Other Costs	19,748	15,261	4,487
Capital Outlay	49,525	49,517	8
Total Auto Theft	205,200	198,011	7,189
BP Vest			
Supplies	6,893	7,127	(234)
Police Training Academy			
Personnel Services	142,075	135,908	6,167
Supplies	9,400	3,986	5,414
Contractual Services and Other Costs	35,495	34,461	1,034
Capital Outlay	1,210	1,100	110
Total Police Training Academy	188,180	175,455	12,725
Local Border Security			
Personnel Services	21,596	21,205	391
Total Police Department	6,379,002	6,059,270	319,732
Fire			
Fire			
Personnel Services	3,854,971	3,867,453	(12,482)
Supplies	117,546	116,272	1,274
Contractual Services and Other Costs	235,994	250,966	(14,972)
Capital Outlay	255,831	253,687	2,144
Total Fire	4,464,342	4,488,378	(24,036)
Emergency Management			
Supplies	445	445	-
Contractual Services and Other Costs	7,300	4,229	3,071
Capital Outlay	27	27	-
Total Emergency Management	7,772	4,701	3,071
Fire Station Airport			
Personnel	-	-	-
Contractual Services and Other Costs	30,772	30,774	(2)
Total Fire Station Airport	30,772	30,774	(2)

(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, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Fire-Safer Grant			
Personnel	$ 560,129	$ 568,941	$ (8,812)
Total Fire-Safer Grant	560,129	568,941	(8,812)
Total Fire	5,063,015	5,092,794	(29,779)
Community Health			
Community Health			
Personnel Services	401,449	395,217	6,232
Supplies	49,230	42,824	6,406
Contractual Services and Other Costs	64,975	69,550	(4,575)
Capital Outlay	1,250	180	1,070
Total Community Health Department	516,904	507,771	9,133
TOTAL PUBLIC SAFETY	11,958,921	11,659,835	299,086
HIGHWAY AND STREETS			
Public Works - Streets and Drainage			
Personnel Services	636,244	636,956	(712)
Supplies	136,260	133,848	2,412
Contractual Services and Other Costs	189,795	195,939	(6,144)
Capital Outlay	210,256	186,942	23,314
Total Public Works - Streets and Drainage	1,172,555	1,153,685	18,870
Drainage Study			
Contractual Services and Other Costs	200,000	-	200,000
Total Division Drainage Study	200,000	-	200,000
Streets Reclaiming			
Personnel Services	115,618	117,730	(2,112)
Contractual Services and Other Costs	1,521	1,113	408
Total Streets Reclaiming	117,139	118,843	(1,704)
Traffic Control			
Personnel Services	163,004	158,460	4,544
Supplies	100,599	96,859	3,740
Contractual Services and Other Costs	295,442	307,629	(12,187)
Capital Outlay	-	-	-
Total Traffic Control	559,045	562,948	(3,903)

(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)			
Communication Systems			
Personnel Services	$ -	$ -	$ -
Supplies	-	-	-
Contractual Services and Other Costs	-	290	(290)
Capital Outlay	-	-	-
Total Communication Systems	-	290	(290)
TOTAL HIGHWAY AND STREETS	2,048,739	1,835,766	212,973
CULTURE AND RECREATION			
Parks			
Personnel Services	597,828	604,897	(7,069)
Supplies	41,377	42,317	(940)
Contractual Services and Other Costs	296,959	335,406	(38,447)
Capital Outlay	6,669	4,518	2,151
Total Parks	942,833	987,138	(44,305)
Recreation Department			
Personnel Services	118,714	85,883	32,831
Supplies	18,777	17,495	1,282
Contractual Services and Other Costs	17,483	6,190	11,293
Capital Outlay	-	-	-
Total Recreation Department	154,974	109,568	45,406
Facility Maintenance			
Personnel Services	252,619	249,535	3,084
Supplies	9,219	9,839	(620)
Contractual Services and Other Costs	8,398	6,870	1,528
Capital Outlay	-	-	-
Total Facility Maintenance	270,236	266,244	3,992
TOTAL CULTURE AND RECREATION	1,368,043	1,362,950	5,093
ECONOMIC DEVELOPMENT AND ASSISTANCE			
Main Street Project			
Personnel Services	-	492	(492)
Supplies	2,321	-	2,321
Contractual Services and Other Costs	6,063	3,617	2,446
Capital Outlay	-	-	-
Total Main Street Project	8,384	4,109	4,275
TOTAL ECONOMIC DEVELOPMENT AND ASSISTANCE	8,384	4,109	4,275
TOTAL EXPENDITURES	$ 19,827,812	$ 19,171,763	$ 656,049

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, 2010

	Budget	Actual	Variance with Final Budget - Positive (Negative)
Other Financing Sources			
Other Sources			
Disposal of Capital Assets	$ 50,000	$ 37,202	$ (12,798)
Bond Proceeds	574,000	580,000	6,000
Discount Premium Long Term Debt	-	15,705	15,705
Total Other Sources	624,000	632,907	8,907
Operating Transfers In			
Gas System	1,300,000	1,300,000	-
Water System	713,559	713,559	-
International Bridge	3,310,000	3,450,616	140,616
Refuse	390,000	390,000	-
Wastewater	550,000	550,000	-
Total Operating Transfers In	6,263,559	6,404,175	140,616
Other Financing (Uses)			
Debt Service			
Bond Issuance Costs	-	21,705	21,705
Total Debt Service	-	21,705	21,705
Operating Transfers Out			
Nutrition and Social Services	11,367	11,367	-
CDBG	10,000	10,000	-
Economic Development	101,981	101,981	-
Debt Service	1,397,892	1,397,892	-
Debt Service	280,918	280,918	-
Parking Lot	200,000	200,000	-
City Hall	500,000	500,000	-
Capital Projects	-	-	-
International Airport	158,216	158,216	-
Municipal Facilities Fund	291,900	291,900	-
Fleet	88,074	88,074	-
Total Operating Transfers Out	3,040,348	3,040,348	-
Total Other Financing Expenses	3,040,348	3,062,053	21,705
Total Other Financing Sources/(Uses)	$ 3,847,211	$ 3,975,029	$ 171,228

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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.

TXDOT VCR Grant
The City was awarded a grant agreement to allow the purchase of one bus under the Texas Departmental Transportation grant funds for rural transit Capitol Improvements.

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.

CDBG Grant
A fund established to account for the use of CDBG funds awarded to the City for transportation and street improvements.

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CITY OF DEL RIO
Del Rio, Texas

Combining Balance Sheet
Nonmajor Special Revenue Funds

September 30, 2010

	MIT-5311 Grant	Women Infants & Children	Nutrition/ Social Services	Room Tax	Loan Repayment Fund
ASSETS					
Cash and Cash Equivalents	$ -	$ 49,063	$ 37,036	$ 13,536	$ 147,692
Intergovernmental Receivables	255,032	68,305	94,113	-	-
Receivables, Net of Allowance	-	-	35	-	-
Due from Other Funds	75,894	21,731	3,742	-	-
Total Assets	$ 330,926	$ 139,099	$ 134,926	$ 13,536	$ 147,692
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts Payable	$ 90,781	$ 8,439	$ 24,390	$ 1,818	$ -
Accrued Payroll	33,748	13,390	10,675	-	-
Intergovernmental Payable	-	-	-	-	-
Due to Other Funds	734,812	7,274	36,582	-	-
Deposits	500	-	-	-	-
Total Liabilities	859,841	29,103	71,647	1,818	-
Fund Balances					
Reserved for					
Encumbrances	5,184	4,631	1,148	-	-
Unreserved	(534,099)	105,365	62,131	11,718	147,692
Total Fund Balances	(528,915)	109,996	63,279	11,718	147,692
Total Liabilities and Fund Balances	$ 330,926	$ 139,099	$ 134,926	$ 13,536	$ 147,692

Property & Forfeiture Fund	Law Enfo. Emp. Continuing Education	TXDOT-VCR Grant	TXDOT-Section 5310	JARC Colonias Grant	Economic Development Admin	CDBG Grant	Total
$ 35,013	$ 4,069	$ -	$ -	$ -	$ 2,608	$ 10,000	$ 299,017
-	-	76,069	7,574	-	-	-	501,093
-	-	-	-	-	-	-	35
-	-	-	-	-	119	-	101,486
$ 35,013	$ 4,069	$ 76,069	$ 7,574	$ -	$ 2,727	$ 10,000	$ 901,631
$ 7,550	$ -	$ -	$ 3,750	$ 145	$ 1,148	$ -	$ 138,021
-	-	-	-	-	3,537	-	61,350
-	-	-	1,652	-	-	-	1,652
-	-	76,069	2,172	15,305	701	-	872,915
-	-	-	-	-	-	-	500
7,550	-	76,069	7,574	15,450	5,386	-	1,074,438
-	-	-	2,140	-	102	-	13,205
27,463	4,069	-	(2,140)	(15,450)	(2,761)	10,000	(186,012)
27,463	4,069	-	-	(15,450)	(2,659)	10,000	(172,807)
$ 35,013	$ 4,069	$ 76,069	$ 7,574	$ -	$ 2,727	$ 10,000	$ 901,631

CITY OF DEL RIO
Del Rio, Texas

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

For The Year Ended September 30, 2010

	MIT-5311 Grant	Women Infants & Children	Nutrition/ Social Services	Room Tax	Loan Repayment Fund
REVENUES					
Taxes	$ -	$ -	$ -	$ 562,747	$ -
Intergovernmental	699,613	482,225	524,575	-	-
Charges for Service	230,726	-	1,624	-	-
Investment Earnings	-	-	-	2	158
Rental	18,000	-	18,091	-	-
Miscellaneous	-	-	29,017	-	-
Total Revenues	948,339	482,225	573,307	562,749	158
EXPENDITURES					
Current					
General Government	-	-	-	343,177	-
Public Safety	-	-	-	-	-
Economic Development	-	-	-	-	-
Health and Welfare	1,072,211	481,278	523,499	-	-
Capital Outlay	161,415	460	25,711	-	-
Total Expenditures	1,233,626	481,738	549,210	343,177	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(285,287)	487	24,097	219,572	158
OTHER FINANCING SOURCES (USES)					
Transfers In	-	-	11,367	-	-
Transfers Out	-	-	-	(211,030)	-
Total Other Financing Sources (Uses)	-	-	11,367	(211,030)	-
Net Change in Fund Balances	(285,287)	487	35,464	8,542	158
Fund Balance - October 1 (Beginning)	(243,628)	109,509	27,815	3,176	147,534
Fund Balance - September 30 (Ending)	$ (528,915)	$ 109,996	$ 63,279	$ 11,718	$ 147,692

Property & Forfeiture Fund	Law Enf. Emp. Continuing Education	TXDOT-VCR Grant	TXDOT-Section 5310	JARC Colonias Grant	Economic Development Admin.	CDBG Grant	Total
$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 562,747
2,570	5,541	76,069	34,169	8,826	-	-	1,833,588
-	-	-	8,542	11,388	-	-	252,280
44	-	-	-	-	-	-	204
-	-	-	-	-	-	-	36,091
-	-	-	-	-	-	-	29,017
2,614	5,541	76,069	42,711	20,214	-	-	2,713,927
-	-	-	-	-	-	-	343,177
-	5,856	-	-	-	-	-	5,856
-	-	-	-	-	102,296	-	102,296
35,538	-	-	42,711	20,214	-	-	2,175,451
28,654	-	76,069	-	-	49	-	292,358
64,192	5,856	76,069	42,711	20,214	102,345	-	2,919,138
(61,578)	(315)	-	-	-	(102,345)	-	(205,211)
-	-	-	-	-	101,981	10,000	123,348
-	-	-	-	-	-	-	(211,030)
-	-	-	-	-	101,981	10,000	(87,682)
(61,578)	(315)	-	-	-	(364)	10,000	(292,893)
89,041	4,384	-	-	(15,450)	(2,295)	-	120,086
$ 27,463	$ 4,069	$ -	$ -	$ (15,450)	$ (2,659)	$ 10,000	$ (172,807)

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Transit Service	$ 264,000	$ 230,726	$ (33,274)
Special Grants	1,130,193	699,613	(430,580)
Miscellaneous Revenues	18,000	18,000	-
TOTAL REVENUES	1,412,193	948,339	(463,854)
EXPENDITURES			
Welfare			
Transportation			
Personnel Services	603,354	650,022	(46,668)
Supplies	223,375	144,822	78,553
Contractual and Other Costs	130,679	101,763	28,916
Capital Outlay	220,765	124,269	96,496
Administration			
Personnel Services	131,704	135,423	(3,719)
Supplies	15,600	2,247	13,353
Contractual and Other Costs	90,762	37,576	53,186
Capital Outlay	14,000	-	14,000
TOTAL EXPENDITURES	1,430,239	1,196,122	234,117
Excess/(Deficiency) of Revenues Over Expenditures	(18,046)	(247,783)	(229,737)
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ (18,046)	(247,783)	$ (229,737)
Add: Current Year Encumbrances		4,828	
Less: Prior Year Encumbrances		(42,332)	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (GAAP Basis)		(285,287)	
Fund Balances at Beginning of Year		(243,628)	
Fund Balances at End of Year		$ (528,915)	

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Special Grants	$ 575,678	$ 482,225	$ (93,453)
Miscellaneous	-	-	-
TOTAL REVENUES	575,678	482,225	(93,453)
EXPENDITURES			
Welfare			
WIC - Immunization			
Personnel Services	381,355	355,130	26,225
Supplies	46,721	16,554	30,167
Contractual and Other Costs	87,953	80,782	7,171
TOTAL EXPENDITURES	516,029	452,466	63,563
Excess/(Deficiency) of Revenues Over Expenditures	$ 59,649	29,759	$ (29,890)
Add: Current Year Encumbrances		4,631	
Less: Prior Year Encumbrances		(33,903)	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures (GAAP Basis)		487	
Fund Balances at Beginning of Year		109,509	
Fund Balances at End of Year		$ 109,996	

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Fees/Service Charges	$ -	$ 1,624	$ 1,624
Special Grants	513,709	524,575	10,866
Miscellaneous Revenues	48,972	47,107	(1,865)
TOTAL REVENUES	562,681	573,306	10,625
EXPENDITURES			
Welfare			
Nutrition and Social Services			
Personnel Services	263,614	250,369	13,245
Supplies	245,312	225,658	19,654
Contractual and Other Costs	51,494	48,418	3,076
Capital Outlay	25,856	25,711	145
TOTAL EXPENDITURES	586,276	550,156	36,120
Excess/(Deficiency) of Revenues Over Expenditures	(23,595)	23,150	46,745
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)	$ (12,228)	34,517	$ 46,745
Add: Encumbrances		1,148	
Less: Prior Year Encumbrances		(201)	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (GAAP Basis)		35,464	
Fund Balances at Beginning of Year		27,815	
Fund Balances at End of Year		$ 63,279	

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Taxes	$ 563,000	$ 562,747	$ (253)
Interest Income	150	2	(148)
TOTAL REVENUES	563,150	562,749	(401)
EXPENDITURES			
General Government			
Room Tax			
Contractual and Other Costs	239,275	239,168	107
Intergovernmental	106,970	104,009	2,961
TOTAL EXPENDITURES	346,245	343,177	3,068
Excess/(Deficiency) of Revenues Over Expenditures	216,905	219,572	2,667
OTHER FINANCING SOURCES/(USES)			
Operating Transfers Out	(211,125)	(211,030)	95
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ 5,780	8,542	$ 2,762
Add: Encumbrances		-	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (GAAP Basis)		8,542	
Fund Balances at Beginning of Year		3,176	
Fund Balances at End of Year		$ 11,718	

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Taxes	$ 1,000	$ 158	$ (842)
Miscellaneous Revenues	-	-	-
TOTAL REVENUES	1,000	158	(842)
EXPENDITURES			
Capital Outlays			
Reserves and Other Expenses	-	-	-
TOTAL EXPENDITURES	-	-	-
Excess/(Deficiency) of Revenues Over Expenditures	$ 1,000	158	$ (842)
Add: Encumbrances		-	
Excess/(Deficiency) of Revenues Over Expenditures (GAAP Basis)		158	
Fund Balances at Beginning of Year		147,534	
Fund Balances at End of Year		$ 147,692	

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Special Grants	$ 4,000	$ 2,570	$ (1,430)
Miscellaneous Revenues	600	45	(555)
TOTAL REVENUES	4,600	2,615	(1,985)
EXPENDITURES			
Supplies	-	-	-
Contract Services	35,550	35,539	11
Capital Outlay	4,600	-	4,600
TOTAL EXPENDITURES	40,150	35,539	4,611
Excess/(Deficiency) of Revenues Over Expenditures	(35,550)	(32,924)	2,626
OTHER FINANCING SOURCES/(USES)			
Operating Transfers Out	-	-	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ (35,550)	(32,924)	$ 2,626
Add: Encumbrances		-	
Less: Prior Year Encumbrances		(28,654)	
Excess/(Deficiency) of Revenues Over Expenditures (GAAP Basis)		(61,578)	
Fund Balances at Beginning of Year		89,041	
Fund Balances at End of Year		$ 27,463	

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Special Grants	$ 6,500	$ 5,541	$ (959)
TOTAL REVENUES	6,500	5,541	(959)
EXPENDITURES			
Contractual and Other Costs-Police	6,500	5,012	1,488
Contractual and Other Costs-Fire	-	844	(844)
TOTAL EXPENDITURES	6,500	5,856	644
Excess/(Deficiency) of Revenues Over Expenditures	-	(315)	(315)
OTHER FINANCING SOURCES/(USES)			
Operating Transfer In	-	-	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ -	(315)	$ 315
Add: Encumbrances		-	
Excess/(Deficiency) of Revenues Over Expenditures (GAAP Basis)		(315)	
Fund Balances at Beginning of Year		4,384	
Fund Balances at End of Year		$ 4,069	

CITY OF DEL RIO
Del Rio, Texas

TXDOT VCR 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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
TX Dept of Transportation	$ 78,000	$ 76,069	$ (1,931)
TOTAL REVENUES	78,000	76,069	(1,931)
EXPENDITURES			
Capital Outlay	78,000	76,069	1,931
TOTAL EXPENDITURES	78,000	76,069	1,931
Excess/(Deficiency) of Revenues Over Expenditures	-	-	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ -	-	$ -
Add: 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

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Transit Service - Local	$ 24,542	$ 8,542	$ (16,000)
Special Grants	98,166	34,169	(63,997)
TOTAL REVENUES	122,708	42,711	(79,997)
EXPENDITURES			
Welfare			
Supplies	89,403	43,083	46,320
Contractual and Other Costs	-	1,767	(1,767)
Capital Outlay	29,994	-	29,994
TOTAL EXPENDITURES	119,397	44,850	74,547
Excess/(Deficiency) of Revenues Over Expenditures	$ 3,311	(2,139)	$ (5,450)
Add: Encumbrances		2,139	
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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Transit Service	$ 15,500	$ 11,388	$ (4,112)
Special Grants	31,554	8,826	(22,728)
TOTAL REVENUES	47,054	20,214	(26,840)
EXPENDITURES			
Personnel Services	35,200	17,918	17,282
Supplies	-	2,296	(2,296)
TOTAL EXPENDITURES	35,200	20,214	14,986
Excess/(Deficiency) of Revenues Over Expenditures	$ 11,854	-	$ (11,854)
Add: Current Year Encumbrances		-	
Less: Prior Year Encumbrances		-	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures (GAAP Basis)		-	
Fund Balances at Beginning of Year		(15,450)	
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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Miscellaneous	$ -	$ -	$ -
TOTAL REVENUES	-	-	-
EXPENDITURES			
Personnel	75,848	75,788	60
Supplies	1,300	1,312	(12)
Contract Service and Other Costs	24,952	24,393	559
Capital Outlay	-	49	(49)
TOTAL EXPENDITURES	102,100	101,542	558
Excess/(Deficiency) of Revenues Over Expenditures	(102,100)	(101,542)	558
OTHER FINANCING SOURCES/(USES)			
Transfer In	101,981	101,981	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ (119)	439	$ 558
Add: Encumbrances		-	
Less: Prior Year Encumbrances		(803)	
Excess/(Deficiency) of Revenues Over Expenditures (GAAP Basis)		(364)	
Fund Balances at Beginning of Year		(2,295)	
Fund Balances at End of Year		$ (2,659)	

CITY OF DEL RIO
Del Rio, Texas

CDBG 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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Special Grants	$ 48,900	$ -	$ (48,900)
TOTAL REVENUES	48,900	-	(48,900)
EXPENDITURES			
Contractual and Other Costs	58,900	-	58,900
TOTAL EXPENDITURES	58,900	-	58,900
Excess/(Deficiency) of Revenues Over Expenditures	(10,000)	-	10,000
OTHER FINANCING SOURCES/(USES)			
Operating Transfers In	10,000	10,000	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ -	10,000	$ 10,000
Add: Encumbrances		-	
Excess/(Deficiency) of Revenues Over Expenditures (GAAP Basis)		10,000	
Fund Balances at Beginning of Year		-	
Fund Balances at End of Year		$ 10,000	

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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	$ 1,686,188	$ 1,691,270	$ 5,082
Miscellaneous Revenues	1,472	1,733	261
TOTAL REVENUES	1,687,660	1,693,003	5,343
EXPENDITURES			
Supplies	-	-	-
Debt Service	3,603,593	3,365,538	238,055
TOTAL EXPENDITURES	3,603,593	3,365,538	238,055
Excess/(Deficiency) of Revenues Over Expenditures	(1,915,933)	(1,672,535)	243,398
OTHER FINANCING SOURCES/(USES)			
Interfund Transfers	1,889,935	1,889,840	(95)
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ (25,998)	217,305	$ 243,303
Add: Encumbrances		-	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (GAAP Basis)		217,305	
Fund Balances at Beginning of Year		1,249,435	
Fund Balances at End of Year		$ 1,466,740	

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.

Parking Lot Garage

The Parking Lot Garage Capital Project Fund is used to account for the funds available in determining the feasibility of the construction of a parking lot garage.

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.

Police Station

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

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.

Emergency Operations Center

The Emergency Operation Center Capital Project Fund is used to account for the resources, liabilities and related activities for the construction of an Emergency Operations Center.

CITY OF DEL RIO
Del Rio, Texas

Combining Balance Sheet
Nonmajor Capital Projects Funds

September 30, 2010

	Qualia Relief Route	Parking Lot Garage	City Hall Building	Animal Shelter	Bicycle and Walking Trail
ASSETS					
Cash and Cash Equivalents	$ 16,337	$ 200,014	$ 421,058	$ 247,194	$ 98,805
Intergovernmental Receivables	260,284	-	-	-	-
Due from Other Funds	1,476	-	-	-	-
Total Assets	$ 278,097	$ 200,014	$ 421,058	$ 247,194	$ 98,805
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts Payable	$ 30,686	$ -	$ 21,292	$ -	$ -
Other Liabilities	-	-	-	-	-
Total Liabilities	30,686	-	21,292	-	-
Fund Balances					
Reserved for					
Encumbrances	-	-	-	-	-
Unreserved	247,411	200,014	399,766	247,194	98,805
Total Fund Balances	247,411	200,014	399,766	247,194	98,805
Total Liabilities and Fund Balances	$ 278,097	$ 200,014	$ 421,058	$ 247,194	$ 98,805

Police Station	Fire Station	Emergency Operations Center	Total Non-Major Capital Project Funds
$ 382,156	$ 110,789	$ 125,001	$ 1,601,354
-	-	-	260,284
-	-	-	1,476
$ 382,156	$ 110,789	$ 125,001	$ 1,863,114
$ -	$ -	$ -	$ 51,978
322,865	-	-	322,865
322,865	-	-	374,843
-	27,940	-	27,940
59,291	82,849	125,001	1,460,331
59,291	110,789	125,001	1,488,271
$ 382,156	$ 110,789	$ 125,001	$ 1,863,114

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, 2010

	Qualia Relief Route	Parking Lot Garage	City Hall Building	Animal Shelter	Bicycle and Walking Trail
REVENUES					
Intergovernmental	$ 261,760	$ -	$ -	$ -	$ 68,574
Investment Earnings	23	14	31	417	23
Total Revenues	261,783	14	31	417	68,597
EXPENDITURES					
Debt Service					
Bond Issuance Costs	-	-	-	-	-
Capital Outlay	290,844	-	100,265	-	91,602
Total Expenditures	290,844	-	100,265	-	91,602
Excess/(Deficiency) of Revenues Over Expenditures	(29,061)	14	(100,234)	417	(23,005)
OTHER FINANCING SOURCES/(USES)					
Issuance of Debt	-	-	-	-	-
Premium or Discount on Issuance of Bonds	-	-	-	-	-
Transfers In	-	200,000	500,000	-	-
Total Other Financing Sources/(Uses)	-	200,000	500,000	-	-
Net Change in Fund Balances	(29,061)	200,014	399,766	417	(23,005)
Fund Balances - Beginning	276,472	-	-	246,777	121,810
Fund Balances - Ending	$ 247,411	$ 200,014	$ 399,766	$ 247,194	$ 98,805

Police Station	Fire Station	Emergency Operations Center	Total Non-Major Capital Project Funds
$ -	$ -	$ -	$ 330,334
4,312	344	1	5,165
4,312	344	1	335,499
-	-	5,080	5,080
733,613	8,230	-	1,224,554
733,613	8,230	5,080	1,229,634
(729,301)	(7,886)	(5,079)	(894,135)
-	-	130,000	130,000
-	-	80	80
-	-	-	700,000
-	-	130,080	830,080
(729,301)	(7,886)	125,001	(64,055)
788,592	118,675	-	1,552,326
$ 59,291	$ 110,789	$ 125,001	$ 1,488,271

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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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services			
Utility Charges	$ 3,682,640	$ 3,663,931	$ (18,709)
Miscellaneous Revenues			
Interest Income	15,000	15,356	356
Other Revenues	14,570	10,847	(3,723)
TOTAL REVENUES	3,712,210	3,690,134	(22,076)
EXPENSES			
Personnel	684,778	689,410	(4,632)
Supplies	123,733	141,917	(18,184)
Contractual Services and Other Costs	320,369	321,169	(800)
Purchases for Resale	1,298,670	1,288,294	10,376
Debt Charges	87,652	88,501	(849)
Capital Outlay	114,928	107,547	7,381
TOTAL EXPENSES	2,630,130	2,636,838	(6,708)
Excess/(Deficiency) of Revenues Over Expenses	1,082,080	1,053,296	(28,784)
OTHER FINANCING SOURCES/(USES)			
Bond Proceeds	-	-	-
Transfers Out	(1,309,734)	(1,309,734)	-
TOTAL OTHER FINANCING SOURCES/(USES)	(1,309,734)	(1,309,734)	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ (227,654)	(256,438)	$ (28,784)
RECONCILIATION TO NET INCOME (LOSS)			
Add: Capital Outlay		107,547	
Bond Principal		60,000	
Current Year Encumbrances		409	
Less: Prior Year Encumbrances		(375)	
Depreciation		(67,399)	
Net Income/(Loss)		$ (156,256)	

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Intergovernmental			
Charges for Services			
Metered Water Sales	$ 7,134,955	$ 6,704,005	$ (430,950)
Interest Income	45,000	54,259	9,259
Miscellaneous Revenue	3,000	-	(3,000)
TOTAL REVENUES	7,182,955	6,758,264	(424,691)
EXPENSES			
Water Production			
Personnel	410,205	426,826	(16,621)
Supplies	170,620	158,862	11,758
Contractual Services and Other Costs	1,921,768	1,601,742	320,026
Debt Charges	2,176,123	2,139,591	36,532
Capital Outlay	106,421	106,335	86
Water Distribution			
Personnel	1,281,064	1,281,185	(121)
Supplies	318,755	300,610	18,145
Contractual Services and Other Costs	737,191	871,173	(133,982)
Debt Charges	929,556	961,065	(31,509)
Capital Outlay	12,392,913	1,420,061	10,972,852
Repairs and Replacement			
Supplies	268,603	291,315	(22,712)
Contractual Services and Other Costs	278	278	-
TOTAL EXPENSES	20,713,497	9,559,043	11,154,454
Excess/(Deficiency) of Revenues Over Expenses	(13,530,542)	(2,800,779)	10,729,763
OTHER FINANCING SOURCES/(USES)			
Gain on Sale of Real and Personal Property	-	7,358	(7,358)
Proceeds from Certificate of Obligation	10,900,000	1,255,000	9,645,000
Transfers Out	(735,346)	(735,346)	-
TOTAL OTHER FINANCING SOURCES/(USES)	10,164,654	527,012	10,691,666
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ (3,365,888)	(2,273,767)	$ 1,092,121
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Capital Outlay		2,102,378	
Principal on Long Term Debt		2,075,172	
Current Year Encumbrances		53,349	
Less: Depreciation		(1,766,375)	
Prior Year Encumbrances		(295,811)	
Proceeds from Certificate of Obligation		(1,255,000)	
Net Income/(Loss)		$ (1,360,054)	

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services			
Bridge Tolls	$ 4,105,433	$ 4,143,129	$ 37,696
Special Grants			
TXDOT Grant	-	47,876	47,876
Miscellaneous Revenues			
Interest Income	8,000	8,478	478
Rental Income	12,000	11,000	(1,000)
Other	11,552	10,844	(708)
TOTAL REVENUES	4,136,985	4,221,327	84,342
EXPENSES			
International Bridge			
Personnel	413,845	424,982	(11,137)
Supplies	7,582	7,602	(20)
Contractual Services and Other Costs	193,354	146,479	46,875
Debt Charges	494,775	495,375	(600)
Capital Outlay	-	-	-
TOTAL EXPENSES	1,109,556	1,074,438	35,118
Excess/(Deficiency) of Revenues Over Expenses	3,027,429	3,146,889	119,460
OTHER FINANCING SOURCES/(USES)			
Operating Transfers Out	(3,312,318)	(3,452,934)	(140,616)
TOTAL OTHER FINANCING SOURCES/(USES)	(3,312,318)	(3,452,934)	(140,616)
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ (284,889)	(306,045)	$ (21,156)
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Capital Outlay		-	
Principal on Long Term Debt		450,000	
Current Year Encumbrances		117	
Less: Depreciation		(131,178)	
Prior Year Encumbrances		(8,166)	
Net Income/(Loss)		$ 4,728	

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Aviation Fuel Fees	$ 45,000	$ 44,633	$ (367)
Passenger Facility Charge	35,000	31,016	(3,984)
Maps/Documents	-	1,100	1,100
Special Grants	1,318,626	1,511,485	192,859
Rental Revenues	150,973	157,417	6,444
Interest Income	800	678	(122)
TOTAL REVENUES	1,550,399	1,746,329	195,930
EXPENSES			
International Airport			
Personnel	206,713	216,492	(9,779)
Supplies	18,635	16,145	2,490
Contractual Services and Other Costs	98,757	104,451	(5,694)
Debt Service	166,630	178,319	(11,689)
Capital Outlay	264	231	33
Airport Marketing			
Personnel	23,342	23,346	(4)
Contractual Services and Other Costs	20,000	19,125	875
RAMP Program			
Supplies	12,071	13,777	(1,706)
Contractual Services and Other Costs	21,471	21,502	(31)
CO's Series			
Contractual Services and Other Costs	-	(3,815)	3,815
FAA Grant			
Contractual Services and Other Costs	-	5,337	(5,337)
Capital Outlay	1,306,126	1,003,904	302,222
TOTAL EXPENSES	1,874,009	1,598,814	275,195
Excess/(Deficiency) of Revenues Over Expenses	(323,610)	147,515	471,125
OTHER FINANCING SOURCES/(USES)			
Transfers In	158,216	158,216	-
Transfers Out	(1,854)	(1,854)	-
TOTAL OTHER FINANCING SOURCES/(USES)	156,362	156,362	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ (167,248)	303,877	$ 471,125
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Capital Outlay		1,004,233	
Current Year Encumbrances		1,007	
Principal on Long Term Debt		85,000	
Less: Depreciation		(390,314)	
Prior Year Encumbrances		(5,183)	
Net Income/(Loss)		$ 998,620	

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services			
Refuse Collections	$ 4,393,446	$ 4,365,108	(28,338)
Miscellaneous Revenues			
Special Grants	20,250	20,030	(220)
Other Income	33,000	9,000	(24,000)
Interest Income	6,000	6,544	544
TOTAL REVENUES	4,452,696	4,400,682	(52,014)
EXPENSES			
Refuse			
Personnel	144,274	142,827	1,447
Supplies	40,950	36,873	4,077
Contractual Services and Other Costs	3,200,782	3,501,906	(301,124)
Debt Service	493,538	498,460	(4,922)
Capital Outlay	137,712	-	137,712
Recycling Program			
Personnel	84,959	84,509	450
Supplies	11,000	10,321	679
Contractual Services and Other Costs	12,787	12,520	267
TOTAL EXPENSES	4,126,002	4,287,416	(161,414)
Excess/(Deficiency) of Revenues Over Expenses	326,694	113,266	(213,428)
OTHER FINANCING SOURCES/(USES)			
Gain on Sale of Real and Personal Property	-	15,899	(15,899)
Transfers Out	(393,708)	(393,708)	-
TOTAL OTHER FINANCING SOURCES/(USES)	(393,708)	(377,809)	(15,899)
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ (67,014)	(264,543)	$ (197,529)
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Principal on Long Term Debt		419,886	
Capital Outlay		-	
Current Year Encumbrances		1,220	
Less: Depreciation		(132,318)	
Prior Year Encumbrances		(106)	
Net Income/(Loss)		$ 24,139	

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services	$ 3,601,754	$ 3,371,681	$ (230,073)
Interest Income	4,000	3,865	(135)
TOTAL REVENUES	3,605,754	3,375,546	(230,208)
EXPENSES			
Wastewater Collections			
Personnel	418,177	364,783	53,394
Supplies	32,100	170,352	(138,252)
Contractual Services and Other Costs	297,816	296,066	1,750
Debt Charges	361,087	383,508	(22,421)
Capital Outlay	3,093,566	888,310	2,205,256
Water Treatment			
Contractual Services and Other Costs	998,477	968,392	30,085
Debt Charges	1,030,031	1,044,228	(14,197)
Wastewater Repairs & Replacement			
Supplies	31,056	28,227	2,829
TOTAL EXPENSES	6,262,310	4,143,866	2,118,444
Excess/(Deficiency) of Revenues Over Expenses	(2,656,556)	(768,320)	1,888,236
OTHER FINANCING SOURCES/(USES)			
Proceeds from Long Term Debt	1,385,000	1,385,000	-
Transfers Out	(556,953)	(556,953)	-
TOTAL OTHER FINANCING SOURCES/(USES)	828,047	828,047	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ (1,828,509)	59,727	$ 1,888,236

RECONCILIATION TO NET INCOME/(LOSS)	
Add: Capital Outlays	911,575
Principal on Long Term Debt	951,855
Current Year Encumbrances	50,415
Less: Prior Year Encumbrances	(4,950)
Depreciation	(551,336)
Proceeds from Long Term Debt	(1,385,000)
Net Income/(Loss)	$ 32,286

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Facility Rentals	$ 261,350	$ 255,932	$ (5,418)
Special Grants	59,500	54,488	(5,012)
Miscellaneous Revenues			
Interest Income	500	482	(18)
Miscellaneous	28,922	24,407	(4,515)
TOTAL REVENUES	350,272	335,309	(14,963)
EXPENSES			
Civic Center			
Personnel	194,252	205,337	(11,085)
Supplies	28,337	28,168	169
Contractual Services and Other Costs	167,451	169,646	(2,195)
Debt Service	65,586	65,194	392
Capital Outlay	59,500	54,784	4,716
San Felipe Center			
Contractual Services and Other Costs	305	-	305
Chihuahua Center			
Personnel	13,959	14,010	(51)
Supplies	62	254	(192)
Contractual Services and Other Costs	18,486	18,665	(179)
Joe Ramos Center			
Contractual Services and Other Costs	15,120	13,990	1,130
Paul Poag Facility			
Personnel	103,972	98,525	5,447
Supplies	5,117	2,190	2,927
Contractual Services and Other Costs	36,631	38,566	(1,935)
Capital Outlay	200	200	-
DRCA - Fire Station			
Supplies	5,000	-	5,000
Contractual Services and Other Costs	12,009	8,785	3,224
SER - Fire Station			
Contractual Services and Other Costs	7,865	7,861	4
Casa De La Cultura			
Contractual Services and Other Costs	7,377	7,146	231

(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	390	282	108
Whitehead Museum			
Contractual Services and Other Costs	22,425	21,734	691
VV Shelter - Fire Station			
Contractual Services and Other Costs	8,942	7,909	1,033
AARP Building			
Contractual Services and Other Costs	230	213	17
Legal Aid/Guzman Building			
Supplies	152	152	-
Contractual Services and Other Costs	55	-	55
TOTAL EXPENSES	773,423	763,611	9,812
Excess/(Deficiency) of Revenues Over Expenses	(423,151)	(428,302)	(5,151)
OTHER FINANCING SOURCES/(USES)			
Transfers In	291,900	291,900	-
Transfers Out	(927)	(927)	-
TOTAL OTHER FINANCING SOURCES/(USES)	290,973	290,973	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ (132,178)	(137,329)	$ (5,151)
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Capital Outlay		54,984	
Principal on Long Term Debt		45,486	
Current Year Encumbrances		448	
Less: Depreciation		(100,740)	
Prior Year Encumbrances		(5,098)	
Net Income/(Loss)		$ (142,249)	

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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, 2010

	Utility Billing	Computer Services	Fleet Services	Health Claims Fund	Total Internal Service Funds
ASSETS					
Current Assets					
Cash and Cash Equivalents	$ 75,449	$ -	$ 304,013	$ -	$ 379,462
Restricted Cash & Cash Equivalents	-	259,148	-	-	259,148
Accounts Receivable, Net	-	-	-	133,520	133,520
Due from Other Funds	82,724	-	273,945	-	356,669
Total Current Assets	158,173	259,148	577,958	133,520	1,128,799
Noncurrent Assets					
Deferred Charges	-	4,117	-	-	4,117
Capital Assets					
Buildings and Improvement	10,478	-	50,721	-	61,199
Equipment	287,909	887,990	39,491	-	1,215,390
Less: Accumulated Depreciation	(230,224)	(704,013)	(85,189)	-	(1,019,426)
Total Noncurrent Assets	68,163	188,094	5,023	-	261,280
Total Assets	$ 226,336	$ 447,242	$ 582,981	$ 133,520	$ 1,390,079
LIABILITIES AND FUND BALANCE					
Current Liabilities					
Accounts Payable	$ 12,520	$ 7,160	$ 39,161	$ 125	$ 58,966
Accrued Payroll	18,846	6,708	11,963	-	37,517
Claims Payable	-	-	-	191,213	191,213
Due to Other Funds	-	230,042	-	11,943	241,985
Compensated Absences	20,507	8,029	13,333	-	41,869
Accrued Interest Payable	-	1,800	-	-	1,800
Bonds Payable	-	65,000	-	-	65,000
Total Current Liabilities	51,873	318,739	64,457	203,281	638,350
Noncurrent Liabilities					
Compensated Absences	48,077	21,195	26,253	-	95,525
Bonds Payable	-	70,000	-	-	70,000
Total Noncurrent Liabilities	48,077	91,195	26,253	-	165,525
Total Liabilities	99,950	409,934	90,710	203,281	803,875
NET ASSETS					
Invested in Capital Assets					
Net of Related Debt	68,163	87,473	5,023	-	160,659
Restricted for Debt Service	-	23,467	-	-	23,467
Restricted for Health Claims	-	-	-	698,382	698,382
Unrestricted	58,223	(73,632)	487,248	(768,143)	(296,304)
Total Net Assets	$ 126,386	$ 37,308	$ 492,271	$ (69,761)	$ 586,204

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, 2010

	Utility Billing	Computer Services	Fleet Services	Health Claims Fund	Total Internal Service Funds
OPERATING REVENUES					
Charges for Services	$ 698,212	$ 370,352	$ 589,722	$ 2,535,030	$ 4,193,316
Total Operating Revenues	698,212	370,352	589,722	2,535,030	4,193,316
OPERATING EXPENSES					
Personnel	461,478	149,420	271,694	-	882,592
Contractual Service	133,537	175,722	184,611	2,848,379	3,342,249
Supplies	20,658	4,580	343,315	-	368,553
Depreciation	22,947	70,739	2,921	-	96,607
Total Operating Expenses	638,620	400,461	802,541	2,848,379	4,690,001
Operating Income/(Loss)	59,592	(30,109)	(212,819)	(313,349)	(496,685)
NON-OPERATING REVENUES/(EXPENSES)					
Investment Earnings	7	629	90	295	1,021
Interest and Amortization Expense	-	(9,105)	-	-	(9,105)
Total Non-Operating Revenues/(Expenses)	7	(8,476)	90	295	(8,084)
Income/(Loss) Before Transfers	59,599	(38,585)	(212,729)	(313,054)	(504,769)
Transfers In	-	-	172,819	-	172,819
Transfers Out	(37,000)	(464)	-	-	(37,464)
Total Transfers	(37,000)	(464)	172,819	-	135,355
Net Income/(Loss)	22,599	(39,049)	(39,910)	(313,054)	(369,414)
Total Net Assets - October 1 (Beginning)	103,787	76,357	532,181	243,293	955,618
Total Net Assets - September 30 (Ending)	$ 126,386	$ 37,308	$ 492,271	$ (69,761)	$ 586,204

CITY OF DEL RIO
Del Rio, Texas

Combining Statement of Cash Flows
Internal Service Funds

For The Year Ended September 30, 2010

	Utility Billing	Computer Services	Fleet Services	Health Claims Fund	Totals
Cash Flows from Operating Activities:					
Receipts from Users	$ 731,041	$ 462,572	$ 570,233	$ 2,526,585	$ 4,290,431
Payments to Suppliers for Goods and Services	(151,327)	(181,297)	(523,253)	(2,906,285)	(3,762,162)
Payments to Employees for Services	(464,945)	(147,925)	(267,955)	-	(880,825)
Net Cash Provided/(Used) by Operating Activities	114,769	133,350	(220,975)	(379,700)	(352,556)
Cash Flows from Non-Capital Financing Activities:					
Receipts from Interfund Borrowings	-	22,356	(230,045)	10,789	(196,900)
Transfers In	-	-	172,819	-	172,819
Transfers Out	(37,000)	(464)	-	-	(37,464)
Net Cash Provided/(Used) by Non-Capital Financing Activities	(37,000)	21,892	(57,226)	10,789	(61,545)
Cash Flows from Capital and Related Financing Activities:					
Acquisition of Capital Assets	(19,262)		-	-	(19,262)
Principal Payments on Debt	-	(60,000)	-	-	(60,000)
Interest and Fiscal Charges Paid on Debt	-	(8,080)	-	-	(8,080)
Net Cash Provided/(Used) by Capital and Related Financing Activities	(19,262)	(68,080)	-	-	(87,342)
Cash Flows from Investing Activities:					
Receipts from Earnings on Investments/Interest Received	7	629	90	295	1,021
Net Cash Provided/(Used) by Investing Activities	7	629	90	295	1,021
Net Increase/(Decrease) in Cash and Cash Equivalents	58,514	87,791	(278,111)	(368,616)	(500,422)
Cash and Cash Equivalents at Beginning of Year	16,935	171,357	582,124	368,616	1,139,032
Cash and Cash Equivalents at End of Year	$ 75,449	$ 259,148	$ 304,013	$ -	$ 638,610
Reconciliation of Operating Income to Net Cash Provided/(Used) By Operating Activities:					
Operating Income/(Loss)	$ 59,592	$ (30,109)	$ (212,819)	$ (313,349)	$ (496,685)
Adjustments to Reconcile Operating Income to Net Cash Provided/(Used) by Operating Activities:					
Depreciation	22,947	70,739	2,921	-	96,607
Changes in Assets and Liabilities:					
Increase/(Decrease) in Liabilities:					
Miscellaneous	-	-	-	(133,346)	(133,346)
Decrease/(Increase) in Due from Other Funds	32,827	92,111	(19,494.00)	54	105,498
Increase/(Decrease) in Vouchers and Accounts Payable	2,868	(685)	4,823	125	7,131
Increase/(Decrease) in Other Liabilities	-	-	-	75,314	75,314
Increase/(Decrease) in Accrued Liabilities	(3,465)	1,504	3,743	-	1,782
Increase/(Decrease) in Due to Other Funds	-	(210)	(149)	(8,498)	(8,857)
Net Cash Provided/(Used) by Operations	$ 114,769	$ 133,350	$ (220,975)	$ (379,700)	$ (352,556)

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services	$ 698,213	$ 698,212	$ (1)
Interest Revenue	10	7	(3)
TOTAL REVENUES	698,223	698,219	(4)
EXPENSES			
Billing			
Personnel Services	474,511	461,478	13,033
Supplies	18,730	19,431	(701)
Contractual and Other Costs	132,067	133,537	(1,470)
Capital Outlay	29,239	23,529	5,710
TOTAL EXPENSES	654,547	637,975	16,572
Excess/(Deficiency) of Revenues Over Expenses	43,676	60,244	16,568
OTHER FINANCING SOURCES/(USES)			
Transfers Out	(37,000)	(37,000)	-
TOTAL OTHER FINANCING SOURCES/(USES)	(37,000)	(37,000)	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	$ 6,676	23,244	$ 16,568
Add: Capital Outlay		19,259	
Current Year Encumbrances		4,903	
Less: Depreciation		(22,947)	
Loss on Disposal of Asset		-	
Prior Year Encumbrances		(1,860)	
Net Income/(Loss)		$ 22,599	

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services	$ 370,350	$ 370,352	$ 2
Interest Revenue	700	629	(71)
TOTAL REVENUES	371,050	370,981	(69)
EXPENSES			
Personnel Services	153,830	149,421	4,409
Supplies	5,584	4,880	704
Contractual and Other Costs	147,760	175,551	(27,791)
Debt Charges	68,075	69,105	(1,030)
Capital Outlay	-	-	-
TOTAL EXPENSES	375,249	398,957	(23,708)
Excess/(Deficiency) of Revenues Over Expenses	(4,199)	(27,976)	(23,777)
OTHER FINANCING SOURCES/(USES)			
Interfund Transfers	(464)	(464)	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ (4,663)	(28,440)	$ (23,777)
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Capital Outlay		-	
Principal on Long Term Debt		60,000	
Current Year Encumbrances		760	
Less: Depreciation		(70,739)	
Loss on Disposal of Asset		-	
Prior Year Encumbrances		(630)	
Net Income/(Loss)		$ (39,049)	

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services	$ 709,132	$ 589,722	$ (119,410)
Interest Income	500	90	(410)
TOTAL REVENUES	709,632	589,812	(119,820)
EXPENSES			
Maintenance Shop			
Personnel Services	272,537	271,693	844
Supplies	323,075	344,057	(20,982)
Contractual Services and Other Costs	180,099	184,612	(4,513)
Capital Outlay	-	-	-
TOTAL EXPENSES	775,711	800,362	(24,651)
Excess/(Deficiency) of Revenues Over Expenses	(66,079)	(210,550)	(144,471)
OTHER FINANCING SOURCES/(USES)			
Bond Proceeds	-	-	-
Interfund Transfers	172,819	172,819	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	$ 106,740	(37,731)	$ (144,471)
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Current Year Encumbrances		1,000	
Less: Depreciation		(2,921)	
Prior Year Encumbrances		(258)	
Net Income/(Loss)		$ (39,910)	

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, 2010

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services	$ 2,500,876	$ 2,535,030	$ 34,154
Interest Revenue	1,000	295	(705)
TOTAL REVENUES	2,501,876	2,535,325	33,449
EXPENSES			
Claims and Insurance Expense	2,593,584	2,848,379	(254,795)
TOTAL EXPENSES	2,593,584	2,848,379	(254,795)
Excess/(Deficiency) of Revenues Over Expenses	$ (91,708)	(313,054)	$ (221,346)
RECONCILIATION TO NET INCOME/(LOSS)		-	
Net Income/(Loss)		$ (313,054)	

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, 2010

	Val Verde Migratory	Brown Plaza Association	Familias Unidas	Total Agency Funds
ASSETS				
Cash & Cash Equivalents	$ 1,102	$ -	$ 2,878	$ 3,980
Receivables, Net	-	2,141	-	2,141
Due from Other Funds	-	600	-	600
Total Assets	$ 1,102	$ 2,741	$ 2,878	$ 6,721
LIABILITIES				
Accounts Payable	$ -	$ 501	$ -	$ 501
Due to Other Governments	1,102	-	-	1,102
Due to Other Funds	-	2,240	-	2,240
Other Liabilities	-	-	2,878	2,878
Total Liabilities	$ 1,102	$ 2,741	$ 2,878	$ 6,721

CITY OF DEL RIO
Del Rio, Texas

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

For Fiscal Year Ended September 30, 2010

	Balance September 30, 2009	Additions	Deductions	Balance September 30, 2010
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	$ 6,836	$ -	$ 6,836	$ -
Receivables, net	-	2,141	-	2,141
Due from Other Funds	-	600	-	600
Total Assets	$ 6,836	$ 2,741	$ 6,836	$ 2,741
LIABILITIES				
Accounts Payable	$ 2,534	$ -	$ 2,033	$ 501
Due to Other Funds	66	2,174	-	2,240
Other Liabilities	4,236	-	4,236	-
Total Assets	$ 6,836	$ 2,174	$ 6,269	$ 2,741
FAMILIAS UNIDAS FUND				
ASSETS				
Cash and Cash Equivalents	$ 2,878	$ -	$ -	$ 2,878
LIABILITIES				
Other Liabilities	$ 2,878	$ -	$ -	$ 2,878
TOTALS ALL AGENCY FUNDS				
ASSETS				
Cash and Cash Equivalents	$ 10,816	$ -	$ 6,836	$ 3,980
Receivables, net	-	2,141	-	2,141
Due from Other Funds	-	600	-	600
Total Assets	$ 10,816	$ 2,741	$ 6,836	$ 6,721
LIABILITIES				
Accounts Payable	$ 2,534	$ -	$ 2,033	$ 501
Due to Other Governments	1,102	-	-	1,102
Due to Other Funds	66	2,174	-	2,240
Other Liabilities	7,114	-	4,236	2,878
Total Liabilities	$ 10,816	$ 2,174	$ 6,269	$ 6,721

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STATISTICAL SECTION

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STATISTICAL SECTION

This portion of the City of Del Rio, Texas' comprehensive annual financial report presents multiple years of data to provide a historical perspective for understanding the information available in the financial statements, note disclosures, and required supplementary information and for assessing the City's overall financial health.

Contents **Page No.**

Financial Trends 120-129

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

Revenue Capacity 130-140

These schedules contain trend information to help the reader assess the City's most significant own-source revenues. This section covers the City's significant own-source revenue, property tax. Additionally, water revenues, the city's most significant own-source revenue is presented.

Debt Capacity 141-151

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

Demographic and Economic Information 152-154

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

Operating Information 155-157

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

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Financial Trend Information

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NET ASSETS BY COMPONENT

LAST EIGHT FISCAL YEARS
(accrual basis of accounting)

	Fiscal Year Ended			
	2003	2004	2005	2006
Governmental activities:				
Invested in capital assets, net of related debt	$ 814,849	$ 846,131	$ 7,509,898	$ 8,199,922
Restricted	6,092,470	7,973,654	917,303	4,637,793
Unrestricted	9,683,684	7,078,583	7,454,168	6,655,175
Total governmental activities net assets	$ 16,591,003	$ 15,898,368	$ 15,881,369	$ 19,492,890
Business-type activities:				
Invested in capital assets, net of related debt	$ 37,679,248	$ 34,360,833	$ 42,390,269	$ 52,695,228
Restricted	4,045,051	4,045,051	4,976,141	5,012,557
Unrestricted	13,348,353	16,017,827	12,415,787	7,105,779
Total business-type activities net assets	$ 55,072,652	$ 54,423,711	$ 59,782,197	$ 64,813,564
Primary government:				
Invested in capital assets, net of related debt	$ 38,494,097	$ 35,206,964	$ 49,900,167	$ 60,895,150
Restricted	10,137,521	12,018,705	5,893,444	9,650,350
Unrestricted	23,032,037	23,096,410	19,869,955	13,760,954
Total primary government net assets	$ 71,663,655	$ 70,322,079	$ 75,663,566	$ 84,306,454

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

September 30,			
2007	2008	2009	2010
$ 23,019,074	$ 26,004,429	$ 25,316,082	$ 28,371,740
1,461,375	1,528,280	1,621,266	1,842,042
8,029,517	5,076,153	6,442,616	3,447,490
$ 32,509,966	$ 32,608,862	$ 33,379,964	$ 33,661,272
$ 70,638,087	$ 72,313,297	$ 71,715,885	$ 71,853,703
3,907,175	5,181,784	5,357,982	5,483,570
7,038,786	6,376,746	7,866,148	6,871,368
$ 81,584,048	$ 83,871,827	$ 84,940,015	$ 84,208,641
$ 93,657,161	$ 98,317,726	$ 97,031,967	$ 100,225,443
5,368,550	6,710,064	6,979,248	7,325,612
15,068,303	11,452,899	14,308,764	10,318,858
$ 114,094,014	$ 116,480,689	$ 118,319,979	$ 117,869,913

CITY OF DEL RIO, TEXAS
Del Rio, Texas

CHANGES IN NET ASSETS

LAST EIGHT FISCAL YEARS

	Fiscal Year Ended			
	2003	2004	2005	2006
EXPENSES				
Governmental activities:				
General government	$ 3,363,001	$ 3,695,073	$ 3,839,470	$ 4,435,554
Public Safety	8,773,534	8,502,128	8,802,378	9,249,477
Highway and Streets	1,160,942	1,054,279	1,133,554	1,044,844
Health and Welfare	1,379,786	1,746,705	1,983,877	2,193,550
Culture and Recreation	1,225,644	1,141,002	1,217,415	1,333,113
Economic Development & Assistance	43,097	52,936	53,652	3,763
Debt Service	797,172	582,151	725,282	848,916
Total governmental activities expenses	16,743,176	16,774,274	17,755,628	19,109,217
Business-type activities:				
Gas System Fund	2,663,044	2,563,779	2,904,210	3,323,198
Water Fund	5,137,591	6,323,336	6,152,730	6,492,167
Wastewater Fund	2,812,963	3,115,354	3,151,744	3,160,761
International Bridge	777,383	865,131	867,836	762,408
International Airport	759,307	690,262	1,310,428	1,196,736
Refuse Fund	1,585,337	2,133,973	1,909,430	2,310,023
Municipal Facility	712,395	653,039	684,440	757,395
Total business-type activities expenses	14,448,020	16,344,874	16,980,818	18,002,688
Total primary government expenses	$ 31,191,196	$ 33,119,148	$ 34,736,446	$ 37,111,905
PROGRAM REVENUES				
Governmental activities:				
Charges for services:	2,407,278	2,401,322	2,278,866	1,936,095
Operating grants and contributions	1,093,675	1,477,708	1,762,712	1,727,117
Capital grants and contributions	68,671	54,265	232,837	950,024
Total governmental activities program revenues	3,569,624	3,933,295	4,274,415	4,613,236
Business-type activities:				
Charges for services:	19,340,725	19,387,372	20,383,105	22,565,786
Operating grants and contributions	-	-	213,320	111,320
Capital grants and contributions	1,271,531	442,313	4,318,020	3,562,130
Total business-type activities program revenues	20,612,256	19,829,685	24,914,445	26,239,236
Total primary government program revenues	$ 24,181,880	$ 23,762,980	$ 29,188,860	$ 30,852,472

September 30, 2007	2008	2009	2010
$ 4,641,023	$ 4,874,568	$ 4,811,856	$ 4,742,105
9,608,589	11,358,661	11,295,932	12,232,086
2,691,478	2,831,743	2,675,125	2,727,749
1,979,321	2,153,804	2,203,587	2,416,906
1,393,745	1,469,681	1,466,511	1,488,027
-	56,997	186,179	108,174
1,049,381	1,118,191	1,156,596	1,055,398
21,363,537	23,863,645	23,795,786	24,770,445
2,656,139	3,158,365	2,355,155	2,556,579
6,845,309	6,659,671	7,424,217	7,437,481
2,906,194	2,648,891	2,824,730	2,807,609
792,628	807,081	789,252	763,664
763,646	938,345	851,833	904,065
2,033,810	1,930,453	3,032,432	4,002,820
784,911	789,228	806,028	771,664
16,782,637	16,932,034	18,083,647	19,243,882
$ 38,146,174	$ 40,795,679	$ 41,879,433	$ 44,014,327
2,153,438	2,181,324	2,006,693	1,888,507
1,493,750	1,942,606	1,880,961	2,590,444
171,039	128,665	42,865	691,173
3,818,227	4,252,595	3,930,519	5,170,124
21,646,406	22,909,095	24,634,432	22,804,046
481,121	910,985	14,402	20,030
59,400	292,441	881,323	1,613,848
22,186,927	24,112,521	25,530,157	24,437,924
$ 26,005,154	$ 28,365,116	$ 29,460,676	$ 29,608,048

CITY OF DEL RIO, TEXAS
Del Rio, Texas

CHANGES IN NET ASSETS

LAST EIGHT FISCAL YEARS

	Fiscal Year Ended			
	2003	2004	2005	2006
NET (EXPENSE) REVENUES				
Governmental activities	$ (13,173,552)	$ (12,840,979)	$ (13,481,213)	$ (14,495,981)
Business-type activities	6,164,236	3,484,811	7,933,627	8,236,548
Total primary government net expense	(7,009,316)	(9,356,168)	(5,547,586)	(6,259,433)
GENERAL REVENUES AND OTHER CHANGES IN NET ASSETS				
Governmental activities:				
Property Taxes	3,508,992	3,769,546	4,157,226	4,561,255
Sales Taxes	3,997,270	4,152,974	4,296,541	4,732,125
Franchise Taxes	1,578,781	1,516,110	1,585,572	1,705,967
Other Taxes	527,087	522,182	549,139	605,502
Miscellaneous Revenue	16,602	22,615	31,562	45,061
Investment Earnings	209,428	168,034	497,534	864,698
Gain/(Loss) on Sale of Capital Assets	82,994	47,069	2,317	77,493
Transfers	3,981,392	4,475,174	3,443,668	4,196,113
Total governmental activities	13,902,546	14,673,704	14,563,559	16,788,214
Business-type activities:				
Grants & Contributios Not Restricted to Specific Programs	22,250	269,534	-	-
Investment earnings	230,088	199,620	468,527	990,932
Gain/(Loss) on Sale of Capital Assets	-	-	-	-
Transfers	(3,981,392)	(4,475,174)	(3,443,668)	(4,196,113)
Total business-type activities	(3,729,054)	(4,006,020)	(2,975,141)	(3,205,181)
Total primary government	10,173,492	10,667,684	11,588,418	13,583,033
CHANGE IN NET ASSETS				
Governmental activities	728,994	1,832,725	1,082,346	2,292,233
Business-type activities	2,435,182	(521,209)	4,958,486	5,031,367
Total primary government	$ 3,164,176	$ 1,311,516	$ 6,040,832	$ 7,323,600

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

September 30,			
2007	2008	2009	2010
$ (17,545,310)	$ (19,611,050)	$ (19,865,267)	$ (19,600,321)
5,404,290	7,180,487	7,446,510	5,194,042
(12,141,020)	(12,430,563)	(12,418,757)	(14,406,279)
4,958,440	5,550,083	6,175,495	6,244,729
4,967,765	4,990,064	4,883,143	4,898,828
1,712,242	1,794,502	1,799,776	1,848,848
686,807	707,038	646,564	626,328
22,988	34,137	33,360	117,734
1,172,883	821,417	269,521	72,839
-	43,604	140,419	33,983
5,034,899	5,769,101	6,688,091	6,038,340
18,556,024	19,709,946	20,636,369	19,881,629
-	-	-	
1,295,463	876,393	309,769	89,667
-	-	-	23,257
(5,034,899)	(5,769,101)	(6,688,091)	(6,038,340)
(3,739,436)	(4,892,708)	(6,378,322)	(5,925,416)
14,816,588	14,817,238	14,258,047	13,956,213
1,010,714	98,896	771,102	281,308
1,664,854	2,287,779	1,068,188	(731,374)
$ 2,675,568	$ 2,386,675	$ 1,839,290	$ (450,066)

CITY OF DEL RIO, TEXAS
Del Rio, Texas

FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

	Fiscal Year Ended				
	2001	2002	2003	2004	2005
General fund					
Reserved	$ 382,871	$ 825,575	$ 423,742	$ 629,074	$ 823,506
Unreserved	5,671,722	6,539,395	6,745,503	7,579,802	7,080,607
Total general fund	$ 6,054,593	$ 7,364,970	$ 7,169,245	$ 8,208,876	$ 7,904,113
All other governmental funds					
Reserved	$ 87,086	$ 111,472	$ 285,210	$ 154,492	$ 182,647
Unreserved, reported in:					
Special revenue funds	899,477	654,254	206,406	292,095	343,537
Capital projects funds	1,388,828	5,873,234	4,778,263	6,887,134	8,379,656
Debt service funds	455,392	523,747	650,285	639,916	827,240
Total all other governmental funds	$ 2,830,783	$ 7,162,707	$ 5,920,164	$ 7,973,637	$ 9,733,080

September 30				
2006	2007	2008	2009	2010
$ 571,575	$ 1,319,600	$ 1,025,167	$ 885,552	$ 688,107
7,770,946	8,548,649	8,385,018	8,018,522	7,387,436
$ 8,342,521	$ 9,868,249	$ 9,410,185	$ 8,904,074	$ 8,075,543
$ 79,395	$ 263,639	$ 165,266	$ 512,334	$ 114,576
468,235	93,097	284,996	9,768	(186,012)
6,277,655	12,314,262	12,570,642	7,407,643	6,602,808
948,496	1,288,784	1,447,889	1,249,435	1,466,740
$ 7,773,781	$ 13,959,782	$ 14,468,793	$ 9,179,180	$ 7,998,112

CITY OF DEL RIO, TEXAS
Del Rio, Texas

CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

	Fiscal Year Ended			
	2001	2002	2003	2004
REVENUES				
Taxes	$ 8,585,224	$ 9,126,219	$ 9,473,258	$ 9,869,525
Licenses, fees and permits	384,400	524,800	402,271	363,476
Intergovernmental	4,418,097	3,100,178	1,162,345	1,492,433
Charges for services	369,032	361,398	585,024	1,159,618
Fines and forfeitures	552,888	547,182	592,495	712,666
Investment earnings	-	-	193,846	155,764
Rental revenues	-	-	41,814	35,219
Miscellaneous	506,527	529,040	61,672	256,037
Total revenues	14,816,168	14,188,817	12,512,725	14,044,738
EXPENDITURES				
General government	3,043,733	3,437,811	3,335,825	3,579,351
Public safety	7,158,590	7,672,647	7,717,481	7,909,777
Highway and streets	1,669,011	1,983,542	1,138,831	1,372,482
Health and welfare	1,930,905	1,266,333	1,232,157	1,561,777
Culture and recreation	1,136,461	1,096,966	1,129,729	1,066,098
Economic development and assistance	-	-	42,880	49,838
Debt service	859,526	1,025,715	-	-
Principal	-	-	1,077,414	1,209,916
Interest	-	-	595,412	562,547
Administrative charges	-	-	-	-
Capital outlay	2,561,113	2,451,803	3,350,279	1,439,996
Total expenditures	18,359,339	18,934,817	19,620,008	18,751,782
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	(3,543,171)	(4,746,000)	(7,107,283)	(4,707,044)
OTHER FINANCING SOURCES (USES)				
SOURCES (USES)				
Bonds issued	1,273,217	5,150,000	5,768,058	3,217,000
Sale of capital assets	27,106	56,391	96,044	107,974
Insurance proceeds	-	1,154,446	-	-
Transfer in	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	(1,059,877)	(917,099)	(2,087,748)	(1,449,914)
Total other financing sources (uses)	5,530,512	10,609,386	5,690,493	7,800,148
NET CHANGE IN FUND BALANCES	$ 1,987,341	$ 5,863,386	$ (1,416,790)	$ 3,093,104
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	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	2010
$ 10,457,768	$ 11,420,528	$ 12,235,530	$ 12,901,104	$ 13,391,336	$ 13,601,701
438,592	397,350	512,538	500,120	372,305	426,342
2,086,291	2,677,141	1,660,319	2,066,264	1,923,824	3,281,618
1,297,217	1,335,327	1,182,562	1,165,902	1,329,202	1,135,712
731,120	669,961	708,683	720,678	598,820	625,799
464,321	814,467	1,115,628	790,991	266,264	71,825
55,333	48,014	81,161	53,136	69,802	63,165
98,524	69,863	68,601	72,142	49,067	112,829
15,629,166	17,432,651	17,565,022	18,270,337	18,000,620	19,318,991
3,794,923	4,160,811	4,489,078	4,527,501	4,763,271	4,624,361
8,200,423	8,453,094	9,118,216	10,285,753	10,533,351	11,336,580
1,439,312	1,495,074	1,689,994	1,683,606	1,645,043	1,650,217
1,698,972	1,940,665	1,857,207	1,875,811	1,997,567	2,175,451
1,147,504	1,245,095	1,303,430	1,363,903	1,382,621	1,357,501
50,044	3,738	-	56,350	187,331	106,405
-	-	-	-	-	-
1,530,066	1,592,347	1,860,695	2,016,487	2,376,014	2,273,601
614,332	754,716	879,729	1,058,150	1,095,161	1,088,367
-	-	265,588	60,525	46,024	30,355
4,574,866	4,799,256	2,810,808	4,287,092	7,005,216	4,939,784
23,050,442	24,444,796	24,274,745	27,215,178	31,031,599	29,582,622
(7,421,276)	(7,012,145)	(6,709,723)	(8,944,841)	(13,030,979)	(10,263,631)
5,333,171	-	9,750,385	3,485,000	1,044,000	2,275,000
99,119	73,494	56,191	135,298	144,634	37,202
-	-	-	11,389	-	-
6,437,302	6,843,542	7,813,430	8,433,925	8,388,486	9,117,363
-	-	(422,055)	-	-	-
-	-	(18,479)	-	-	-
-	-	20,511	-	7,610	75,845
(2,993,634)	(2,745,070)	(2,778,531)	(3,069,824)	(2,349,475)	(3,251,378)
8,875,958	4,171,966	14,421,452	8,995,788	7,235,255	8,254,032
$ 1,454,682	$ (2,840,179)	$ 7,711,729	$ 50,947	$ (5,795,724)	$ (2,009,599)
13.1%	13.6%	16.3%	15.8%	17.1%	16.0%

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Revenue Capacity Information

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	
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
2010	2009	820,915,582	14,469,760	236,326,918	149,083,940

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
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%
97,615,797	1,123,180,403	0.56055	1,220,796,200	92.00%

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
2001	2000	0.42519	0.04029	0.46548	1.44860	0.97000	0.19010	3.074180
2002	2001	0.41942	0.05058	0.47000	1.44860	0.38970	0.14450	2.452800
2003	2002	0.41900	0.05100	0.47000	1.45500	0.46900	0.15200	2.546000
2004	2003	0.39659	0.07341	0.47000	1.44550	0.46600	0.15020	2.531700
2005	2004	0.42466	0.08089	0.50555	1.51268	0.46600	0.14630	2.630530
2006	2005	0.41238	0.10817	0.52055	1.51200	0.46600	0.13800	2.636550
2007	2006	0.38904	0.13151	0.52055	1.43185	0.46600	0.13420	2.552598
2008	2007	0.386130	0.154420	0.54055	1.139048	0.466000	0.13420	2.279798
2009	2008	0.397630	0.162920	0.56055	1.166700	0.445700	0.12840	2.301350
2010	2009	0.404350	0.156200	0.56055	1.199415	0.445700	0.12840	2.334065

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, 2010			Fiscal Year Ended September 30, 2001		
Taxpayer	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
MAX & MAX INC.	$ 11,781,310	1	1.05%	$ 2,383,168	8	0.40%
MALL SHOPPING CTR INC	10,887,340	2	0.97%	8,755,640	1	1.46%
WAL MART REAL ESTATE	9,569,940	3	0.85%	-		0.00%
AEP TEXAS CENTRAL CO	8,799,570	4	0.78%	-		0.00%
HOME DEPOT USA INC	7,870,750	5	0.70%	-		0.00%
WAL-MART STORES #01-0447	6,848,770	6	0.61%	4,013,272	5	0.67%
VERIZON SOUTHWEST	5,387,710	7	0.48%	-		0.00%
H E BUTT GROCERY CO	4,947,570	8	0.44%	5,158,075	4	0.86%
HOME DEPOT USA INC	4,941,480	9	0.44%	-		0.00%
STONEGATE APARTMENTS LLC	4,592,000	10	0.41%	-		0.00%
GENERAL TEL CO OF SW	-		0.00%	8,574,130	2	1.43%
CENTRAL POWER & LIGHT	-		0.00%	7,628,080	3	1.27%
H E BUTT GROCERY CO	-		0.00%	3,864,419	6	0.64%
KMART CORP #9545	-		0.00%	2,801,158	7	0.47%
BROWN AUTOMOTIVE CTR	-		0.00%	2,122,700	9	0.35%
DL DEL RIO I L P	-		0.00%	2,097,480	10	0.35%
Total	$ 75,626,440		6.73%	$ 47,398,122		7.90%
Total Taxable Assessed Value	$ 1,123,180,403			$ 599,775,238		

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
2001	2000	2,792	2,601	93.16%	166	(7)	2,767	99.10%
2002	2001	3,142	2,911	92.65%	186	(2)	3,097	98.57%
2003	2002	3,344	3,073	91.90%	212	(7)	3,285	98.24%
2004	2003	3,610	3,309	91.66%	228	(19)	3,537	97.98%
2005	2004	4,008	3,695	92.19%	243	(1)	3,938	98.25%
2006	2005	4,391	3,984	90.73%	236	(87)	4,220	96.11%
2007	2006	4,736	4,399	92.88%	210	(41)	4,609	97.32%
2008	2007	5,244	4,937	94.15%	174	(13)	5,111	97.46%
2009	2008	5,910	5,513	93.28%	125	(81)	5,638	95.40%
2010	2009	6,096	5,650	92.68%	-	(104)	5,650	92.68%

Sources: City of Del Rio Tax Division.

CITY OF DEL RIO
Del Rio, Texas

WATER PUMPED AND WATER BILLED

LAST FIVE 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)	Total Direct Rate Water 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
2010	2,788,332,000	2,067,566,800	720,765,200	25.85%	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 FIVE 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
2010	72	43	115

CITY OF DEL RIO
Del Rio, Texas

NUMBER OF WATER AND SEWER CUSTOMERS

LAST FOUR FISCAL YEARS

Fiscal Year Ended Sept. 30		Water						
		Residential		Commercial (1)				
		Inside City	Outside City	Inside City	Outside City	Cemetaries	Total	Sewer
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
2010		11,683	1,285	1,414	76	10	14,468	12,718

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 FIVE FISCAL YEARS

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Water Rates (per meter size)	Fiscal Year Ended September 30, 2006	2007	2008	2009	2010
5/8"	$ 8.90	$ 8.90	$ 8.90	$ 8.90	$ 8.90
3/4"	8.90	8.90	8.90	8.90	8.90
1"	13.28	13.28	13.28	13.28	13.28
1.5"	22.28	22.28	22.28	22.28	22.28
2"	34.88	34.88	34.88	34.88	34.88
3"	70.86	70.86	70.86	70.86	70.86
4"	121.25	121.25	121.25	121.25	121.25
6"	276.22	276.22	276.22	276.22	276.22
8"	466.70	466.70	466.70	466.70	466.70
10"	725.81	725.81	725.81	725.81	725.81
12"	1,042.48	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	2.77
Eff. 4/1/2010 3,000-10,000					2.77
10,001-20,000					3.02
20,001-50,000					3.27
Above 50,000					3.52
Business House	2.62	2.77	2.77	2.77	3.45
Cemeteries	2.62	2.77	2.77	2.77	3.45
Governments					
Inside City	3.02	3.17	3.17	3.17	3.45
Outside City	3.62	3.62	3.62	3.62	4.14
Laughlin AFB	1.89	1.89	1.89	1.89	1.89
Sprinkler	3.61	3.76	3.76	3.76	3.76
Sewer Rates					
Minimum (3,000 gallons)	8.19	8.19	8.19	8.19	8.19
Per 1,000 gallons over minimum					
Residential	1.98	2.49	2.49	2.49	2.49
Duplexes	1.98	2.49	2.49	2.49	2.49
All other	1.98	2.49	2.49	2.49	2.49
High-strength	As computed	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
(Gallons)

LAST FIVE 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
2010	1,342,346,400	337,553,700	3,447,200	6,414,400	49,822,200

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
236,527,000	43,478,600	32,031,400	3,347,100	12,598,800	2,067,566,800

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Debt Capacity Information

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		
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
2010	26,551	1,467	25,084	2.05%	687

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

Property value data can be found in pages 129 - 130.

Population data can be found in page 151.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2010
(amounts expressed in thousands)

Government Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
City of Del Rio	$ 26,551	100.00%	$ 26,551
San Felipe Del Rio Independent School District	52,230	85.95%	44,892
Val Verde County	185	62.26%	115
Val Verde County Hospital	209	62.26%	130
Total direct and overlapping debt			$ 71,688

Note: The percentage of overlapping debt applicable is estimated as a percentage of the taxable assessed property value of the City of Del Rio to the taxable assessed property value of the overlapping government.

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				
	2001	2002	2003	2004	2005
Debt limit	$ 85,685	$ 91,785	$ 77,125	$ 84,443	$ 85,743
Total net debt applicable to limit	6,849	11,756	13,381	16,077	20,762
Debt margin	$ 78,836	$ 80,029	$ 63,744	$ 68,366	$ 64,981
Total net debt applicable to the limit as a percentage of debt limit.	8%	13%	17%	19%	24%

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 authorized 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.

September 30, 2006	2007	2008	2009	2010
$ 84,359	$ 90,949	$ 99,046	$ 108,283	$ 112,318
18,120	25,299	27,066	25,360	25,084
$ 66,239	$ 65,650	$ 71,980	$ 82,923	$ 87,234
21%	28%	27%	23%	22%

Debt Margin Calculation for Fiscal Year 2010		
Assessed value		$ 1,123,180
Debt limit (10% of assessed value)		112,318
Debt applicable to limit:		
General obligation bonds	26,551	
Less: Amount set aside for repayment of general obligation debt	(1,467)	
Total net debt applicable to limit		25,084
Debt margin		$ 87,234

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
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	-
2010	24,182	2,369	-	23,204	558	20,971	-

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

(2) Personal income and population data can be found on Page 152.

Total Primary Government	Per Capita Income (3)	Percentage of Personal Income	Popu-lation	Per Capita
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
71,284	14,372	13.59%	36,491	1,953

CITY OF DEL RIO, TEXAS
Del Rio, Texas

PLEDGED REVENUE COVERAGE - WASTEWATER FUND BONDED DEBT

LAST EIGHT 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	
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
2010	3,372	1,759	1,613	952	472	1,424	1.13

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.

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	
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
2010		6,704	4,599	2,105	2,075	1,021	3,096	0.68

Notes: (1) Prior to the fiscal year ended September 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	
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
2010	4,165	587	3,578	450	43	493	7.26

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	
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
2010	4,394	3,788	606	420	78	498	1.22

CITY OF DEL RIO, TEXAS
Del Rio, Texas

BOND COVERAGE - GAS FUND BONDED DEBT

LAST SIX 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
2010	3,675	2,441	1,234	60	28	88	14.01

Demographic and Economic Information

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
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%
2010	36,491	14,372	34	11.4	10,333	7.8%

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 FOUR YEARS AGO

	2006		2010	
Employer	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment
Laughlin Airforce Base	2,782	13.81%	2,642	13.11%
Federal Agencies	1,955	9.70%	1,978	9.82%
San Felipe Del Rio CISD	1,567	7.78%	1,420	7.05%
City of Del Rio	485	2.41%	498	2.47%
Plaza Del Sol Mall	445	2.21%	381	1.89%
Wal-Mart Supercenter	473	2.35%	472	2.34%
Val Verde Regional Medical Center	500	2.48%	386	1.92%
The GEO Group Correctional Facility	198	0.98%	296	1.47%
HEB Grocery	256	1.27%	311	1.54%
Texas State Agencies	222	1.10%	222	1.10%
Val Verde County	206	1.02%	209	1.04%
Union Pacific Railroad	150	0.74%	142	0.70%
Home Depot	79	0.39%	82	0.41%
Total	9,318	46.25%	9,039	44.86%

Source: Del Rio Chamber of Commerce Website

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
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
2010	53,373	738,290	1,309,224	3,306,054	58,889	44,167

Fiscal Year Ended	Recreational Vehicles		Buses/Trucks	
	Number	Revenue	Number	Revenue
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
2010	12	84	656	4,592

Fiscal Year Ended	Total		
	Number of Vehicles	Number of People	Revenue
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
2010	1,363,265	58,889	4,093,187

Notes: (1) Motorcycles & Carts are now included with the figures for automobiles.
Includes motorcycles and carts.

Operating Information

CITY OF DEL RIO, TEXAS
Del Rio, Texas

FULLTIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM

FISCAL YEAR ENDED SEPTEMBER 30,

Function/Program	2010	2009	2008	2007	2006
General Government	66	66	84	78	77
Public Safety	191	183	175	165	169
Highway and Streets	28	26	26	28	27
Health and Welfare	46	41	39	38	37
Culture and Recreation	33	34	34	35	34
Economic Development	1	0	1	-	-
Gas	23	24	20	19	20
Water	54	54	43	43	44
Bridge	13	14	14	14	13
Airport	8	7	7	6	8
Refuse	10	8	2	2	2
Municipal Facilities	9	9	8	9	9
Wastewater	16	16	13	16	17
Total	498	482	466	453	457

Notes: Generally, full time employees are scheduled to work 80 hours bi-weekly. Full time equivalents were computed by dividing the total hours paid for the year by 2,080 hours for those positions. Firefighters other than administrative personnel are scheduled to work 106 hours bi-weekly. Full time equivalents for those firefighters are computed by dividing the total hours paid for the year by 2,756 hours.

Starting in the fiscal year ended September 30, 2009, the full time equivalents in the City's Utility Billing Fund are allocated to the user funds (Gas, Water, Refuse and Wastewater Funds) instead of being classified as general government.

Information prior to 2006 is not available.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

OPERATING INDICATORS BY FUNCTION/PROGRAM

FISCAL YEAR END SEPTEMBER 30,

Function/Program	2010	2009	2008	2007	2006
General government					
Building permits issued	783	474	654	710	705
Police					
Physical arrests	1,535	1,947	2,396	1,970	2,094
Parking violations	33	100	10	12	115
Traffic violations	2,336	5,341	14,308	4,639	6,978
Fire					
Emergency responses	2,194	1,560	1,032	1,046	1,170
Fires extinguished	73	78	110	78	133
Inspections	821	650	408	515	756
Refuse collection					
Refuse collected (tons per day)	199	155	204	159	398
Other public works					
Street resurfacing (miles)	3	2	3	3	12
Potholes repaired	3,100	1,793	2,208	4,003	2,422
Water					
New connections	72	115	220	348	242
Water main breaks	890	944	935	998	921
Average daily consumption (thousands of gallons)	7,630	8,547	8,484	12,280	15,790
Peak daily consumption (thousands of gallons)	13,080	12,869	14,920	14,520	16,190
Wastewater					
Average daily sewage treatment (thousands of gallons)	3,843	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 END SEPTEMBER 30,

Function/Program	2010	2009	2008	2007	2006
Police					
Stations	1	1	1	1	1
Patrol units	51	33	45	47	32
Fire					
Stations	4	4	4	4	3
Other public works					
Streets (miles)	224	218	218	225	224
Streetlights	1,861	1,765	1,800	1,900	1,750
Traffic signals	16	16	16	15	15
Parks and recreation					
Acreage	276	276	276	276	163
Swimming Pools	2	2	2	2	2
Tennis Courts	2	2	2	2	2
Community centers	1	1	1	1	1
Water					
Water mains (miles)	250	250	245	250	235
Fire hydrants	1,165	1,135	1,100	1,115	1,137
Wastewater					
Sanitary sewers (miles)	220	220	181	210	196
Storm sewers (miles)	1	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, 2010, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 10, 2011. 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 deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct misstatements on a timely basis. A material weakness is a deficiency, or combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the financial statements will not be prevented, or detected and corrected on a timely basis.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to detect all deficiencies in internal control over financial reporting that might be deficiencies, 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.

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

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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, 2011.

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.

Gorman / Gangaly
& Associates

March10, 2011

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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, 2010. The City of Del Rio, Texas' major federal programs are 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.

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, 2010.

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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 and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent or detect and correct noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented or detected and corrected on a timely basis.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be deficiencies, 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.

Gary Gangaly & Associates

March 10, 2011

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CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended September 30, 2010

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
	• Control deficiency 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
	• Control deficiency 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**
	14.218	Community Development Block Grant
	20.106	Airport Improvement Programs
	20.509	Section 5311 Formula Program
	81.128	Recovery Act: EECBG Formula Grant
	93.044, 93.045 & 93.053	Aging Nutrition Cluster
Dollar threshold used to distinguish between Type A and Type B programs:		$300,000
Auditee qualified as low-risk auditee?		____Yes __X__No

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended September 30, 2010

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 with 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, 2010

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 State Health Services			
C4000543	Women, Infants and Children		10.557	$ 30,827
C4000543	Women, Infants and Children		10.557	487,655
	Total U.S. Department of Agriculture			518,482
	U.S. Department of Housing and Urban Development			
	Passed Through Office of Rural Community Affairs			
728500	Community Development Block Grants		14.218	360,839
	U.S. Department of Transportation			
	Federal Aviation Administration			
	Airport Expansion Project	0422DLRio	20.106	93,496
	Airport Improvement	3-48-0066-007-2007/008-2008	20.106	307,055
	Airport Improvement	3-48-0066-009-2009	20.106	193,664
	Airport Improvement	3-48-0066-10-2010	20.106	453,705
	Airport Hanger Project	09HGDLRio	20.106	443,114
	Federal Transit Administration			
	Section 5311 Grant	51822F7095	20.509	-
	Section 5311 Grant	51922F7016	20.509	258,835
	Section 5311 Grant	51022F7097	20.509	14,266
	Section 5311 Grant	51022F7152	20.509	48,921
	Section 5311 Grant	51022F7203	20.509	109,813
	Section 5311 Grant	51922F7285	20.509	146,000
	Section 5311 Grant	51922F7147	20.509	100,332
	Section 5310 Elderly Disabled Transportation	51822F7180	20.513	36,819
	Section 5309 VCR Grant	51922F7086	20.500	76,069
	Section 5316 JARC Colonias Grant	51922F7310	20.516	31,553
	Total U.S. Department of Transportation			2,313,642
	Passed Through			
	Texas Department of Transportation			
	Del Rio San Felipe Bicycle and Walking	C35-922-11-018, 0224827	unknown	-
	Qualia Relief Route	4760-09-0126	20.205	1,476
	Relocate Toll Booth	CSJ 0922-11-033	20.205	-
	Total Passed Through Texas Department of Transportation			1,476
	Total U.S. Department of Transportation			2,315,118
	U.S. Department of Energy			
	Recovery Act: EECBG Formula Grant	DE-EE0002317	81.128	150,624
	Total U.S Department of Energy			150,624
	U.S. Department of Health & Human Services			
	Passed Through Middle Rio Grande Development Council			
	Home Delivered Meal Rate $4.95		93.045	122,555
	Congregate Meal Rate $6.08		93.045	78,730
	Congregate Meal Rate $6.08 (ARRA)		93.053	30,996
	Transportation Rate of Reimburse $5.62		93.044	17,832
	Participant Assessment $45.04		93.045	7,640
	Total Passed Through Middle Rio Grande Development Council			257,753
	Passed Through Texas Department of Aging and Disability Services			
	Social Services Block Grant (Home Delivered Meals) Title XX	AAA-2005-024-01	93.667	183,339
	Medical Assistance Program (Home Delivered Meals), Title XIX	AAA-2005-024-01	93.778	71,090
	Total Passed Through Texas Department of Aging and Disability Services			254,429
	Total U.S. Department of Health & Human Services			512,182
	U.S. Department of Homeland Security			
	Federal Emergency Management Agency			
	SAFER Grant	EMW-2008-FF-01252	97.044	445,791
	FEMA Grant Directorate	EMW-2009-FO-01662	97.044	34,075
	Bullet Proof Vest Partnership Grant		Unknown	3,564
	Total U.S. Department of Homeland Security			483,430
	Total Federal Awards			$ 4,340,675

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, 2010

1. The accompanying schedule of expenditures of federal 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, 2010

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, 2010

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, 2009

	ACTUAL		
	PRIOR YEAR	CURRENT YEAR	TOTAL
RECEIPTS			
TDH Contract	$ 362,937	$ 125,509	$ 488,446
TDH Contract-Dietician	6,661	5,181	11,842
TDH Contract-Lactation	-	5,994	5,994
TDH Contract-Vendor Liaison	458.00	243	701
Total Receipts	370,056	136,927	506,983
EXPENDITURES			
Personnel	260,040	-	260,040
Fringe Benefits	87,168	-	87,168
Travel	6,075	-	6,075
Equipment	-	-	-
Supplies	23,022	20,347	43,369
Other	63,141	10,480	73,621
Indirect	36,711	-	36,711
Encumbrances	-	-	-
Total Expenditures	476,157	30,827	506,984
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ (106,101)	$ 106,100	$ (1)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

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, 2009 - September 30, 2010

	ACTUAL
RECEIPTS	
TDH Contract	$ 410,607
TDH Contract-Dietician	8,121
TDH Contract-Lactation	-
TDH Contract-Vendor Liaison	622
Total Receipts	419,350
EXPENDITURES	
Personnel	267,605
Fringe Benefits	91,313
Travel	4,280
Equipment	-
Supplies	10,615
Other	47,920
Indirect	65,922
Encumbrances (Supplemental)	
Total Expenditures	487,655
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ (68,305)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Texas Community Development Block Grant
CFDA	14.218
FUND SOURCE	Office of Rural Community Affairs
GRANT NO.	728500
PERIOD	August 22, 2008- August 21, 2010

	BUDGET	ACTUAL
RECEIPTS		
Federal	$ 360,839	$ 360,839
Total Receipts	360,839	360,839
EXPENDITURES		
Fire Truck	360,839	360,836
Total Expenditures	360,839	360,836
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ 3

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

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	$ 8,120,242	$ 93,496	$ 8,213,738	
Local	968,958	902,250	10,388	912,638	(a)
Total Receipts	9,559,488	9,022,492	103,884	9,126,376	
EXPENDITURES					
Capital Outlay	9,559,488	9,022,491	103,884	9,126,375	
Total Expenditures	9,559,488	9,022,491	103,884	9,126,375	
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, 2010

PROGRAM	Airport Improvement
CFDA	20.106
FUND SOURCE	Federal Aviation Administration
GRANT NO.	3-48-0066-007 & 8-2008 (2nd Part)
PERIOD	October 1, 2008-September 30, 2009

	BUDGET	ACTUAL CURRENT YEAR
REVENUES		
Federal	$ 307,055	$ 307,055
Local	16,161	16,161
Total Receipts	323,216	323,216
EXPENDITURES		
Capital Outlay	323,216	323,216
Total Expenditures	323,216	323,216
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ -

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

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

		ACTUAL			
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL	
REVENUES					
Federal	$ 324,621	$ 125,382	$ 199,238	$ 324,620	
Local	17,086	6,893	10,193	17,086	(a)
Total Receipts	341,707	132,275	209,431	341,706	
EXPENDITURES					
Capital Outlay	341,707	137,850	203,857	341,707	
Total Expenditures	341,707	137,850	203,857	341,707	
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (5,575)	$ 5,574	$ (1)	

(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.	3-48-0066-010-2009
PERIOD	October 1, 2008 - September 30, 2009

	BUDGET	CURRENT YEAR	
RECEIPTS			
Federal	$ 849,488	$ 167,388	
Local	44,710	23,827	(a)
Total Receipts	894,198	191,215	
EXPENDITURES			
Capital Outlay	894,198	476,531	
Total Expenditures	894,198	476,531	
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (285,317)	

(a) Five percent of capital outlay.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Airport Expansion - Airport Hangar Project
CFDA	20.106
FUND SOURCE	Texas Department of Transportation
GRANT NO.	09HGDLRIO

		ACTUAL			
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL	
REVENUES					
Federal	$ 8,590,530	$ 39,116	$ 443,114	$ 482,229	
Local	968,958	4,346	49,235	53,581	(a)
Total Receipts	9,559,488	43,462	492,349	535,810	
EXPENDITURES					
Capital Outlay	9,559,488	43,462	492,349	535,810	
Total Expenditures	9,559,488	43,462	492,349	535,810	
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, 2010

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	$ 226,682	$ 102,378	$ 329,060
Local Fares and Contract Revenue	-	2,754	-	2,754
Total Receipts	334,080	229,436	102,378	331,814
EXPENDITURES				
Capital	97,000	91,981	-	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	$ 331,815	-	331,815
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (102,379)	$ 102,378	$ (1)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

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	$ 112,868	$ 256,414
Total Receipts	256,414	143,546	112,868	256,414
EXPENDITURES				
Capital	-	-	-	-
Other Capital	-	-	-	-
Administrative	51,251	51,251	-	51,251
Operations	205,163	205,163	-	205,163
Local-Capital	-	-	-	-
Local-Operations	-	-	-	-
Total Expenditures	256,414	256,414	-	256,414
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (112,868)	$ 112,868	$ -

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Section 5311 Grant
CFDA	20.509
FUND SOURCE	U.S. Department of Transportation-Transit-TXDOT
CONTRACT No.	51022F7016
PROJECT No.	RPT 1001 (22)
PERIOD	September 1 2009 to August 31, 2010

	BUDGET	CURRENT YEAR
RECEIPTS		
Federal (TxDOT)	$ 258,835	$ 258,835
Local Fares and Contract Revenue	-	-
Building Rental	-	-
Insurance Claim Proceeds	-	-
Total Receipts	258,835	258,835
EXPENDITURES		
Capital	-	-
Other Capital	-	-
Operations	181,185	181,185
Administrative	77,650	77,650
Local-Other Capital	-	-
Local-Operations	-	-
Local-Administrative	-	-
Total Expenditures	258,835	258,835
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ -

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Section 5311 Grant
CFDA	20.509
FUND SOURCE	U.S. Department of Transportation-Transit-TXDOT
CONTRACT No.	51022F7097
PROJECT No.	RPT 1003 (22) R3
PERIOD	October 1, 2009-December 31, 2010

	BUDGET	CURRENT YEAR
RECEIPTS		
Federal (TxDOT)	$ 133,700	$ 8,603
Local Fares and Contract Revenue	-	-
Total Receipts	133,700	8,603
EXPENDITURES		
Capital	133,700	14,266
Other Capital	-	-
Operations	-	-
Administrative	-	-
Total Expenditures	133,700	14,266
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (5,662)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Section 5311 Grant
CFDA	20.509
FUND SOURCE	U.S. Department of Transportation-Transit-TXDOT
CONTRACT No.	51022F7152
PROJECT No.	RPT 1005 (22) 32
PERIOD	October 12, 2009-August 31, 2011

	BUDGET	CURRENT YEAR
RECEIPTS		
Federal (TxDOT)	$ 48,921	$ 48,921
Local Fares and Contract Revenue	24,461	24,461
Building Rental	-	-
Insurance Claim Proceeds	-	-
Total Receipts	73,382	73,382
EXPENDITURES		
Capital	-	-
Other Capital	-	-
Operations	66,044	44,029
Administrative	7,338	4,892
Local-Other Capital	-	-
Local-Operations	-	22,015
Local-Administrative	-	2,446
Total Expenditures	73,382	73,382
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ -

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Section 5311 Grant
CFDA	20.509
FUND SOURCE	U.S. Department of Transportation-Transit-TXDOT
CONTRACT No.	51022F7203
PROJECT No.	RPT 1007 (22) 33
PERIOD	March 15, 2010 to August 31, 2011

	BUDGET	CURRENT YEAR
RECEIPTS		
Federal (TxDOT)	$ 378,295	$ -
Local Fares and Contract Revenue	236,435	72,666
Building Rental	-	-
Insurance Claim Proceeds	-	-
TOTAL RECEIPTS	614,730	72,666
EXPENDITURES		
Capital	-	-
Other Capital	-	-
Operations	189,148	80,127
Administrative	189,147	29,686
Local-Other Capital	-	-
Local-Operations	189,148	66,144
Local-Administrative	47,287	6,522
TOTAL EXPENDITURES	614,730	182,479
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (109,813)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Section 5311 Grant
CFDA	20.509
FUND SOURCE	U.S. Department of Transportation-Transit-TXDOT
CONTRACT No.	51922F7285
PROJECT No.	RPT 905 (22) R1
PERIOD	May 1, 2009-December 31, 2010

	BUDGET	CURRENT YEAR
RECEIPTS		
Federal (TxDOT)	$ 146,000	$ 97,286
Local Fares and Contract Revenue	-	-
TOTAL RECEIPTS	146,000	97,286
EXPENDITURES		
Capital	146,000	146,000
Operations	-	-
Administrative	-	-
TOTAL EXPENDITURES	146,000	146,000
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (48,714)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Section 5311 Grant
CFDA	20.509
FUND SOURCE	U.S. Department of Transportation-Transit-TXDOT
CONTRACT No.	51922F7147
PROJECT No.	RPT 903 (22) 32
PERIOD	February 1, 2009 to August 31, 2010

		ACTUAL		
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL
RECEIPTS				
State (TxDOT)	$ 278,894	$ 178,562	$ 88,866	$ 267,428
Total Receipts	278,894	178,562	88,866	267,428
EXPENDITURES				
Capital	-	-	-	-
Other Capital	-	-	-	-
Administrative	98,913	48,747	50,166	98,913
Operations	179,981	129,815	50,166	179,981
Local-Capital	-	-	-	-
Local-Operations	-	-	-	-
Total Expenditures	278,894	178,562	100,332	278,894
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ -	$ (11,466)	$ (11,466)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Section 5310 Elderly & Disabled Transportation Program
CFDA	20.513
FUND SOURCE	U.S. Department of Transportation-Transit-TXDOT
CONTRACT No.	51822F7180
PROJECT No.	ED 0803 (22) 03
PERIOD	September 1, 2008-August 31, 2009

		ACTUAL		
	BUDGET	PRIOR YEAR	ACTUAL	TOTAL
RECEIPTS				
Federal (TxDOT)	$ 63,152	$ 45,075	$ 6,665	$ 51,740
Local Match	15,788	1,931	11,092	13,023
Total Receipts	78,940	47,006	17,757	64,763
EXPENDITURES				
Preventive Maintenance as Capital	78,940	64,762	-	64,762
Total Expenditures	78,940	64,762	-	64,762
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (17,756)	$ 17,757	$ 1

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Section 5310 Elderly & Disabled Transportation Program
CFDA	20.513
FUND SOURCE	U.S. Department of Transportation-Transit-TXDOT
CONTRACT No.	51922F7222
PROJECT No.	ED 0902 (22) 04
PERIOD	August 31, 2010-December 31, 2010

		ACTUAL		
	BUDGET	PRIOR YEAR	ACTUAL	TOTAL
RECEIPTS				
Federal (TxDOT)	$ 74,171	$ -	$ 29,197	$ 29,197
Local Match	18,543	-	5,992	5,992
Total Receipts	92,714	-	35,189	35,189
EXPENDITURES				
Preventive maintenance	92,714	53	42,711	42,764
Total Expenditures	92,714	53	42,711	42,764
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (53)	$ (7,522)	$ (7,575)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Section 5309 VCR Grant
CFDA	20.500
FUND SOURCE	U.S. Department of Transportation-Transit-TXDOT
CONTRACT No.	51922F7086
PROJECT No.	VCR 0901 (22) 042
PERIOD	June 8, 2009-February 28, 2011

	BUDGET	CURRENT YEAR
RECEIPTS		
Federal (TxDOT)	$ 78,000	$ -
Local Fares and Contract Revenue	-	-
Total Receipts	78,000	-
EXPENDITURES		
Capital	78,000	76,069
Total Expenditures	78,000	76,069
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	(76,069)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

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	$ 71,027	$ -	$ 71,027
Local Fares and Contract Revenue	50,307	-	13,653	13,653
Building Rental	-	-	-	-
Insurance Claim Proceeds	-	-	-	-
Total Receipts	159,136	71,027	13,653	84,680
EXPENDITURES				
Capital	58,522	57,373	-	57,373
Other Capital	2,638	-	-	-
Operations	32,783	13,285	-	13,285
Administrative	14,886	368	-	368
Local-Other Capital	2,638	-	-	-
Local-Operations	32,783	13,285	-	13,285
Local-Administrative	14,886	368	-	368
Total Expenditures	159,136	84,679	-	84,680
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (13,652)	$ 13,653	$ 1

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

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	

		ACTUAL		
	BUDGET	PRIOR YEAR	CURRENT YEAR	TOTAL
RECEIPTS				
Federal (TxDOT)	$ 37,803	$ 3,396	2,946	6,342
Local Fares and Contract Revenue	37,803	6,342	3,461	9,803
Building Rental	-	-	-	-
Insurance Claim Proceeds	-	-	-	-
Total Receipts	75,606	9,738	6,407	16,145
EXPENDITURES				
Capital	-	-	-	-
Other Capital	-	-	-	-
Operations	37,803	8,072	-	8,072
Administrative	-	-	-	-
Local-Other Capital	-	-	-	-
Local-Operations	37,803	8,072	-	8,072
Local-Administrative	-	-	-	-
Total Expenditures	75,606	16,144	-	16,144
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (6,406)	6,407	$ 1

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	JARC Grant
CFDA	20.516
FUND SOURCE	U.S. Department of Transportation-Transit-TXDOT
CONTRACT No.	51022F7184
PROJECT No.	JAC 1001 (22) 47
PERIOD	February 28, 2010 to June 30, 2010

	BUDGET	CURRENT YEAR
RECEIPTS		
Federal (TxDOT)	$ 31,553	31,553
Local Fares and Contract Revenue	31,553	31,553
Building Rental	-	-
Insurance Claim Proceeds	-	-
Total Receipts	63,107	63,107
EXPENDITURES		
Capital	-	-
Other Capital	-	-
Operating	50,525	50,524
Administrative	12,582	12,582
Total Expenditures	63,107	63,106
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ 1

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Del Rio San Felipe Bicycle and Walking Trail
CFDA	N/A
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	$ 407,643	$ -	$ 407,643
Local	129,912	287,633	68,574	356,207
Interest Income	-	15,452	23	15,475
Total Receipts	649,560	710,728	68,597	779,325
EXPENDITURES				
Administrative	108,260	31,944	-	31,944
Engineering	40,000	17,056	-	17,056
Construction	501,300	539,916	91,603	631,519
Total Expenditures	649,560	588,916	91,603	680,519
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ 121,812	$ (23,006)	$ 98,806

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Coordinated Border Infrastructure Program Qualia Relief Route
CFDA	20.205
FUND SOURCE	Texas Department of Transportation
GRANT NO.	4760-09-0126
PERIOD	

	BUDGET	ACTUAL
RECEIPTS		
Federal	$ 2,476,100	$ 1,476
Local	308,900	23
Total Receipts	2,785,000	1,499
EXPENDITURES		
Capital Outlay	2,407,457	-
Engineering Services	377,543	290,845
Total Expenditures	2,785,000	290,845
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (289,346)

(a) Local match to be provided in subsequent periods.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Coordinated Border Infrastructure Program Replace Toll Booths and ITS System (Del Rio Port of Entry)
CFDA	20.205
FUND SOURCE	Texas Department of Transportation
GRANT NO.	CSJ 0922-11-033
PERIOD	Not Stated

	BUDGET	ACTUAL
RECEIPTS		
Federal	$ 2,320,000	$ -
State	315,700	-
Local	264,300	4,735
Local-Oversight	30,000	-
Total Receipts	2,930,000	4,735
EXPENDITURES		
Capital Outlay	2,930,000	52,611
Total Expenditures	2,930,000	52,611
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (47,876)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Recovery Act: EECBG Formula Grant
CFDA	81.128
FUND SOURCE	U. S. Department of Energy
GRANT NO.	DE-EE0002317
PERIOD	September 23, 2009 - December 26, 2009

	BUDGET	ACTUAL
RECEIPTS		
Grant Contract	$ 156,300	$ 106,650
Local	-	-
Total Receipts	156,300	106,650
EXPENDITURES		
Expenditures	156,300	150,624
Total Expenditures	156,300	150,624
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (43,974)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF REVENUE AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Nutrition/Social Services
CFDA	93.044, 93.045, 93.667 and 93.778
FUND SOURCE	Texas Department of Aging and Disability Services
GRANT NO.	AAA-2005-024-01
PERIOD	October 1, 2009 - September 30, 2010

	ACTUAL
REVENUES	
MRGDC	
Congregate Meals (ARRA)	$ 30,996
Congregate Meals (CI)	78,730
Home Delivered Meals (CII)	122,555
Transportation	17,832
Participant Assessment	7,640
Title XIX	71,090
Title XX	183,339
Texas Department of Agriculture	10,711
Val Verde County	1,682
Total Grant Revenues	524,575
Transit Service	1,624
Joe Ramos Center Rental	18,091
Donations	29,017
Transfers from the City of Del Rio General Fund	11,367
In-Kind Contributions	30,000
Total Revenues	614,674
EXPENDITURES	
Personnel	237,907
Travel	888
Utilities	16,486
Raw Food	201,600
Supplies and Materials	8,979
Gas and Oil	11,406
Repair and Maintenance	16,163
Other	55,777
In-Kind Contributions	30,000
Total Expenditures	579,207
EXCESS (DEFICIT) REVENUES OVER EXPENDITURES	$ 35,467

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

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

		ACTUAL			
	BUDGET	PRIOR	CURRENT	TOTAL	
RECEIPTS					
Grant Contract	$ 1,287,344	$ 100,853	$ 458,136	$ 558,989	
Local	1,463,849	17,105	105,707	122,812	(a)
Total Receipts	2,751,193	117,958	563,843	681,801	
EXPENDITURES					
Personnel	2,132,708	134,503	429,725	564,228	
Fringe Benefits	618,485	36,543	121,773	158,316	
Total Expenditures	2,751,193	171,046	551,498	722,544	
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (53,088)	$ 12,345	$ (40,743)	

(a) Computed net difference between expenditures incurred and grant revenues realized.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	FEMA Grant Directorate (GPD)
CFDA	97.044
FUND SOURCE	FEMA and Department Homeland Security
GRANT NO.	EMW-2009-FO-01662
PERIOD	January 29, 2010 - January 28, 2011

	BUDGET	ACTUAL
RECEIPTS		
Federal	$ 52,200	$ 34,075
Local	5,800	3,786
Total Receipts	58,000	37,861
EXPENDITURES		
Equipment	58,000	37,861
Total Expenditures	58,000	37,861
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ -

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

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	CURRENT	TOTAL
RECEIPTS				
Grant Contract	$ -	$ 28,114	$ 1,824	$ 29,938
Local	-	24,809 (a)	3,564	28,373
Total Receipts	-	52,923	5,388	58,311
EXPENDITURES				
Safety Supplies-BP Vest	-	49,618	7,127	56,745
Total Expenditures	-	49,618	7,127	56,745
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ 3,305	$ (1,740)	$ 1,566

(a) 50% of expenditures

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State Programs

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

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	CURRENT	TOTAL
RECEIPTS				
Grant Contract	$ 141,929	$ 139,837	$ 2,092	$ 141,929
Local	26,054	37,943	-	37,943
Total Receipts	167,983	177,780	2,092	179,872
EXPENDITURES				
Personnel	112,828	122,528	-	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	15,591	-	15,591
Indirect Cost	-	-	-	-
Total Expenditures	167,983	179,872	-	179,872
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (2,092)	$ 2,092	$ -

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

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

		ACTUAL		
	BUDGET	PRIOR (A)	CURRENT	TOTAL
RECEIPTS				
Grant Contract	$ 169,295	$ -	$ 94,138	$ 94,138
Local	34,259	3,990	38,757	42,746
Total Receipts	203,554	3,990	132,895	136,884
EXPENDITURES				
Personnel	128,913	11,529	116,212	127,741
Prof. & Cont.	1,000	-	-	-
Travel	4,501	-	4,533	4,533
Equipment (B)	49,525	-	4,253	4,253
Construction	-	-	-	-
Suppl & Doe	19,615	1,644	14,719	16,363
Indirect Cost	-	-	-	-
Total Expenditures	203,554	13,173	139,717	152,891
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (9,184)	$ (6,823)	$ (16,006)

(A) Prior year amounts are adjusted to reflect actual costs in the prior year.

(B) Encumbrances as of August 31, 2010 amount to $45,264. Total grant costs when complete will amount to $49,517 in this line item.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Auto Theft Prevention and Recovery Unit
CFDA	N/A
FUND SOURCE	Texas Department of Transportation
GRANT NO.	SA-T01-10048-11
PERIOD	September 1, 2010 - August 31, 2011

	BUDGET	ACTUAL
RECEIPTS		
Grant Contract	$ 112,967	$ -
Local	35,495	3,153
Total Receipts	148,462	3,153
EXPENDITURES		
Personnel	129,856	11,526
Prof. & Cont.	1,000	-
Travel	4,569	165
Equipment	-	-
Construction	-	-
Suppl & Doe	13,037	1,338
Indirect Cost	-	-
Total Expenditures	148,462	13,029
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (9,875)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Border Security Program
CFDA	Unknown
FUND SOURCE	Texas Department of Public Safety
GRANT NO.	LBSP-08-038
PERIOD	

		ACTUAL			
	BUDGET	PRIOR (a)	CURRENT	TOTAL	
RECEIPTS					
State	$ 230,000	$ 128,058	$ 96,772	$ 224,830	
Local	-	-	-	-	
Total Receipts	230,000	128,058	96,772	224,830	
EXPENDITURES					
Salaries	230,000	209,309	20,691	230,000	
Total Expenditures	230,000	209,309	20,691	230,000	(b)
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (81,251)	$ 76,081	$ (5,170)	

(a) Prior amounts shown are computed based on total grant receipts thru 9/30/2010 and the receipts during the fiscal year ended 9/30/2010. This schedules was not prepared in the prior year.

(b) Total expenditures are reflected to match the amounts provided under the grant agreement.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Routine Airport Maintenance Program
CFDA	Unknown
FUND SOURCE	Texas Department of Transportation
GRANT NO.	M022DLRIO
PROJECT NO.	AM 2011DLRIO
PERIOD	January 4, 2010 - August 31, 2010

	BUDGET	CURRENT YEAR
REVENUES		
Grant Contract	$ 50,000	$ -
Local	50,000	6,942
Total Receipts	100,000	6,942
EXPENDITURES		
Maintenance	100,000	13,884
Total Expenditures	100,000	13,884
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (6,942)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2010

PROGRAM	Routine Airport Maintenance Program
CFDA	Unknown
FUND SOURCE	Texas Department of Transportation
GRANT NO.	M022DLRIO
PROJECT NO.	AM 2010DLRIO
PERIOD	January 4, 2010 - August 31, 2010

	BUDGET	CURRENT YEAR
REVENUES		
Grant Contract	$ 50,000	$ 3,018
Local	50,000	22,138
Total Receipts	100,000	25,156
EXPENDITURES		
Maintenance	100,000	34,525
Total Expenditures	100,000	34,525
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	$ -	$ (9,369)

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