

COMPREHENSIVE ANNUAL FINANCIAL REPORT

FISCAL YEAR ENDED SEPTEMBER 30, 2011



CITY OF DEL RIO, TEXAS

COMPREHENSIVE ANNUAL FINANCIAL REPORT

CITY OF DEL RIO

Del Rio, Texas

Year Ended September 30, 2011

Prepared by the Finance Department

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INTRODUCTORY SECTION

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CITY OF DEL RIO
Del Rio, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

September 30, 2011

TABLE OF CONTENTS

	<u>PAGE NO.</u>
INTRODUCTORY SECTION	
Table of Contents.....	i –vii
List of Principal Officials.....	viii
Organizational Structure	ix
Letter of Transmittal	x – xvii
Certificate of Achievement for Excellence in Financial Reporting.....	xviii
FINANCIAL SECTION	
Independent Auditors' Report	1-2
Management’s Discussion and Analysis.....	3-14
<u>BASIC FINANCIAL STATEMENTS</u>	
Government–Wide Financial Statements	
Statement of Net Assets	15
Statement of Activities	16-17
Governmental Fund Financial Statements	
Balance Sheet – Governmental Funds.....	18
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Assets	19
Statement of Revenues, Expenditures, and Changes in Fund Balance - Governmental Funds	20
Reconciliation of the Statement of Revenue, Expenditures, and Changes in Fund Balance of Governmental Funds to the Statement of Activities	21
Proprietary Fund Financial Statements	
Statement of Net Assets – Proprietary Funds	22-23
Statement of Revenues, Expenses, and Changes in Fund Net Assets - Proprietary Funds	24-25
Statement of Cash Flows – Proprietary Funds.....	26-29

(Continued)

CITY OF DEL RIO
Del Rio, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

September 30, 2011

TABLE OF CONTENTS

PAGE
NO.

FINANCIAL SECTION

Fiduciary Funds Financial Statements

Statement of Assets and Liabilities – Agency Funds..... 30

Notes to Financial Statements 31-67

REQUIRED SUPPLEMENTARY INFORMATION

Schedule of Revenues, Expenditures, and Encumbrances and Changes in Fund Balance -
Budget and Actual – (Non-GAAP Budgetary Basis)..... 68

Notes to the Required Supplementary Information..... 69

Schedule of Funding Progress for City of Del Rio
Retired Employee Healthcare Plan OPEB..... 70

Schedule of Funding Progress Texas Municipal Retirement System..... 71

NON-MAJOR GOVERNMENTAL FUNDS AND BUDGET SCHEDULES

COMBINING STATEMENTS OF NON-MAJOR GOVERNMENTAL FUNDS

Combining Balance Sheet 72

Combining Statement of Revenues, Expenditures and
Changes in Fund Balance 73

General Fund

Schedule of Revenues, Compared to Budget 74-75

Schedule of Expenditures and Encumbrances Compared to Budget
(Non-GAAP Budgetary Basis) 76-82

Schedule of Other Financing Sources/(Uses) Compared to Budget
(Non-GAAP Budgetary Basis) 83

Special Revenue Funds

Combining Balance Sheet 84-85

Combining Statement of Revenues, Expenditures and
Changes in Fund Balance 86-87

(Continued)

CITY OF DEL RIO
Del Rio, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

September 30, 2011

TABLE OF CONTENTS

	<u>PAGE NO.</u>
FINANCIAL SECTION	
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Compared to Budget (Non-GAAP Budgetary Basis)	
MIT 5311 Grant.....	88
Women, Infants and Children	89
Nutrition and Social Services	90
Room Tax	91
Loan Repayment.....	92
Property and Forfeiture	93
Law Enforcement Employee	94
TXDOT Section 5310.....	95
JARC Colonias Grant	96
Economic Development Administration	97
CDBG Grant.....	98
Debt Service Funds	
Schedule of Revenues, Expenditures, Encumbrances and Changes in Fund Balance - Compared to Budget (Non-GAAP Budgetary Basis)	
Debt Service Fund	99
Capital Projects Funds	
Combining Balance Sheet	100-101
Combining Statement of Revenues, Expenditures, and Changes in Fund Balance	102-103
<u>PROPRIETARY FUNDS</u>	
Enterprise Funds	
Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP Budgetary Basis)	
Gas System	104
Water System	105
International Bridge	106

(Continued)

CITY OF DEL RIO
Del Rio, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

September 30, 2011

TABLE OF CONTENTS

	<u>PAGE NO.</u>
FINANCIAL SECTION	
Enterprise Funds (Continued)	
International Airport.....	107
Refuse/Landfill	108
Wastewater	109
Municipal Facilities.....	110-111
Internal Service Funds	
Combining Statement of Net Assets.....	112
Combining Statement of Revenues, Expenses and Changes in Fund Net Assets	113
Combining Statement of Cash Flows	114
Schedule of Revenues and Expenses - Budget and Actual (Non-GAAP Budgetary Basis)	
Utility Billing.....	115
Computer Services	116
Fleet Maintenance	117
Health Claims Self-Insurance	118
Fiduciary Funds	
Combining Statement of Assets and Liabilities - All Agency Funds	119
Combining Statement of Changes in Assets and Liabilities - All Agency Funds	120
STATISTICAL SECTION	
Financial Trend Information	
Net Assets by Component.....	121-122
Changes in Net Assets	123-126
Fund Balances – Governmental Funds	127-128
Changes in Fund Balances – Governmental Funds.....	129-130

(Continued)

CITY OF DEL RIO
Del Rio, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

September 30, 2011

TABLE OF CONTENTS

	<u>PAGE NO.</u>
STATISTICAL SECTION	
Revenue Capacity Information	
Assessed Value and Estimated Actual Value of Taxable Property	131-132
Direct and Overlapping Property Tax Rates	133
Principal Property Taxpayers.....	134
Property Tax Levies and Collections	135
Water Pumped and Water Billed	136
New Water and Sewer Connections.....	137
Number of Water and Sewer Customers.....	138
Water and Sewer Rates	139
Water Billed by User.....	140-141
Debt Capacity Information	
Ratios of Net General Bonded Debt Outstanding.....	142
Direct and Overlapping Governmental Activities Debt	143
Debt Margin Information	144-145
Ratios of Outstanding Debt by Type.....	146-147
Pledged Revenue Coverage:	
Wastewater Fund Bonded Debt	148
Bond Coverage:	
Utility Commission/Water Fund Bonded Debt	149
International Bridge Fund Bonded Debt	150
Refuse Fund Bonded Debt.....	151
Gas Fund Bonded Debt.....	152
Demographic and Economic Information	
Demographic and Economic Statistics	153
Principal Employers.....	154
Schedule of International Bridge Fund Traffic and Revenue.....	155

(Continued)

CITY OF DEL RIO
Del Rio, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

September 30, 2011

TABLE OF CONTENTS

	<u>PAGE NO.</u>
STATISTICAL SECTION	
Operating Information	
Fulltime Equivalent City Government Employees	156
Operating Indicators by Function/Program	157
Capital Asset Statistics by Function/Program.....	158
SINGLE AUDIT SECTION	
Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i>	159-160
Report on Compliance with Requirements Applicable to Each Major Program and Internal Control Over Compliance in Accordance with OMB Circular A-133	161-162
Schedule of Findings and Questioned Costs	163-165
Corrective Action Plan.....	166
Schedule of Expenditures of Federal Awards	167
Notes to Schedule of Expenditures of Federal Awards.....	168
Summary Schedule of Prior Year Audit Findings.....	169
Schedules of Grant Receipts and Expenditures	
Federal Programs	
Special Supplemental Food Program For Women, Infants and Children	170-171
Dodson Avenue Infrastructure Improvements.....	172
Community Development Block Grant Program	173
Operation ALPR Border Security	174
Crime Prevention	175
Airport Expansion Project.....	176
Airport Improvement.....	177-178
Airport Hangar Project.....	179
Section 5311 Grant	180-186
Section 5310 Elderly & Disabled Transportation Program.....	187-189
Section 5309 VCR Grant.....	190

(Continued)

CITY OF DEL RIO
Del Rio, Texas

COMPREHENSIVE ANNUAL FINANCIAL REPORT

September 30, 2011

TABLE OF CONTENTS

	<u>PAGE NO.</u>
SINGLE AUDIT SECTION	
Federal Programs (Continued)	
Coordinated Border Infrastructure Program.....	191-192
Recovery Act: EECBG Formula Grant.....	193
Staffing for Adequate Fire and Emergency Response (SAFER)	194
FEMA Grant Directorate (GPD)	195
Bullet Proof Vest Partnership Grant.....	196
State Programs	
Auto Theft Prevention and Recovery Unit.....	197-200
Border Security Program.....	201
Routine Airport Maintenance Program.....	202-204

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CITY OF DEL RIO, TEXAS
LIST OF PRINCIPAL OFFICIALS

CITY COUNCIL MEMBERS

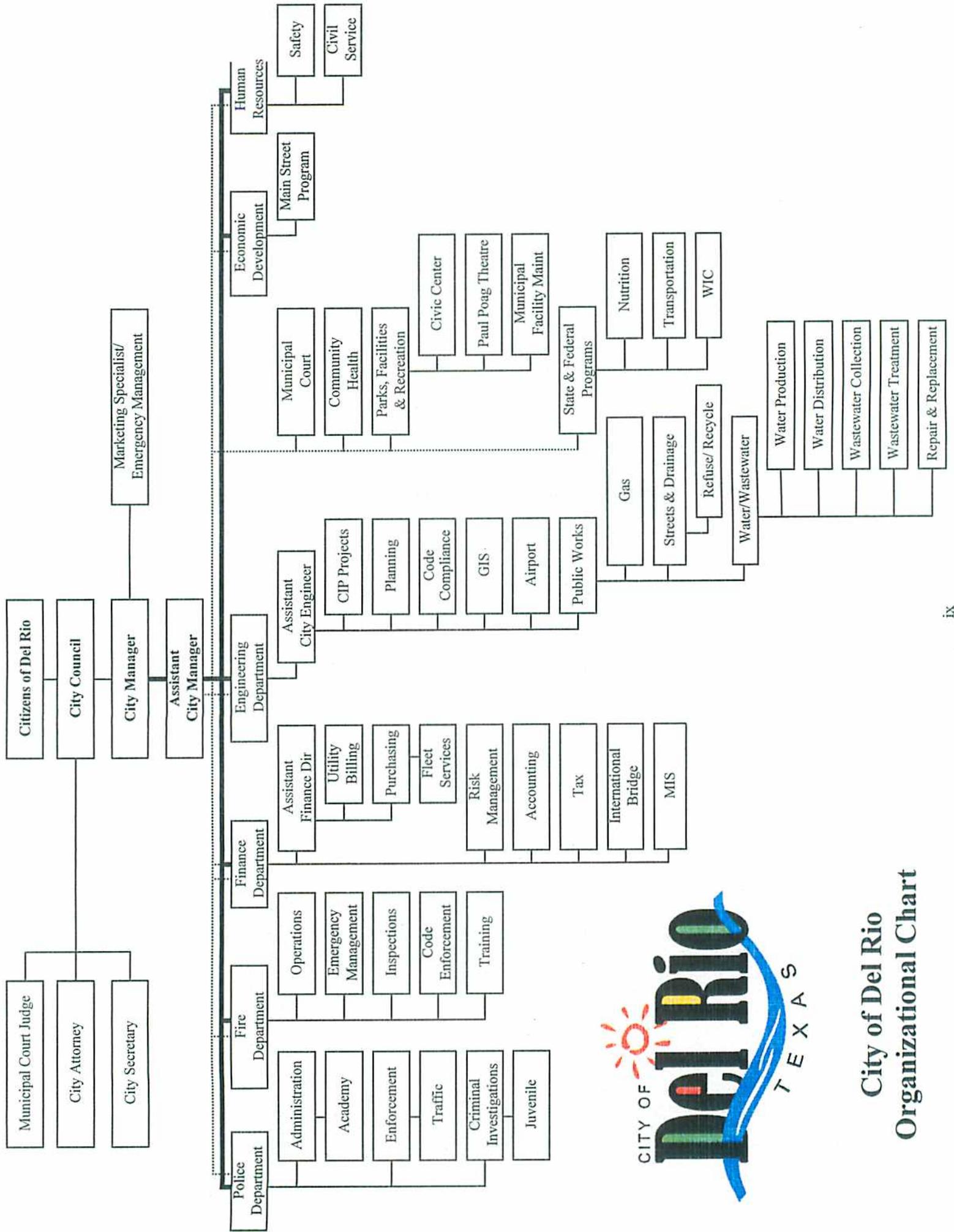
Roberto Fernandez
Mayor

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	City Manager
Suzanne West	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 12, 2012

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, 2011 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, 2011, 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, 2011, 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 20.15 square miles of the Val Verde County's 3,144.75 square miles of total area. The City of Del Rio serves a population of approximately 35,591. 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, 1998 and 2010. 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 systems. 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 had an increase during the fiscal year 2010-2011. 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 2010-2011 Del Rio's unemployment rate was 8.5% with an employed labor force of 15,221 as of September 30, 2011. The top employers are the federal agencies with 2,063 employees, San Felipe Del Rio CISD with 1,994 employees and Laughlin Air Force base with 2,050 military personnel and 1,187 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 3,237 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, 2011 an employed labor force of approximately 19,231 and an unemployment rate of 8.7%.

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 has a Five-Year Capital Improvement Plan which is updated annually and approved by City Council. Future projects include wastewater collection line improvements, the purchase of hardware/software packages for financial applications, City Park upgrades, City facility repairs/upgrades, street paving improvements and the purchase of rolling stock for various departments.

Over the course of several years the Capital Improvements Plan has been instrumental in guiding the City. The effectiveness of the City long-term financial planning is evidenced by the many capital investments over the five year period listed below.

1. In fiscal year 2006-2007, the City invested in improvements to park systems and the purchase of rolling stock for various departments.
2. 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.
3. In fiscal year 2008-2009, the City invested in water distribution line improvements, expansion of the Airport Terminal Building, street paving improvements and the purchase of rolling stock for various departments.
4. 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, Emergency Operations Center, and the purchase of rolling stock for various departments.
5. In fiscal year 2010-2011, the City invested in water treatment plant membrane replacement upgrades, raw water pump replacement and street paving improvements.

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 – A1
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, \$5,000 for each property damage claim, \$2,500 for law enforcement liability, \$2,500 for errors and omissions liability, \$500 each vehicle and \$10,000 for each occurrence for automobile physical damage, \$1,000 for each automobile liability claim, \$5,000 for public employee dishonesty 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 \$125,000 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, by resolution, adopted as its guideline in the preparation of the annual budget to schedule a balance of not less than 25% of the budgeted annual expenditures in order to maintain from fiscal year to fiscal year a surplus in the annual budget of at least 25% of the annual expenditures. This guideline is to be the goal of City staff in the preparation of the annual budget. Each fiscal year, staff uses this guideline when it prepares the annual budget.

Major Initiatives

Planning and Capacity Building Study: During FY 2010-2011, the City Council authorized a study for Planning and Capacity Building through a TDRA grant in the amount of \$.72 million. 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. Project was started in December 2010 and to be completed by May 2012.

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 \$75 million in potential projects.

De La Rosa Street Improvements: During FY 2010-2011, the City Council authorized the De La Rosa Street improvements through a TxCDBG grant and local funds. Construction will begin in FY 11-12.

Emergency Operation Center: During FY 2010-2011, the City Council authorized the advertisement for construction of an Emergency Operation Center through a FEMA grant and local funds. Construction is to begin in FY 11-12.

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 12-13.

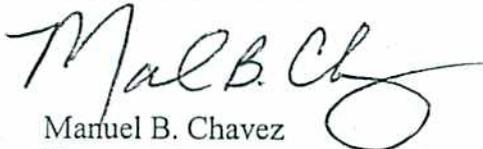
Awards and Acknowledgements

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 2010 (eleven 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, 2011 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,

A handwritten signature in black ink, appearing to read 'Manuel B. Chavez', with a large, stylized flourish at the end.

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, 2010

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.



Linda C. Davison

President

Jeffrey R. Enev

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, (the "City") as of and for the year ended September 30, 2011, 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's 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 consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control over financial reporting. Accordingly, we express no such opinion. 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, as of September 30, 2011, 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 12, 2012, on our consideration of the City's 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.

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

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

Ann Anne
Assistant

March 12, 2012

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CITY OF DEL RIO

MANAGEMENTS' DISCUSSION AND ANALYSIS

This section of the City of Del Rio's annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year that ended on September 30, 2011. 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 \$122.5 million, an increase of \$4.6 million from last year. Governmental activities contributed \$340 thousand while the business-type activities contributed \$4.3 million in net assets.

Fund Level

- The Governmental Funds report a combined deficiency of revenues over expenditures of \$9.8 million of which \$4.6 is in the General Fund, \$1.5 million is in the Debt Service Fund, \$3.5 million is in the Streets and Drainage Capital Projects Fund and \$0.2 million 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 \$11.9 million, a decrease of \$4.2 million from last fiscal year. Within the combined fund balance total, \$0.1 million is nonspendable, \$4.3 million is restricted, \$4.4 million is committed, \$0.4 million is assigned and \$2.7 is unassigned.
- The General Fund reported a fund balance of \$7.9 million, which represents a \$0.2 million decrease from last year. The committed fund balance is \$4.4 million of which \$4.2 million is committed 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 35% 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:

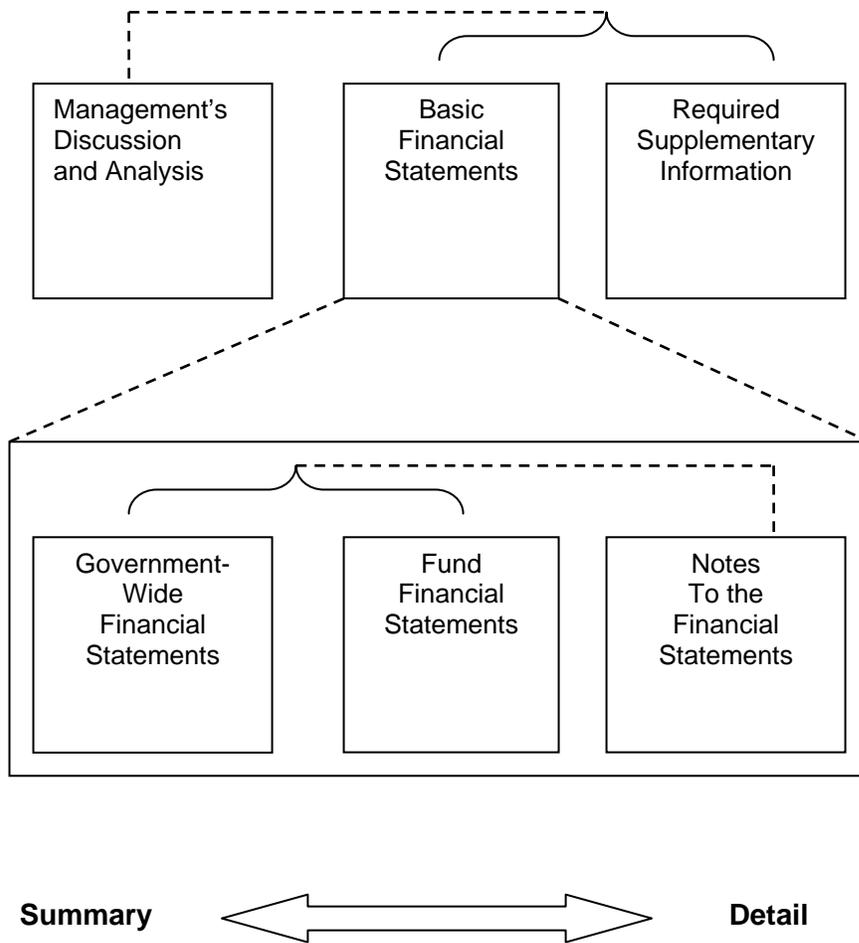
- The first two statements are government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City government, reporting the City's operations in more detail than the government-wide statements.

CITY OF DEL RIO

MANAGEMENTS' DISCUSSION AND ANALYSIS

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

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



CITY OF DEL RIO

MANAGEMENTS' DISCUSSION AND ANALYSIS

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

Government-wide Statements

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

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

- Over time, increases or decreases in the City's net assets are an indicator of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City one needs to consider additional non-financial factors such as changes in the City's property tax base, level of economy and international bridge crossings.

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

- Governmental activities- Most of the City's basic services are included here, such as the general government, health & welfare, public safety, highways and streets, culture and recreation, and economic development and assistance. Property taxes, sales taxes, franchise taxes, state grants and transfers from business type activities and state and federal grants finance most of these activities.
- Business-type activities- The City charges fees to customers to help it cover the costs of certain services it provides. The City's gas, water and sewer system, landfill, international bridge, international airport and municipal facilities are included here.

Fund Financial Statements

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

- Some funds are required by City Charter, State law and by bond covenants.
- The City Council establishes other funds to control and manage money for particular purposes or show that it is properly using certain taxes and grants (like aid from the Texas Department of Transportation).

CITY OF DEL RIO

MANAGEMENTS' DISCUSSION AND ANALYSIS

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. We exclude these activities from the City's government- wide financial statements because the City cannot use these assets to finance its operations.

CITY OF DEL RIO
MANAGEMENTS' DISCUSSION AND ANALYSIS

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Assets

The City's combined net assets were \$122,518,202 at year end.

CITY OF DEL RIO'S NET ASSETS

	Governmental Activities		Business-Type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Current and Other assets	\$ 18,058,938	\$ 22,609,532	\$ 28,753,579	\$ 31,717,944	\$ 46,812,517	\$ 54,327,476
Capital Assets	45,799,607	43,514,819	106,204,631	104,912,115	152,004,238	148,426,934
Total Assets	63,858,545	66,124,351	134,958,210	136,630,059	198,816,755	202,754,410
Current Liabilities	\$ 5,931,586	\$ 6,382,462	\$ 6,887,221	\$ 8,024,269	\$ 12,818,807	\$ 14,406,731
Long term Liabilities	23,926,169	26,080,617	39,553,578	44,397,149	63,479,747	70,477,766
Total Liabilities	29,857,755	32,463,079	46,440,799	52,421,418	76,298,554	84,884,497
Net Assets						
Invested in Capital Assets, Net of related Debt	28,439,174	28,371,740	77,061,062	71,853,703	105,500,236	100,225,443
Restricted	2,779,842	1,842,042	5,472,357	5,483,570	8,252,199	7,325,612
Unrestricted	2,781,774	3,447,490	5,983,993	6,871,368	8,765,767	10,318,858
Total Net Assets	\$ 34,000,790	\$ 33,661,272	\$ 88,517,412	\$ 84,208,641	\$ 122,518,202	\$ 117,869,913

The City's combined change in net assets was an increase of \$4,648,289.

CITY OF DEL RIO'S CHANGES IN NET ASSETS

	Governmental Activities		Business-Type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Net (Expenses) Revenues	\$ (19,742,175)	\$ (19,600,321)	\$ 9,417,111	\$ 5,194,042	\$ (10,325,064)	\$ (14,406,279)
General Revenues	14,816,900	13,843,289	71,453	112,924	14,888,353	13,956,213
Excess Before Special Items and Transfers	(4,925,275)	(5,757,032)	9,488,564	5,306,966	4,563,289	(450,066)
Special Items	-	-	85,000	-	85,000	-
Transfers	5,264,793	6,038,340	(5,264,793)	(6,038,340)	-	-
Changes in Net Assets	339,518	281,308	4,308,771	(731,374)	4,648,289	(450,066)
Net Assets, Beginning,	33,661,272	33,379,964	84,208,641	84,940,015	117,869,913	118,319,979
Net Assets, Ending	\$ 34,000,790	\$ 33,661,272	\$ 88,517,412	\$ 84,208,641	\$ 122,518,202	\$ 117,869,913

The combined net assets of the City for the primary government increased \$4.6 million from the last fiscal year. Governmental activities realized an increase of \$340 thousand while the business-type activities experienced an increase of \$4.3 million. 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.

CITY OF DEL RIO

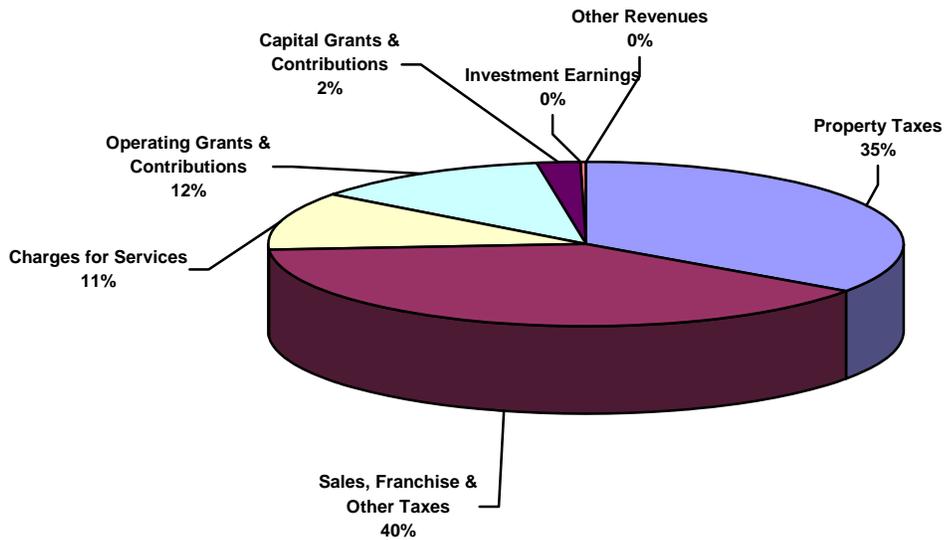
MANAGEMENTS' DISCUSSION AND ANALYSIS

Governmental Activities

Revenues for the City's governmental activities were \$19,940,646. The revenue was derived from major sources as listed below and as reflected on Figure A-2.

	2011	2010	Variance
Property taxes	\$ 6,912,233	\$ 6,244,729	\$ 667,504
Sales, franchise and other taxes	7,856,800	7,374,004	482,796
Charges for services	2,233,810	1,888,507	345,303
Operating grants and contributions	2,456,797	2,590,444	(133,647)
Capital grants and contributions	433,139	691,173	(258,034)
Investment earning	63,978	72,839	(8,861)
Other revenues	-	117,734	(117,734)
Gain/Loss on sale of capital assets	(16,111)	33,983	(50,094)
	<u>\$ 19,940,646</u>	<u>\$ 19,013,413</u>	<u>\$ 927,233</u>

Figure A-2



- The City's adopted property tax rate for fiscal year 2010-2011 is \$0.57555 per \$100 of valuation, an increase from the previous tax rate of \$0.56055.
- Property value increased \$57,192,811 to \$1,180,373,214 from the prior year's valuation of \$1,123,180,403.
- Sales tax revenues were \$5,238,347. This represents an increase of \$339,519 from prior year of \$4,898,828.
- In addition to the revenue, the City transferred \$5,264,793 from proprietary funds to fund its governmental operations.

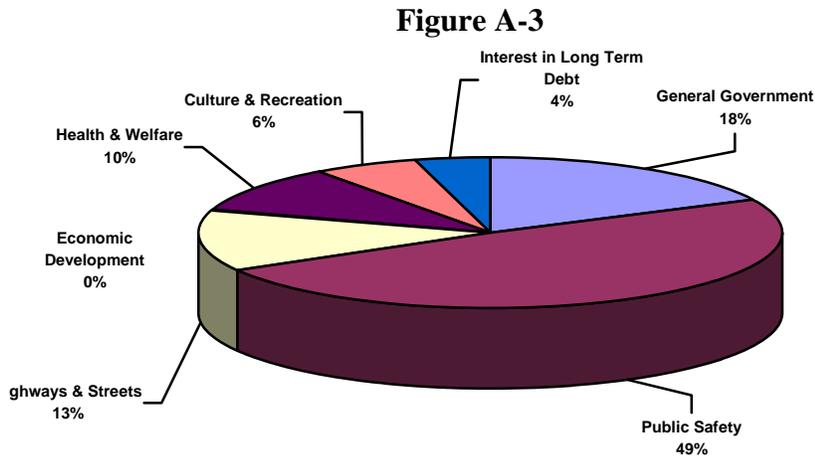
CITY OF DEL RIO

MANAGEMENTS' DISCUSSION AND ANALYSIS

Expenses for the City's governmental activities were \$24,865,921. Expenses were incurred in seven major categories as listed below and as reflected on Figure A-3.

Functional Expenses by Category:

	2011	2010	Variance
a) General Government	\$ 4,435,104	\$ 4,742,105	\$ (307,001)
b) Public Safety	12,141,854	12,232,086	(90,232)
c) Highways and Streets	3,236,693	2,727,749	508,944
d) Economic Development	111,812	108,174	3,638
e) Health and Welfare	2,476,528	2,416,906	59,622
f) Culture and Recreation	1,401,870	1,488,027	(86,157)
h) Interest in long term debt	1,062,060	1,055,398	6,662
	<u>\$ 24,865,921</u>	<u>\$ 24,770,445</u>	<u>\$ 95,476</u>



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

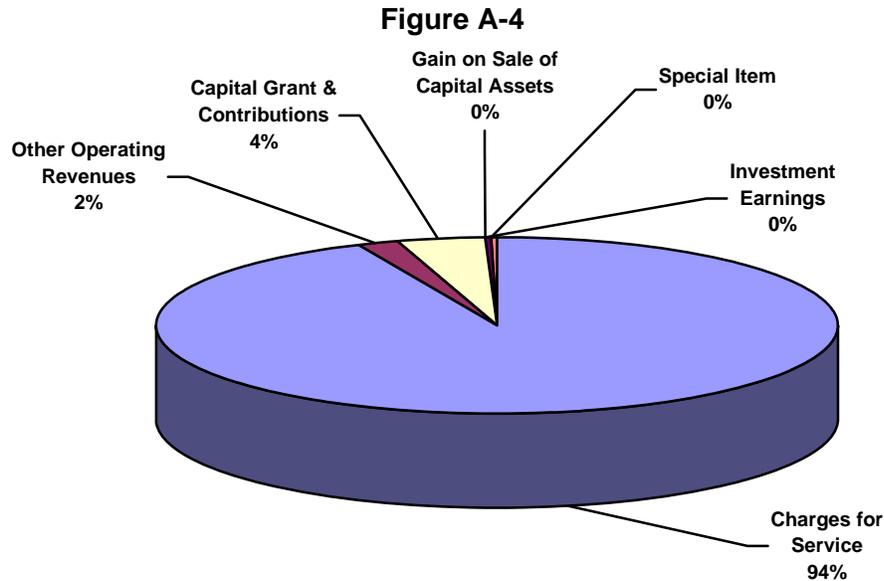
Business-type Activities

Revenues of the City's business-type activities totaled \$27,417,825 as shown on Figure A-4:

	2011	2010	Variance
Charges for Services	\$ 25,359,131	\$ 22,324,602	\$ 3,034,529
Other Operating Revenues	490,777	499,474	(8,697)
Capital Grants & Contributions	1,411,464	1,613,848	(202,384)
Grants & Contributions not restricted to specific programs	-	-	-
Gain on Sale of Capital Assets	23,151	23,257	(106)
Investment Earnings	48,302	89,667	(41,365)
Special Item-Resource	85,000	-	85,000
	<u>\$ 27,417,825</u>	<u>\$ 24,550,848</u>	<u>\$ 2,866,977</u>

CITY OF DEL RIO

MANAGEMENTS' DISCUSSION AND ANALYSIS



The amount realized from charges for services for the gas fund was \$3,483,535. The gas rates fluctuated during the year due to the changes in price of natural gas purchased for resale.

The amount realized for charges for services for the water fund was \$9,006,920 which is an increase of \$2,302,915 from the prior year charges for service of \$6,704,005. The increase is attributed to a change in the local climate. During the year ended 2011, the City experienced a much dryer climate than in the year ended 2010.

The amount realized for international bridge tolls was \$4,957,266, an increase of \$814,137 from the prior year. Overall Bridge crossings showed a slight increase from the previous year and the City increased fares at the beginning of the fiscal year.

The operating revenues realized for international airport is \$247,961 which consists of charges for services is \$95,761 for fees for fuel sold at the airport by a commercial vendor and \$152,200 in rental income.

The amount realized for charges for services for the refuse fund was \$4,227,735, a decrease of \$137,373 from the prior year. During the year ended 2011, the City experienced a decrease in the refuse loads entering the landfill than in the year ended 2010.

The amount realized for charges for services for the wastewater (sewer) fund was \$3,587,914, an increase of \$216,233 from the prior year charges for service of \$3,371,681. Rates for collection of wastewater are based on the customer's average monthly water usage for the months of December, January and February with three thousand gallons per month maximum. The increase in charges for service is attributable, in part, to the increase in the water consumption during the year.

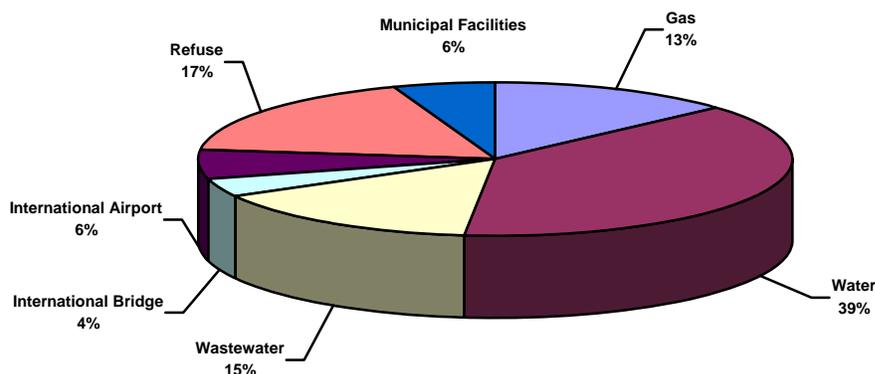
CITY OF DEL RIO

MANAGEMENTS' DISCUSSION AND ANALYSIS

The expenses for the business type activities totaled \$17,844,261 as shown on figure A-5:

	2011	2010	Variance
Gas	\$ 2,358,189	\$ 2,556,579	\$ (198,390)
Water	6,841,023	7,437,481	(596,458)
Wastewater	2,724,265	2,807,609	(83,344)
International Bridge	716,335	763,664	(47,329)
International Airport	1,106,995	904,065	202,930
Refuse	3,084,478	4,002,820	(918,342)
Municipal Facilities	1,012,976	771,664	241,312
Total	\$ 17,844,261	\$ 19,243,882	\$ (1,399,621)

Figure A-5



The difference between revenues, other revenue sources and expenses was \$9,573,564. The City transferred from its Enterprise Funds \$6,436,053 to subsidize governmental activities. The City also transferred \$1,171,260 into its Enterprise Funds. The Airport and Municipal Facilities Funds received \$866,494 to subsidize their operations and the City's internal service funds provided \$304,766 to subsidize the purchase of capital assets in the gas, water, wastewater and airport funds. The net transfers from the Enterprise Funds amounted to \$5,264,793. 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 \$4.2 million. Revenues increased from the prior year by \$929 thousand while expenditures increased by \$473 thousand and other operating sources and uses decreased \$2.6 million. The General Fund decreased its fund balance by \$181 thousand during the year. The net change in fund balance for the 2010 fiscal year was a decrease of \$2 million.

CITY OF DEL RIO

MANAGEMENTS' DISCUSSION AND ANALYSIS

The fund balance in the Debt Service Fund increased by \$214 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 \$3.5 million to the deficit for 2011 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 \$717 thousand. The decrease resulted primarily from the transfers out of \$530 thousand in construction funds originally intended for the parking lot/garage and city hall building projects.

The business type funds realized an overall decrease in net assets of \$4.3 million. In part, the business type funds increased their net assets by \$48 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 \$6.4 million overall. The Gas Fund transferred out \$1.3 million, the International Bridge transferred out \$3.4 million and other business type funds transferred out a total of \$1.8 million. The business type funds also received assistance from the other funds. Combined, the Enterprise Funds received \$1.2 million during the year.

Individually, the International Bridge Fund contributed \$988 thousand, the Water Fund \$1.8 million, the International Airport Fund \$569 thousand, the Refuse Fund \$692 thousand and the Wastewater \$389 thousand of the increase to net assets. The Gas Fund had a decrease for the year of \$38 thousand and the Municipal Facilities Fund had a decrease of \$83 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 2010.
- Amendments to appropriate funds maintained in reserve at the beginning of the year.
- Changes in appropriations for grant matching funds and other contracted services.
- Increases in appropriations to cover anticipated budget overruns.
- Decrease in appropriations because of budget unexpended balances.
- Changes in the amount budgeted for transfer of funds to General Fund from other funds.

The City monitors its budget to ensure that anticipated revenues are realized and to ensure that expenditures remain within budgeted amounts. For the year, the General Fund experienced a negative variance of \$243 thousand in the overall budgeted change in fund balance. In total, the City experienced a negative variance of \$514 thousand in revenues, a positive variance in total expenditures of \$264 thousand and a positive variance in other financing sources of \$7 thousand for the year.

CITY OF DEL RIO

MANAGEMENTS' DISCUSSION AND ANALYSIS

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City's combined capital assets at the end of fiscal year September 30, 2011 amounted to \$152,004,238. 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 X to financial statements.

City of Del Rio's Capital Assets

	Governmental Activities		Business-Type Activities		Totals	
	2011	2010	2011	2010	2011	2010
Land	\$ 5,303,376	\$ 5,303,376	\$ 2,287,111	\$ 2,287,111	\$ 7,590,487	\$ 7,590,487
Buildings	11,454,028	11,454,028	4,907,331	4,347,996	16,361,359	15,802,024
Improvements Other Than Buildings	16,882,381	646,866	133,183,169	131,174,984	150,065,550	131,821,850
Equipment	13,014,310	12,576,914	4,965,280	4,803,067	17,979,590	17,379,981
Infrastructure	51,474,392	51,474,392	-	-	51,474,392	51,474,392
Construction in Progress	866,083	13,153,737	5,356,130	3,850,444	6,222,213	17,004,181
Total at Historical Cost	98,994,570	94,609,313	150,699,021	146,463,602	249,693,591	241,072,915
Total Accumulated Depreciation	53,194,963	51,094,494	44,494,390	41,551,487	97,689,353	92,645,981
Net Capital Amounts	\$ 45,799,607	\$ 43,514,819	\$ 106,204,631	\$ 104,912,115	\$ 152,004,238	\$ 148,426,934

Long-term Debt

At year-end the City had \$64,751,000 in bonds and notes payable; a decrease of \$6,533,000 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	
	2011	2010	2011	2010	2011	2010
General Obligation Bonds (backed by the City)	\$ 22.30	\$ 24.18	\$ -	\$ -	\$ 22.30	\$ 24.18
Revenue Bonds, Certificates of Obligation and Notes (backed by Specific tax and fee revenues)	2.02	2.37	40.43	44.73	42.45	47.10
Total	\$ 24.32	\$ 26.55	\$ 40.43	\$ 44.73	\$ 64.75	71.28

CITY OF DEL RIO

MANAGEMENTS' DISCUSSION AND ANALYSIS

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

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

Sales tax revenues increased \$339,519 from the prior year revenues of \$4,898,828.

Employment at the three major employers of City residents shows an increase from the previous year. 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 7,294 persons of an approximate 19,231 work force for Val Verde County.

Unemployment had an increase from a rate of 7.8% in fiscal year ending September 30, 2010 to 8.5% in the fiscal year ended in September 30, 2011.

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 remained the same at \$0.57555 per \$100 value for tax year 2011. The City expects to realize \$4.7 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 \$6.5 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, 2011

	Governmental Activities	Business-Type Activities	Total
ASSETS			
Cash and Cash Equivalents	\$ 12,928,344	\$ 3,950,012	\$ 16,878,356
Receivables, Net	3,233,817	2,798,367	6,032,184
Intergovernmental Receivables	921,570	401,309	1,322,879
Internal Balances	355,039	(355,039)	-
Inventory	51,009	477,482	528,491
Prepays Items	61,985	125	62,110
Deferred Charges	507,174	1,700,202	2,207,376
Restricted Cash and Cash Equivalents	-	19,781,121	19,781,121
Capital Assets, Net:			
Land	5,303,376	2,287,112	7,590,488
Construction In Progress	866,083	5,356,130	6,222,213
Buildings	9,401,809	1,635,566	11,037,375
Improvements Other Than Buildings	16,685,969	95,323,234	112,009,203
Machinery and Equipment	4,013,270	1,602,589	5,615,859
Infrastructure	9,529,100	-	9,529,100
Total Capital Assets, Net of			
Accumulated Depreciation	45,799,607	106,204,631	152,004,238
 Total Assets	 \$ 63,858,545	 \$ 134,958,210	 \$ 198,816,755
 LIABILITIES			
Accounts Payable and Other Current Liabilities	\$ 2,012,302	\$ 1,151,743	\$ 3,164,045
Accrued Interest Payable	327,055	475,573	802,628
Due to Other Governments	437,180	41,854	479,034
Deposits	45,593	617,264	662,857
Noncurrent Liabilities - Due Within One Year	3,109,456	4,600,787	7,710,243
Noncurrent Liabilities - Due in More Than One Year	23,926,169	39,553,578	63,479,747
 Total Liabilities	 29,857,755	 46,440,799	 76,298,554
 NET ASSETS			
Invested in Capital Assets, Net of Related Debt	28,439,174	77,061,062	105,500,236
Restricted For:			
Debt Service	2,779,842	3,850,839	6,630,681
Public Grants	-	116,700	116,700
Construction	-	1,504,818	1,504,818
Unrestricted	2,781,774	5,983,993	8,765,767
 Total Net Assets	 \$ 34,000,790	 \$ 88,517,412	 \$ 122,518,202

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, 2011

Functions/Programs	Expenses	Program Revenues		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions
Governmental Activities:				
General Government	\$ 4,435,104	\$ 491,396	\$ -	\$ -
Public Safety	12,141,854	1,267,195	715,404	48,900
Highways and Streets	3,236,693	4,630	-	384,239
Economic Development	111,812	-	-	-
Health and Welfare	2,476,528	415,893	1,741,393	-
Culture and Recreation	1,401,870	54,696	-	-
Interest on Long-Term Debt	1,062,060	-	-	-
Total Governmental Activities	24,865,921	2,233,810	2,456,797	433,139
Business-Type Activities:				
Gas	2,358,189	3,491,353	-	-
Water	6,841,023	9,007,084	-	76,534
Wastewater	2,724,265	3,587,914	-	49,481
International Bridge	716,335	4,977,992	-	80,596
International Airport	1,106,995	247,961	-	1,199,621
Refuse	3,084,478	4,264,852	-	220
Municipal Facilities	1,012,976	272,752	-	5,012
Total Business-Type Activities	17,844,261	25,849,908	-	1,411,464
Total Primary Government	\$ 42,710,182	\$ 28,083,718	\$ 2,456,797	\$ 1,844,603

General Revenues:

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

Transfers

Total General Revenues and Transfers

Change in Net Assets

Net Assets - Beginning

Net Assets - Ending

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

Net (Expense) Revenue and
Changes in Net Assets

Governmental Activities	Business-Type Activities	Total
\$ (3,943,708)	\$ -	\$ (3,943,708)
(10,110,355)	-	(10,110,355)
(2,847,824)	-	(2,847,824)
(111,812)	-	(111,812)
(319,242)	-	(319,242)
(1,347,174)	-	(1,347,174)
(1,062,060)	-	(1,062,060)
<u>(19,742,175)</u>	<u>-</u>	<u>(19,742,175)</u>
-	1,133,164	1,133,164
-	2,242,595	2,242,595
-	913,130	913,130
-	4,342,253	4,342,253
-	340,587	340,587
-	1,180,594	1,180,594
-	(735,212)	(735,212)
<u>-</u>	<u>9,417,111</u>	<u>9,417,111</u>
<u>(19,742,175)</u>	<u>9,417,111</u>	<u>(10,325,064)</u>
6,912,233	-	6,912,233
5,238,347	-	5,238,347
1,974,405	-	1,974,405
624,430	-	624,430
19,618	48,302	67,920
63,978	-	63,978
(16,111)	23,151	7,040
-	85,000	85,000
5,264,793	(5,264,793)	-
<u>20,081,693</u>	<u>(5,108,340)</u>	<u>14,973,353</u>
339,518	4,308,771	4,648,289
<u>33,661,272</u>	<u>84,208,641</u>	<u>117,869,913</u>
<u>\$ 34,000,790</u>	<u>\$ 88,517,412</u>	<u>\$ 122,518,202</u>

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Governmental Fund Financial Statements

CITY OF DEL RIO
Del Rio, Texas

Balance Sheet
Governmental Funds

September 30, 2011

	General Fund	Debt Service	Capital Project Streets and Drainage	Other Governmental Funds	Total Governmental Funds
ASSETS					
Cash and Investments	\$ 6,475,372	\$ 1,729,797	\$ 2,238,369	\$ 1,709,983	\$ 12,153,521
Receivables, Net	2,855,540	375,988	-	46	3,231,574
Intergovernmental Receivables	113,879	-	199,808	607,883	921,570
Due from Other Funds	1,067,210	36,252	26,880	630,563	1,760,905
Inventories	51,009	-	-	-	51,009
Prepaid Items	61,985	-	-	-	61,985
Advances to other Funds	648,107	-	-	-	648,107
Total Assets	\$ 11,273,102	\$ 2,142,037	\$ 2,465,057	\$ 2,948,475	\$ 18,828,671
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	\$ 411,337	\$ -	\$ 613,080	\$ 137,237	\$ 1,161,654
Retainage Payable	-	-	25,391	-	25,391
Wages and Salaries Payable	243,328	-	-	23,779	267,107
Intergovernmental Payable	435,528	-	-	1,652	437,180
Due to Other Funds	358,666	84,843	104,193	1,182,053	1,729,755
Due to Others	45,093	-	-	500	45,593
Deferred Revenue	1,855,239	375,988	-	-	2,231,227
Other Current Liabilities	29,359	-	-	356,852	386,211
Advance from Other Funds	-	-	-	648,107	648,107
Total Liabilities	3,378,550	460,831	742,664	2,350,180	6,932,225
Fund Balances:					
Nonspendable Fund Balance:					
Prepaid Items	112,994	-	-	-	112,994
Restricted	-	1,681,206	1,722,393	871,638	4,275,237
Committed Fund Balance:					
For Construction	4,197,892	-	-	-	4,197,892
For Insurance	192,853	-	-	-	192,853
Assigned Fund Balance:					
For Improvements	67,813	-	-	-	67,813
Reported in Capital Project Funds	-	-	-	324,208	324,208
Unassigned Fund Balance	3,323,000	-	-	(597,551)	2,725,449
Total Fund Balances	7,894,552	1,681,206	1,722,393	598,295	11,896,446
Total Liabilities and Fund Balances	\$ 11,273,102	\$ 2,142,037	\$ 2,465,057	\$ 2,948,475	\$ 18,828,671

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, 2011

Total fund balances, governmental funds	\$ 11,896,446
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 \$118,632 from certain Internal Service funds considered to be Governmental Activities are reported as Capital Assets under Governmental Activities.	45,680,975
Deferred Charges or Long Term Debt of the Governmental funds of \$505,039 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 \$2,135 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.	505,039
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.	2,231,227
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.	905,362
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.	<u>(27,218,259)</u>
Net Assets of Governmental Activities	<u>\$ 34,000,790</u>

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, 2011

	General Fund	Debt Service	Capital Project Streets and Drainage	Other Governmental Funds	Total Governmental Funds
REVENUES					
Taxes	\$ 12,427,855	\$ 1,660,792	\$ -	\$ 554,936	\$ 14,643,583
Licenses and Permits	501,714	-	-	-	501,714
Intergovernmental Revenue and Grants	764,303	-	354,156	1,771,477	2,889,936
Charges for Services	944,398	-	-	394,969	1,339,367
Fines	724,047	-	-	-	724,047
Investment Earnings	10,360	1,496	3,988	3,142	18,986
Rents and Royalties	29,426	-	-	38,924	68,350
Other Revenue	30,108	-	-	32,275	62,383
Total Revenues	<u>15,432,211</u>	<u>1,662,288</u>	<u>358,144</u>	<u>2,795,723</u>	<u>20,248,366</u>
EXPENDITURES					
Current:					
General Government	4,114,519	-	-	344,344	4,458,863
Public Safety	11,715,761	-	-	999	11,716,760
Highways and Streets	2,226,133	-	-	-	2,226,133
Health and Welfare	-	-	-	2,364,034	2,364,034
Culture and Recreation	1,397,891	-	-	-	1,397,891
Economic Development	33,961	-	-	77,921	111,882
Debt Service:					
Bond Principal	-	2,159,324	-	-	2,159,324
Bond Interest	-	1,032,047	-	-	1,032,047
Issuance Costs	-	2,064	-	-	2,064
Capital Outlay:					
Capital Outlay	558,422	-	3,851,659	176,523	4,586,604
Total Expenditures	<u>20,046,687</u>	<u>3,193,435</u>	<u>3,851,659</u>	<u>2,963,821</u>	<u>30,055,602</u>
Excess/(Deficiency) of Revenues Over (Under) Expenditures	<u>(4,614,476)</u>	<u>(1,531,147)</u>	<u>(3,493,515)</u>	<u>(168,098)</u>	<u>(9,807,236)</u>
OTHER FINANCING SOURCES/(USES)					
Sale of Real and Personal Property	29,342	-	-	1,246	30,588
Transfers In	7,008,496	1,745,613	-	187,302	8,941,411
Transfers Out (Use)	<u>(2,604,353)</u>	<u>-</u>	<u>-</u>	<u>(737,619)</u>	<u>(3,341,972)</u>
Total Other Financing Sources/(Uses)	<u>4,433,485</u>	<u>1,745,613</u>	<u>-</u>	<u>(549,071)</u>	<u>5,630,027</u>
Net Change in Fund Balances	(180,991)	214,466	(3,493,515)	(717,169)	(4,177,209)
Fund Balance - October 1 (Beginning)	<u>8,075,543</u>	<u>1,466,740</u>	<u>5,215,908</u>	<u>1,315,464</u>	<u>16,073,655</u>
Fund Balance - September 30, (Ending)	<u>\$ 7,894,552</u>	<u>\$ 1,681,206</u>	<u>\$ 1,722,393</u>	<u>\$ 598,295</u>	<u>\$ 11,896,446</u>

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, 2011

Net changes in fund balances - total governmental funds	\$	(4,177,209)
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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 \$4,586,604 exceeded depreciation (\$2,182,854) in the current year.		2,403,750
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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.		(48,595)
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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.		107,759
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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.		2,159,260
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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.		(39,781)
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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.		(107,064)
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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.		41,398
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Change in net assets of governmental activities	\$	339,518
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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, 2011

	Enterprise			
	Gas System	Water System	International Bridge	International Airport
ASSETS				
Current Assets				
Cash and Cash Equivalents	\$ 2,498,032	\$ -	\$ 245,120	\$ 122,908
Restricted Cash & Cash Equivalents	410,097	7,964,957	2,098,225	1,461,365
Account Receivable, Net	297,792	1,419,400	1,157	3,872
Due from Other Funds	11,401	1,008,290	145,570	8,442
Due from Other Governments	-	76,534	97,590	177,704
Inventory	92,511	384,971	-	-
Prepaid Items	-	125	-	-
Total Current Assets	3,309,833	10,854,277	2,587,662	1,774,291
Non-Current Assets				
Capitalized Debt Issuance Costs	16,383	1,324,867	-	25,686
Capital Assets				
Land	7,800	159,600	476,399	1,085,924
Construction in Progress	75,822	1,193,422	141,178	2,446,786
Buildings and Improvement	1,683,576	77,987,968	4,744,722	18,788,740
Equipment	821,320	2,089,911	180,056	206,551
Less: Accumulated Depreciation	(1,093,758)	(19,884,474)	(2,865,935)	(4,348,918)
Total Capital Assets	1,494,760	61,546,427	2,676,420	18,179,083
Total Non-Current Assets	1,511,143	62,871,294	2,676,420	18,204,769
TOTAL ASSETS	\$ 4,820,976	\$ 73,725,571	\$ 5,264,082	\$ 19,979,060
LIABILITIES AND FUND BALANCES				
Current Liabilities				
Accounts Payable	\$ 81,792	\$ 254,243	\$ 12,650	\$ 30,377
Accrued Payroll	10,448	25,045	6,211	2,900
Due to Other Funds	41,916	104,492	132,876	141
Due to Other Government	-	16,840	-	-
Other Liabilities	36,268	34,080	-	94,501
Deposits	118,320	427,628	-	-
Accrued Interest Payable	7,650	279,313	9,094	26,400
Compensated Absences	25,968	60,099	18,249	6,973
Bonds Payable	65,000	2,360,621	485,000	55,000
Total Current Liabilities	387,362	3,562,361	664,080	216,292
Noncurrent Liabilities				
Compensated Absences	52,274	107,849	55,397	14,489
Landfill Closure and Postclosure Care Cost	-	-	-	-
Bonds Payable	520,000	23,588,392	-	1,545,000
Total Noncurrent Liabilities	572,274	23,696,241	55,397	1,559,489
TOTAL LIABILITIES	959,636	27,258,602	719,477	1,775,781
NET ASSETS				
Invested in Capital Assets Net of Related Debt	1,195,653	40,952,351	2,191,420	18,029,315
Restricted for Public Grants	-	-	-	-
Restricted for Debt Service	29,316	1,578,069	864,252	44,733
Restricted for Construction	-	930,506	574,312	-
Restricted for Health Claims	-	-	-	-
Unrestricted Net Assets	2,636,371	3,006,043	914,621	129,231
Total Net Assets	\$ 3,861,340	\$ 46,466,969	\$ 4,544,605	\$ 18,203,279

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

Funds					
Refuse	Wastewater	Nonmajor Fund		Total	Internal Service
		Municipal Facilities			
\$ 728,326	\$ -	\$ 163,477	\$ 3,757,863	\$ 942,703	
1,793,044	6,010,260	43,173	19,781,121	24,267	
523,584	549,280	3,282	2,798,367	2,243	
1,317	8,286	4,923	1,188,229	11,923	
-	49,481	-	401,309	-	
-	-	-	477,482	-	
-	-	-	125	-	
<u>3,046,271</u>	<u>6,617,307</u>	<u>214,855</u>	<u>28,404,496</u>	<u>981,136</u>	
62,332	261,699	9,235	1,700,202	2,135	
391,903	76,286	89,200	2,287,112	-	
883,791	615,131		5,356,130	-	
3,513,711	28,638,087	2,723,218	138,080,022	61,199	
314,048	836,399	226,164	4,674,449	1,216,966	
<u>(3,164,228)</u>	<u>(10,526,817)</u>	<u>(2,358,319)</u>	<u>(44,242,449)</u>	<u>(1,110,165)</u>	
<u>1,939,225</u>	<u>19,639,086</u>	<u>680,263</u>	<u>106,155,264</u>	<u>168,000</u>	
<u>2,001,557</u>	<u>19,900,785</u>	<u>689,498</u>	<u>107,855,466</u>	<u>170,135</u>	
<u>\$ 5,047,828</u>	<u>\$ 26,518,092</u>	<u>\$ 904,353</u>	<u>\$ 136,259,962</u>	<u>\$ 1,151,271</u>	
\$ 349,105	\$ 75,314	\$ 26,612	\$ 830,093	\$ 27,147	
3,688	5,327	4,373	57,992	13,991	
9,322	872,078	24	1,160,849	70,883	
-	25,014	-	41,854	-	
73,520	13,091	-	251,460	142,567	
71,316	-	-	617,264	-	
17,718	130,193	5,205	475,573	933	
6,981	16,866	11,216	146,352	44,560	
<u>202,258</u>	<u>1,218,723</u>	<u>45,486</u>	<u>4,432,088</u>	<u>70,000</u>	
<u>733,908</u>	<u>2,356,606</u>	<u>92,916</u>	<u>8,013,525</u>	<u>370,081</u>	
12,214	24,528	21,960	288,711	-	
3,219,990	-	-	3,219,990	104,000	
<u>993,322</u>	<u>8,983,845</u>	<u>361,593</u>	<u>35,992,152</u>	<u>-</u>	
<u>4,225,526</u>	<u>9,008,373</u>	<u>383,553</u>	<u>39,500,853</u>	<u>104,000</u>	
<u>4,959,434</u>	<u>11,364,979</u>	<u>476,469</u>	<u>47,514,378</u>	<u>474,081</u>	
218,670	14,066,948	357,337	77,011,694	102,540	
-	-	116,700	116,700	-	
140,028	1,174,907	19,534	3,850,839	24,267	
-	-	-	1,504,818	-	
-	-	-	-	698,382	
<u>(270,304)</u>	<u>(88,742)</u>	<u>(65,687)</u>	<u>6,261,533</u>	<u>(147,999)</u>	
<u>\$ 88,394</u>	<u>\$ 15,153,113</u>	<u>\$ 427,884</u>	<u>88,745,584</u>	<u>\$ 677,190</u>	

Adjustment to reflect consolidation of internal service fund activities related to enterprise funds. (228,172)

Change in Net Assets of Business Type Activities \$ 88,517,412

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, 2011

	Enterprise			
	Gas System	Water System	International Bridge	International Airport
Operating Revenues				
Charges for Services	\$ 3,483,535	\$ 9,006,920	\$ 4,957,266	\$ 95,761
Rental Revenues	-	-	-	152,200
Miscellaneous	7,818	164	20,726	-
Total Operating Revenues	3,491,353	9,007,084	4,977,992	247,961
Operating Expenses				
Personnel	677,959	1,734,190	422,699	196,753
Contractual Services	297,073	1,930,759	132,915	402,397
Purchases for Resale	1,160,627	-	-	-
Supplies	139,632	465,021	7,406	17,156
Depreciation	63,089	1,745,938	127,511	405,123
Total Operating Expenses	2,338,380	5,875,908	690,531	1,021,429
Operating Income/(Loss)	1,152,973	3,131,176	4,287,461	(773,468)
Non-Operating Revenues (Expenses)				
Investment Earnings	2,173	35,801	4,231	371
Gain (Loss) on Disposal of Assets	-	15,146	-	1,197
Interest and Amortization Expense	(26,239)	(981,705)	(25,804)	(85,566)
Total Non-Operating Revenues/(Expenses)	(24,066)	(930,758)	(21,573)	(83,998)
Income/(Loss) Before Contributions and Transfers	1,128,907	2,200,418	4,265,888	(857,466)
Contributions-Capital Grants	-	76,534	80,596	1,199,621
Transfers In	152,296	105,043	-	228,584
Transfers Out	(1,319,037)	(713,146)	(3,358,644)	(1,475)
Special Item -Resource	-	85,000	-	-
Change in Net Assets	(37,834)	1,753,849	987,840	569,264
Total Net Assets - October 1 (Beginning)	3,899,174	44,713,120	3,556,765	17,634,015
Total Net Assets - September 30 (Ending)	\$ 3,861,340	\$ 46,466,969	\$ 4,544,605	\$ 18,203,279

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

Funds

Funds		Nonmajor Fund				
Refuse	Wastewater	Municipal Facilities	Total	Internal Service		
\$ 4,227,735	\$ 3,587,914	\$ -	\$ 25,359,131	\$ 4,508,651		
9,000	-	243,316	404,516	-		
28,117	-	29,436	86,261	-		
<u>4,264,852</u>	<u>3,587,914</u>	<u>272,752</u>	<u>25,849,908</u>	<u>4,508,651</u>		
228,230	408,802	327,551	3,996,184	946,366		
2,696,102	1,242,421	547,411	7,249,078	2,619,837		
-	-	-	1,160,627	-		
22,837	69,588	23,160	744,800	418,852		
85,602	547,654	97,123	3,072,040	93,703		
<u>3,032,771</u>	<u>2,268,465</u>	<u>995,245</u>	<u>16,222,729</u>	<u>4,078,758</u>		
<u>1,232,081</u>	<u>1,319,449</u>	<u>(722,493)</u>	<u>9,627,179</u>	<u>429,893</u>		
2,714	2,767	243	48,300	634		
6,808	-	-	23,151	1,896		
(59,561)	(462,408)	(17,731)	(1,659,014)	(6,791)		
<u>(50,039)</u>	<u>(459,641)</u>	<u>(17,488)</u>	<u>(1,587,563)</u>	<u>(4,261)</u>		
<u>1,182,042</u>	<u>859,808</u>	<u>(739,981)</u>	<u>8,039,616</u>	<u>425,632</u>		
220	49,481	5,012	1,411,464	-		
-	33,764	651,573	1,171,260	49,972		
(490,000)	(553,751)	-	(6,436,053)	(384,618)		
-	-	-	85,000	-		
692,262	389,302	(83,396)	4,271,287	90,986		
<u>(603,868)</u>	<u>14,763,811</u>	<u>511,280</u>		<u>586,204</u>		
<u>\$ 88,394</u>	<u>\$ 15,153,113</u>	<u>\$ 427,884</u>		<u>\$ 677,190</u>		

Adjustment to reflect consolidation of internal service fund activities related to enterprise funds.

37,484

Change in Net Assets of Business Type Activities

\$ 4,308,771

CITY OF DEL RIO
Del Rio, Texas

Statement of Cash Flows
Proprietary Funds

For The Year Ended September 30, 2011

	Gas System	Water System	International Bridge	International Airport
Cash Flows from Operating Activities:				
Receipts from Customers	\$ 3,482,829	\$ 8,741,221	\$ 4,977,992	\$ 261,614
Payments to Suppliers for Goods and Services	(1,632,052)	(3,075,843)	(174,826)	(532,836)
Payments to Employees for Services	(692,159)	(1,773,041)	(427,780)	(203,140)
Net Cash Provided/(Used) by Operating Activities	<u>1,158,618</u>	<u>3,892,337</u>	<u>4,375,387</u>	<u>(474,362)</u>
Cash Flows from Non-Capital Financing Activities:				
Payments for Interfund Borrowings	1,679,230	106,195	-	-
Receipts from Interfund Repayments	-	(1,768,049)	-	-
Other Reimbursements	-	-	-	-
Proceeds from Legal Settlements	-	85,000	-	-
Payments for Legal Settlements	-	(132,000)	-	-
Transfers from Other Funds	152,296	105,043	-	228,584
Transfers to Other Funds	(1,319,037)	(713,146)	(3,568,086)	(1,475)
Net Cash Provided/(Used) by Non-Capital Financing Activities	<u>512,489</u>	<u>(2,316,957)</u>	<u>(3,568,086)</u>	<u>227,109</u>
Cash Flows from Capital and Related Financing Activities:				
Acquisition and Construction of Capital Assets	(118,982)	(1,761,507)	(88,567)	(1,290,200)
Proceeds from Capital Grants	-	-	30,882	1,324,133
Proceeds from Debt	-	75,000	-	-
Proceeds from sales of capital assets	-	13,144	-	1,390
Principal Payments on Debt	(65,000)	(2,387,325)	(465,000)	(50,000)
Interest and Fiscal Charges Paid on Debt	(25,472)	(884,231)	(29,640)	(82,175)
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>(209,454)</u>	<u>(4,944,919)</u>	<u>(552,325)</u>	<u>(96,852)</u>
Cash Flows from Investing Activities:				
Receipts from Earnings on Investments/Interest Received	3,149	36,392	4,446	372
Net Cash Provided/(Used) by Investing Activities	<u>3,149</u>	<u>36,392</u>	<u>4,446</u>	<u>372</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	1,464,802	(3,333,147)	259,422	(343,733)
Cash and Cash Equivalents at Beginning of Year	<u>1,443,328</u>	<u>11,298,104</u>	<u>2,083,923</u>	<u>1,928,007</u>
Cash and Cash Equivalents at End of Year	<u>\$ 2,908,130</u>	<u>\$ 7,964,957</u>	<u>\$ 2,343,345</u>	<u>\$ 1,584,274</u>
Cash & Cash Equivalents	\$ 2,498,032	\$ -	\$ 245,120	\$ 122,908
Restricted Cash & Cash Equivalents	410,097	7,964,957	2,098,225	1,461,365
	<u>\$ 2,908,130</u>	<u>\$ 7,964,957</u>	<u>\$ 2,343,345</u>	<u>\$ 1,584,274</u>

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

Refuse/ Landfill	Wastewater	Nonmajor Fund	Total	Internal Funds
		Municipal Facilities		
\$ 4,231,988	\$ 3,509,659	\$ 271,111	\$ 25,476,413	\$ 4,611,268
(3,374,900)	(1,453,803)	(592,649)	(10,836,908)	(2,972,860)
(233,680)	(407,953)	(330,442)	(4,068,195)	(958,730)
<u>623,407</u>	<u>1,647,903</u>	<u>(651,980)</u>	<u>10,571,310</u>	<u>679,678</u>
-	1,389,620	-	3,175,045	58,066
(5,943)	790,161	-	(983,831)	-
-	1,535	-	1,535	-
-	-	-	85,000	-
-	-	-	(132,000)	-
-	33,764	651,573	1,171,260	49,972
(490,000)	(553,751)	-	(6,645,495)	(384,618)
<u>(495,943)</u>	<u>1,661,329</u>	<u>651,573</u>	<u>(3,328,486)</u>	<u>(276,580)</u>
(904,139)	(223,503)	-	(4,386,898)	(4,697)
-	-	31,466	1,386,481	-
-	-	-	75,000	-
127,806	-	-	142,340	-
(190,834)	(1,180,029)	(45,486)	(4,383,675)	(65,000)
(56,183)	(423,685)	(17,672)	(1,519,058)	(5,675)
<u>(1,023,351)</u>	<u>(1,827,218)</u>	<u>(31,692)</u>	<u>(8,685,810)</u>	<u>(75,372)</u>
<u>2,714</u>	<u>2,765</u>	<u>240</u>	<u>50,077</u>	<u>634</u>
<u>2,714</u>	<u>2,765</u>	<u>240</u>	<u>50,077</u>	<u>634</u>
(893,173)	1,484,779	(31,859)	(1,392,909)	328,360
<u>3,414,544</u>	<u>4,525,481</u>	<u>238,509</u>	<u>24,931,895</u>	<u>638,610</u>
<u>\$ 2,521,371</u>	<u>\$ 6,010,260</u>	<u>\$ 206,650</u>	<u>\$ 23,538,986</u>	<u>\$ 966,970</u>
\$ 728,326	\$ -	\$ 163,477	3,757,864	\$ 942,703
<u>1,793,044</u>	<u>6,010,260</u>	<u>43,173</u>	<u>19,781,122</u>	<u>24,267</u>
<u>\$ 2,521,371</u>	<u>\$ 6,010,260</u>	<u>\$ 206,650</u>	<u>\$ 23,538,986</u>	<u>\$ 966,970</u>

CITY OF DEL RIO
Del Rio, Texas

Statement of Cash Flows
Proprietary Funds

For The Year Ended September 30, 2011

	<u>Gas System</u>	<u>Water System</u>	<u>International Bridge</u>	<u>International Airport</u>
Reconciliation of Operating Income to Net Cash Provided/(Used) By Operating Activities:				
Operating Income/(Loss)	\$ 1,152,974	\$ 3,131,175	\$ 4,287,454	\$ (773,467)
Adjustments to Reconcile Operating Income to Net Cash Provided/(Used) by Operating Activities:				
Depreciation	63,089	1,745,938	127,511	405,123
Provision for Uncollectible Accounts	10,593	65,992	-	-
Changes in Assets and Liabilities:				
Decrease/(Increase) in Receivables:				
Customer Charges	(10,304)	(206,570)	-	-
Unbilled Charges	(11,605)	(125,753)	-	-
Other		(41,369)		-
Miscellaneous	77	672	-	(960)
Increase/(Decrease) in Liabilities				
Miscellaneous				
Due from Other funds	30,168	(42,065)		14,612
Inventory	(20,027)	(106,120)	-	-
Vouchers and Accounts Payable	(45,125)	(438,247)	(21,764)	(113,424)
Other Liabilities	(5,036)	5,169		
Accrued Liabilities	(14,200)	(38,851)	(5,074)	(6,387)
Due to Other Funds	263	(93,631)	(12,741)	141
Estimated Liabilities	-	-	-	-
Customer Deposits	7,750	35,995	-	-
Net Cash Provided/(Used) by Operations	<u>\$ 1,158,618</u>	<u>\$ 3,892,337</u>	<u>\$ 4,375,387</u>	<u>\$ (474,362)</u>

<u>Refuse/ Landfill</u>	<u>Wastewater</u>	<u>Nonmajor Fund Municipal Facilities</u>	<u>Total</u>	<u>Internal Funds</u>
\$ 1,232,302	\$ 1,319,450	\$ (722,493)	\$ 9,627,395	\$ 429,892
85,602	547,654	97,123	3,072,039	93,704
27,349	53,347		157,281	-
(47,556)	(69,658)	(1,641)	(335,729)	-
(15,651)	(63,560)	-	(216,569)	-
54	-	-	(41,315)	-
-	(65)	-	(276)	-
				133,331
(220)	(3,819)	-	(1,323)	114,559
-	-	-	(126,147)	-
(128,580)	(138,984)	(22,101)	(908,223)	(31,820)
666	1,681	-	2,480	(48,646)
(5,451)	848	(2,891)	(72,004)	(12,363)
(11,304)	1,009	24	(116,239)	1,021
(516,525)	-	-	(516,525)	-
2,720	-	-	46,465	-
<u>\$ 623,407</u>	<u>\$ 1,647,903</u>	<u>\$ (651,980)</u>	<u>\$ 10,571,310</u>	<u>\$ 679,678</u>

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Fiduciary Funds Financial Statements

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CITY OF DEL RIO
Del Rio, Texas

Statement of Assets and Liabilities
Agency Funds

September 30, 2011

ASSETS

Cash and Cash Equivalents	\$	8,027
Receivables, Net		1,853
Due from Other Funds		<u>430</u>
Total Assets	\$	<u><u>10,310</u></u>

LIABILITIES

Accounts Payable	\$	1,015
Due to Other Governments		1,102
Other Liabilities		<u>8,193</u>
Total Liabilities	\$	<u><u>10,310</u></u>

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

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CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

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.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

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.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

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 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). Governments are also required to follow the pronouncements of the Financial Accounting Standards Board (FASB) issued through November 30, 1989, when applicable, that do not conflict with or contradict GASB pronouncements. Although the City has the option to apply FASB pronouncements issued after that date to its business-type activities and Enterprise Funds, the City has chosen not to do so.

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

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

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.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

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

During the year the City implemented GASB Statement No. 54, "Fund Balance Reporting and Governmental Fund Type Definitions". In applying this Statement, the initial distinction that is made in reporting fund balance information is identifying amounts that are considered nonspendable; such as, fund balance associated with inventories, and then identifying other amounts to be classified as restricted, committed, assigned, and unassigned based on the relative strength of the constraints that control how specific amounts can be spent.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

A detailed description of the classification of fund balance, the spending order and the use of restricted and unrestricted resources under GASB 54 adopted by the City is as follows:

Nonspendable

Amounts not available for appropriation or legally earmarked for a specific use. Examples include inventories, prepaid items, and deferred expenditures.

Restricted

Amounts that have been legally separated for a specific purpose; such as, grants, capital acquisition from bond proceeds and liquidation of long-term debt.

Committed

Amounts that require Council action to be used for a specific purpose; such as, construction improvements not funded by bond proceeds. Formal action to commit funds must occur prior to fiscal year end. If the amount of the commitment is not known at the time of the commitment the City Manager or his designee shall identify such amount prior to issuing the financial statements.

Assigned

Amounts that do not require Council approval but are intended to be used for a specific purpose, as determined by an official or body to which the Council has delegated authority. When appropriate for fund balances to be assigned, City Council has delegated the authority to the City Manager or his designee.

Unassigned

Residual amount reported in the general fund which is available to finance operating expenditures. In other funds, this classification is used only to report a deficit balance related to previously restricted or assigned amounts.

Spending Order

Fund balance shall be considered released from restriction, commitment or assignment as expenditures are incurred for the purpose of the restrictions, commitment or assignment.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

In circumstances where an expenditure is made for a purpose for which amounts are available in multiple fund balance classifications, the order in which resources will be expended is as follows: restricted fund balance, followed by committed fund balance, assigned fund balance and lastly unassigned fund balance.

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. The City liquidates debt through the Debt Service Fund for Certificates of Obligations and Refunding Bonds; each respective fund for compensated absences and the general fund for claims and judgments, and OPEB liability.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

I. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

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 in the various fund balance classifications in accordance with GASB 54.

Governmental fund encumbrances are reported as follows:

	<u>Un-Assigned</u>	<u>Restricted</u>	<u>Total</u>
General Fund	\$ 861,772	\$ -	\$ 861,772
Non Major Special Revenue Funds	12,032	18,803	30,835
Total Government Funds	<u>\$ 873,804</u>	<u>\$ 18,803</u>	<u>\$ 892,607</u>

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.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

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 \$(27,218,259) difference are as follows:

Bonds Payable	\$ (24,256,757)
Deferred Gain on Refunding	(174,009)
Claims Payable	(137,678)
Accrued Interest Payable	(326,122)
Compensated Absences	(2,308,104)
OPEB Liability	<u>(15,589)</u>
Net Adjustment to Reduce Fund Balance – Total Governmental Funds to Arrive at Net Assets – Governmental Activities	<u>\$ (27,218,259)</u>

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 the 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.” The \$(107,064) difference is comprised of the following:

Claims and Judgments	\$ (49,159)
Compensated Absences	(67,030)
Accrued Interest	18,687
OPEB Liability	<u>(9,562)</u>
Net Adjustment to Increase Net Changes in Fund Balances – Total Governmental Funds to Arrive at Net Assets – Governmental Activities	<u>\$ (107,064)</u>

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY

A. Budget and Budgetary Accounting

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

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

1. At least 45 days prior to the beginning of the fiscal year, the City Manager is required to submit to the City Council a proposed budget for the fiscal year beginning on the following October 1. The budget includes proposed expenditures and the means of financing them.
2. Public hearings are held to obtain taxpayer comments.
3. Prior to October 1, the budget is legally enacted through passage of an ordinance or alternatively the budget submitted by the City Manager on or before the 20th day of September if no final ordinance is enacted.
4. The City Manager may at any time transfer up to ten thousand dollars (\$10,000) in budgeted allocations between one-line item and another among departments and divisions within the same fund. Other transfers of unencumbered appropriation balances or portions thereof must be approved by official action of the City Council.
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. The City, by resolution, adopted as its guidance in the preparation of the annual budget to schedule a balance of not less than 25% of the budgeted annual expenditures in order to maintain from fiscal year to fiscal year a surplus in the annual budget of at least 25% of the annual expenditures.
7. 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.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

III. STEWARDSHIP, COMPLIANCE, AND ACCOUNTABILITY (Continued)

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

8. 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, 2011, consist of the following:

Cash on Hand	\$ 7,157
Deposits with Depository Bank	7,927,297
Certificates of Deposit	3,366,867
Cash Held by Others	2,004,315
Texpool	21,036,320
TexasDAILY	2,317,521
	<u>\$ 36,659,477</u>

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, 2011, the carrying amount of the City's deposits (including certificates of deposit) was \$10,244,692 and the bank balance was \$11,294,164. The City's deposits at September 30, 2011, 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.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

IV. CASH AND INVESTMENTS (Continued)

B. Investments

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

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

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

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

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

IV. CASH AND INVESTMENTS (Continued)

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.

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, 2011, TexPool was rated AAAM by Standard & Poor's and 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, 2011, all investments held by the City have maturities of less than one (1) year.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

VI. 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.

VII. CUSTOMER AND OTHER RECEIVABLE BALANCES

A. Governmental Funds

	Gross	Estimated Uncollectible	Net
General fund -fines and forfeitures	\$ 1,834,428	\$ (1,467,543)	\$ 366,885
General fund-delinquent property taxes	887,707	(20,111)	867,596
General fund-taxes, penalties and interest	573,833	(13,000)	560,833
General fund- sales taxes	896,683	-	896,683
General fund- lot clearing	576,414	(518,772)	57,642
General fund- miscellaneous	96,599	-	96,599
General fund- paving lien assessment	7,364	(6,627)	737
General fund- returned checks	8,565	-	8,565
Debt service-delinquent taxes	259,591	(5,881)	253,710
Debt service- taxes, penalties and interest	125,112	(2,834)	122,278
CP - Streets & Drainage - Miscellaneous	-	-	-
Other non-major governmental funds-miscellaneous	46	-	46
Total	\$ 5,266,342	\$ (2,034,768)	\$ 3,231,574

B. Enterprise Funds

	Gas System	Water	Refuse	Wastewater	Bridge	Airport	NonMajor	Total
Customer charges	\$ 207,435	\$ 934,692	\$ 417,383	\$ 351,789	\$ -	\$ -	\$ -	\$ 1,911,299
Interest	-	685	-	-	1,232	-	-	1,917
Connections and repairs	-	145,691	-	-	-	-	-	145,691
Unbilled charges	131,874	556,954	147,094	250,929	-	-	-	1,086,851
Rental	-	-	-	-	-	-	3,282	3,282
Miscellaneous	2,510	9,772	750	389	(75)	3,872	-	17,218
Estimated uncollectible	(44,027)	(228,394)	(41,643)	(53,827)	-	-	-	(367,891)
Net Receivables	\$ 297,792	\$ 1,419,400	\$ 523,584	\$ 549,280	\$ 1,157	\$ 3,872	\$ 3,282	\$ 2,798,367

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

VIII. INTERFUND RECEIVABLES AND PAYABLES

	Receivable	Payable
<u>Governmental Fund</u>		
Major Funds		
General Fund	\$ 1,067,210	\$ 358,666
Debt Service Fund	36,252	84,843
CP - Streets and drainage	26,880	104,193
Non-Major Funds		
Special Revenue Funds		
MIT-5311 Grant	21,431	237,452
Women, Infants and Children	63,903	74,820
Nutrition/Social Services	217,756	248,650
Law Enforcement Employee Continuing Ed	8,410	2
TxDot Section 5310	4,042	11,158
JARC Colonias Grant	-	15,450
Economic Development Administration	32,580	25,080
CDBG Grant	10,000	-
Total Special Revenue Funds	358,122	612,612
Capital Projects Funds		
Qualia Relief Route	233,000	39,441
Parking Lot Garage	-	200,000
City Hall Building	39,441	330,000
	272,441	569,441
Total Governmental funds	1,760,905	1,729,755
Enterprise Fund		
Major Funds		
Gas System	11,401	41,916
Water	1,008,290	104,492
International Bridge	145,570	132,876
International Airport	8,442	141
Refuse	1,317	9,322
Wastewater	8,286	872,078
Non-Major Fund		
Municipal Facilities	4,923	24
Total Enterprise Funds	1,188,229	1,160,849
Internal Service Funds		
Fleet Services	10,407	70,826
Utility Billing	-	47
Computer Services	-	10
Health claims self-insurance	1,516	-
	11,923	70,883
Agency Funds:		
Brown Plaza Association	430	-
Total	\$ 2,961,487	\$ 2,961,487

(Continued)

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

VII. INTERFUND RECEIVABLES AND PAYABLES (Continued)

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.

Advances between funds consist of amounts that are not expected to be paid within one-year. The advance of \$648,107 from the General Fund to the MIT-5311 Grant Fund represents amounts borrowed to cover operations from prior periods.

IX. DUE FROM OTHER GOVERNMENTS

Amounts due from other governments include:

General Fund	
Texas Department of Transportation	\$ 79,722
Department of Energy	-
Federal Emergency Management Assistance	34,157
	<u>113,879</u>
Capital Project Streets and Drainage	<u>199,808</u>
Non-major Special Revenue Funds	
Texas Department of Transportation	369,502
USDA - Texas Department of State Health Services	-
Texas Department of State Health Services	135,145
Middle Rio Grande Development Council	45,868
Non-major Capital Project Funds	
Texas Department of Transportation	57,368
Total Non-major Funds	<u>607,883</u>
Total Governmental Funds	<u>\$ 921,570</u>
<u>Enterprise Funds</u>	
Major-Water Fund	76,534
Major-Bridge Fund	97,590
Major-Airport Fund	177,704
Wastewater Fund	49,481
Total Enterprise Funds	<u>\$ 401,309</u>

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

X. CAPITAL ASSETS

Capital assets activity of the year ended September 30, 2011, was as follows:

	Balance 9/30/2010	Additions	Deductions	Balance 9/30/2011
Governmental activities				
Capital assets, not being depreciated				
Land	\$ 5,303,376	\$ -	\$ -	\$ 5,303,376
Construction in progress	13,153,737	3,947,861	16,235,515	866,083
Total capital assets, not being depreciated	<u>18,457,113</u>	<u>3,947,861</u>	<u>16,235,515</u>	<u>6,169,459</u>
Capital assets, being depreciated				
Buildings	11,454,028	-	-	11,454,028
Improvements other than buildings	646,866	16,235,515	-	16,882,381
Machinery and equipment	12,576,914	638,744	201,348	13,014,310
Infrastructure	51,474,392	-	-	51,474,392
Total capital assets, being depreciated	<u>76,152,200</u>	<u>16,874,259</u>	<u>201,348</u>	<u>92,825,111</u>
Less accumulated depreciation for:				
Buildings	1,948,765	103,454	-	2,052,219
Improvements other than buildings	191,207	5,205	-	196,412
Machinery and equipment	8,292,599	861,037	152,596	9,001,040
Infrastructure	40,661,923	1,283,369	-	41,945,292
Total accumulated depreciation	<u>51,094,494</u>	<u>2,253,065</u>	<u>152,596</u>	<u>53,194,963</u>
Total capital assets being depreciated, net	<u>25,057,706</u>	<u>14,621,194</u>	<u>(48,752)</u>	<u>39,630,148</u>
Total Governmental activities capital assets, net	<u>\$ 43,514,819</u>	<u>\$ 18,569,055</u>	<u>\$ 16,186,763</u>	<u>\$ 45,799,607</u>

(Continued)

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

IX. CAPITAL ASSETS (Continued)

Business-type activities	Balance 9/30/2010	Additions	Deductions	Balance 9/30/2011
Capital assets, not being depreciated				
Land	\$ 2,287,111	\$ -	\$ -	\$ 2,287,111
Construction in Progress	3,850,444	4,073,206	2,567,520	5,356,130
Total capital assets, not being depreciated	<u>6,137,555</u>	<u>4,073,206</u>	<u>2,567,520</u>	<u>7,643,241</u>
Capital Assets, being depreciated				
Buildings	4,347,996	559,335	-	4,907,331
Improvements other than buildings	131,174,984	2,008,185	-	133,183,169
Machinery and equipment	4,803,338	315,190	153,248	4,965,280
Total capital assets, being depreciated	<u>140,326,047</u>	<u>2,882,710</u>	<u>153,248</u>	<u>143,055,780</u>
Less accumulated depreciation for:				
Buildings	3,085,607	186,158	-	3,271,765
Improvements other than buildings	35,208,204	2,651,731	-	37,859,935
Machinery and equipment	3,257,948	257,643	152,901	3,362,690
Total accumulated depreciation	<u>41,551,487</u>	<u>3,095,532</u>	<u>152,901</u>	<u>44,494,390</u>
Total capital assets being depreciated, net	<u>98,774,560</u>	<u>(212,822)</u>	<u>347</u>	<u>98,561,390</u>
Total Business-Type Activities capital assets, net	<u>\$ 104,912,115</u>	<u>\$ 3,860,384</u>	<u>\$ 2,567,867</u>	<u>\$ 106,204,631</u>

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

Governmental Activities

General Government	\$ 46,451
Public Safety	567,045
Highway and Streets	1,364,814
Welfare	150,328
Culture and Recreation	54,216
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	<u>70,211</u>
Total depreciation expense - governmental activities	<u>\$ 2,253,065</u>

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

IX. CAPITAL ASSETS (Continued)

Business-type activities

Gas	\$ 63,089
Water	1,745,938
Wastewater	547,654
International Bridge	127,511
International Airport	405,123
Refuse	85,602
Municipal facilities	97,123
Capital assets held by the City's internal service fund are charged to various functions based on their usage	23,492
Total depreciation expense - business-type activities	\$ 3,095,532

XI. 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	\$ 24,181,717	\$ -	\$ 1,878,249	\$ 22,303,468	\$ 1,840,903
Refunding bonds	2,369,298	-	346,009	2,023,289	371,009
Add: deferred gain on refunding	195,002	-	20,993	174,009	20,993
Compensated absences	2,309,886	1,306,112	1,234,406	2,381,592	738,913
Claims and judgements	88,519	252,346	203,187	137,678	137,638
OPEB Liability	6,027	9,562	-	15,589	-
Governmental activity long-term debt	\$ 29,150,449	\$ 1,568,020	\$ 3,682,844	\$ 27,035,625	\$ 3,109,456
Business-Type Activities					
Bonds Payable					
Certificate of obligations	\$ 23,204,282	\$ 75,000	\$ 1,998,753	\$ 21,280,529	\$ 1,966,097
Revenue Bonds	558,000	-	61,000	497,000	62,000
Refunding bonds	20,970,702	-	2,323,991	18,646,711	2,403,991
Total bonds payable	44,732,984	75,000	4,383,744	40,424,240	4,432,088
Compensated absences	467,621	278,160	235,646	510,135	168,699
Landfill closure	3,736,515	-	516,525	3,219,990	-
Business-type activity debt	\$ 48,937,120	\$ 353,160	\$ 5,135,915	\$ 44,154,365	\$ 4,600,787

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

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 10/1/2010	Issued Current Year	Retired	Amounts Outstanding 09/30/2010	Amounts Due Within One Year
Certificate of Obligations							
Series 1997	5.7%	\$ 2,000,000	\$ 240,000	\$ -	\$ 115,000	\$ 125,000	\$ 125,000
Series 2000A (1)	0.00%	6,173,000	2,841,000	-	317,000	2,524,000	317,000
Series 2001 B	4.625% - 5.50%	1,100,000	740,000	-	50,000	690,000	55,000
Series 2001	3.5% - 5.25%	6,630,000	1,350,000	-	315,000	1,035,000	330,000
Series 2002A	3.810% - 5.810%	4,970,000	640,000	-	150,000	490,000	155,000
Series 2002B	3.5% - 4.625%	5,335,000	2,870,000	-	360,000	2,510,000	375,000
Series 2002C(2)	1.15% - 3.95%	6,435,000	4,255,000	-	310,000	3,945,000	320,000
Series 2003A	2% - 5%	1,825,000	560,000	-	40,000	520,000	40,000
Series 2003C	085% - 4.45%	2,190,000	1,670,000	-	95,000	1,575,000	95,000
Series 2004	3.4% - 4.6%	4,870,000	3,125,000	-	280,000	2,845,000	285,000
Series 2005	3% - 4.45%	5,885,000	4,325,000	-	285,000	4,040,000	295,000
Series 2006	4%-4.125%	8,000,000	6,325,000	-	365,000	5,960,000	315,000
Series 2007	4%-4.5%	4,815,000	3,460,000	-	250,000	3,210,000	265,000
Series 2008	4.15%	4,500,000	3,880,000	-	305,000	3,575,000	225,000
Series 2009A	2.5%-4.625%	4,695,000	4,540,000	-	175,000	4,365,000	175,000
Series 2009B	4.95%	1,735,000	1,650,000	-	50,000	1,600,000	55,000
Series 2009C	.55%-.85%	430,000	355,000	75,000	215,000	215,000	140,000
Series 2010	2.0%-4.0%	4,560,000	4,560,000	-	200,000	4,360,000	240,000
Revenue Bonds							
Series 1995	5.69%-6.74%	502,000	217,000	-	35,000	182,000	35,000
Series 2000	4.5%-6.2%	533,000	341,000	-	26,000	315,000	27,000
Refunding Bonds							
Series 2001	0.0%	5,400,000	2,970,000	-	270,000	2,700,000	270,000
Series 2002	3% - 4.125%	7,795,000	3,315,000	-	785,000	2,530,000	830,000
Series 2002	3% -3.75%	1,885,000	950,000	-	465,000	485,000	485,000
Series 2003	3% - 4%	4,190,000	2,960,000	-	550,000	2,410,000	570,000
Series 2005	3%-4.25%	6,780,000	5,450,000	-	600,000	4,850,000	620,000
Series 2007	4%-4.5%	7,695,000	7,695,000	-	-	7,695,000	-
TOTAL			\$ 71,284,000	\$ 75,000	\$ 6,608,000	\$ 64,751,000	\$ 6,644,000

(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.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

X. LONG-TERM DEBT (Continued)

C. Current Year Activity

On June 8, 2011 the 2nd installment in the amount of \$75,000 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 range from .55% through .85% and are payable in annual installments beginning June 2011 and ending June 2012.

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, 2011, \$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.

(Continued)

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

X. LONG-TERM DEBT (Continued)

F. The annual requirements to amortize the bonds outstanding as of September 30, 2011, are as follows:

Certificates of Obligation:

Year Ending September 30,	Governmental Activities		Business Type Activities	
	Principal	Interest	Principal	Interest
2012	\$ 1,840,903	\$ 941,798	\$ 1,966,097	\$ 1,095,006
2013	1,759,489	872,641	1,837,511	1,013,364
2014	1,774,076	804,437	1,827,924	958,076
2015	1,804,000	704,045	1,378,000	575,701
2016	1,760,000	645,375	1,587,000	540,950
2017-2021	6,762,000	2,375,174	7,950,000	1,935,320
2022-2026	5,317,500	1,137,163	4,017,500	731,303
2027-2031	1,285,500	108,910	1,259,497	117,026
Total Certificates of Obligations	\$ 22,303,468	\$ 7,589,543	\$ 21,823,529	\$ 6,966,745

Revenue Bonds:

Year Ending September 30,	Business Type Activities	
	Principal	Interest
2012	\$ 62,000	\$ 31,102
2013	64,000	27,239
2014	66,000	23,215
2015	110,000	19,060
2016	34,000	11,907
2017-2021	161,000	25,472
Total Revenue Bonds	\$ 497,000	\$ 137,995

(Continued)

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

X. LONG-TERM DEBT (Continued)

Refunding Bonds:

Year Ending September 30,	Governmental Activities		Business Type Activities	
	Principal	Interest	Principal	Interest
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	103,689	20,385	1,676,311	346,697
2017-2021	441,569	45,492	6,243,431	958,503
2022-2026	-	-	1,560,000	296,419
2027-2031	-	-	355,000	15,975
Total Revenue Bonds	\$ 2,023,289	\$ 259,096	\$ 18,646,711	\$ 3,729,352

G. Bond Issuance-Refunding Subsequent to Year End

On October 4, 2011, the City issued the Series 2011 General Obligation Refunding Bonds in the amount of \$2,370,000 refunding Combination Tax and Revenue Certificates of Obligation Series 2001(\$705,000), 2002B (\$1,335,000) and 2003A (\$335,000). The City's escrow agent deposited \$2,474,727 to complete the refunding. In addition, on October 4, 2011 the City issued Series 2011 Combination Tax and Revenue Certificates of Obligation in the amount of \$6,675,000.

H. 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.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

X. LONG-TERM DEBT (Continued)

I. 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 \$3,219,990 reported as landfill closure and postclosure liabilities at September 30, 2011, represents the cumulative amount reported to that date based on the use of 60 percent of the estimated capacity of the operating landfill. The City will recognize the remaining estimated cost of closure and postclosure care of approximately \$2,220,416 for operating landfill as the remaining estimated capacity is filled. The estimated remaining life of the landfill is 15 years. These amounts are based on what it would cost to perform all closure and postclosure care in 2011. Based on the current demographic information and engineering estimates of landfill consumption, the City expects to close the landfill in approximately 2026. Actual costs may be higher due to inflation, changes in technology, or changes in applicable laws or regulations.

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

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

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

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

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

X. LONG-TERM DEBT (Continued)

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	\$	4,187,646
Post-Closure Costs		1,252,760
Corrective Action		-
Total	\$	<u>5,440,406</u>

3. The anticipated year of closure is 2026 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.

XII. 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.tmr.com. The projection of benefits does not explicitly incorporate the potential effects of legal or contractual funding limitations.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

XII. PENSION PLAN (Continued)

B. Benefits

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

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

	<u>Plan Year 2010</u>	<u>Plan Year 2011</u>
Deposit Rate	5%	5%
Matching Ratio (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 2010 and 2011.

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.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

XII. PENSION PLAN (Continued)

The City contributes to the TMRS plan at an actuarially determined rate. Both the employees and the City make contributions monthly. The general and special revenue funds with participating employees have typically been used to liquidate the net pension obligation by funding employer contributions. 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, 2009 valuation is effective for rates beginning January 2011).

Schedule of Actuarial Liabilities and Funding Progress

Actuarial Valuation Date	December 31, 2010
Actuarial Value of Assets	\$ 8,844,188
Actuarial Accrued Liability	16,360,750
Unfunded (Over-Funded) Actuarial Accrued Liability (UAAL)	7,516,562
Funded Ratio	54.1%
Annual Covered Payroll	16,582,599
UAAL as a Percentage of Covered Payroll	46.4%

Annual Pension Cost

Fiscal Year Ending	September 30, 2011
Annual Required Contribution (ARC)	\$ 1,084,058
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
9/30/2009	\$ 1,106,116	100%	\$ -
9/30/2010	1,135,114	100%	-
9/30/2011	1,147,613	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.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

XII. PENSION PLAN (Continued)

General System-wide Actuarial Assumptions

Actuarial Cost Method	Projected Unit Credit
Amortization Method	Level Percent of Payroll
Remaining Amortization Period	27 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%
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XIII. 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 3 qualified retired City employees and their dependents and 541 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.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

XIII. POST-EMPLOYMENT BENEFITS (Continued)

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.

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 \$16,092 in total claims for the fiscal year ended September 30, 2011. The funds to pay these claims are derived from employer contributions and retiree premiums. The general fund has typically been used to liquidate net other post-employment benefit obligation by funding employer contributions. 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, 2011, the City's annual OPEB cost was \$25,654, which consisted entirely of the actuarially defined annual required contribution (ARC). The dollar amount contributed by the City toward the OPEB cost was \$16,092, the amount required to cover current year expenditures. At September 30, 2010, the City had a net OPEB obligation of \$6,027.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

XIII. POST-EMPLOYMENT BENEFITS (Continued)

Annual Required Contribution	\$	25,735
Interest on OPEB Obligation		271
Adjustment to ARC		<u>(352)</u>
Annual OPEB Cost (Expense) End of Year		25,654
Contributions Made		<u>16,092</u>
Increase in Net OPEB Obligation		9,562
Net OPEB Obligation – Beginning of Year		<u>6,027</u>
Net OPEB Obligation – End of Year	\$	<u>15,589</u>

The City's annual OPEB cost, the percentage of annual OPEB cost contributed to the plan, and the net OPEB obligation for 2011 and the previous two years 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	82.0%	\$ -	\$ 17,502	\$ 3,836
September 30, 2010	\$ 44,462	95.1%	\$ 3,836	\$ 42,271	\$ 6,027
September 30, 2011	\$ 25,264	62.7%	\$ 6,027	\$ 16,092	\$ 15,589

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 \$16,582,599 and the ratio of the UAAL to the covered payroll was 46.4%. The schedule of funding progress, on page 71, presented as required supplementary information following the notes to the financial statements present 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

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.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

XIII. POST-EMPLOYMENT BENEFITS (Continued)

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. However, the projections of benefits for financial reporting purposes do not explicitly incorporate the potential effects of legal or contractual funding limitations on the pattern of cost sharing between the employer and plan members in the future. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. In order to perform the valuation, it was necessary for the

City and the actuary to make certain assumptions regarding such items as rates of employee turnover, retirement, and mortality, as well as economic assumptions regarding healthcare trend and interest rates.

Actuarial Valuation Information

Actuarial Valuation Date	December 31, 2009
Actuarial Cost Method	Projected Unit Credit Cost Method
Amortization Method	Level Percentage of Payroll
Amortization Period	20-year open amortization
Actuarial Assumptions:	
Inflation Rate	3% per annum
Investment rate of return	4.5%, net of expenses
Salary growth	3.00% per annum
Healthcare cost trend rate	Initial rate of 9.0% declining to an ultimate rate of 4.50% after 9 years

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

XIV. EXPENDITURES IN EXCESS OF APPROPRIATIONS

Departmental expenditures exceeded appropriations budgetary basis as follows:

	<u>Appropriations</u>	<u>Expenditures</u>	<u>Excess Expenditures</u>
General Fund			
General Government			
Central Purchasing	\$ 200,367	\$ 201,091	\$ (724)
Planning/Code Compliance	364,210	367,135	(2,925)
Public Safety			
Fire Department	4,477,659	4,528,055	(50,396)
Fire Station - Airport	61,469	63,528	(2,059)
Highway and Streets			
Drainage Study	300,000	405,551	(105,551)
Traffic Control	521,052	522,191	(1,139)
Culture and Recreation			
Parks	1,119,597	1,150,363	(30,766)
Economic Development			
Main Street Project	33,643	33,961	(318)

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

XV. TRANSFERS

	<u>Transfers In</u>	<u>Transfers Out</u>
General Fund	\$ 7,008,496	\$ 2,604,353
Debt service fund	<u>1,745,613</u>	<u>-</u>
Nonmajor Funds		
Special Revenue Funds		
MIT-5311 Grant	21,128	
Women, Infants & Children	61,905	-
Nutrition/Social Services	22,293	-
Room Tax	-	207,619
Eco. Comm. & Housing Development	81,976	-
Total Special Revenue Funds	<u>187,302</u>	<u>207,619</u>
Capital Project Funds Fund		
Parking Lot Garage	-	200,000
City Hall Building	-	330,000
Total Capital Projects Funds	<u>-</u>	<u>530,000.00</u>
Total Nonmajor Funds	<u>187,302</u>	<u>737,619</u>
Total Governmental Activities	<u>8,941,411</u>	<u>3,341,972</u>
Enterprise Funds		
Gas System	152,296	1,319,037
International Bridge	-	3,358,644
International Airport	228,584	1,475
Refuse	-	490,000
Water system	105,043	713,146
Wastewater	33,764	553,751
Municipal Facilities (Non-Major)	651,573	-
Total Proprietary Funds	<u>1,171,260</u>	<u>6,436,053</u>
Internal Service Funds		
Fleet Services	49,972	384,618
Total Internal Service Funds	<u>49,972</u>	<u>384,618</u>
Total Transfers In and Out	<u>\$ 10,162,643</u>	<u>\$ 10,162,643</u>

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.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

XVI. DEFICIT NET ASSETS AND DEFICIT FUND BALANCES

The following funds have deficit net assets or fund balances:

Non-Major Special Revenue Funds	
MIT 5311 Grant	\$ (582,101)
JARC Colonias Grant	(15,450)
Internal Service Funds	
Fleet Services Fund	(123,462)

Subsidies from the General Fund will be used to reduce deficits for the MIT 5311 and other Special Revenue funds. Normal operations and reductions in transfers to other funds for purchases of fleet vehicles will reduce the deficit in the Fleet Services Fund.

XVII. GENERAL FUND – COMMITTED FUND BALANCE

The City has committed 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, 2011, are as follows:

Committed 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
	<u>\$ 4,197,892</u>

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

XVIII. COMMITMENTS AND CONTINGENCIES

A. Construction Commitments

The total contractual commitment for construction in progress by project at September 30, 2011, is as follows:

<u>Project Description</u>	<u>Commitments</u>
Government Activity	
Police Station	\$ 304,865
Dodson Avenue	458,814
Avenue G Project	51,298
Qualia Relief Route	69,170
Total Government Activity	<u>884,147</u>
Business Type Activity	
Taxiline G	\$ 2,081,058
Airfield Lighting Vault	12,400
Toll Booth Relocation	372,310
Construction of Cell 5	556,453
Wastewater Outfall Collection Line	8,839
Total Business Type Activity	<u>3,142,660</u>
Total Commitments	<u>\$ 4,026,807</u>

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, 2011.

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.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

XIX. 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, \$500 each vehicle and \$10,000 each occurrence 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 three (3) 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, 2011, the amount of these liabilities was \$137,678. 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, 2008, resulted from the following:

	Beginning of Fiscal Year Liability		Claims and Changes in Estimates	Claims Payments	Balance At Fiscal Year-End
2008-2009	\$ 21,792	\$	86,169	\$ (49,049)	\$ 58,913
2009-2010	58,913		130,735	(101,129)	88,519
2010-2011	88,519		252,346	(203,187)	137,678

(Continued)

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO FINANCIAL STATEMENTS

For The Year Ended September 30, 2011

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 \$125,000 per claimant. The City purchases 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 \$142,567 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
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
2010-2011	191,213	1,818,131	(1,866,777)	142,567	142,567

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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, 2011

	Budgeted Amounts		Actual	Variance with Final Budget - Over (Under)
	Original	Final		
REVENUES				
Taxes	\$ 11,761,876	\$ 12,319,394	\$ 12,427,855	\$ 108,461
Fines and Forfeitures	715,500	714,474	724,047	9,573
Charges for Services	961,293	930,898	944,398	13,500
Licenses and Permits	402,820	504,270	501,714	(2,556)
Intergovernmental	1,079,044	1,407,111	764,303	(642,808)
Investment income	60,000	12,000	10,360	(1,640)
Rental	44,500	28,670	29,426	756
Miscellaneous	8,250	28,960	30,108	1,148
TOTAL REVENUES	<u>15,033,283</u>	<u>15,945,777</u>	<u>15,432,211</u>	<u>(513,566)</u>
EXPENDITURES				
Current Expenditures				
General Government	4,082,308	4,050,633	4,115,007	(64,374)
Public Safety	11,338,981	11,846,038	11,730,549	115,489
Highway and Streets	2,683,393	2,258,303	2,267,640	(9,337)
Culture and Recreation	1,344,375	1,416,007	1,398,800	17,207
Economic Development & Assistance	36,610	33,643	33,961	(318)
Capital Outlay	149,554	1,198,073	992,731	205,342
TOTAL EXPENDITURES	<u>19,635,221</u>	<u>20,802,697</u>	<u>20,538,688</u>	<u>264,009</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>(4,601,938)</u>	<u>(4,856,920)</u>	<u>(5,106,477)</u>	<u>(249,557)</u>
OTHER FINANCING SOURCES/(USES)				
Sale of Real and Personal Property	50,000	50,000	29,342	(20,658)
Transfers In	6,548,198	7,008,496	7,008,496	-
Transfers Out	<u>(2,221,260)</u>	<u>(2,631,569)</u>	<u>(2,604,353)</u>	<u>27,216</u>
TOTAL OTHER FINANCING SOURCES/(USES)	<u>4,376,938</u>	<u>4,426,927</u>	<u>4,433,485</u>	<u>6,558</u>
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	<u>\$ (225,000)</u>	<u>\$ (429,993)</u>	<u>(672,992)</u>	<u>\$ (242,999)</u>
ADD CURRENT YEAR ENCUMBRANCES			861,772	
LESS PRIOR YEAR ENCUMBRANCES			<u>(369,771)</u>	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (GAAP Basis)			(180,991)	
Fund Balance at Beginning of Year			<u>8,075,543</u>	
Fund Balance at End of Year			<u>\$ 7,894,552</u>	

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NOTES TO THE REQUIRED SUPPLEMENTARY INFORMATION

YEAR ENDED SEPTEMBER 30, 2011

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, 2011

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%
12/31/09	-	207,745	207,745	0.00%	16,582,599	1.25%

CITY OF DEL RIO
Del Rio, Texas

Schedule of Funding Progress
Texas Municipal Retirement System

September 30, 2011

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)
12/31/08	\$ 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%
12/31/10	\$ 8,844,188	\$ 16,360,750	54.1%	\$ 7,516,562	\$ 16,582,599	46.40%

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, 2011

	Special Revenue	Capital Projects	Total
ASSETS			
Cash and Cash Equivalents	\$ 238,690	\$ 1,471,293	\$ 1,709,983
Receivables, Net of Allowance	46	-	46
Due from Other Funds	358,122	272,441	630,563
Intergovernmental Receivables	550,515	57,368	607,883
Total Assets	\$ 1,147,373	\$ 1,801,102	\$ 2,948,475
LIABILITIES AND FUND BALANCE			
Liabilities			
Accounts Payable	\$ 123,641	\$ 13,596	\$ 137,237
Accrued Payroll	23,779	-	23,779
Due to Other Governments	1,652	-	1,652
Due to Other Funds	612,612	569,441	1,182,053
Other current Liabilities	33,987	322,865	356,852
Deposits	500	-	500
Advance from Other Funds	648,107	-	648,107
Total Liabilities	1,444,278	905,902	2,350,180
Fund Balances			
Restricted	300,646	570,992	871,638
Assigned	-	324,208	324,208
Unassigned	(597,551)	-	(597,551)
Total Fund Balances	(296,905)	895,200	598,295
Total Liabilities and Fund Balances	\$ 1,147,373	\$ 1,801,102	\$ 2,948,475

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, 2011

	Special Revenue	Capital Projects	Total
REVENUES			
Taxes	\$ 554,936	\$ -	\$ 554,936
Intergovernmental Revenue and Grants	1,741,393	30,084	1,771,477
Charges for Service	394,969	-	394,969
Investment Earnings	96	3,046	3,142
Rents and Royalties	38,924	-	38,924
Other Revenue	32,275	-	32,275
Total Revenues	2,762,593	33,130	2,795,723
EXPENDITURES			
Current			
General Government	344,344	-	344,344
Public Safety	999	-	999
Economic Development	77,921	-	77,921
Health and Welfare	2,364,034	-	2,364,034
Capital Outlay	80,322	96,201	176,523
Total Expenditures	2,867,620	96,201	2,963,821
Excess (Deficiency) of Revenues Over (Under) Expenditures	(105,027)	(63,071)	(168,098)
OTHER FINANCING SOURCES (USES)			
Sale of Real and Personal Property	1,246	-	1,246
Transfers In	187,302	-	187,302
Transfers Out	(207,619)	(530,000)	(737,619)
Total Other Financing Sources (Uses)	(19,071)	(530,000)	(549,071)
Net Change in Fund Balances	(124,098)	(593,071)	(717,169)
Fund Balances - Beginning	(172,807)	1,488,271	1,315,464
Fund Balance - Ending	\$ (296,905)	\$ 895,200	\$ 598,295

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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, 2011

REVENUES	Budget	Actual	Variance with Final Budget - Positive (Negative)
Taxes			
Property Tax	\$ 4,832,891	\$ 4,858,703	\$ 25,812
Attorney's Fees	103,500	108,061	4,561
Penalty and Interest	171,000	178,845	7,845
General Sales Tax	5,170,000	5,238,347	68,347
Franchise Fees	1,971,003	1,974,405	3,402
Hotel Occupancy	-	8	8
Mixed Beverage Tax	71,000	69,486	(1,514)
Total Taxes	12,319,394	12,427,855	108,461
Fines and Forfeitures			
Municipal Court	328,550	328,745	195
Dog Pound	5,200	5,478	278
State Violation Fines	341,224	350,235	9,011
Time Payment Fee	39,500	39,589	89
Total Fines and Forfeitures	714,474	724,047	9,573
Charges for Services			
Xerox Use Fees	100	842	742
Sale of Maps and Documents	8,000	7,966	(34)
Sale of Plastic Protect	100	57	(43)
Police Services & Fees	24,700	26,292	1,592
Street Sign and Striping	406,000	404,630	(1,370)
New Paving	-	25	25
Demolition and Lot Clearing	24,500	27,169	2,669
Vital Statistics	79,000	78,097	(903)
Buena Vista Pool	6,025	6,100	75
Moore Park Pool	30,380	30,379	(1)
Recreational Uses	2,600	2,475	(125)
Field Light Usage	3,200	3,111	(89)
Adopt A Pet Program Fee	6,100	5,957	(143)
Misc. Park & Recreation	5,000	5,072	72
Engineering Service Fee	2,400	2,450	50
Inter-administration Services	51,074	48,627	(2,447)
Inter-service charges	30,000	30,000	-
Indirect Cost-WIC	36,000	64,403	28,403
Inter-admin purchasing	215,719	200,747	(14,972)
Total Charges for Services	930,898	944,398	13,500

(Continued)

CITY OF DEL RIO
Del Rio, Texas

General Fund

SCHEDULE OF REVENUES COMPARED TO BUDGET

For The Year Ended September 30, 2011

	Budget	Actual	Variance with Final Budget - Positive (Negative)
REVENUES (Continued)			
Licenses and Permits			
Building Permits	\$ 183,000	\$ 185,479	\$ 2,479
Electrical Permits	38,000	42,418	4,418
Plumbing Permits	48,000	46,078	(1,922)
Gas Permits	4,200	4,620	420
Health Permits	65,000	65,039	39
Commercial Pet Vendors	2,000	870	(1,130)
Garage Sale Permits	24,400	24,465	65
Fire Alarm Permit	250	300.00	50
Zoning Permits	8,000	(200)	(8,200)
Plan & Specification	42,500	44,003	1,503
Other Permits	46,970	47,350	380
Professional and Occupation Licenses	13,950	15,378	1,428
Mechanical Permits	28,000	25,915	(2,085)
Total Licenses and Permits	<u>504,270</u>	<u>501,714</u>	<u>(2,556)</u>
Intergovernmental			
Federal Emergency Management	356,077	364,471	8,394
CDBGP-Planning	220,000	48,900	(171,100)
Federal Funds	34,865	444	(34,421)
Border Star Grant	669,493	169,493	(500,000)
FEMA-Assistance to Fire	-	18,115	18,115
Auto Theft Grant- State	112,967	143,069	30,102
Juvenile Investigator	-	250	250
Payments in Lieu of Taxes	13,709	13,709	-
BP Vest- Federal Revenue	-	4,932	4,932
State Revenues	-	920	920
Total Intergovernmental	<u>1,407,111</u>	<u>764,303</u>	<u>(642,808)</u>
Interest Income	<u>12,000</u>	<u>10,360</u>	<u>(1,640)</u>
Rental Income			
Facilities Rental	-	1	1
Barricade Rental	1,500	990	(510)
Joe Ramos Center	15,170	17,390	2,220
Other Rental	12,000	11,045	(955)
Total Rental Income	<u>28,670</u>	<u>29,426</u>	<u>756</u>
Miscellaneous Revenues			
Miscellaneous Donations	12,710	12,710	-
Pavilion Rentals	8,000	7,270	(730)
Cash Over & Short	-	(89)	(89)
Vending Machine Income	250	-	(250)
Property Tax Overpayment	1,000	2,155	1,155
Return Check Fees	2,000	690	(1,310)
Excess Insurance Reim	-	1,025	1,025
Miscellaneous Income	5,000	6,348	1,348
Total Miscellaneous Revenues	<u>28,960</u>	<u>30,108</u>	<u>1,148</u>
TOTAL REVENUES	<u>\$ 15,945,777</u>	<u>\$ 15,432,211</u>	<u>\$ (513,566)</u>

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, 2011

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES			
GENERAL GOVERNMENT			
City Council			
Personnel Services	\$ 19,685	\$ 17,771	\$ 1,914
Supplies	10,955	9,108	1,847
Contractual Services and Other Costs	57,022	54,195	2,827
Intergovernmental	32,018	30,731	1,287
Total City Council	<u>119,680</u>	<u>111,805</u>	<u>7,875</u>
City Attorney			
Personnel Services	259,139	256,020	3,119
Supplies	2,778	2,740	38
Capital Outlay	197,508	162,622	34,886
Total City Attorney	<u>459,425</u>	<u>421,382</u>	<u>38,043</u>
City Manager			
Personnel Services	340,672	342,688	(2,016)
Supplies	13,495	12,105	1,390
Contractual Services and Other Costs	80,618	68,056	12,562
Capital Outlay	20,869	20,869	-
Sub-total	<u>455,654</u>	<u>443,718</u>	<u>11,936</u>
Marketing/Promo			
Personnel Services	48,645	48,721	(76)
Contractual Services and Other Costs	11,654	14,001	(2,347)
Total Marketing/Promo	<u>60,299</u>	<u>62,722</u>	<u>(2,423)</u>
City Hall Maintenance			
Supplies	10,314	8,301	2,013
Capital Outlay	2,000	1,720	280
Contractual Services and Other Costs	105,520	97,279	8,241
Sub-total	<u>117,834</u>	<u>107,299</u>	<u>10,535</u>
Total City Manager	<u>633,787</u>	<u>613,739</u>	<u>20,048</u>

(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, 2011

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Civil Service			
Personnel Services	\$ 20,316	\$ 20,335	\$ (19)
Supplies	3,750	2,847	903
Contractual Services and Other Costs	<u>6,821</u>	<u>2,044</u>	<u>4,777</u>
Sub-total	30,887	25,225	5,662
Personnel			
Personnel Services	150,369	149,083	1,286
Supplies	18,500	18,135	365
Contractual Services and Other Costs	47,859	49,157	(1,298)
Capital Outlay	<u>2,600</u>	<u>2,599</u>	<u>1</u>
Sub-total	219,328	218,974	354
Total Personnel	<u>250,215</u>	<u>244,199</u>	<u>6,016</u>
Finance Department			
Finance			
Personnel Services	192,784	190,019	2,765
Supplies	3,117	2,931	186
Contractual Services and Other Costs	<u>61,750</u>	<u>52,756</u>	<u>8,994</u>
Total Finance	<u>257,651</u>	<u>245,707</u>	<u>11,944</u>
Operations			
Personnel Services	61,411	61,235	176
Supplies	1,046	305	741
Contractual Services and Other Costs	<u>5,546</u>	<u>4,652</u>	<u>894</u>
Total Operations	<u>68,003</u>	<u>66,192</u>	<u>1,811</u>
Central Purchasing			
Personnel Services	151,523	151,556	(33)
Supplies	15,538	16,996	(1,458)
Contractual Services and Other Costs	33,203	32,448	755
Capital Outlay	<u>103</u>	<u>92</u>	<u>11</u>
Total Central Purchasing	<u>200,367</u>	<u>201,091</u>	<u>(724)</u>

(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, 2011

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Accounting			
Personnel Services	\$ 255,155	\$ 251,964	\$ 3,191
Supplies	4,650	3,917	733
Contractual Services and Other Costs	<u>17,790</u>	<u>16,638</u>	<u>1,152</u>
Total Accounting	<u>277,595</u>	<u>272,519</u>	<u>5,076</u>
Tax			
Personnel Services	126,299	118,555	7,744
Supplies	3,958	3,899	59
Contractual Services and Other Costs	<u>326,917</u>	<u>324,697</u>	<u>2,220</u>
Total Tax	<u>457,174</u>	<u>447,151</u>	<u>10,023</u>
Total Finance Department	<u>1,260,790</u>	<u>1,232,660</u>	<u>28,130</u>
Planning & Zoning			
Personnel Services	106,329	100,131	6,198
Supplies	1,073	815	258
Contractual Services and Other Costs	<u>7,517</u>	<u>8,667</u>	<u>(1,150)</u>
Total Planning & Zoning	<u>114,919</u>	<u>109,613</u>	<u>5,306</u>
Planning/Code Compliance			
Personnel Services	308,856	311,705	(2,849)
Supplies	10,446	10,146	300
Contractual Services and Other Costs	<u>44,673</u>	<u>45,050</u>	<u>(377)</u>
Capital Outlay	<u>235</u>	<u>234</u>	<u>1</u>
Planning/Code Compliance	<u>364,210</u>	<u>367,135</u>	<u>(2,925)</u>
Total Planning/Code Compliance	<u>479,129</u>	<u>476,748</u>	<u>2,381</u>
Engineering			
Personnel Services	253,702	249,397	4,305
Supplies	4,625	4,389	236
Contractual Services and Other Costs	<u>66,810</u>	<u>65,661</u>	<u>1,149</u>
Capital Outlay	<u>118</u>	<u>117</u>	<u>1</u>
Sub-total	<u>325,255</u>	<u>319,563</u>	<u>5,692</u>
GIS Engineering			
Personnel Services	44,607	44,178	429
Supplies	858	864	(6)
Contractual Services and Other Costs	<u>46,545</u>	<u>46,454</u>	<u>91</u>
Sub-total	<u>92,010</u>	<u>91,496</u>	<u>514</u>
Total Engineering	<u>417,265</u>	<u>411,059</u>	<u>6,206</u>

(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, 2011

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Records Department			
City Secretary			
Personnel Services	\$ 135,974	\$ 134,867	\$ 1,107
Supplies	7,309	1,699	5,610
Contractual Services and Other Costs	<u>32,028</u>	<u>24,422</u>	<u>7,606</u>
Total City Secretary	<u>175,311</u>	<u>160,987</u>	<u>14,324</u>
Municipal Court			
Personnel Services	209,208	206,538	2,670
Supplies	1,393	1,404	(11)
Contractual Services and Other Costs	267,863	260,114	7,749
Capital Outlay	<u>400</u>	<u>365</u>	<u>35</u>
Total Municipal Court	<u>478,864</u>	<u>468,421</u>	<u>10,443</u>
Total Records Department	<u>769,094</u>	<u>739,021</u>	<u>30,073</u>
TOTAL GENERAL GOVERNMENT	<u>4,274,466</u>	<u>4,141,001</u>	<u>133,465</u>
PUBLIC SAFETY			
Public Safety Department			
Police - Patrol			
Personnel Services	5,043,747	4,999,949	43,798
Supplies	248,193	232,226	15,967
Contractual Services and Other Costs	420,564	400,459	20,105
Capital Outlay	<u>34,865</u>	<u>34,865</u>	<u>-</u>
Total Police - Patrol	<u>5,747,369</u>	<u>5,667,499</u>	<u>79,870</u>
Justice Assistance Grant			
Supplies	-	171	(171)
Capital Outlay	<u>519,306</u>	<u>515,958</u>	<u>3,348</u>
Total Justice Assistance Grant	<u>519,306</u>	<u>516,129</u>	<u>3,177</u>
Auto Theft			
Personnel Services	137,172	136,406	766
Supplies	4,732	4,367	365
Contractual Services and Other Costs	<u>13,589</u>	<u>5,980</u>	<u>7,609</u>
Total Auto Theft	<u>155,493</u>	<u>146,753</u>	<u>8,740</u>
BP Vest			
Supplies	<u>9,735</u>	<u>9,865</u>	<u>(130)</u>

(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, 2011

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Police Training Academy			
Personnel Services	\$ 143,920	\$ 139,932	\$ 3,988
Supplies	10,950	6,816	4,134
Contractual Services and Other Costs	<u>36,796</u>	<u>36,945</u>	<u>(149)</u>
Total Police Training Academy	<u>191,666</u>	<u>183,693</u>	<u>7,973</u>
Local Border Security			
Personnel Services	90,379	90,378	1
Supplies	12,094	-	12,094
Capital Outlay	<u>84,943</u>	<u>83,657</u>	<u>1,286</u>
Total Local Border Security	<u>187,416</u>	<u>174,035</u>	<u>13,381</u>
Total Police	<u>6,810,985</u>	<u>6,697,973</u>	<u>113,012</u>
Fire			
Personnel Services	4,002,819	4,059,279	(56,460)
Supplies	112,923	114,335	(1,412)
Contractual Services and Other Costs	<u>358,432</u>	<u>353,201</u>	<u>5,231</u>
Capital Outlay	<u>3,485</u>	<u>1,240</u>	<u>2,245</u>
Total Fire	<u>4,477,659</u>	<u>4,528,055</u>	<u>(50,396)</u>
Emergency Management			
Supplies	730	730	-
Contractual Services and Other Costs	<u>12,862</u>	<u>10,884</u>	<u>1,978</u>
Total Emergency Management	<u>13,592</u>	<u>11,614</u>	<u>1,978</u>
Fire Station Airport			
Contractual Services and Other Costs	<u>61,469</u>	<u>63,528</u>	<u>(2,059)</u>
Total Fire Station Airport	<u>61,469</u>	<u>63,528</u>	<u>(2,059)</u>
Fire-Safer Grant			
Personnel	<u>605,786</u>	<u>552,031</u>	<u>53,755</u>
Total Fire-Safer Grant	<u>605,786</u>	<u>552,031</u>	<u>53,755</u>
Total Fire	<u>5,158,506</u>	<u>5,155,228</u>	<u>3,278</u>

(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, 2011

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Community Health			
Personnel Services	\$ 409,200	\$ 409,624	\$ (424)
Supplies	43,264	39,128	4,136
Contractual Services and Other Costs	66,682	64,321	2,361
Capital Outlay	457	456	1
Total Community Health Department	<u>519,603</u>	<u>513,529</u>	<u>6,074</u>
TOTAL PUBLIC SAFETY	<u>12,489,094</u>	<u>12,366,730</u>	<u>122,364</u>
HIGHWAY AND STREETS			
Public Works - Streets and Drainage			
Personnel Services	656,859	653,892	2,967
Supplies	493,124	325,750	167,374
Contractual Services and Other Costs	181,092	251,645	(70,553)
Capital Outlay	<u>226,881</u>	<u>226,825</u>	<u>56</u>
Total Public Works - Streets and Drainage	<u>1,557,956</u>	<u>1,458,112</u>	<u>99,844</u>
Drainage Study			
Professional Services	<u>300,000</u>	<u>405,551</u>	<u>(105,551)</u>
Total Division Drainage Study	<u>300,000</u>	<u>405,551</u>	<u>(105,551)</u>
Streets Reclaiming			
Personnel Services	104,610	107,536	(2,926)
Contractual Services and Other Costs	1,566	1,075	491
Total Streets Reclaiming	<u>106,176</u>	<u>108,611</u>	<u>(2,435)</u>
Traffic Control			
Personnel Services	167,801	160,681	7,120
Supplies	45,025	43,688	1,337
Contractual Services and Other Costs	308,226	317,823	(9,597)
Total Traffic Control	<u>521,052</u>	<u>522,191</u>	<u>(1,139)</u>
TOTAL HIGHWAY AND STREETS	<u>2,485,184</u>	<u>2,494,465</u>	<u>(9,281)</u>

(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, 2011

	Budget	Actual	Variance with Final Budget - Positive (Negative)
EXPENDITURES (Continued)			
Parks			
Personnel Services	\$ 570,608	\$ 557,192	\$ 13,416
Supplies	60,252	62,946	(2,694)
Contractual Services and Other Costs	384,434	426,492	(42,058)
Capital Outlay	104,303	103,733	570
Total Parks	<u>1,119,597</u>	<u>1,150,363</u>	<u>(30,766)</u>
Recreation Department			
Personnel Services	102,349	68,084	34,265
Supplies	14,152	11,120	3,032
Contractual Services and Other Costs	16,993	13,976	3,017
Total Recreation Department	<u>133,494</u>	<u>93,180</u>	<u>40,314</u>
Facility Maintenance			
Personnel Services	249,758	244,415	5,343
Supplies	9,820	9,160	660
Contractual Services and Other Costs	7,641	5,414	2,227
Total Facility Maintenance	<u>267,219</u>	<u>258,989</u>	<u>8,230</u>
TOTAL CULTURE AND RECREATION	<u>1,520,310</u>	<u>1,502,532</u>	<u>17,778</u>
ECONOMIC DEVELOPMENT AND ASSISTANCE			
Main Street Project			
Personnel Services	31,028	31,110	(82)
Supplies	92	83	9
Contractual Services and Other Costs	2,523	2,768	(245)
Total Main Street Project	<u>33,643</u>	<u>33,961</u>	<u>(318)</u>
TOTAL ECONOMIC DEVELOPMENT AND ASSISTANCE	<u>33,643</u>	<u>33,961</u>	<u>(318)</u>
TOTAL EXPENDITURES	<u>\$ 20,802,697</u>	<u>\$ 20,538,688</u>	<u>\$ 264,009</u>

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, 2011

	<u>Budget</u>	<u>Actual</u>	Variance with Final Budget - Positive (Negative)
Other Financing Sources/(Uses)			
Other Sources			
Disposal of Capital Assets	\$ 50,000	\$ 29,342	\$ (20,658)
Total Other Sources	<u>50,000</u>	<u>29,342</u>	<u>(20,658)</u>
Operating Transfers In			
Capital Projects	530,000	530,000	-
Gas System	1,300,000	1,300,000	-
Water System	700,000	700,000	-
International Bridge	3,358,644	3,358,644	-
Refuse	490,000	490,000	-
Wastewater	550,000	550,000	-
Fleet	79,852	79,852	-
Total Operating Transfers In	<u>7,008,496</u>	<u>7,008,496</u>	<u>-</u>
Operating Transfers Out			
Transportation	21,128	21,128	-
WIC	61,905	61,905	-
Nutrition and Social Services	22,293	22,293	-
Economic Development	81,976	81,976	-
Debt Service	1,450,656	1,423,440	27,216
Debt Service	114,554	114,554	-
International Airport	214,921	214,921	-
Fleet	12,563	12,563	-
Municipal Facilities Fund	651,573	651,573	-
Total Operating Transfers Out	<u>2,631,569</u>	<u>2,604,353</u>	<u>27,216</u>
Total Other Financing Sources/(Uses)	<u>\$ 4,426,927</u>	<u>\$ 4,433,485</u>	<u>\$ 6,558</u>

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SPECIAL REVENUE FUNDS

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

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

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

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

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

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

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

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

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

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

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

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, 2011

	MIT-5311 Grant	Women Infants & Children	Nutrition/ Social Services	Room Tax	Loan Repayment Fund
ASSETS					
Cash and Cash Equivalents	\$ -	\$ -	\$ 50	\$ 69,448	\$ 147,780
Intergovernmental Receivables	356,036	107,008	74,005	-	-
Receivables, Net of Allowance	-	-	20	-	-
Due from Other Funds	21,431	63,903	217,756	-	-
Total Assets	\$ 377,467	\$ 170,911	\$ 291,831	\$ 69,448	\$ 147,780
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts Payable	\$ 27,310	\$ 6,432	\$ 26,465	\$ 54,755	\$ -
Accrued Payroll	12,212	6,991	4,576	-	-
Intergovernmental Payable	-	-	-	-	-
Due to Other Funds	237,452	74,820	248,650	-	-
Deposits	500	-	-	-	-
Other Current Liabilities	33,987	-	-	-	-
Advance from Other Funds	648,107	-	-	-	-
Total Liabilities	959,568	88,243	279,691	54,755	-
Fund Balances					
Restricted	-	82,668	12,140	14,693	147,780
Unassigned	(582,101)	-	-	-	-
Total Fund Balances	(582,101)	82,668	12,140	14,693	147,780
Total Liabilities and Fund Balances	\$ 377,467	\$ 170,911	\$ 291,831	\$ 69,448	\$ 147,780

Property & Forfeiture Fund	Law Enfo. Emp. Continuing Education	TXDOT-Section 5310	JARC Colonias Grant	Economic Development Admin	CDBG Grant	Total
\$ 21,412	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 238,690
-	-	13,466	-	-	-	550,515
-	26	-	-	-	-	46
-	8,410	4,042	-	32,580	10,000	358,122
\$ 21,412	\$ 8,436	\$ 17,508	\$ -	\$ 32,580	\$ 10,000	\$ 1,147,373
\$ -	\$ -	\$ 2,575	\$ -	\$ 6,104	\$ -	\$ 123,641
-	-	-	-	-	-	23,779
-	-	1,652	-	-	-	1,652
-	2	11,158	15,450	25,080	-	612,612
-	-	-	-	-	-	500
-	-	-	-	-	-	33,987
-	-	-	-	-	-	648,107
-	2	15,385	15,450	31,184	-	1,444,278
21,412	8,434	2,123		1,396	10,000	300,646
-	-	-	(15,450)	-	-	(597,551)
21,412	8,434	2,123	(15,450)	1,396	10,000	(296,905)
\$ 21,412	\$ 8,436	\$ 17,508	\$ -	\$ 32,580	\$ 10,000	\$ 1,147,373

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, 2011

	MIT-5311 Grant	Women Infants & Children	Nutrition/ Social Services	Room Tax	Loan Repayment Fund
REVENUES					
Taxes	\$ -	\$ -	\$ -	\$ 554,936	\$ -
Intergovernmental	792,108	450,833	449,410	-	-
Charges for Service	385,288	-	-	-	-
Investment Earnings	-	-	-	2	88
Rental	18,000	-	20,924	-	-
Miscellaneous	15,368	-	16,907	-	-
Total Revenues	1,210,764	450,833	487,241	554,938	88
EXPENDITURES					
Current					
General Government	-	-	-	344,344	-
Public Safety	-	-	-	-	-
Health and Welfare	1,206,692	538,845	561,179	-	-
Conservation and Development	-	-	-	-	-
Capital Outlay	78,386	1,221	715	-	-
Total Expenditures	1,285,078	540,066	561,894	344,344	-
Excess (Deficiency) of Revenues Over (Under) Expenditures	(74,314)	(89,233)	(74,653)	210,594	88
OTHER FINANCING SOURCES (USES)					
Sale of Real and Personal Property	-	-	1,221	-	-
Transfers In	21,128	61,905	22,293	-	-
Transfers Out	-	-	-	(207,619)	-
Total Other Financing Sources (Uses)	21,128	61,905	23,514	(207,619)	-
Net Change in Fund Balances	(53,186)	(27,328)	(51,139)	2,975	88
Fund Balance - October 1 (Beginning)	(528,915)	109,996	63,279	11,718	147,692
Fund Balance - September 30 (Ending)	\$ (582,101)	\$ 82,668	\$ 12,140	\$ 14,693	\$ 147,780

Property & Forfeiture Fund	Law Enf. Emp. Continuing Education	TXDOT-Section 5310	JARC Colonias Grant	Economic Development Admin.	CDBG Grant	Total
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 554,936
441	5,339	43,262	-	-	-	1,741,393
-	-	9,681	-	-	-	394,969
6	-	-	-	-	-	96
-	-	-	-	-	-	38,924
-	-	-	-	-	-	32,275
447	5,339	52,943	-	-	-	2,762,593
-	-	-	-	-	-	344,344
-	999	-	-	-	-	999
6,498	-	50,820	-	-	-	2,364,034
-	-	-	-	77,921	-	77,921
-	-	-	-	-	-	80,322
6,498	999	50,820	-	77,921	-	2,867,620
(6,051)	4,340	2,123	-	(77,921)	-	(105,027)
-	25	-	-	-	-	1,246
-	-	-	-	81,976	-	187,302
-	-	-	-	-	-	(207,619)
-	25	-	-	81,976	-	(19,071)
(6,051)	4,365	2,123	-	4,055	-	(124,098)
27,463	4,069	-	(15,450)	(2,659)	10,000	(172,807)
\$ 21,412	\$ 8,434	\$ 2,123	\$ (15,450)	\$ 1,396	\$ 10,000	\$ (296,905)

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Transit Service	\$ 327,458	\$ 385,288	\$ 57,830
Special Grants	903,203	792,108	(111,095)
Miscellaneous Revenues	33,368	33,368	(1)
TOTAL REVENUES	1,264,029	1,210,764	(53,265)
EXPENDITURES			
Welfare			
Transportation			
Personnel Services	674,878	683,332	(8,454)
Supplies	294,700	212,505	82,195
Contractual and Other Costs	125,473	115,245	10,228
Capital Outlay	97,376	79,437	17,939
Administration			
Personnel Services	138,327	138,856	(529)
Supplies	18,715	1,286	17,429
Contractual and Other Costs	100,146	52,539	47,607
Capital Outlay	28,887	9,902	18,985
TOTAL EXPENDITURES	1,478,502	1,293,099	185,403
Excess/(Deficiency) of Revenues Over Expenditures	(214,473)	(82,336)	132,137
OTHER FINANCING SOURCES/(USES)			
Operating Transfer In	21,128	21,128	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	<u>\$ (193,345)</u>	(61,208)	<u>\$ 132,137</u>
Add: Current Year Encumbrances		12,032	
Less: Prior Year Encumbrances		<u>(4,010)</u>	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (GAAP Basis)		(53,186)	
Fund Balances at Beginning of Year		<u>(528,915)</u>	
Fund Balances at End of Year		<u>\$ (582,101)</u>	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Special Grants	\$ 604,534	\$ 450,833	\$ (153,701)
TOTAL REVENUES	604,534	450,833	(153,701)
EXPENDITURES			
Welfare			
WIC - Immunization			
Personnel Services	396,294	380,758	15,536
Supplies	58,823	21,948	36,875
Contractual and Other Costs	183,582	154,447	29,135
Capital Outlay	6,000	1,221	4,779
TOTAL EXPENDITURES	644,699	558,374	86,325
Excess/(Deficiency) of Revenues Over Expenditures	\$ (40,165)	(107,541)	\$ (67,376)
OTHER FINANCING SOURCES/(USES)			
Operating Transfer In	61,905	61,905	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	\$ 21,740	(45,636)	\$ (67,376)
Add: Current Year Encumbrances		18,523	
Less: Prior Year Encumbrances		(214)	
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures (GAAP Basis)		(27,328)	
Fund Balances at Beginning of Year		109,996	
Fund Balances at End of Year		\$ 82,668	

CITY OF DEL RIO
Del Rio, Texas

Nutrition and Social Services

Special Revenue Fund

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

For the Year Ended September 30, 2011

	Budget	Actual
REVENUES		
Special Grants	\$ 510,046	\$ 449,410
Miscellaneous Revenues	38,635	37,831
	548,681	487,241
TOTAL REVENUES	548,681	487,241
EXPENDITURES		
Welfare		
Nutrition and Social Services		
Personnel Services	285,826	283,376
Supplies	228,558	221,475
Contractual and Other Costs	62,331	56,353
Capital Outlay	1,500	715
	578,215	561,919
TOTAL EXPENDITURES	578,215	561,919
Excess/(Deficiency) of Revenues Over Expenditures	(29,534)	(74,678)
OTHER FINANCING SOURCES/(USES)		
Sale of Real and Personal Property	-	1,221
Operating Transfer In	22,293	22,293
	22,293	23,514
TOTAL OTHER FINANCING SOURCES/(USES)	22,293	23,514
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	\$ (7,241)	(51,164)
Add: Encumbrances		25
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (GAAP Basis)		(51,139)
Fund Balances at Beginning of Year		63,279
Fund Balances at End of Year	\$	12,140

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Taxes	\$ 552,000	\$ 554,936	\$ 2,936
Interest Income	-	2	2
TOTAL REVENUES	552,000	554,938	2,938
EXPENDITURES			
General Government			
Room Tax			
Contractual and Other Costs	234,600	235,301	(701)
Intergovernmental	110,400	109,043	1,357
TOTAL EXPENDITURES	345,000	344,344	656
Excess/(Deficiency) of Revenues Over Expenditures	207,000	210,594	3,594
OTHER FINANCING SOURCES/(USES)			
Operating Transfers Out	(207,000)	(207,619)	(619)
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	\$ -	2,975	\$ 2,975
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (GAAP Basis)		2,975	
Fund Balances at Beginning of Year		11,718	
Fund Balances at End of Year		\$ 14,693	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Taxes	\$ -	\$ -	\$ -
Interest Income	300	88	(212)
TOTAL REVENUES	<u>300</u>	<u>88</u>	<u>(212)</u>
EXPENDITURES			
Capital Outlays			
Reserves and Other Expenses	-	-	-
TOTAL EXPENDITURES	<u>-</u>	<u>-</u>	<u>-</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>\$ 300</u>	88	<u>\$ (212)</u>
Excess/(Deficiency) of Revenues Over Expenditures (GAAP Basis)		88	
Fund Balances at Beginning of Year		<u>147,692</u>	
Fund Balances at End of Year		<u>\$ 147,780</u>	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Special Grants	\$ 4,000	\$ 441	\$ (3,559)
Interest Income	100	6	(94)
TOTAL REVENUES	<u>4,100</u>	<u>447</u>	<u>(3,653)</u>
EXPENDITURES			
Contract Services	<u>6,498</u>	<u>6,498</u>	<u>-</u>
TOTAL EXPENDITURES	<u>6,498</u>	<u>6,498</u>	<u>-</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>(2,398)</u>	<u>(6,051)</u>	<u>(3,653)</u>
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	<u>\$ (2,398)</u>	<u>(6,051)</u>	<u>\$ (3,653)</u>
Excess/(Deficiency) of Revenues Over Expenditures (GAAP Basis)		(6,051)	
Fund Balances at Beginning of Year		<u>27,463</u>	
Fund Balances at End of Year		<u>\$ 21,412</u>	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Special Grants	\$ 6,500	\$ 5,339	\$ (1,161)
TOTAL REVENUES	6,500	5,339	(1,161)
EXPENDITURES			
Contractual and Other Costs-Police	6,500	999	5,501
TOTAL EXPENDITURES	6,500	999	5,501
Excess/(Deficiency) of Revenues Over Expenditures	-	4,340	4,340
OTHER FINANCING SOURCES/(USES)			
Sale of Real and Personal Property	-	25	(25)
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	\$ -	4,365	\$ (4,365)
Excess/(Deficiency) of Revenues Over Expenditures (GAAP Basis)		4,365	
Fund Balances at Beginning of Year		4,069	
Fund Balances at End of Year		\$ 8,434	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Transit Service - Local	\$ 24,542	\$ 9,681	\$ (14,861)
Special Grants	45,000	43,262	(1,738)
TOTAL REVENUES	69,542	52,943	(16,599)
EXPENDITURES			
Welfare			
Supplies	56,542	41,947	14,595
Contractual and Other Costs	13,000	7,414	5,586
TOTAL EXPENDITURES	69,542	49,360	20,182
Excess/(Deficiency) of Revenues Over Expenditures	\$ -	3,583	\$ 3,583
Add: Encumbrances		180	
Less: Prior Year Encumbrances		(1,639)	
Excess/(Deficiency) of Revenues Over Expenditures (GAAP Basis)		2,123	
Fund Balances at Beginning of Year		-	
Fund Balances at End of Year		\$ 2,123	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-
Excess/(Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	-	<u>\$ -</u>
Fund Balances at Beginning of Year		<u>(15,450)</u>	
Fund Balance at End of Year (Budgeted Funds)		<u>\$ (15,450)</u>	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES	\$ -	\$ -	\$ -
EXPENDITURES			
Personnel	\$ 53,077	\$ 58,878	\$ (5,801)
Supplies	4,175	1,858	2,317
Contract Serv/Oth Costs	25,793	17,260	8,533
TOTAL EXPENDITURES	83,045	77,996	5,049
Excess/(Deficiency) of Revenues Over Expenditures	(83,045)	(77,996)	5,049
OTHER FINANCING SOURCES/(USES)			
Transfer In	81,976	81,976	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	<u>\$ (1,069)</u>	3,980	<u>\$ 5,049</u>
Add: Encumbrances		<u>75</u>	
Excess/(Deficiency) of Revenues Over Expenditures (GAAP Basis)		4,055	
Fund Balances at Beginning of Year		<u>(2,659)</u>	
Fund Balances at End of Year		<u>\$ 1,396</u>	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES	\$ -	\$ -	\$ -
EXPENDITURES	-	-	-
Excess/(Deficiency) of Revenues Over Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Fund Balances at Beginning of Year		<u>10,000</u>	
Fund Balances at End of Year		<u>\$ 10,000</u>	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Taxes	\$ 1,644,908	\$ 1,660,792	\$ 15,884
Miscellaneous Revenues	2,500	1,496	(1,005)
TOTAL REVENUES	<u>1,647,408</u>	<u>1,662,288</u>	<u>14,880</u>
EXPENDITURES			
Debt Service	<u>3,281,428</u>	<u>3,193,436</u>	<u>87,992</u>
TOTAL EXPENDITURES	<u>3,281,428</u>	<u>3,193,436</u>	<u>87,992</u>
Excess/(Deficiency) of Revenues Over Expenditures	<u>(1,634,020)</u>	<u>(1,531,148)</u>	<u>102,872</u>
OTHER FINANCING SOURCES/(USES)			
Interfund Transfers	<u>1,768,460</u>	<u>1,745,613</u>	<u>(22,847)</u>
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	<u>\$ 134,440</u>	<u>214,465</u>	<u>\$ 80,025</u>
Fund Balances at Beginning of Year		<u>1,466,741</u>	
Fund Balances at End of Year		<u>\$ 1,681,206</u>	

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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.

City Hall Building

The City Hall Building fund is used to account for the funds available in determining the feasibility of the construction of a new City Hall facility

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.

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CITY OF DEL RIO
Del Rio, Texas

Combining Balance Sheet
Nonmajor Capital Projects Funds

September 30, 2011

	Qualia Relief Route	Parking Lot Garage	City Hall Building	Animal Shelter	Bicycle and Walking Trail
ASSETS					
Cash and Cash Equivalents	\$ -	\$ 200,016	\$ 359,773	\$ 244,369	\$ 98,815
Intergovernmental Receivables	57,368	-	-	-	-
Due from Other Funds	233,000	-	39,441	-	-
Total Assets	\$ 290,368	\$ 200,016	\$ 399,214	\$ 244,369	\$ 98,815
LIABILITIES AND FUND BALANCE					
Liabilities					
Accounts Payable	\$ 6,856	\$ -	\$ -	\$ -	\$ -
Due to Other Funds	39,441	200,000	330,000	-	-
Other Current Liabilities	-	-	-	-	-
Total Liabilities	46,297	200,000	330,000	-	-
Fund Balances					
Restricted	244,071	16	69,214	-	98,815
Assigned	-	-	-	244,369	-
Total Fund Balances	244,071	16	69,214	244,369	98,815
Total Liabilities and Fund Balances	\$ 290,368	\$ 200,016	\$ 399,214	\$ 244,369	\$ 98,815

Police Station	Fire Station	Emergency Operations Center	Total Non-Major Capital Project Funds
\$ 370,740	\$ 111,001	\$ 86,579	\$ 1,471,293
-	-	-	57,368
-	-	-	272,441
<u>\$ 370,740</u>	<u>\$ 111,001</u>	<u>\$ 86,579</u>	<u>\$ 1,801,102</u>

\$ -	\$ -	\$ 6,740	\$ 13,596
-	-	-	569,441
<u>322,865</u>	<u>-</u>	<u>-</u>	<u>322,865</u>
<u>322,865</u>	<u>-</u>	<u>6,740</u>	<u>905,902</u>

47,875	111,001	-	570,992
-	-	79,839	324,208
<u>47,875</u>	<u>111,001</u>	<u>79,839</u>	<u>895,200</u>
<u>\$ 370,740</u>	<u>\$ 111,001</u>	<u>\$ 86,579</u>	<u>\$ 1,801,102</u>

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, 2011

	Qualia Relief Route	Parking Lot Garage	City Hall Building	Animal Shelter	Bicycle and Walking Trail
REVENUES					
Intergovernmental Revenue and Grants	\$ 30,083	\$ -	\$ -	\$ -	\$ -
Investment Earnings	3	2	5	269	10
Total Revenues	30,086	2	5	269	10
EXPENDITURES					
Capital Outlay	33,426	-	557	3,094	-
Total Expenditures	33,426	-	557	3,094	-
Excess/(Deficiency) of Revenues Over Expenditures	(3,340)	2	(552)	(2,825)	10
OTHER FINANCING SOURCES/(USES)					
Transfers Out	-	(200,000)	(330,000)	-	-
Total Other Financing Sources/(Uses)	-	(200,000)	(330,000)	-	-
Net Change in Fund Balances	(3,340)	(199,998)	(330,552)	(2,825)	10
Fund Balances - Beginning	247,411	200,014	399,766	247,194	98,805
Fund Balances - Ending	\$ 244,071	\$ 16	\$ 69,214	\$ 244,369	\$ 98,815

Police Station	Fire Station	Emergency Operations Center	Total Non-Major Capital Project Funds
\$ -	\$ -	\$ 1	\$ 30,084
2,544	212	-	3,045
2,544	212	1	33,129
13,960	-	45,163	96,200
13,960	-	45,163	96,200
(11,416)	212	(45,162)	(63,071)
-	-	-	(530,000)
-	-	-	(530,000)
(11,416)	212	(45,162)	(593,071)
59,291	110,789	125,001	1,488,271
\$ 47,875	\$ 111,001	\$ 79,839	\$ 895,200

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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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services			
Utility Charges	\$ 3,453,731	\$ 3,483,535	\$ 29,804
Miscellaneous Revenues			
Interest Income	2,000	2,173	173
Other Revenues	14,500	7,619	(6,882)
TOTAL REVENUES	3,470,231	3,493,327	23,096
EXPENSES			
Personnel	667,938	677,959	(10,021)
Supplies	129,028	139,373	(10,345)
Contractual Services and Other Costs	314,162	297,217	16,945
Purchases for Resale	1,170,976	1,160,627	10,349
Debt Charges	90,699	91,239	(540)
Capital Outlay	253,356	228,391	24,965
TOTAL EXPENSES	2,626,159	2,594,805	31,354
Excess/(Deficiency) of Revenues Over Expenses	844,072	898,522	54,450
OTHER FINANCING SOURCES/(USES)			
Insurance Proceeds		200	200
Transfers In	152,296	152,296	-
Transfers Out	(1,319,037)	(1,319,037)	-
TOTAL OTHER FINANCING SOURCES/(USES)	(1,166,741)	(1,166,541)	200
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	<u>\$ (322,669)</u>	<u>(268,019)</u>	<u>\$ 54,650</u>
RECONCILIATION TO NET INCOME (LOSS)			
Add: Capital Outlay		118,982	
Bond Principal		65,000	
Current Year Encumbrances		109,700	
Less: Prior Year Encumbrances		(409)	
Depreciation		(63,089)	
Net Income/(Loss)		<u>\$ (37,834)</u>	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Intergovernmental			
Charges for Services			
Metered Water Sales	\$ 8,808,500	\$ 9,006,920	198,420
Interest Income	30,500	35,804	5,304
Miscellaneous Revenue	4,164	76,698	72,534
TOTAL REVENUES	8,843,164	9,119,422	276,258
EXPENSES			
Water Production			
Personnel	415,503	404,398	11,105
Supplies	174,624	148,325	26,299
Contractual Services and Other Costs	1,434,147	1,425,430	8,717
Debt Charges	2,164,476	2,116,721	47,755
Capital Outlay	200,634	200,932	(298)
Water Distribution			
Personnel	1,350,155	1,329,795	20,360
Supplies	284,182	268,885	15,297
Contractual Services and Other Costs	622,352	526,638	95,714
Debt Charges	1,166,335	1,252,308	(85,973)
Capital Outlay	1,467,249	1,489,545	(22,296)
Repairs and Replacement			
Supplies	370,938	322,589	48,349
Contractual Services and Other Costs	-	265	(265)
TOTAL EXPENSES	9,650,595	9,485,830	164,765
Excess/(Deficiency) of Revenues Over Expenses	(807,431)	(366,408)	441,023
OTHER FINANCING SOURCES/(USES)			
Gain on Sale of Fixed Assets	5,785	15,146	(9,361)
Proceeds from Certificate of Obligation	-	75,000	(75,000)
Proceeds from Settlement-Lit	-	85,000	(85,000)
Transfers In	105,043	105,043	-
Transfers Out	(713,146)	(713,146)	-
TOTAL OTHER FINANCING SOURCES/(USES)	(602,318)	(432,957)	(169,361)
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	<u>\$ (1,409,749)</u>	<u>(799,364)</u>	<u>\$ 610,385</u>
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Capital Outlay		1,802,905	
Principal on Long Term Debt		2,387,324	
Current Year Encumbrances		236,809	
Less: Depreciation		(1,745,938)	
Prior Year Encumbrances		(52,887)	
Proceeds from Certificate of Obligation		(75,000)	
Net Income/(Loss)		<u>\$ 1,753,849</u>	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services			
Bridge Tolls	\$ 4,960,291	\$ 4,957,266	\$ (3,025)
Special Grants			
TXDOT Grant	80,000	80,596	596
Miscellaneous Revenues			
Interest Income	1,200	4,230	3,030
Other	20,000	20,726	726
TOTAL REVENUES	5,061,491	5,062,819	1,328
EXPENSES			
International Bridge			
Personnel	404,780	422,699	(17,919)
Supplies	7,729	7,695	34
Contractual Services and Other Costs	137,884	133,708	4,176
Debt Charges	494,325	490,804	3,521
Capital Outlay	90,000	88,567	1,433
TOTAL EXPENSES	1,134,718	1,143,474	(8,756)
Excess/(Deficiency) of Revenues Over Expenses	3,926,773	3,919,345	(7,428)
OTHER FINANCING SOURCES/(USES)			
Operating Transfers Out	(3,358,644)	(3,358,644)	-
TOTAL OTHER FINANCING SOURCES/(USES)	(3,358,644)	(3,358,644)	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	\$ <u>568,129</u>	560,701	\$ <u>(7,428)</u>
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Capital Outlay		88,567	
Principal on Long Term Debt		465,000	
Current Year Encumbrances		1,083	
Less: Depreciation		(127,511)	
Net Income/(Loss)		\$ <u>987,840</u>	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services			
Aviation Fuel Fees	\$ 56,100	\$ 56,093	\$ (7)
Passenger Facility Charge	41,000	39,668	(1,332)
Special Grants	1,504,650	1,199,621	(305,029)
Rental Revenues	145,555	152,200	6,645
Interest Income	500	372	(128)
TOTAL REVENUES	1,747,805	1,447,954	(299,851)
EXPENSES			
International Airport			
Personnel	195,535	196,752	(1,217)
Supplies	12,333	11,734	599
Contractual Services and Other Costs	123,251	126,481	(3,230)
Debt Service	131,675	135,566	(3,891)
Capital Outlay	303,095	65,208	237,887
Airport Marketing			
Contractual Services and Other Costs	10,000	8,774	1,226
RAMP Program			
Supplies	6,504	5,422	1,082
Contractual Services and Other Costs	9,133	8,466	667
FAA Grant			
Contractual Services and Other Costs	-	258,727	(258,727)
Capital Outlay	1,300,000	1,445,039	(145,039)
TOTAL EXPENSES	2,091,526	2,262,169	(170,643)
Excess/(Deficiency) of Revenues Over Expenses	(343,721)	(814,215)	(470,494)
OTHER FINANCING SOURCES/(USES)			
Gain on Sale of Fixed Assets	1,390	1,197	(193)
Transfers In	228,584	228,584	-
Transfers Out	(1,475)	(1,475)	-
TOTAL OTHER FINANCING SOURCES/(USES)	228,499	228,306	(193)
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	\$ (115,222)	(585,910)	\$ (470,688)
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Capital Outlay		1,510,247	
Current Year Encumbrances		497	
Principal on Long Term Debt		50,000	
Less: Depreciation		(405,123)	
Prior Year Encumbrances		(447)	
Net Income/(Loss)		\$ 569,264	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services			
Refuse Collections	\$ 4,214,619	\$ 4,227,735	\$ 13,116
Miscellaneous Revenues			
Special Grants	-	220	220
Other Income	39,000	37,117	(1,883)
Interest Income	2,500	2,714	214
TOTAL REVENUES	4,256,119	4,267,785	11,666
EXPENSES			
Refuse			
Personnel	136,264	133,458	2,806
Supplies	15,250	13,056	2,194
Contractual Services and Other Costs	3,298,615	2,680,350	618,265
Debt Service	247,310	250,395	(3,085)
Capital Outlay	117,105	903,810	(786,705)
Reserves			
Capital Outlay	145,300	-	145,300
Recycling Program			
Personnel	96,512	94,771	1,741
Supplies	9,319	8,811	508
Contractual Services and Other Costs	15,714	15,598	116
Capital Outlay	377	329	48
TOTAL EXPENSES	4,081,766	4,100,578	(18,812)
Excess/(Deficiency) of Revenues Over Expenses	174,353	167,208	(7,145)
OTHER FINANCING SOURCES/(USES)			
Proceeds from General Fixed Assets	6,956	6,803	153
Transfers Out	(490,000)	(490,000)	-
TOTAL OTHER FINANCING SOURCES/(USES)	(483,044)	(483,197)	(966,241)
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	\$ (308,691)	(315,989)	\$ (7,298)
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Principal on Long Term Debt		190,834	
Capital Outlay		904,139	
Less: Depreciation		(85,602)	
Prior Year Encumbrances		(1,120)	
Net Income/(Loss)		\$ 692,262	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services			
Metered Water Sales	\$ 3,598,634	\$ 3,587,914	\$ (10,720)
Other	5,000	49,481	44,481
Interest Income	4,000	2,765	(1,235)
TOTAL REVENUES	3,607,634	3,640,161	32,527
EXPENSES			
Wastewater Collections			
Personnel	427,592	408,802	18,790
Supplies	77,198	69,554	7,644
Contractual Services and Other Costs	331,108	326,053	5,055
Debt Charges	477,911	457,826	20,085
Capital Outlay	211,113	208,311	2,802
Water Treatment			
Contractual Services and Other Costs	944,104	915,216	28,888
Debt Charges	1,108,061	1,184,611	(76,550)
Wastewater Repairs & Replacement			
Supplies	53,374	39,425	13,949
TOTAL EXPENSES	3,630,461	3,609,799	20,662
Excess/(Deficiency) of Revenues Over Expenses	(22,827)	30,362	53,189
OTHER FINANCING SOURCES/(USES)			
Transfers In	33,764	33,764	-
Transfers Out	(553,751)	(553,751)	-
TOTAL OTHER FINANCING SOURCES/(USES)	(519,987)	(519,987)	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	<u>\$ (542,814)</u>	(489,625)	<u>\$ 53,189</u>
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Capital Outlays		231,234	
Principal on Long Term Debt		1,180,029	
Current Year Encumbrances		25,305	
Less: Prior Year Encumbrances		(9,987)	
Depreciation		(547,654)	
Proceeds from Long Term Debt			
Net Income/(Loss)		<u>\$ 389,302</u>	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Facility Rentals	\$ 242,833	\$ 243,316	\$ 483
Special Grants	-	5,012	5,012
Miscellaneous Revenues			
Interest Income	600	242	(358)
Miscellaneous	30,450	29,436	(1,014)
TOTAL REVENUES	273,883	278,006	4,123
EXPENSES			
Civic Center			
Personnel	201,493	209,538	(8,045)
Supplies	19,472	19,384	88
Contractual Services and Other Costs	346,719	352,781	(6,062)
Debt Service	60,203	63,217	(3,014)
Chihuahua Center			
Personnel	14,889	14,781	108
Contractual Services and Other Costs	42,961	40,940	2,021
Joe Ramos Center			
Contractual Services and Other Costs	60,002	59,021	981
Paul Poag Facility			
Personnel	105,972	103,231	2,741
Supplies	3,950	3,480	470
Contractual Services and Other Costs	39,644	39,426	218
DRCA - Fire Station			
Contractual Services and Other Costs	12,092	10,871	1,221
SER - Fire Station			
Contractual Services and Other Costs	8,468	8,534	(66)
Casa De La Cultura			
Contractual Services and Other Costs	7,927	8,164	(237)

(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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
EXPENSES (Continued)			
Brown Plaza			
Contractual Services and Other Costs	\$ 462	\$ 369	\$ 93
Whitehead Museum			
Contractual Services and Other Costs	24,424	25,265	(841)
Capital Outlay	-	446	(446)
VV Shelter - Fire Station			
Contractual Services and Other Costs	8,986	9,265	(279)
AARP Building			
Contractual Services and Other Costs	199	-	199
Legal Aid/Guzman Building			
Contractual Services and Other Costs	6	6	-
TOTAL EXPENSES	<u>957,869</u>	<u>968,718</u>	<u>(10,849)</u>
Excess/(Deficiency) of Revenues Over Expenses	<u>(683,986)</u>	<u>(690,712)</u>	<u>(6,726)</u>
OTHER FINANCING SOURCES/(USES)			
Transfers In	-	651,573	651,573
TOTAL OTHER FINANCING SOURCES/(USES)	<u>-</u>	<u>651,573</u>	<u>651,573</u>
Excess/(Deficiency) of Revenues and Other Sources Over Expenses and Other Uses	<u>\$ (683,986)</u>	<u>(39,139)</u>	<u>\$ 644,847</u>
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Principal on Long Term Debt		45,486	
Current Year Encumbrances		7,677	
Less: Depreciation		(97,123)	
Prior Year Encumbrances		(297)	
Net Income/(Loss)		<u>\$ (83,396)</u>	

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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, 2011

	Utility Billing	Computer Services	Fleet Services	Health Claims Fund	Total Internal Service Funds
ASSETS					
Current Assets					
Cash and Cash Equivalents	\$ 192,147	\$ 9,537	\$ -	\$ 741,019	\$ 942,703
Restricted Cash & Cash Equivalents	-	24,267	-	-	24,267
Accounts Receivable, Net	-	-	2,054	189	2,243
Due from Other Funds	-	-	10,407	1,516	11,923
Total Current Assets	192,147	33,804	12,461	742,724	981,136
Noncurrent Assets					
Deferred Charges	-	2,135	-	-	2,135
Capital Assets					
Buildings and Improvement	10,478	-	50,721	-	61,199
Equipment	290,831	887,990	38,145	-	1,216,966
Less: Accumulated Depreciation	(251,941)	(771,952)	(86,272)	-	(1,110,165)
Total Noncurrent Assets	49,368	118,173	2,594	-	170,135
Total Assets	\$ 241,515	\$ 151,977	\$ 15,055	\$ 742,724	\$ 1,151,271
LIABILITIES AND FUND BALANCE					
Current Liabilities					
Accounts Payable	\$ 4,682	\$ 2,024	\$ 20,441	\$ -	\$ 27,147
Accrued Payroll	7,516	2,368	4,107	-	13,991
Claims Payable	-	-	-	142,567	142,567
Due to Other Funds	47	10	70,826	-	70,883
Compensated Absences	22,348	8,574	13,638	-	44,560
Accrued Interest Payable	-	933	-	-	933
Bonds Payable	-	70,000	-	-	70,000
Total Current Liabilities	34,593	83,909	109,012	142,567	370,081
Noncurrent Liabilities					
Compensated Absences	52,724	21,771	29,505	-	104,000
Total Noncurrent Liabilities	52,724	21,771	29,505	-	104,000
Total Liabilities	87,317	105,680	138,517	142,567	474,081
NET ASSETS					
Invested in Capital Assets					
Net of Related Debt	49,368	80,310	2,594	-	132,272
Restricted for Debt Service	-	24,267	-	-	24,267
Restricted for Health Claims	-	-	-	698,382	698,382
Unrestricted	104,830	(58,280)	(126,056)	(98,225)	(177,731)
Total Net Assets	\$ 154,198	\$ 46,297	\$ (123,462)	\$ 600,157	\$ 677,190

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, 2011

	Utility Billing	Computer Services	Fleet Services	Health Claims Fund	Total Internal Service Funds
OPERATING REVENUES					
Charges for Services	\$ 694,285	\$ 409,228	\$ 549,533	\$ 2,855,605	\$ 4,508,651
Total Operating Revenues	694,285	409,228	549,533	2,855,605	4,508,651
OPERATING EXPENSES					
Personnel	499,402	150,801	296,163	-	946,366
Contractual Service	122,353	170,828	140,729	2,185,927	2,619,837
Supplies	21,228	4,263	393,361	-	418,852
Depreciation	23,492	67,939	2,272	-	93,703
Total Operating Expenses	666,475	393,831	832,525	2,185,927	4,078,758
Operating Income/(Loss)	27,810	15,397	(282,992)	669,678	429,893
NON-OPERATING REVENUES/(EXPENSES)					
Gain in Sale of Property	-	-	1,896	-	1,896
Investment Earnings	2	383	9	240	634
Interest and Amortization Expense	-	(6,791)	-	-	(6,791)
Total Non-Operating Revenues/(Expenses)	2	(6,408)	1,905	240	(4,261)
Income/(Loss) Before Transfers	27,812	8,989	(281,087)	669,918	425,632
Transfers In	-	-	49,972	-	49,972
Transfers Out	-	-	(384,618)	-	(384,618)
Total Transfers	-	-	(334,646)	-	(334,646)
Net Income/(Loss)	27,812	8,989	(615,733)	669,918	90,986
Total Net Assets - October 1 (Beginning)	126,386	37,308	492,271	(69,761)	586,204
Total Net Assets - September 30 (Ending)	\$ 154,198	\$ 46,297	\$ (123,462)	\$ 600,157	\$ 677,190

CITY OF DEL RIO
Del Rio, Texas

Combining Statement of Cash Flows
Internal Service Funds

For The Year Ended September 30, 2011

	Utility Billing	Computer Services	Fleet Services	Health Claims Fund	Totals
Cash Flows from Operating Activities:					
Receipts from Users	\$ 777,009	\$ 409,228	\$ 582,884	\$ 2,842,147	\$ 4,611,268
Payments to Suppliers for Goods and Services	(151,373)	(180,216)	(539,904)	(2,101,367)	(2,972,860)
Payments to Employees for Services	(504,244)	(154,022)	(300,464)	-	(958,730)
Net Cash Provided/(Used) by Operating Activities	<u>121,392</u>	<u>74,990</u>	<u>(257,484)</u>	<u>740,780</u>	<u>679,678</u>
Cash Flows from Non-Capital Financing Activities:					
Receipts from Interfund Borrowings	-	(230,042)	288,108	-	58,066
Transfers In	-	-	49,972	-	49,972
Transfers Out	-	-	(384,618)	-	(384,618)
Net Cash Provided/(Used) by Non-Capital Financing Activities	<u>-</u>	<u>(230,042)</u>	<u>(46,538)</u>	<u>-</u>	<u>(276,580)</u>
Cash Flows from Capital and Related Financing Activities:					
Acquisition of Capital Assets	(4,697)	-	-	-	(4,697)
Principal Payments on Debt	-	(65,000)	-	-	(65,000)
Interest and Fiscal Charges Paid on Debt	-	(5,675)	-	-	(5,675)
Net Cash Provided/(Used) by Capital and Related Financing Activities	<u>(4,697)</u>	<u>(70,675)</u>	<u>-</u>	<u>-</u>	<u>(75,372)</u>
Cash Flows from Investing Activities:					
Receipts from Earnings on Investments/Interest Received	3	383	9	239	634
Net Cash Provided/(Used) by Investing Activities	<u>3</u>	<u>383</u>	<u>9</u>	<u>239</u>	<u>634</u>
Net Increase/(Decrease) in Cash and Cash Equivalents	116,698	(225,344)	(304,013)	741,019	328,361
Cash and Cash Equivalents at Beginning of Year	75,449	259,148	304,013	-	638,610
Cash and Cash Equivalents at End of Year	<u>\$ 192,147</u>	<u>\$ 33,804</u>	<u>\$ -</u>	<u>\$ 741,019</u>	<u>\$ 966,970</u>
Reconciliation of Operating Income to Net Cash Provided/(Used)					
By Operating Activities:					
Operating Income/(Loss)	\$ 27,809	\$ 15,397	\$ (282,992)	\$ 669,678	\$ 429,892
Adjustments to Reconcile Operating Income to Net Cash Provided/(Used) by Operating Activities:					
Depreciation	23,492	67,939	2,272	-	93,704
Changes in Assets and Liabilities:					
Increase/(Decrease) in Liabilities:					
Miscellaneous	-	-	-	133,331	133,331
Decrease/(Increase) in Due from Other Funds	82,724	-	33,351	(1,516)	114,559
Increase/(Decrease) in Vouchers and Accounts Pay	(7,839)	(5,136)	(18,720)	(125)	(31,820)
Increase/(Decrease) in Other Liabilities	-	-	-	(48,646)	(48,646)
Increase/(Decrease) in Accrued Liabilities	(4,842)	(3,220)	(4,301)	-	(12,363)
Increase/(Decrease) in Due to Other Funds	47	10	12,906	(11,943)	1,021
Net Cash Provided/(Used) by Operations	<u>\$ 121,392</u>	<u>\$ 74,990</u>	<u>\$ (257,484)</u>	<u>\$ 740,780</u>	<u>\$ 679,678</u>
Cash and Cash Equivalents	\$ 192,147	\$ 9,537	\$ -	\$ 741,019	\$ 942,703
Restricted Cash and Cash Equivalents	-	24,267	-	-	24,267
Total Cash and Cash Equivalents	<u>\$ 192,147</u>	<u>\$ 33,804</u>	<u>\$ -</u>	<u>\$ 741,019</u>	<u>\$ 966,970</u>

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services	\$ 697,783	\$ 694,285	\$ (3,498)
Interest Revenue	-	3	3
TOTAL REVENUES	697,783	694,288	(3,495)
EXPENSES			
Billing			
Personnel Services	517,003	499,403	17,600
Supplies	21,765	21,258	507
Contractual and Other Costs	122,856	122,353	503
Capital Outlay	4,270	427	3,843
TOTAL EXPENSES	665,894	643,441	22,453
Excess/(Deficiency) of Revenues Over Expenses (Budgetary Basis)	\$ 31,889	50,847	\$ 18,958
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Capital Outlay		4,697	
Current Year Encumbrances		215	
Less: Depreciation		(23,493)	
Prior Year Encumbrances		(4,454)	
Net Income/(Loss)		\$ 27,812	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services	\$ 410,129	\$ 409,228	\$ (901)
Interest Revenue	500	383	(117)
TOTAL REVENUES	410,629	409,611	(1,018)
EXPENSES			
Personnel Services	157,291	150,801	6,490
Supplies	5,625	4,863	762
Contractual and Other Costs	178,748	177,173	1,575
Debt Charges	70,400	71,791	(1,391)
TOTAL EXPENSES	412,064	404,628	7,436
Excess/(Deficiency) of Revenues Over Expenses (Budgetary Basis)	<u>\$ (1,435)</u>	4,983	<u>\$ 6,418</u>
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Principal on Long Term Debt		65,000	
Current Year Encumbrances		7,246	
Less: Depreciation		(67,939)	
Prior Year Encumbrances		(300)	
Net Income/(Loss)		<u>\$ 8,989</u>	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services	\$ 702,179	\$ 549,533	\$ (152,646)
Interest Income	50.00	9	(41)
TOTAL REVENUES	702,229	549,542	(152,687)
EXPENSES			
Maintenance Shop			
Personnel Services	300,077	296,163	3,914
Supplies	387,373	395,361	(7,988)
Contractual Services and Other Costs	147,189	140,729	6,460
TOTAL EXPENSES	834,639	832,253	2,386
Excess/(Deficiency) of Revenues Over Expenses	(132,410)	(282,711)	(150,301)
OTHER FINANCING SOURCES/(USES)			
Gain on Sale of Fixed Assets	-	1,896	1,896
Transfers In	49,972	49,972	-
Transfers Out	(384,618)	(384,618)	-
Excess/(Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses (Budgetary Basis)	\$ (467,056)	(615,461)	\$ (148,405)
RECONCILIATION TO NET INCOME/(LOSS)			
Add: Current Year Encumbrances		2,000	
Less: Depreciation		(2,272)	
Net Income/(Loss)		\$ (615,733)	

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, 2011

	Budget	Actual	Variance Favorable/ (Unfavorable)
REVENUES			
Charges for Services	\$ 2,899,855	\$ 2,855,605	\$ (44,250)
Interest Revenue	1,000	240	(760)
TOTAL REVENUES	<u>2,900,855</u>	<u>2,855,845</u>	<u>(45,010)</u>
EXPENSES			
Claims and Insurance Expense	<u>2,900,855</u>	<u>2,185,927</u>	<u>714,928</u>
TOTAL EXPENSES	<u>2,900,855</u>	<u>2,185,927</u>	<u>714,928</u>
Excess/(Deficiency) of Revenues Over Expenses	<u>\$ -</u>	<u>669,918</u>	<u>\$ 669,918</u>
Net Income/(Loss)		<u>\$ 669,918</u>	

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, 2011

	Val Verde Migratory	Brown Plaza Association	Familias Unidas	Total Agency Funds
ASSETS				
Cash & Cash Equivalents	\$ 1,102	\$ 4,047	\$ 2,878	\$ 8,027
Receivables, Net	-	1,853	-	1,853
Due from Other Funds	-	430	-	430
Total Assets	\$ 1,102	\$ 6,330	\$ 2,878	\$ 10,310
LIABILITIES				
Accounts Payable	\$ -	\$ 1,015	\$ -	\$ 1,015
Due to Other Governments	1,102	-	-	1,102
Other Liabilities	-	5,315	2,878	8,193
Total Liabilities	\$ 1,102	\$ 6,330	\$ 2,878	\$ 10,310

CITY OF DEL RIO
Del Rio, Texas

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

For Fiscal Year Ended September 30, 2011

	Balance September 30, 2010	Additions	Deductions	Balance September 30, 2011
<u>VAL VERDE MIGRATORY</u>				
ASSETS				
Cash and Cash Equivalents	\$ 1,102	\$ -	\$ -	\$ 1,102
LIABILITIES				
Due to Other governments	\$ 1,102	\$ -	\$ -	\$ 1,102
<u>BROWN PLAZA ASSOCIATIONS</u>				
ASSETS				
Cash and Cash Equivalents	\$ -	\$ 4,047	\$ -	\$ 4,047
Receivables, net	2,141	-	288	1,853
Due from Other Funds	600	-	170	430
Total Assets	\$ 2,741	\$ 4,047	\$ 458	\$ 6,330
LIABILITIES				
Accounts Payable	\$ 501	\$ 514	\$ -	\$ 1,015
Due to Other Funds	2,240	-	2,240	-
Other Liabilities	-	5,315	-	5,315
Total Assets	\$ 2,741	\$ 5,829	\$ 2,240	\$ 6,330
<u>FAMILIAS UNIDAS FUND</u>				
ASSETS				
Cash and Cash Equivalents	\$ 2,878	\$ -	\$ -	\$ 2,878
LIABILITIES				
Other Liabilities	\$ 2,878	\$ -	\$ -	\$ 2,878
<u>TOTALS ALL AGENCY FUNDS</u>				
ASSETS				
Cash and Cash Equivalents	\$ 3,980	\$ 4,047	\$ -	\$ 8,027
Receivables, net	2,141	-	288	1,853
Due from Other Funds	600	-	170	430
Total Assets	\$ 6,721	\$ 4,047	\$ 458	\$ 10,310
LIABILITIES				
Accounts Payable	\$ 501	\$ 514	\$ -	\$ 1,015
Due to Other Governments	1,102	-	-	1,102
Due to Other Funds	2,240	-	2,240	-
Other Liabilities	2,878	5,315	-	8,193
Total Liabilities	\$ 6,721	\$ 5,829	\$ 2,240	\$ 10,310

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STATISTICAL SECTION

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 These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	121-130
Revenue Capacity 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.	131-141
Debt Capacity 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.	142-152
Demographic and Economic Information These schedules contain demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	153-155
Operating Information These schedules contain service and infrastructure data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	156-158

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Financial Trend Information

CITY OF DEL RIO, TEXAS
Del Rio, Texas

NET ASSETS BY COMPONENT

LAST NINE 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	<u>\$ 16,591,003</u>	<u>\$ 15,898,368</u>	<u>\$ 15,881,369</u>	<u>\$ 19,492,890</u>
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	<u>\$ 55,072,652</u>	<u>\$ 54,423,711</u>	<u>\$ 59,782,197</u>	<u>\$ 64,813,564</u>
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	<u>\$ 71,663,655</u>	<u>\$ 70,322,079</u>	<u>\$ 75,663,566</u>	<u>\$ 84,306,454</u>

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

September 30,

2007	2008	2009	2010	2011
\$ 23,019,074	\$ 26,004,429	\$ 25,316,082	\$ 28,371,740	\$ 28,439,174
1,461,375	1,528,280	1,621,266	1,842,042	2,779,842
8,029,517	5,076,153	6,442,616	3,447,490	2,781,774
<u>\$ 32,509,966</u>	<u>\$ 32,608,862</u>	<u>\$ 33,379,964</u>	<u>\$ 33,661,272</u>	<u>\$ 34,000,790</u>
\$ 70,638,087	\$ 72,313,297	\$ 71,715,885	\$ 71,853,703	\$ 77,061,062
3,907,175	5,181,784	5,357,982	5,483,570	5,472,357
7,038,786	6,376,746	7,866,148	6,871,368	5,983,993
<u>\$ 81,584,048</u>	<u>\$ 83,871,827</u>	<u>\$ 84,940,015</u>	<u>\$ 84,208,641</u>	<u>\$ 88,517,412</u>
\$ 93,657,161	\$ 98,317,726	\$ 97,031,967	\$ 100,225,443	\$ 105,500,236
5,368,550	6,710,064	6,979,248	7,325,612	8,252,199
15,068,303	11,452,899	14,308,764	10,318,858	8,765,767
<u>\$ 114,094,014</u>	<u>\$ 116,480,689</u>	<u>\$ 118,319,979</u>	<u>\$ 117,869,913</u>	<u>\$ 122,518,202</u>

CITY OF DEL RIO, TEXAS
Del Rio, Texas

CHANGES IN NET ASSETS

LAST NINE FISCAL YEARS

	Fiscal Year Ended			
	2003 (Note 1)	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	<u>16,743,176</u>	<u>16,774,274</u>	<u>17,755,628</u>	<u>19,109,217</u>
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	<u>14,448,020</u>	<u>16,344,874</u>	<u>16,980,818</u>	<u>18,002,688</u>
Total primary government expenses	<u>\$ 31,191,196</u>	<u>\$ 33,119,148</u>	<u>\$ 34,736,446</u>	<u>\$ 37,111,905</u>
PROGRAM REVENUES				
Governmental activities:				
Charges for services:	2,407,278	2,401,322	2,278,866	1,936,095
General government	-	-	-	-
Public Safety	-	-	-	-
Highways and streets	-	-	-	-
Health and welfare	-	-	-	-
Culture and recreation	-	-	-	-
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	<u>3,569,624</u>	<u>3,933,295</u>	<u>4,274,415</u>	<u>4,613,236</u>
Business-type activities:				
Charges for services:	19,340,725	19,387,372	20,383,105	22,565,786
Gas System Fund	-	-	-	-
Water Fund	-	-	-	-
Wastewater Fund	-	-	-	-
International Bridge	-	-	-	-
International Airport	-	-	-	-
Refuse Fund	-	-	-	-
Municipal Facility	-	-	-	-
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	<u>20,612,256</u>	<u>19,829,685</u>	<u>24,914,445</u>	<u>26,239,236</u>
Total primary government program revenues	<u>\$ 24,181,880</u>	<u>\$ 23,762,980</u>	<u>\$ 29,188,860</u>	<u>\$ 30,852,472</u>

September 30,					
	2007	2008	2009	2010	2011 (Note 2)
\$	4,641,023	\$ 4,874,568	\$ 4,811,856	\$ 4,742,105	\$ 4,435,104
	9,608,589	11,358,661	11,295,932	12,232,086	12,141,854
	2,691,478	2,831,743	2,675,125	2,727,749	3,236,693
	1,979,321	2,153,804	2,203,587	2,416,906	2,476,528
	1,393,745	1,469,681	1,466,511	1,488,027	1,401,870
	-	56,997	186,179	108,174	111,812
	1,049,381	1,118,191	1,156,596	1,055,398	1,062,060
	<u>21,363,537</u>	<u>23,863,645</u>	<u>23,795,786</u>	<u>24,770,445</u>	<u>24,865,921</u>
	2,656,139	3,158,365	2,355,155	2,556,579	2,358,189
	6,845,309	6,659,671	7,424,217	7,437,481	6,841,023
	2,906,194	2,648,891	2,824,730	2,807,609	2,724,265
	792,628	807,081	789,252	763,664	716,335
	763,646	938,345	851,833	904,065	1,106,995
	2,033,810	1,930,453	3,032,432	4,002,820	3,084,478
	784,911	789,228	806,028	771,664	1,012,976
	<u>16,782,637</u>	<u>16,932,034</u>	<u>18,083,647</u>	<u>19,243,882</u>	<u>17,844,261</u>
\$	<u>38,146,174</u>	<u>40,795,679</u>	<u>41,879,433</u>	<u>44,014,327</u>	<u>42,710,182</u>
	2,153,438	2,181,324	2,006,693	1,888,507	-
	-	-	-	-	491,396
	-	-	-	-	1,267,195
	-	-	-	-	4,630
	-	-	-	-	415,893
	-	-	-	-	54,696
	1,493,750	1,942,606	1,880,961	2,590,444	2,456,797
	171,039	128,665	42,865	691,173	433,139
	<u>3,818,227</u>	<u>4,252,595</u>	<u>3,930,519</u>	<u>5,170,124</u>	<u>5,123,746</u>
	21,646,406	22,909,095	24,634,432	22,804,046	-
	-	-	-	-	3,491,353
	-	-	-	-	9,007,084
	-	-	-	-	3,587,914
	-	-	-	-	4,977,992
	-	-	-	-	247,961
	-	-	-	-	4,264,852
	-	-	-	-	272,752
	481,121	910,985	14,402	20,030	-
	59,400	292,441	881,323	1,613,848	1,411,464
	<u>22,186,927</u>	<u>24,112,521</u>	<u>25,530,157</u>	<u>24,437,924</u>	<u>27,261,372</u>
\$	<u>26,005,154</u>	<u>28,365,116</u>	<u>29,460,676</u>	<u>29,608,048</u>	<u>32,385,118</u>

CITY OF DEL RIO, TEXAS
Del Rio, Texas

CHANGES IN NET ASSETS

LAST NINE FISCAL YEARS

	Fiscal Year Ended			
	2003 (Note 1)	2004	2005	2006
NET (EXPENSE) REVENUES				
Governmental activities	\$ (13,173,552)	\$ (12,840,979)	\$ (13,481,213)	\$ (14,495,981)
Business-type activities	<u>6,164,236</u>	<u>3,484,811</u>	<u>7,933,627</u>	<u>8,236,548</u>
Total primary government net expense	<u>(7,009,316)</u>	<u>(9,356,168)</u>	<u>(5,547,586)</u>	<u>(6,259,433)</u>
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	<u>3,981,392</u>	<u>4,475,174</u>	<u>3,443,668</u>	<u>4,196,113</u>
Total governmental activities	<u>13,902,546</u>	<u>14,673,704</u>	<u>14,563,559</u>	<u>16,788,214</u>
Business-type activities:				
Grants & Contributions 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	-	-	-	-
Special Items	-	-	-	-
Transfers	<u>(3,981,392)</u>	<u>(4,475,174)</u>	<u>(3,443,668)</u>	<u>(4,196,113)</u>
Total business-type activities	<u>(3,729,054)</u>	<u>(4,006,020)</u>	<u>(2,975,141)</u>	<u>(3,205,181)</u>
Total primary government	<u>10,173,492</u>	<u>10,667,684</u>	<u>11,588,418</u>	<u>13,583,033</u>
CHANGE IN NET ASSETS				
Governmental activities	728,994	1,832,725	1,082,346	2,292,233
Business-type activities	<u>2,435,182</u>	<u>(521,209)</u>	<u>4,958,486</u>	<u>5,031,367</u>
Total primary government	<u>\$ 3,164,176</u>	<u>\$ 1,311,516</u>	<u>\$ 6,040,832</u>	<u>\$ 7,323,600</u>

Note 1: The City began to report accrual information when it implemented GASB Statement 34 in fiscal year 2003.

Note 2: The City began to show Charges for Service categorized by the most significant charges starting in fiscal year 2011.

September 30,

2007	2008	2009	2010	2011 (Note 2)
\$ (17,545,310)	\$ (19,611,050)	\$ (19,865,267)	\$ (19,600,321)	\$ (19,742,175)
5,404,290	7,180,487	7,446,510	5,194,042	9,417,111
<u>(12,141,020)</u>	<u>(12,430,563)</u>	<u>(12,418,757)</u>	<u>(14,406,279)</u>	<u>(10,325,064)</u>
4,958,440	5,550,083	6,175,495	6,244,729	6,912,233
4,967,765	4,990,064	4,883,143	4,898,828	5,238,347
1,712,242	1,794,502	1,799,776	1,848,848	1,974,405
686,807	707,038	646,564	626,328	624,430
22,988	34,137	33,360	117,734	63,978
1,172,883	821,417	269,521	72,839	19,618
-	43,604	140,419	33,983	(16,111)
5,034,899	5,769,101	6,688,091	6,038,340	5,264,793
<u>18,556,024</u>	<u>19,709,946</u>	<u>20,636,369</u>	<u>19,881,629</u>	<u>20,081,693</u>
-	-	-	-	-
1,295,463	876,393	309,769	89,667	55,110
-	-	-	23,257	16,343
-	-	-	-	85,000
<u>(5,034,899)</u>	<u>(5,769,101)</u>	<u>(6,688,091)</u>	<u>(6,038,340)</u>	<u>(5,264,793)</u>
<u>(3,739,436)</u>	<u>(4,892,708)</u>	<u>(6,378,322)</u>	<u>(5,925,416)</u>	<u>(5,108,340)</u>
14,816,588	14,817,238	14,258,047	13,956,213	14,973,353
1,010,714	98,896	771,102	281,308	339,518
<u>1,664,854</u>	<u>2,287,779</u>	<u>1,068,188</u>	<u>(731,374)</u>	<u>4,308,771</u>
<u>\$ 2,675,568</u>	<u>\$ 2,386,675</u>	<u>\$ 1,839,290</u>	<u>\$ (450,066)</u>	<u>\$ 4,648,289</u>

CITY OF DEL RIO, TEXAS
Del Rio, Texas

FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

	Fiscal Year Ended				
	2002	2003	2004	2005	2006
General fund					
Reserved	\$ 825,575	\$ 423,742	\$ 629,074	\$ 823,506	\$ 571,575
Unreserved	6,539,395	6,745,503	7,579,802	7,080,607	7,770,946
Nonspendable	-	-	-	-	-
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total general fund	<u>\$ 7,364,970</u>	<u>\$ 7,169,245</u>	<u>\$ 8,208,876</u>	<u>\$ 7,904,113</u>	<u>\$ 8,342,521</u>
All other governmental funds					
Reserved	\$ 111,472	\$ 285,210	\$ 154,492	\$ 182,647	\$ 79,395
Unreserved, reported in:					
Special revenue funds	654,254	206,406	292,095	343,537	468,235
Capital projects funds	5,873,234	4,778,263	6,887,134	8,379,656	6,277,655
Debt service funds	523,747	650,285	639,916	827,240	948,496
Restricted	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
Total all other governmental funds	<u>\$ 7,162,707</u>	<u>\$ 5,920,164</u>	<u>\$ 7,973,637</u>	<u>\$ 9,733,080</u>	<u>\$ 7,773,781</u>
Total Fund Balance	<u>\$ 14,527,677</u>	<u>\$ 13,089,409</u>	<u>\$ 16,182,513</u>	<u>\$ 17,637,193</u>	<u>\$ 16,116,302</u>

Note: The City of Del Rio implemented GASB 54 for the fiscal year ended September 30, 2011. As a result, fund balance classifications changed.

September 30

2007	2008	2009	2010	2011 (Note)
\$ 1,319,600	\$ 1,025,167	\$ 885,552	\$ 688,107	\$ -
8,548,649	8,385,018	8,018,522	7,387,436	-
-	-	-	-	112,994
-	-	-	-	4,390,745
-	-	-	-	67,813
-	-	-	-	3,323,000
<u>\$ 9,868,249</u>	<u>\$ 9,410,185</u>	<u>\$ 8,904,074</u>	<u>\$ 8,075,543</u>	<u>\$ 7,894,552</u>
\$ 263,639	\$ 165,266	\$ 512,334	\$ 114,576	\$ -
93,097	284,996	9,768	(186,012)	-
12,314,262	12,570,642	7,407,643	6,602,808	-
1,288,784	1,447,889	1,249,435	1,466,740	-
-	-	-	-	4,275,237
-	-	-	-	324,208
-	-	-	-	(597,551)
<u>\$ 13,959,782</u>	<u>\$ 14,468,793</u>	<u>\$ 9,179,180</u>	<u>\$ 7,998,112</u>	<u>\$ 4,001,894</u>
<u>\$ 23,828,031</u>	<u>\$ 23,878,978</u>	<u>\$ 18,083,254</u>	<u>\$ 16,073,655</u>	<u>\$ 11,896,446</u>

CITY OF DEL RIO, TEXAS
Del Rio, Texas

CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS

LAST TEN FISCAL YEARS

	Fiscal Year Ended			
	2002	2003	2004	2005
REVENUES				
Taxes	\$ 9,126,219	\$ 9,473,258	\$ 9,869,525	\$ 10,457,768
Licenses, fees and permits	524,800	402,271	363,476	438,592
Intergovernmental	3,100,178	1,162,345	1,492,433	2,086,291
Charges for services	361,398	585,024	1,159,618	1,297,217
Fines and forfeitures	547,182	592,495	712,666	731,120
Investment earnings	-	193,846	155,764	464,321
Rental revenues	-	41,814	35,219	55,333
Miscellaneous	529,040	61,672	256,037	98,524
Total revenues	<u>14,188,817</u>	<u>12,512,725</u>	<u>14,044,738</u>	<u>15,629,166</u>
EXPENDITURES				
General government	3,437,811	3,335,825	3,579,351	3,794,923
Public safety	7,672,647	7,717,481	7,909,777	8,200,423
Highway and streets	1,983,542	1,138,831	1,372,482	1,439,312
Health and welfare	1,266,333	1,232,157	1,561,777	1,698,972
Culture and recreation	1,096,966	1,129,729	1,066,098	1,147,504
Economic development and assistance	-	42,880	49,838	50,044
Debt service	1,025,715	-	-	-
Principal	-	1,077,414	1,209,916	1,530,066
Interest	-	595,412	562,547	614,332
Administrative charges	-	-	-	-
Capital outlay	2,451,803	3,350,279	1,439,996	4,574,866
Total expenditures	<u>18,934,817</u>	<u>19,620,008</u>	<u>18,751,782</u>	<u>23,050,442</u>
EXCESS OF REVENUES OVER (UNDER) EXPENDITURES	<u>(4,746,000)</u>	<u>(7,107,283)</u>	<u>(4,707,044)</u>	<u>(7,421,276)</u>
OTHER FINANCING SOURCES (USES) SOURCES (USES)				
Bonds issued	5,150,000	5,768,058	3,217,000	5,333,171
Sale of capital assets	56,391	96,044	107,974	99,119
Insurance proceeds	1,154,446	-	-	-
Transfer in	5,165,648	6,069,139	5,925,088	6,437,302
Payments of refunded debt	-	(4,155,000)	-	-
Discount on issuance of debt	-	-	-	-
Premium on issuance of debt	-	-	-	-
Transfer out	(917,099)	(2,087,748)	(1,449,914)	(2,993,634)
Total other financing sources (uses)	<u>10,609,386</u>	<u>5,690,493</u>	<u>7,800,148</u>	<u>8,875,958</u>
NET CHANGE IN FUND BALANCES	<u>\$ 5,863,386</u>	<u>\$ (1,416,790)</u>	<u>\$ 3,093,104</u>	<u>\$ 1,454,682</u>
DEBT SERVICE AS A PERCENTAGE OF NONCAPITAL EXPENDITURES	<u>6.6%</u>	<u>11.5%</u>	<u>11.4%</u>	<u>13.1%</u>

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

September 30

	2006	2007	2008	2009	2010	2011
\$	11,420,528	\$ 12,235,530	\$ 12,901,104	\$ 13,391,336	\$ 13,601,701	\$ 14,643,583
	397,350	512,538	500,120	372,305	426,342	501,714
	2,677,141	1,660,319	2,066,264	1,923,824	3,281,618	2,889,936
	1,335,327	1,182,562	1,165,902	1,329,202	1,135,712	1,339,367
	669,961	708,683	720,678	598,820	625,799	724,047
	814,467	1,115,628	790,991	266,264	71,825	18,986
	48,014	81,161	53,136	69,802	63,165	68,350
	69,863	68,601	72,142	49,067	112,829	62,383
	<u>17,432,651</u>	<u>17,565,022</u>	<u>18,270,337</u>	<u>18,000,620</u>	<u>19,318,991</u>	<u>20,248,366</u>
	4,160,811	4,489,078	4,527,501	4,763,271	4,624,361	4,458,863
	8,453,094	9,118,216	10,285,753	10,533,351	11,336,580	11,716,760
	1,495,074	1,689,994	1,683,606	1,645,043	1,650,217	2,226,133
	1,940,665	1,857,207	1,875,811	1,997,567	2,175,451	2,364,034
	1,245,095	1,303,430	1,363,903	1,382,621	1,357,501	1,397,891
	3,738	-	56,350	187,331	106,405	111,882
	-	-	-	-	-	-
	1,592,347	1,860,695	2,016,487	2,376,014	2,273,601	2,159,324
	754,716	879,729	1,058,150	1,095,161	1,088,367	1,032,047
	-	265,588	60,525	46,024	30,355	2,064
	4,799,256	2,810,808	4,287,092	7,005,216	4,939,784	4,586,604
	<u>24,444,796</u>	<u>24,274,745</u>	<u>27,215,178</u>	<u>31,031,599</u>	<u>29,582,622</u>	<u>30,055,602</u>
	(7,012,145)	(6,709,723)	(8,944,841)	(13,030,979)	(10,263,631)	(9,807,236)
	-	9,750,385	3,485,000	1,044,000	2,275,000	-
	73,494	56,191	135,298	144,634	37,202	30,588
	-	-	11,389	-	-	-
	6,843,542	7,813,430	8,433,925	8,388,486	9,117,363	8,941,411
	-	(422,055)	-	-	-	-
	-	(18,479)	-	-	-	-
	-	20,511	-	7,610	75,845	-
	<u>(2,745,070)</u>	<u>(2,778,531)</u>	<u>(3,069,824)</u>	<u>(2,349,475)</u>	<u>(3,251,378)</u>	<u>(3,341,972)</u>
	<u>4,171,966</u>	<u>14,421,452</u>	<u>8,995,788</u>	<u>7,235,255</u>	<u>8,254,032</u>	<u>5,630,027</u>
\$	<u>(2,840,179)</u>	<u>\$ 7,711,729</u>	<u>\$ 50,947</u>	<u>\$ (5,795,724)</u>	<u>\$ (2,009,599)</u>	<u>\$ (4,177,209)</u>
	<u>13.6%</u>	<u>16.3%</u>	<u>15.8%</u>	<u>17.1%</u>	<u>16.0%</u>	<u>14.3%</u>

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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	
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
2011	2010	892,426,147	11,834,100	236,179,154	150,775,250

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.

<u>Less: Tax-exempt Property</u>	<u>Total Taxable Assessed Value</u>	<u>Total Direct Tax Rate Per \$100</u>	<u>Estimated Actual Taxable Value</u>	<u>Assessed Value as a Percentage of Actual Value</u>
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%
110,841,437	1,180,373,214	0.57555	1,291,214,651	91.42%

CITY OF DEL RIO
Del Rio, Texas

DIRECT AND OVERLAPPING PROPERTY TAX RATES

LAST TEN FISCAL YEARS

Fiscal Year Ended Sept. 30	Tax Year	City Direct Rates			Overlapping Rates			Total Direct and Overlapping Debt
		Maintenance and Operations	General Obligation Debt Service	Total Direct Rate	San Felipe Del Rio School District	Val Verde County	Val Verde Regional Hospital	
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
2011	2010	0.432950	0.142600	0.57555	1.185000	0.445700	0.12458	2.330830

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

Taxpayer	Fiscal Year Ended September 30, 2011			Fiscal Year Ended September 30, 2002		
	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value	Taxable Assessed Value	Rank	Percentage of Total City Taxable Assessed Value
WAL MART REAL ESTATE	\$ 9,505,120	1	0.81%	\$ -		0.00%
MALL SHOPPING CTR INC	9,200,000	2	0.78%	8,755,640	2	1.31%
MAX & MAX INC	8,266,880	3	0.70%	-		0.00%
WAL MART STORES #01-0447	7,655,420	4	0.65%	4,756,260	5	0.71%
HOME DEPOT USA INC	6,391,270	5	0.54%	-		0.00%
DL DEL RIO I L P	6,165,840	6	0.52%	-		0.00%
VERIZON SOUTHWEST	5,262,210	7	0.45%	9,919,000	1	1.48%
H E BUTT GROCERY CO	4,953,530	8	0.42%	5,107,720	4	0.76%
HOME DEPOT USA INC	4,888,210	9	0.41%	-		0.00%
TWE-ADVANCED/NEWHOUSE	4,340,130	10	0.37%	-		0.00%
CENTRAL POWER & LIGHT	-		0.00%	8,422,880	3	1.26%
H E BUTT GROCERY CO	-		0.00%	3,956,460	6	0.59%
TEXAS CABLE PARTNERS	-		0.00%	3,665,580	7	0.55%
DRASUR HOLDINGS LLC	-		0.00%	3,615,400	8	0.54%
BROWN AUTOMOTIVE CTR	-		0.00%	2,915,040	9	0.44%
KMART CORP #9545	-		0.00%	2,639,860	10	0.39%
Total	<u>\$ 66,628,610</u>		<u>5.64%</u>	<u>\$ 53,753,840</u>		<u>8.04%</u>
Total Taxable Assessed Value	<u>\$ 1,180,373,214</u>			<u>\$ 668,532,865</u>		

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
2002	2001	3,142	2,911	92.65%	188	(2)	3,099	98.63%
2003	2002	3,344	3,073	91.90%	217	(7)	3,290	98.39%
2004	2003	3,610	3,309	91.66%	234	(19)	3,543	98.14%
2005	2004	4,008	3,695	92.19%	253	(1)	3,948	98.50%
2006	2005	4,391	3,984	90.73%	252	(88)	4,236	96.47%
2007	2006	4,736	4,399	92.88%	232	(42)	4,631	97.78%
2008	2007	5,244	4,937	94.15%	214	(14)	5,151	98.23%
2009	2008	5,910	5,513	93.28%	197	(81)	5,710	96.62%
2010	2009	6,096	5,650	92.68%	158	(108)	5,808	95.27%
2011	2010	6,524	6,126	93.90%	-	(41)	6,126	93.90%

Sources: City of Del Rio Tax Division.

CITY OF DEL RIO
Del Rio, Texas

WATER PUMPED AND WATER BILLED

LAST SIX FISCAL YEARS

Fiscal Year Ended Sept. 30	Gallons of Water Produced	Gallons of Water Consumed	Gallons of Water Unbilled	Average Percent Unbilled	Total Direct Rate	
					Water	
					Base Rate (1)	Usage Rate (2)
2006 (3)	3,089,820,000	2,419,552,100	670,267,900	21.69%	\$ 8.90	\$ 2.62
2007	2,398,180,000	1,897,272,400	500,907,600	20.89%	8.90	2.77
2008	2,785,720,000	2,335,020,300	450,699,700	16.18%	8.90	2.77
2009	3,065,620,000	2,462,731,400	602,888,600	19.67%	8.90	2.77
2010	2,788,332,000	2,067,566,800	720,765,200	25.85%	8.90	2.77
2011	3,593,304,000	2,710,803,900	882,500,100	24.56%	8.90	Tier (4)

- Notes: (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
(4) For FYE 2011, the City implemented a tier system originally adopted in the prior year for charging actual usage. The usage rates under this tier system are as follows:
\$2.77 for every 1,000 gallons consumed above the base of 3,000 gallons
\$3.02 for every 1,000 gallons between 10,001 and 20,000 gallons consumed
\$3.27 for every 1,000 gallons between 20,001 and 50,000 gallons consumed
\$3.52 for every 1,000 gallons above 50,000 gallons consumed

CITY OF DEL RIO
Del Rio, Texas

NEW WATER AND SEWER CONNECTIONS

LAST SIX FISCAL YEARS

<u>Fiscal Year Ended Sept. 30</u>	<u>New Water Connections</u>	<u>New Sewer Connections</u>	<u>Total New Connections</u>
2006	242	-	242
2007	348	97	445
2008	220	82	302
2009	115	75	190
2010	72	43	115
2011	116	46	162

Note: Information prior to 2006 is not available.

CITY OF DEL RIO
Del Rio, Texas

NUMBER OF WATER AND SEWER CUSTOMERS

LAST FIVE FISCAL YEARS

Fiscal Year Ended Sept. 30	Water						
	Residential		Commercial (1)		Cemetaries	Total	Sewer
	Inside City	Outside City	Inside City	Outside City			
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
2011	12,067	1,320	1,484	85	14	14,970	13,148

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 SIX FISCAL YEARS

Water Rates (per meter size)	Fiscal Year Ended September 30,					
	2006	2007	2008	2009	2010	2011
5/8"	\$ 8.90	\$ 8.90	\$ 8.90	\$ 8.90	\$ 8.90	\$ 8.90
3/4"	8.90	8.90	8.90	8.90	8.90	8.90
1"	13.28	13.28	13.28	13.28	13.28	13.28
1.5"	22.28	22.28	22.28	22.28	22.28	22.28
2"	34.88	34.88	34.88	34.88	34.88	34.88
3"	70.86	70.86	70.86	70.86	70.86	70.86
4"	121.25	121.25	121.25	121.25	121.25	121.25
6"	276.22	276.22	276.22	276.22	276.22	276.22
8"	466.70	466.70	466.70	466.70	466.70	466.70
10"	725.81	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	1,042.48
Water Usage Rates (per 1,000 gallons)						
Residences	2.62	2.77	2.77	2.77	2.77	2.77
Eff. 4/1/2010						
3,000-10,000					2.77	2.77
10,001-20,000					3.02	3.02
20,001-50,000					3.27	3.27
Above 50,000					3.52	3.52
Business House	2.62	2.77	2.77	2.77	3.45	3.45
Cemeteries	2.62	2.77	2.77	2.77	3.45	3.45
Governments						
Inside City	3.02	3.17	3.17	3.17	3.45	3.45
Outside City	3.62	3.62	3.62	3.62	4.14	4.14
Laughlin AFB	1.89	1.89	1.89	1.89	1.89	1.89
Sprinkler	3.61	3.76	3.76	3.76	3.76	3.76
Sewer Rates						
Minimum (3,000 gallons)	8.19	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	2.68
Duplexes	1.98	2.49	2.49	2.49	2.49	2.68
All other	1.98	2.49	2.49	2.49	2.49	2.68
High-strength	As computed	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 SIX FISCAL YEARS

<u>Fiscal Year Ended Sept. 30</u>	<u>Residential</u>	<u>Commercial</u>	<u>Industrial</u>	<u>Cemeteries</u>	<u>City of Del Rio</u>
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
2011	1,785,276,200	384,008,000	5,028,800	7,213,000	86,287,400

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
324,313,000	62,403,200	38,194,800	3,941,800	14,137,700	2,710,803,900

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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		
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	2.23%	687
2011	24,327	1,681	22,646	1.92%	636

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 131 - 132.

Population data can be found in page 153.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

DIRECT AND OVERLAPPING GOVERNMENTAL ACTIVITIES DEBT

AS OF SEPTEMBER 30, 2011
(amounts expressed in thousands)

Government Unit	Debt Outstanding	Estimated Percentage Applicable	Estimated Share of Direct and Overlapping Debt
City of Del Rio	\$ 24,327	100.00%	\$ 24,327
Total direct debt			24,327
San Felipe Del Rio Independent School District	51,072	88.56%	45,230
Val Verde County	1,541	62.70%	967
Val Verde County Hospital	519	61.95%	322
Total overlapping debt			46,518
Total direct and overlapping debt			\$ 70,845

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				
	2002	2003	2004	2005	2006
Debt limit	\$ 91,785	\$ 77,125	\$ 84,443	\$ 85,743	\$ 84,359
Total net debt applicable to limit	11,756	13,381	16,077	20,762	18,120
Debt margin	<u>\$ 80,029</u>	<u>\$ 63,744</u>	<u>\$ 68,366</u>	<u>\$ 64,981</u>	<u>\$ 66,239</u>
Total net debt applicable to the limit as a percentage of debt limit.	13%	17%	19%	24%	21%

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,				
2007	2008	2009	2010	2011
\$ 90,949	\$ 99,046	\$ 108,283	\$ 112,318	\$ 118,037
<u>25,299</u>	<u>27,066</u>	<u>25,360</u>	<u>25,084</u>	<u>22,646</u>
<u>\$ 65,650</u>	<u>\$ 71,980</u>	<u>\$ 82,923</u>	<u>\$ 87,234</u>	<u>\$ 95,392</u>
28%	27%	23%	22%	19%

Debt Margin Calculation for Fiscal Year 2011	
Assessed value	\$ 1,180,373
Debt limit (10% of assessed value)	118,037
Debt applicable to limit:	
General obligation bonds	24,327
Less: Amount set aside for repayment of general obligation debt	(1,681)
Total net debt applicable to limit	<u>22,646</u>
Debt margin	<u>\$ 95,392</u>

CITY OF DEL RIO, TEXAS
Del Rio, Texas

RATIOS OF OUTSTANDING DEBT BY TYPE

LAST TEN FISCAL YEARS
(amounts expressed in thousands)

Fiscal Year Ended Sept. 30	Governmental Activities			Business-type Activities			
	Certificates of Obligation	Refunding Bonds Note	Capital Leases	Certificates of Obligation	Revenue Bonds Note	Refunding Bonds Note	Capital Leases
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	-
2011	22,303	2,023	-	21,281	497	18,647	-

Notes: (1) Personal income and population data can be found on Page 153.

<u>Total Primary Government</u>	<u>Per Capita Income (1)</u>	<u>Percentage of Personal Income</u>	<u>Popu- lation (1)</u>	<u>Per Capita</u>
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	15.37%	33,865	2,057
65,639	13,255	13.95%	35,500	1,849
73,707	13,306	15.60%	35,500	2,076
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
64,751	15,667	11.33%	36,491	1,774

CITY OF DEL RIO, TEXAS
Del Rio, Texas

PLEGDED REVENUE COVERAGE - WASTEWATER FUND BONDED DEBT

LAST NINE 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
2011	3,588	1,721	1,867	1,180	459	1,639	1.14

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	
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
2011	9,007	4,131	4,876	2,387	976	3,364	1.45

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	
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
2011	4,978	563	4,415	465	22	487	9.06

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	
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
2011	4,265	2,947	1,318	191	59	250	5.28

CITY OF DEL RIO, TEXAS
Del Rio, Texas

BOND COVERAGE - GAS FUND BONDED DEBT

LAST SEVEN 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
2011	3,491	2,275	1,216	65	26	91	13.37

Demographic and Economic Information

CITY OF DEL RIO, TEXAS
Del Rio, Texas

DEMOGRAPHIC AND ECONOMIC STATISTICS

LAST TEN FISCAL YEARS

<u>Calendar Year</u>	<u>Population</u>	<u>Personal Income (Amounts in Thousands)</u>	<u>Per Capita Personal Income</u>	<u>Median Age</u>	<u>Education Level Years of Formal Schooling</u>	<u>School Enrollment</u>	<u>Unemployment Rate</u>
2002	33,865	\$ 407,701	\$ 12,039	31	11.4	10,296	7.0%
2003	33,865	442,040	13,053	32	11.4	10,501	7.4%
2004	33,865	448,169	13,234	33	11.4	10,304	6.4%
2005	35,500	474,919	13,378	33	11.4	10,376	5.5%
2006	35,500	470,553	13,255	33	11.4	10,461	5.3%
2007	36,491	485,549	13,306	34	11.4	10,162	4.9%
2008	36,491	485,549	13,306	34	11.4	10,232	5.3%
2009	36,491	517,223	14,174	34	11.4	10,229	8.8%
2010	36,491	524,449	14,372	34	11.4	10,333	7.8%
2011	35,591	557,960	15,677	32	11.4	10,450	8.5%

Sources: For years 2010 and prior, population, per capita personal income and median age information was obtained from CBL & Associates Properties Inc. reports. For year 2011, the information is obtained from US Census Bureau website. Education level information and school enrollment is provided by the San Felipe Del Rio Consolidated Independent School District. Unemployment rates were provided by the Texas Workforce Commission.

CITY OF DEL RIO, TEXAS
Del Rio, Texas

PRINCIPAL EMPLOYERS

CURRENT YEAR AND FIVE YEARS AGO

Employer	2006		2011	
	Employees	Percentage of Total City Employment	Employees	Percentage of Total City Employment
Laughlin Airforce Base	2,782	17.58%	3,237	21.27%
Federal Agencies	1,955	12.35%	2,063	13.55%
San Felipe Del Rio CISD	1,567	9.90%	1,994	13.10%
City of Del Rio	485	3.06%	512	3.36%
Plaza Del Sol Mall	445	2.81%	440	2.89%
Wal-Mart Supercenter	473	2.99%	465	3.05%
Val Verde Regional Medical Center	500	3.16%	379	2.49%
The GEO Group Correctional Facility	198	1.25%	301	1.98%
HEB Grocery	256	1.62%	309	2.03%
Texas State Agencies	222	1.40%	225	1.48%
Val Verde County	206	1.30%	207	1.36%
Union Pacific Railroad	150	0.95%	146	0.96%
Home Depot	79	0.50%	81	0.53%
Total	9,318	58.88%	10,359	68.06%

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
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
2011	59,171	839,605	1,312,655	3,937,965	58,064	43,548

Fiscal Year Ended	Recreational Vehicles		Buses/Trucks	
	Number	Revenue	Number	Revenue
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
2011	9	63	416	2,912

Fiscal Year Ended	Total		
	Number of Vehicles	Number of People	Revenue
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
2011	1,372,251	58,064	4,824,093

Notes: (1) Motorcycles & Carts are included with the figures for automobiles.

Operating Information

CITY OF DEL RIO, TEXAS
Del Rio, Texas

FULLTIME EQUIVALENT CITY GOVERNMENT EMPLOYEES
BY FUNCTION/PROGRAM

FISCAL YEAR ENDED SEPTEMBER 30, 2011

Function/Program	2011	2010	2009	2008	2007	2006
General Government	67	66	66	84	78	77
Public Safety	201	191	183	175	165	169
Highway and Streets	28	28	26	26	28	27
Health and Welfare	50	46	41	39	38	37
Culture and Recreation	33	33	34	34	35	34
Economic Development	1	1	0	1	-	-
Gas	22	23	24	20	19	20
Water	54	54	54	43	43	44
Bridge	13	13	14	14	14	13
Airport	6	8	7	7	6	8
Refuse	9	10	8	2	2	2
Municipal Facilities	10	9	9	8	9	9
Wastewater	18	16	16	13	16	17
Total	<u>512</u>	<u>498</u>	<u>482</u>	<u>466</u>	<u>453</u>	<u>457</u>

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	2011	2010	2009	2008	2007	2006
General government						
Building permits issued	617	783	474	654	710	705
Police						
Physical arrests	1,425	1,535	1,947	2,396	1,970	2,094
Parking violations	76	33	100	10	12	115
Traffic violations	4,267	2,336	5,341	14,308	4,639	6,978
Fire						
Emergency responses	1,511	2,194	1,560	1,032	1,046	1,170
Fires extinguished	92	73	78	110	78	133
Inspections	698	821	650	408	515	756
Refuse collection						
Refuse collected (tons per day)	143	199	155	204	159	398
Other public works						
Street resurfacing (miles)	11	3	2	3	3	12
Potholes repaired	2,208	3,100	1,793	2,208	4,003	2,422
Water						
New connections	116	72	115	220	348	242
Water main breaks	1,112	890	944	935	998	921
Average daily consumption (thousands of gallons)	9,834	7,630	8,547	8,484	12,280	15,790
Peak daily consumption (thousands of gallons)	17,330	13,080	12,869	14,920	14,520	16,190
Wastewater						
Average daily sewage treatment (thousands of gallons)	3,510	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, 2011

Function/Program	2011	2010	2009	2008	2007	2006
Police						
Stations	1	1	1	1	1	1
Patrol units	53	51	33	45	47	32
Fire						
Stations	4	4	4	4	4	3
Other public works						
Streets (miles)	224	224	218	218	225	224
Streetlights	1,863	1,861	1,765	1,800	1,900	1,750
Traffic signals	16	16	16	16	15	15
Parks and recreation						
Acreage	276	276	276	276	276	163
Swimming Pools	2	2	2	2	2	2
Tennis Courts	2	2	2	2	2	2
Community centers	1	1	1	1	1	1
Water						
Water mains (miles)	250	250	250	245	250	235
Fire hydrants	1,170	1,165	1,135	1,100	1,115	1,137
Wastewater						
Sanitary sewers (miles)	220	220	220	181	210	196
Storm sewers (miles)	1	1	1	1	1	1

Note: Information prior to 2006 is not available.

Source: Various City department

SINGLE AUDIT SECTION

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, 2011, which collectively comprise the City's basic financial statements and have issued our report thereon dated March 12, 2012. 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

Management of the City is responsible for establishing and maintaining effective 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.

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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 12, 2012.

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.


Sarah Amos
c. Amos

March 12, 2012

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REPORT ON COMPLIANCE WITH REQUIREMENTS THAT
COULD HAVE A DIRECT AND MATERIAL EFFECT ON EACH MAJOR PROGRAM AND
ON 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 (the "City"), with the types of compliance requirements described in the U. S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement that could have a direct and material effect on each of the City's major federal program for the year ended September 30, 2011. The City's 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's management. Our responsibility is to express an opinion on the City's' 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's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination on the City's compliance with those requirements.

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In our opinion, the City's complied, in all material respects, with the requirements referred to above that are applicable to its major federal programs for the year ended September 30, 2011. However, the results of our auditing procedures disclosed instances of noncompliance with those requirements, which are required to be reported in accordance with OMB Circular A-133 and which are described in the accompanying schedule of findings and questioned costs as items 2011-01 and 2011-02.

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.

The City's responses to the findings identified in our audit are described in the accompanying schedule of findings and questioned costs. We did not audit the City's responses and, accordingly, we express no opinion on the responses.

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.

Sandy Arz
- Asst

March 12, 2012

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CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended September 30, 2011

SECTION I --- SUMMARY OF AUDITORS' RESULTS

Financial Statements			
	Type of auditor's report issued: <u>Unqualified</u>		
	Internal control over financial reporting: • Material weakness (es) identified?	<u> </u> Yes	<u> X </u> No
	• Significant deficiencies identified not considered to be material weaknesses?	<u> </u> Yes	<u> X </u> None Reported
	Noncompliance material to financial statements noted?	<u> </u> Yes	<u> X </u> No

Federal Awards			
	Internal control over major programs: • Material weakness (es) identified?	<u> </u> Yes	<u> X </u> No
	• Significant deficiencies identified not considered to be material weaknesses?	<u> </u> Yes	<u> X </u> None Reported
	Type of auditor's report issued on compliance for Major programs	<u>Unqualified</u>	
	Any audit findings disclosed that are required to be reported in accordance with Circular A-133, Section. 510(a)?	<u> X </u> Yes	<u> </u> No

Identification of Major Programs			
	CFDA Numbers(s)	Name of Federal Program or Cluster	
	11.300 16.738 20.106 20.509	Dodson Avenue Infrastructure Improvements ARRA JAG Operation APLR Border Security Airport Improvement Program Section 5311 Grant	
	Dollar threshold used to distinguish between Type A and Type B programs:	\$300,000	
	Auditee qualified as low-risk auditee?	<u> X </u> Yes	<u> </u> No

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended September 30, 2011

SECTION II --- FINANCIAL STATEMENT FINDINGS

None

SECTION III --- FEDERAL AWARD FINDINGS AND QUESTIONED COSTS

Finding 2011-01 – Reporting

11.300 Dodson Avenue Infrastructure Improvements

Criteria:

As the grant recipient the City agreed to the Financial and Programmatic Reporting requirements as stated in the grant agreement. The reporting requirements are as follows:

Financial Reporting

Recipient's are required to submit a "Financial Status Report" (SF-269) on a semi-annual basis for the periods ending March 31 and September 30, or any portion thereof, unless otherwise specified in a special award condition. Reports are due no later than 30 days following the end of each reporting period.

Performance Reporting

Grant recipients are required to submit a performance report in accordance with the procedures set out in 15 C.F.R. parts 14 or 24. The quarterly performance report will contain the following information for each project program, function, or activity:

- A comparison of planned and actual accomplishments according to the timetable or list of Project objectives in this Award;
- An explanation of any delays or failures to meet the Project timetable or Project goals
- Other pertinent information including, when appropriate, analysis, and explanation of cost overruns or high unit costs.

Quarterly performance reports shall be submitted for each calendar quarter. Each performance report will be due not later than January 15, April 15, July 15, and October 15 for the immediate previous quarter. The final Project performance report shall be submitted no more than 90 days after the Project Closeout date. This reporting requirement begins with the Recipient's acceptance of this Award and ends when EDA approves Project Closeout.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

For The Year Ended September 30, 2011

SECTION III --- FEDERAL AWARD FINDINGS AND QUESTIONED COSTS (Continued)

Condition & Effect:

The City has not provided the required reports to document that the City has complied with the Financial Status Report Requirements and/or the Programmatic reporting requirements as included in the grant contract.

Recommendation:

We recommend that the City establish a process to review and determine applicable grant reporting requirements upon the receipt of a grant contract. The process should include the assignment of a department and/or an individual responsible to ensure compliance. In addition, the City should ensure compliance with all grant reporting requirements by preparing reports in an efficient, complete and timely manner.

**Finding 2011-02 – Cash Management
16.738 Section 5311 Grant**

Criteria:

The grant requirements of the Section 5311 grant require that all reimbursement requests be performed no later than 45 days from the date the expenditure was incurred.

Condition & Effect:

We selected and tested various reimbursement requests which were performed through-out the year. Our testing indicated that the requests for reimbursement were performed after the 45 day threshold on each of the 4 requests tested. The reimbursement requests we tested were submitted 27 to 60 days late. As a result the City was not in compliance with the requirement to timely submit expenditures for reimbursement as they are incurred. In addition, the City did not have use of the resources used to fund the expenditures until after the reimbursement requests were submitted and paid.

Recommendation:

We recommend that the City submit the reimbursement requests on a timely basis as required by the grant requirements to improve cash management of the program and to ensure accurate and timely reporting.

CITY OF DEL RIO
Del Rio, Texas

CORRECTIVE ACTION PLAN

For The Year Ended September 30, 2011

Finding 2011-01 – Reporting
11.300 Dodson Avenue Infrastructure Improvements

Management Comment:

The City is in the process of developing procedures to identify applicable reporting requirements and assign staff to oversee the required reporting process.

Responsible Staff:

The Finance Director will be responsible for developing the overall procedures. Assignment of specific grant reporting requirements will depend on the grant itself.

Finding 2011-02 – Cash Management
16.738 Section 5311 Grant

Management Comment:

Along with developing the procedures referred to above, the City plans to develop procedures to better monitor reimbursement requests to assure timely processing.

Responsible Staff:

The Finance Director will be responsible for developing these procedures.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

For the Year Ended September 30, 2011

Pass Through Grantor's Number	Grantor/Pass Through Grantor/Program Title/Grant Title	Passed Through Entity Identifying Number	Federal CFDA Number	Expenditures
FEDERAL AWARDS:				
C4000543	U.S. Department of Agriculture Passed Through Texas Department of State Health Services Women, Infants and Children		10.557	\$ 515,235
	U.S. Department of Commerce Dodson Avenue Infrastructure Improvements		11.300	354,157
	U.S. Department of Justice Edward Byrne Memorial Justice Assistance Grant Operation APLR Border Security - Recovery Act (ARRA)		16.738	169,493
729184	U.S. Department of Housing and Urban Development Passed Through Texas Department of Rural Affairs Community Development Block Grants		14.218	58,900
	U.S. Department of Transportation Federal Aviation Administration Airport Expansion Project	0422DLRio	20.106	4,599
	Airport Improvement	3-48-0066-009-2009	20.106	441,495
	Airport Improvement	3-48-0066-10-2010	20.106	931,586
	Airport Hanger Project	09HGDLRio	20.106	-
	Federal Transit Administration Section 5311 Grant - Recovery Act ARRA	51022F7097	20.509	104,253
	Section 5311 Grant	51022F7203	20.509	328,573
	Section 5311 Grant	51922F7285	20.509	48,714
	Section 5311 Grant	51922F7147	20.509	11,466
	Section 5311 Grant	51122F7190	20.509	-
	Section 5310 Elderly Disabled Transportation	51822F7222	20.513	10,489
	Section 5310 Elderly Disabled Transportation	51822F7274	20.513	29,874
	Section 5310 Elderly Disabled Transportation	51122F7257	20.513	3,031
	Total U.S. Department of Transportation			1,914,080
	Passed Through Texas Department of Transportation Qualia Relief Route	4760-09-0126	20.205	233,000
	Relocate Toll Booth	CSJ 0922-11-033	20.205	27,149
	Total Passed Through Texas Department of Transportation			260,149
	Total U.S. Department of Transportation			2,174,229
	U.S. Department of Energy Recovery Act: EECBG Formula Grant	DE-EE0002317	81.128	5,676
	Total U.S Department of Energy			5,676
	U.S. Department of Health & Human Services Passed Through Middle Rio Grande Development Council Home Delivered Meal Rate \$4.95		93.045	71,841
	Congregate Meal Rate \$6.08		93.045	84,736
	Transportation Rate of Reimburse \$5.62		93.044	23,286
	Participant Assessment \$45.04		93.045	6,280
	Total Passed Through Middle Rio Grande Development Council			186,143
	Passed Through Texas Department of Aging and Disability Services Social Services Block Grant (Home Delivered Meals) Title XX	AAA-2005-024-01	93.667	180,918
	Medical Assistance Program (Home Delivered Meals), Title XIX	AAA-2005-024-01	93.778	52,137
	Total Passed Through Texas Department of Aging and Disability Services			233,055
	Total U.S. Department of Health & Human Services			419,198
	U.S. Department of Homeland Security Federal Emergency Management Agency SAFER Grant	EMW-2008-FF-01252	97.044	364,471
	FEMA Grant Directorate	EMW-2009-FO-01662	97.044	18,115
	Bullet Proof Vest Partnership Grant		Unknown	4,932
	Total U.S. Department of Homeland Security			387,518
	Total Federal Awards			\$ 4,084,406

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, 2011

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.
3. Expenditures reported for the Coordinated Border Infrastructure Programs are reported to the extent they match federal grant receipts since the projects are financed by multiple sources.
4. Expenditures reported for the City of Del Rio Nutrition program originating from the U.S Department of Health and Human Services are reported at the amount of federal revenue during the year since the grants are based on stated reimbursement rates.

CITY OF DEL RIO
Del Rio, Texas

SUMMARY SCHEDULE OF PRIOR YEAR AUDIT FINDINGS

Year Ended September 30, 2011

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, 2011

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		
	PRIOR YEAR	CURRENT YEAR	TOTAL
RECEIPTS			
TDH Contract	\$ 410,607	\$ 66,651	\$ 477,258
TDH Contract-Dietician	8,121	1,480	9,601
TDH Contract-Vendor Liaison	622	174	796
Total Receipts	419,350	68,305	487,655
EXPENDITURES			
Personnel	267,605	-	267,605
Fringe Benefits	91,313	-	91,313
Travel	4,280	-	4,280
Supplies	10,615	-	10,615
Other	47,920	-	47,920
Indirect	65,922	-	65,922
Total Expenditures	487,655	-	487,655
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	\$ (68,305)	\$ 68,305	\$ -

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

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, 2010 - September 30, 2011

	<u>ACTUAL</u>
RECEIPTS	
TDH Contract	\$ 384,830
TDH Contract-Dietician	6,351
TDH Contract-Lactation	4,279
TDH Contract-Vendor Liaison	2,703
TDH-Peer Counselor	10,064
Local Contribution-Building Repairs	61,905
Local Contribution-Other	1,362
	<hr/>
Total Receipts	471,494
	<hr/>
EXPENDITURES	
Personnel	293,498
Fringe Benefits	92,985
Travel	11,995
Supplies	18,695
Other	34,722
Indirect	64,703
Other-Local	61,905
	<hr/>
Total Expenditures	578,502
	<hr/>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	\$ (107,008)
	<hr/> <hr/>

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Dodson Avenue Infrastructure Improvements
CFDA 11.300
FUND SOURCE US Department of Commerce
 Public Works and Economic Development
GRANT NO. 08-01-04305
PERIOD November 6, 2008 - November 6, 2013

	<u>BUDGET</u>	<u>CURRENT YEAR</u>
RECEIPTS		
Federal	\$ 1,000,000	\$ 154,348
Local	520,000	182,444
	<u>1,520,000</u>	<u>336,792</u>
Total Receipts	<u>1,520,000</u>	<u>336,792</u>
EXPENDITURES		
Admin & Legal Expenses	40,000	1,300
Architectural & Engineering Fees	110,000	27,475
Other Architectural & Engr. Fees	40,000	-
Project Inspection Fees	30,000	-
Construction	1,300,000	507,826
	<u>1,520,000</u>	<u>536,601</u>
Total Expenditures	<u>1,520,000</u>	<u>536,601</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (199,808)</u>

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Community Development Block Grant Program
CFDA 14.228
FUND SOURCE U.S. Department of Housing and Urban Development
 Texas Department of Rural Affairs.
CONTRACT No. 729184
PERIOD September 1, 2009 - August 31, 2011

	<u>BUDGET</u>	<u>CURRENT YEAR</u>
RECEIPTS		
Federal	\$ 48,900	\$ -
Local Match	10,000	-
Total Receipts	<u> 58,900</u>	<u> -</u>
EXPENDITURES		
Planning and Capacity Building Study	<u> 58,900</u>	<u> 58,900</u>
Total Expenditures	<u> 58,900</u>	<u> 58,900</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u> \$ -</u>	<u> (58,900)</u>

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Operation ALPR Border Security
CFDA 16.738
FUND SOURCE Edward Byrne Memorial Justice Assistance Grant
GRANT NO. 2280001
PERIOD October 1, 2009 - August 31, 2011

	<u>BUDGET</u>	<u>CURRENT YEAR</u>
RECEIPTS		
Federal	\$ 500,000	\$ 433,800
Total Receipts	<u>500,000</u>	<u>433,800</u>
EXPENDITURES		
Equipment	<u>500,000</u>	<u>-</u> (a)
Total Expenditures	<u>500,000</u>	<u>-</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ 433,800</u>

(a) Prior to September 30, 2011, the City encumbered \$499,800 for the purchase of a surveillance system. The actual purchase occurs after year end.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Crime Prevention
CFDA 16.803
FUND SOURCE Edward Byrne Memorial Justice Assistance Grant
 Recovery Act (ARRA)
GRANT NO. 2331901
PERIOD April 1, 2010 - March 31, 2011

	<u>BUDGET</u>	<u>CURRENT YEAR</u>
RECEIPTS		
Federal	\$ 169,493	\$ 169,493
Local	-	15,142 (a)
	<u>169,493</u>	<u>184,635</u>
Total Receipts		
	<u>169,493</u>	<u>184,635</u>
EXPENDITURES		
Personnel	72,458	90,378
Equipment	84,942	83,657
Supplies & Direct Operating Expenses	12,094	10,600
	<u>169,493</u>	<u>184,635</u>
Total Expenditures		
	<u>169,493</u>	<u>184,635</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>

(a) Amount by which actual costs exceed grant reimbursements.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Airport Expansion Project
CFDA 20.106
FUND SOURCE Texas Department of Transportation
GRANT NO. 0422DLRIO
PERIOD October 1, 2009 - September 30, 2011

	BUDGET	ACTUAL		TOTAL
		PRIOR YEAR	CURRENT YEAR	
REVENUES				
Federal	\$ 8,590,530	\$ 8,213,738	\$ 4,598	\$ 8,218,336
Local	968,958	912,638	14,964	927,602
Total Receipts	<u>9,559,488</u>	<u>9,126,376</u>	<u>19,562</u>	<u>9,145,938</u>
EXPENDITURES				
Capital Outlay	<u>9,559,488</u>	<u>9,126,375</u>	<u>19,563</u>	<u>9,145,938</u>
Total Expenditures	<u>9,559,488</u>	<u>9,126,375</u>	<u>19,563</u>	<u>9,145,938</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ (1)</u>	<u>\$ -</u>

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Airport Improvement
CFDA 20.106
FUND SOURCE Federal Aviation Administration
GRANT NO. 3-48-0066-011-2010
PERIOD October 1, 2010 - September 30, 2011

	<u>BUDGET</u>	<u>CURRENT YEAR</u>
RECEIPTS		
Federal	\$ 1,089,802	\$ 761,035
Local	<u>57,359</u>	<u>49,031 (a)</u>
Total Receipts	<u>1,147,161</u>	<u>810,066</u>
EXPENDITURES		
Capital Outlay	<u>1,147,161</u>	<u>980,617</u>
Total Expenditures	<u>1,147,161</u>	<u>980,617</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (170,551)</u>

(a) Five percent of capital outlay.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Airport Improvement
CFDA 20.106
FUND SOURCE Federal Aviation Administration
GRANT NO. 3-48-0066-010-2009
PERIOD October 1, 2008 - September 30, 2011

	BUDGET	ACTUAL		TOTAL
		PRIOR YEAR	CURRENT YEAR	
REVENUES				
Federal	\$ 894,198	\$ 167,388	\$ 726,811	\$ 894,199
Local	47,064	23,827	23,237	47,064 (a)
Total Receipts	<u>941,262</u>	<u>191,215</u>	<u>750,048</u>	<u>941,263</u>
EXPENDITURES				
Capital Outlay	<u>941,262</u>	<u>476,531</u>	<u>464,732</u>	<u>941,263</u>
Total Expenditures	<u>941,262</u>	<u>476,531</u>	<u>464,732</u>	<u>941,263</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (285,316)</u>	<u>\$ 285,316</u>	<u>\$ -</u>

(a) Five percent of capital outlay

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Airport Expansion - Airport Hangar Project
CFDA 20.106
FUND SOURCE Texas Department of Transportation
GRANT NO. 09HGDLRIO
PERIOD October 1, 2009 - September 30, 2011

	BUDGET	ACTUAL		TOTAL
		PRIOR YEAR	CURRENT YEAR	
REVENUES				
Federal	\$ 300,000	\$ 482,229	\$ (182,229)	\$ 300,000
Local	276,711	53,581	205,754	259,335
Total Receipts	<u>576,711</u>	<u>535,810</u>	<u>23,525</u>	<u>559,335</u>
EXPENDITURES				
Capital Outlay	576,711	535,810	23,526	559,336
Total Expenditures	<u>576,711</u>	<u>535,810</u>	<u>23,526</u>	<u>559,336</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ (1)</u>

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

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 - August 31, 2010

	BUDGET	ACTUAL		TOTAL
		PRIOR YEAR	CURRENT YEAR	
RECEIPTS				
Federal	\$ 278,894	\$ 267,428	\$ 11,466	\$ 278,894
Total Receipts	278,894	267,428	11,466	278,894
EXPENDITURES				
Administrative	98,913	98,913	-	98,913
Operations	179,981	179,981	-	179,981
Total Expenditures	278,894	278,894	-	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, 2011

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	ACTUAL		TOTAL
		PRIOR YEAR	CURRENT YEAR	
RECEIPTS				
Federal	\$ 146,000	\$ 97,286	\$ 48,714	\$ 146,000
Total Receipts	146,000	97,286	48,714	146,000
EXPENDITURES				
Capital	146,000	146,000	-	146,000
Total Expenditures	146,000	146,000	-	146,000
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	\$ -	\$ (48,714)	\$ 48,714	\$ -

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

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 March 15, 2010 - August 31, 2011

	BUDGET	ACTUAL		TOTAL
		PRIOR YEAR	CURRENT YEAR	
RECEIPTS				
Federal	\$ 133,700	\$ 8,603	\$ 104,253	\$ 112,856
Total Receipts	133,700	8,603	104,253	112,856
EXPENDITURES				
Capital	133,700	14,266	98,590	112,856
Total Expenditures	133,700	14,266	98,590	112,856
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	\$ -	\$ (5,663)	\$ 5,663	\$ -

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

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 - August 31, 2011

	BUDGET	ACTUAL		TOTAL
		PRIOR YEAR	CURRENT YEAR	
RECEIPTS				
Federal	\$ 378,295	\$ -	\$ 328,573	\$ 328,573
Match	264,785	72,666	192,119	264,785
Total Receipts	643,080	72,666	520,691	593,357
EXPENDITURES				
Operations	226,948	80,127	146,821	226,948
Administrative	151,347	29,686	121,661	151,347
Local-Operations	226,948	66,144	160,804	226,948
Local-Administrative	37,837	6,522	31,315	37,837
Total Expenditures	643,080	182,479	460,601	643,080
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	\$ -	\$ (109,813)	\$ 60,091	\$ (49,722)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Section 5311 Grant
CFDA 20.509
FUND SOURCE U.S. Department of Transportation-Transit-TXDOT
CONTRACT No. 51122F7190
PROJECT No. RPT 1103 (22) 34
PERIOD July 7, 2011 - August 31, 2012

	<u>BUDGET</u>	<u>CURRENT YEAR</u>
RECEIPTS		
Federal (TxDOT)	\$ 196,440	\$ -
Match	144,875	115,351
	<u>341,315</u>	<u>115,351</u>
TOTAL RECEIPTS		
	<u>341,315</u>	<u>115,351</u>
EXPENDITURES		
Capital	29,466	320
Operations	127,686	108,680
Administrative	39,288	29,964
Local-Capital	7,367	80
Local-Operations	127,686	108,680
Local-Administrative	9,822	6,592
	<u>341,315</u>	<u>254,315</u>
TOTAL EXPENDITURES		
	<u>341,315</u>	<u>254,315</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (138,964)</u>

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Section 5311 Grant
CFDA 20.509
FUND SOURCE U.S. Department of Transportation-Transit-TXDOT
CONTRACT No. 51122F7015
PROJECT No. RPT 1101 (22)
PERIOD August 26, 2010 - August 31, 2011

	<u>BUDGET</u>	<u>CURRENT YEAR</u>
RECEIPTS		
State (TxDOT)	\$ 273,022	\$ 199,750
TOTAL RECEIPTS	<u>273,022</u>	<u>199,750</u>
EXPENDITURES		
Capital	23,022	3,299
Operations	227,300	227,300
Administrative	<u>22,700</u>	<u>16,997</u>
TOTAL EXPENDITURES	<u>273,022</u>	<u>247,595</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (47,846)</u>

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Section 5311 Grant
CFDA 20.509
FUND SOURCE U.S. Department of Transportation-Transit-TXDOT
CONTRACT No. 51222F7015
PROJECT No. RPT 1201 (22)
PERIOD September 1, 2011 - August 31, 2012

	<u>BUDGET</u>	<u>CURRENT YEAR</u>
RECEIPTS		
State (TxDOT)	\$ 286,012	\$ -
TOTAL RECEIPTS	<u>286,012</u>	<u>-</u>
EXPENDITURES		
Operations	228,810	35,048
Administrative	<u>57,202</u>	<u>3,428</u>
TOTAL EXPENDITURES	<u>286,012</u>	<u>38,475</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (38,475)</u>

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

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

	<u>BUDGET</u>	<u>ACTUAL</u>		
		<u>PRIOR YEAR</u>	<u>ACTUAL</u>	<u>TOTAL</u>
RECEIPTS				
Federal (TxDOT)	\$ 74,171	\$ 29,197	\$ 18,064	\$ 47,261
Local Match	18,543	5,992	5,823	11,815
Total Receipts	<u>92,714</u>	<u>35,189</u>	<u>23,887</u>	<u>59,076</u>
EXPENDITURES				
Preventive maintenance	<u>92,714</u>	<u>42,764</u>	<u>16,312</u>	<u>59,076</u>
Total Expenditures	<u>92,714</u>	<u>42,764</u>	<u>16,312</u>	<u>59,076</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (7,575)</u>	<u>\$ 7,575</u>	<u>\$ -</u>

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Section 5310 Elderly & Disabled Transportation Program
CFDA 20.513
FUND SOURCE U.S. Department of Transportation-Transit-TXDOT
CONTRACT No. 51022F7274
PROJECT No. ED 1002 (22) 05
PERIOD May 13, 2010 - August 31, 2011

	<u>BUDGET</u>	<u>CURRENT YEAR</u>
RECEIPTS		
Federal (TxDOT)	\$ 68,995	\$ 19,440
Local Fares and Contract Revenue	<u>17,249</u>	<u>4,860</u>
Total Receipts	<u>86,244</u>	<u>24,300</u>
EXPENDITURES		
Preventive Maintenance	<u>86,244</u>	<u>34,734</u>
Total Expenditures	<u>86,244</u>	<u>34,734</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>(10,434)</u>

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Section 5310 Elderly & Disabled Transportation Program
CFDA 20.513
FUND SOURCE U.S. Department of Transportation-Transit-TXDOT
CONTRACT No. 51122F7257
PROJECT No. ED 1102 (22) 06
PERIOD April 29, 2011 - August 31, 2012

	<u>BUDGET</u>	<u>CURRENT YEAR</u>
RECEIPTS		
Federal (TxDOT)	\$ 24,606	\$ -
Local Fares and Contract Revenue	<u>6,152</u>	<u>-</u>
Total Receipts	<u>30,758</u>	<u>-</u>
EXPENDITURES		
Preventive Maintenance	<u>30,758</u>	<u>3,031</u>
Total Expenditures	<u>30,758</u>	<u>3,031</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>(3,031)</u>

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

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	ACTUAL		TOTAL
		PRIOR YEAR	CURRENT YEAR	
RECEIPTS				
State (TxDOT)	\$ 78,000	\$ -	\$ 76,069	\$ 76,069
Total Receipts	<u>78,000</u>	<u>-</u>	<u>76,069</u>	<u>76,069</u>
EXPENDITURES				
Capital	78,000	76,069	-	76,069
Total Expenditures	<u>78,000</u>	<u>76,069</u>	<u>-</u>	<u>76,069</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (76,069)</u>	<u>\$ 76,069</u>	<u>\$ -</u>

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

	<u>BUDGET</u>	<u>ACTUAL</u>		
		<u>PRIOR YEAR</u>	<u>ACTUAL</u>	<u>TOTAL</u>
RECEIPTS				
Federal	\$ 2,476,100	\$ 1,476	\$ 233,000	\$ 234,476
Local	308,900	23	3	26 (a)
Total Receipts	<u>2,785,000</u>	<u>1,499</u>	<u>233,003</u>	<u>234,502</u>
EXPENDITURES				
Capital Outlay	2,407,457	-	-	-
Engineering Services	377,543	290,845	33,426	324,271
Total Expenditures	<u>2,785,000</u>	<u>290,845</u>	<u>33,426</u>	<u>324,271</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (289,346)</u>	<u>\$ 199,578</u>	<u>\$ (89,769)</u>

(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, 2011

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		TOTAL
		PRIOR YEAR	ACTUAL	
RECEIPTS				
Federal	\$ 2,320,000	\$ -	\$ 27,149	\$ 27,149
State	315,700	-	3,733	3,733
Local	264,300	4,735	7,971	12,706
Local-Oversight	30,000	-	-	-
Total Receipts	<u>2,930,000</u>	<u>4,735</u>	<u>38,853</u>	<u>43,588</u>
EXPENDITURES				
Capital Outlay	<u>2,930,000</u>	<u>52,611</u>	<u>88,567</u>	<u>141,178</u>
Total Expenditures	<u>2,930,000</u>	<u>52,611</u>	<u>88,567</u>	<u>141,178</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (47,876)</u>	<u>\$ (49,714)</u>	<u>\$ (97,590)</u>

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

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		TOTAL
		PRIOR YEAR	CURRENT YEAR	
RECEIPTS				
Grant Contract	\$ 156,300	\$ 106,650	\$ 49,650	\$ 156,300
Total Receipts	156,300	106,650	49,650	156,300
EXPENDITURES				
Expenditures	156,300	150,624	5,676	156,300
Total Expenditures	156,300	150,624	5,676	156,300
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	\$ -	\$ (43,974)	\$ 43,974	\$ -

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Staffing for Adequate Fire and Emergency Response (SAFER)
 CFDA 97.044
 FUND SOURCE U.S. Department of Homeland Security
 GRANT NO. EMW-2008-FF-01252
 PERIOD May 13, 2009 - May 12, 2014

	BUDGET	ACTUAL		TOTAL
		PRIOR YEAR	CURRENT YEAR	
RECEIPTS				
Grant Contract	\$ 1,287,344	\$ 558,989	\$ 371,057	\$ 930,046
Local	1,463,849	122,812	232,607	355,419 (a)
Total Receipts	2,751,193	681,801	603,664	1,285,465
EXPENDITURES				
Personnel	2,132,708	564,228	463,985	1,028,213
Fringe Benefits	618,485	158,316	133,093	291,409
Total Expenditures	2,751,193	722,544	597,078	1,319,622
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (40,743)</u>	<u>\$ 6,586</u>	<u>\$ (34,157)</u>

(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, 2011

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		TOTAL
		PRIOR YEAR	CURRENT YEAR	
RECEIPTS				
Federal	\$ 52,200	\$ 34,075	\$ 18,115	\$ 52,190
Local	5,800	3,786	2,013	5,799
Total Receipts	58,000	37,861	20,128	57,989
EXPENDITURES				
Equipment	58,000	37,861	20,128	57,989
Total Expenditures	58,000	37,861	20,128	57,989
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

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

	BUDGET	ACTUAL		TOTAL
		PRIOR YEAR	CURRENT YEAR	
REVENUES				
Grant Contract	\$ -	\$ 29,938	\$ -	\$ 29,938
Local	-	28,373	4,932 (a)	33,305
Total Receipts	-	58,311	4,932	63,243
EXPENDITURES				
Safety Supplies-BP Vest	-	56,745	9,865	66,610
Total Expenditures	-	56,745	9,865	66,610
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ 1,566</u>	<u>\$ (4,932)</u>	<u>\$ (3,366)</u>

(a) 50% of expenditures

State Programs

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM	Auto Theft Prevention and Recovery Unit
CFDA	N/A
FUND SOURCE	Texas Department of Transportation
GRANT NO.	SA-T01-10048-10
PERIOD	September 1, 2009 - August 31, 2010

	BUDGET	ACTUAL		
		PRIOR (a)	CURRENT	TOTAL
RECEIPTS				
Grant Contract	\$ 115,615	\$ 94,138	\$ 11,753	\$ 105,891
Local	34,259	42,746	(1,698)	41,048
Total Receipts	<u>149,874</u>	<u>136,884</u>	<u>10,055</u>	<u>146,939</u>
EXPENDITURES				
Personnel	126,413	127,741	(1,395)	126,346
Prof. & Cont.	1,000	-	-	-
Travel	4,501	4,533	-	4,533
Suppl & Doe	17,960	16,363	(304)	16,059
Total Expenditures	<u>149,874</u>	<u>148,637</u>	<u>(1,699)</u>	<u>146,938</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (11,753)</u>	<u>\$ 11,754</u>	<u>\$ 1</u>

(a) Prior year amounts for Equipment separated into two reports;
Grant 10048-10 and Grant 10048-10-Supplemental.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM	Auto Theft Prevention and Recovery Unit
CFDA	N/A
FUND SOURCE	Texas Department of Transportation
GRANT NO.	SA-T01-10048-10 Supplemental Grant
PERIOD	September 1, 2009 - August 31, 2010

	<u>BUDGET</u>	<u>ACTUAL</u>		
		<u>PRIOR (a)</u>	<u>CURRENT</u>	<u>TOTAL</u>
RECEIPTS				
Grant Contract	\$ 49,525	\$ -	\$ 49,517	\$ 49,517
Total Receipts	<u>49,525</u>	<u>-</u>	<u>49,517</u>	<u>49,517</u>
EXPENDITURES				
Equipment (A)	<u>49,525</u>	<u>4,253</u>	<u>45,264</u>	<u>49,517</u>
Total Expenditures	<u>49,525</u>	<u>4,253</u>	<u>45,264</u>	<u>49,517</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (4,253)</u>	<u>\$ 4,253</u>	<u>\$ -</u>

(a) Prior year amounts for Equipment separated into two reports;
Grant 10048-10 and Grant 10048-10-Supplemental.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

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		
		PRIOR	CURRENT	TOTAL
RECEIPTS				
Grant Contract	\$ 106,034	\$ -	\$ 81,668	\$ 81,668
Local	35,495	3,153	40,001	43,154
Total Receipts	141,529	3,153	121,668	124,821
EXPENDITURES				
Personnel	129,856	11,526	117,813	129,339
Prof. & Cont.	200	-	-	-
Travel	1,808	165.00	1,668	1,833
Suppl & Doe	9,665	1,338	8,771	10,109
Total Expenditures	141,529	13,029	128,252	141,281
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	\$ -	\$ (9,876)	\$ (6,584)	\$ (16,460)

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Auto Theft Prevention and Recovery Unit
CFDA N/A
FUND SOURCE Texas Department of Transportation
GRANT NO. SA-T01-10048-12
PERIOD September 1, 2011 - August 31, 2012

	<u>BUDGET</u>	<u>ACTUAL</u>
RECEIPTS		
Grant Contract	\$ 116,664	\$ -
Local	38,991	3,360
Total Receipts	<u>155,655</u>	<u>3,360</u>
EXPENDITURES		
Personnel	129,784	11,904
Prof. & Cont.	1,000	-
Travel	5,531	120
Suppl & Doe	19,340	766
Total Expenditures	<u>155,655</u>	<u>12,790</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (9,430)</u>

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

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

	BUDGET	ACTUAL		
		PRIOR	CURRENT	TOTAL
RECEIPTS				
State	\$ 230,000	\$ 224,830	\$ 5,170	\$ 230,000
Total Receipts	<u>230,000</u>	<u>224,830</u>	<u>5,170</u>	<u>230,000</u>
EXPENDITURES				
Salaries	230,000	230,000	-	\$ 230,000
Total Expenditures	<u>230,000</u>	<u>230,000</u>	<u>-</u>	<u>230,000</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (5,170)</u>	<u>\$ 5,170</u>	<u>\$ -</u>

(a) 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, 2011

PROGRAM Routine Airport Maintenance Program
CFDA Not Applicable
FUND SOURCE Texas Department of Transportation
GRANT NO. M022DLRIO
PROJECT NO. AM 2012DLRIO
PERIOD September 1, 2011 - August 31, 2012

	<u>BUDGET</u>	<u>CURRENT YEAR</u>
REVENUES		
Grant Contract	\$ 50,000	\$ -
Local	<u>50,000</u>	<u>871</u>
Total Receipts	<u>100,000</u>	<u>871</u>
EXPENDITURES		
Maintenance	<u>100,000</u>	<u>1,742</u>
Total Expenditures	<u>100,000</u>	<u>1,742</u>
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	<u>\$ -</u>	<u>\$ (871)</u>

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM	Routine Airport Maintenance Program
CFDA	Unknown
FUND SOURCE	Texas Department of Transportation
GRANT NO.	M022DLRIO
PROJECT NO.	AM 2011DLRIO
PERIOD	September 1, 2010 - August 31, 2011

	BUDGET	PRIOR YEAR (a)	ACTUAL CURRENT YEAR	TOTAL
REVENUES				
Grant Contract	\$ 50,000	\$ -	\$ -	\$ -
Local	50,000	-	6,284	6,284 (b)
Total Receipts	100,000	-	12,592	6,284
EXPENDITURES				
Maintenance	100,000	-	12,592	12,592
Total Expenditures	100,000	-	12,592	12,592
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	\$ -	\$ -	\$ -	\$ (6,307)

- (a) In the prior year, \$13,884 in expenditures were reported as a separate Grant AM2010DLRIO. The separate grant that should have been reported in the prior year is AM2011DLRIO. Effectively, \$13,884 was reported twice under two Grants AM2010DLRIO in the prior year.
- (b) Actual costs differ from amounts recorded in the general ledger. For purposes of this report those costs are adjusted in local share to reflect the actual grant receivable.

CITY OF DEL RIO
Del Rio, Texas

SCHEDULE OF RECEIPTS AND EXPENDITURES

For The Year Ended September 30, 2011

PROGRAM Routine Airport Maintenance Program
CFDA Unknown
FUND SOURCE Texas Department of Transportation
GRANT NO. M022DLRIO
PROJECT NO. AM 2010DLRIO
PERIOD September 1, 2009 - August 31, 2010

	BUDGET	ACTUAL		TOTAL
		PRIOR YEAR	CURRENT YEAR	
REVENUES				
Grant Contract	\$ 50,000	\$ 3,018	\$ 9,676	\$ 12,694
Local	50,000	22,138	(307)	21,831 (a)
Total Receipts	100,000	25,156	9,369	34,525
EXPENDITURES				
Maintenance	100,000	34,525	-	34,525
Total Expenditures	100,000	34,525	-	34,525
EXCESS (DEFICIT) RECEIPTS OVER EXPENDITURES	\$ -	\$ (9,369)	\$ 9,369	\$ -

(a) Actual costs exceeded grant eligible expenditures. For purposes of this report those costs are classified as local share.