



City of McAllen, Texas



Convention Center
Under Construction

Annual Budget
Fiscal Year Ending September 30, 2006



CITY of McALLEN

ANNUAL BUDGET FOR FISCAL YEAR
OCTOBER 1, 2005 - SEPTEMBER 30, 2006



AS ADOPTED BY THE BOARD OF COMMISSIONERS
AND THE McALLEN PUBLIC UTILITY BOARD

RICHARD F. CORTEZ, MAYOR

Scott Crane, Commissioner District #1
Hilda Salinas, Commissioner District #3
John Ingram, Commissioner District #5

Marcus Barrera, Commissioner District #2
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Jerry W. Dale, CPA, CGFO, Finance Director
Angie Rodriguez, Senior Budget Analyst



1996

CITY OF McALLEN

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RICHARD F. CORTEZ, Mayor
JAN M. KLINCK, Mayor Pro-Tem and Commissioner District 6
SCOTT C. CRANE, Commissioner District 1
MARCUS C. BARRERA, Commissioner District 2
HILDA SALINAS, Commissioner District 3
AIDA RAMIREZ, Commissioner District 4
JOHN J. INGRAM, Commissioner District 5

MIKE R. PEREZ, City Manager

October 1, 2005

Honorable Mayor
Members of the City Commission
Public Utility Board of Trustees
Citizens of McAllen
City of McAllen
McAllen, Texas 78501

We are pleased to present the Official Budget for the City of McAllen for fiscal year ending September 30, 2006. All significant funds of the City are presented. The Community Development Block Grant Fund budget was adopted May 9, 2005. The budget for all other City funds was adopted September 26, 2005. Copies of this budget document will be available for inspection at the City Secretary's Office, the McAllen Public Library, the Hidalgo County District Clerk's Office and the City of McAllen's web site, www.mcallen.net.

*Recommended Budget Practices
National Advisory Counsel on State and Local Government Budgeting*

Over the last several years, the City has made a major effort to bring its budget process and official document in closer compliance with the Recommended Budget Practices of the National Advisory Counsel on State and Local Government Budgeting (NACSLGB). In these practices, NACSLGB emphasizes the need to include performance measurements and a written strategic plan with linkages to departmental goals supportive of that plan as an integral part of the budget process.

Performance Measurements

In conjunction with the City's Strategic Plan, a more intense and comprehensive effort was made to provide a *family of numbers* that would represent the extent to which the City is both effectively and efficiently utilizing resources at its disposal. Last year the City contracted with ICMA to assist the major City departments in the development and refinement of these measurements. We expect that development of these statistics will more fully occur over time.

*New Approach to Budget Process
Written Strategic Plan Linked to Departmental Goals Supported By Decision Packages*

Last year the beginning of a Comprehensive Strategic Plan—reflecting the long-term vision of the City Commission for the next 20 years, with individual elements, which capture the essence of its aspirations for our City—was developed at the City Commission Retreats held on March 26-27, 2004 and committed to writing. This plan, which is shown below, was used to guide the development of departmental program proposals. Using the it as an anchor, the Department Heads were asked to develop both short-term and intermediate-term

programmatic goals and objectives that address the individual elements, with the intent to transform over time the vision into reality—within the constraints of available resources. The Strategic Plan will become more fully developed over time.

Five Year Plan

Last year, the City undertook a five year financial planning process. The results will be used as a basis to develop future budgets over the next few years.

This Year's Budget Process

During this year's budget process, each Department Head began with an amended plan for FY 2005-06, which reflected the plan developed in conjunction with the five year financial planning process last year, with provision for some increases anticipated, some of which were unavoidable. Provision was made for a 10% increase in electricity, a 25% increase in fuel and lubricants, a 3.5% pay raise for non-civil service personnel and increases called for under union contracts. The amended plan underwent a line-item review in order to determine whether there were any line items both over and under provided for and was adjusted as appropriate.

Use of Decision Packages for Increments Above Baseline Budgets

Any further increases in the budget and Five Year Plan, eligible to be considered for funding were generally required to be supported by a Decision Package. Each Decision Package designated the element of the Strategic Plan being addressed, the description of a specific program in support of that element as well as the related cost.

Long-term Programmatic Policies

The long-term programmatic policies, collectively representing the City Commission's vision for the City, which resulted from the strategic planning process, include the following elements::

Vision: Seamless and Efficient Transportation/Mobility System

Goals:

- Develop an adequate planning process for future roads by revisiting the grid map.
- Revisit subdivision code, retail codes, etc. for needed intersection improvement.
- Communicate more effectively with the public regarding transportation issues.
- Review planning process on a regular basis.
- Within twelve months, have a transportation engineer in place.
- Develop a plan to improve efficiency of the twelve worst intersections. Allow for nominations from City Commissioners on a yearly basis.
- Further develop the Traffic Management Department.

Vision: Progressive and Sustainable Economic Development

Goals:

- Develop incentives to attract national anchors downtown.
- Develop a master land use plan. Conduct a comprehensive update of Foresight McAllen. Create retail nodes in diverse areas of the community.
- Target industries for job training. Broaden targets beyond manufacturing and healthcare.
- Collaborate in coordinating high school, college and university curricula with economic development.
- Conduct positive marketing for McAllen south of the border. Explore marketing beyond Monterrey as well.
- Work toward keeping the border open through political action.
- Construct Anzalduas Bridge.

Vision: Aesthetically Pleasing Urban Design and Landscaping

Goals:

- Use existing ditches for streams, walking and wildlife habitats and to connect neighborhoods.
- Develop street level signage.
- Include a question about ground-level signage in a citizen survey.
- Develop a requirement to maintain landscape plans.
- Develop incentive plans to encourage preservation of large trees.
- Develop requirements for landscape plans for public properties and right-of-ways.
- Finish the walking and jogging trail.
- Landscape the areas along the expressway.

Vision: Educated, Skilled Citizenry/Workforce

Vision: Family-Oriented Activities/Entertainment

Vision: Regional Cooperation/Partnerships

Vision: Guaranteed, Adequate Water Supply

Vision: Create Safe City of McAllen

Vision: Abundant Wildlife Habitat and Greenspace

Vision: Progressive Leadership

Vision: Engaged Core of Younger Volunteers

Vision: Community That Provides Opportunities to Youth

During the budget process, specific programs, in support of the vision, were offered for consideration, evaluated and prioritized. The City Commission reviewed recommendations and modified them as deemed appropriate.

Long-Term Budget, Financial & Debt Policies

This budget was also developed consistent with these long-term policies, as follows:

- *Budgetary Policies* – which provide for:
 - an annual appropriated budget
 - inclusion of all appropriate funds of the City
 - a balanced budget
 - conservative estimation of revenues and expenditures
 - accessibility by the public
- *Financial Policies* – which provide for:
 - Minimum fund balance in the General Fund
 - Minimum working capital balances in the Water, Sewer and Bridge Funds
 - Depreciation (Replacement) funds
- *Debt Management Policies* – which provide that:
 - Long-term debt will be limited to capital projects that cannot be financed from current resources
 - Long-term debt terms will not exceed the estimated useful life of the capital project
 - Long-term debt will not be used to finance recurring maintenance and operating costs
 - Bond indenture requirements will be strictly complied with

A more detailed discussion of these policies begins on page 350.

This budget has been developed consistent with the long-term programmatic as well as financial policies of the City.

Location and Economy

The City of McAllen, incorporated in 1911 and the largest city in Hidalgo County, is located at the intersection of U. S. Highway 83 and State Highway 336. It is approximately 230 miles south of San Antonio, 150 miles north of Monterrey, Nuevo Leon, Mexico, a city with a population of over 5 million including the surrounding suburbs, and just 7 miles north of Reynosa, Tamps. Mexico. Within a 150-mile radius of McAllen, its trade area represents approximately 10 million people. According to the 2000 census, McAllen's population was 106,414, increasing 26.7% since 1990.

Over the last 10 to 15 years, the City's economy has undergone a significant transformation, characterized by a decreasing reliance on agriculture. As a consequence of this transformation, the City has experienced substantial economic growth that has spurred growth in employment and a decline in its unemployment rate despite brisk growth in the labor force.

According to the Texas Workforce Commission, over the last 14 years the McAllen-Edinburg-Mission MSA employment in the nonagricultural sector has grown from 103,500 in 1991 to 192,500 in 2005—a 86% increase. Currently with total employment at 241,144, the unemployment rate is 7.8%. Some of the more significant employment numbers by industry, which represent over 76% of total employment, include government; trade, transportation and utilities; education and health services; and leisure and hospitality.

The Maquiladora "Twin Plant" Program, under which U.S. firms locate manufacturing facilities in Mexico accompanied by warehousing facilities in McAllen's foreign trade zone in order to cut labor costs and remain competitive, has been responsible for a large part of the job growth. Since 1988, the McAllen Economic Development Corporation has been responsible for bringing 220 new companies, representing 16,632 new jobs to McAllen. Its efforts have also resulted in 272 new companies, representing 65,986 new jobs for Reynosa. The impact of the North American Free Trade Agreement (NAFTA), as it continues to develop, has also played a major role in increased trade with Mexico for the City as well as it the State of Texas. During 2004 Texas exported \$46B to Mexico, which represented over 44% of Texas' total exports--making Mexico its Number One Trading Partner. This new level of trade represents a 10% increase over the prior. As NAFTA continues to mature, the City of McAllen's international toll bridge, connecting Hidalgo, Texas with Reynosa, will continue to facilitate trade between Mexico and the U. S.; and, more particularly the City with its proximity to Mexico and strong social, economic and cultural ties with the people of Mexico.

As a result of the job growth created by this transforming economy, the City's unemployment rate declined by 59% over the last ten years. McAllen's unemployment rate, which in September 1996 was 13.4%, declined to 5.5% as of September 2005.

City of McAllen's Unemployment Rate
Ten Year History



Source: Texas Workforce Commission

Another set of statistics that is considered in assessing the economy is the *McAllen Area Economic Pulse* report, published by the McAllen Chamber of Commerce, a copy of which has been included in the Supplemental Section of this budget. This year's results indicate that over the last several years the City has and continues to experience substantial economic growth. According to the latest report available, July 2005 Report, overall the economic index for the McAllen Area increased from 162.3 in August 2004 to 170.1 in July 2005. This index reflects continued growth in retail sales, airline boardings, construction permit values, new home permits, home sales, average home sales price, offset by marginal declines in motor vehicle tax receipts, international bridge crossings and lodging tax receipts. During that period of time, there was also some slippage in the U.S. Dollar exchange rate to the Mexican Peso.

ACCOMPLISHMENT OF MAJOR GOALS ESTABLISHED IN PRIOR YEAR BUDGET

Hire Firm to Update Foresight McAllen (Master Plan)

Managements' Response: Completed. Consultant chosen.

Increase MCN (Channel 12) Programming Relating to Services City Offers

Managements' Response: Completed. Placed Programming on City Website Schedule.

Improve Efficiency in the Twelve Worst Intersections

Managements' Response: Partially Completed, including:

10th Street & Dove 29th Street & Nolana

23rd Street & Nolana 10th Street & Zinnia

Hire a Traffic Engineer to Coordinate Traffic Signals Timing on 10th Street, 23rd Street, Bicentennial Boulevard and Ware Road

Managements' Response: Completed by a promotion from the Engineering Department.

Establish Organizational Structure to Implement Heart of the City Project

Managements' Response: Completed. Heart of the City was formally organized and is seeking an Executive Director.

Start Construction of Anzalduas Bridge

Managements' Response: Not completed—awaiting final diplomatic note from Mexico.

Work Toward Minimizing the Impact of US-VISIT Program by working with other Border Communities from Brownsville to El Paso

Managements' Response: We continue to lobby for additional resources including technology and staffing that will serve to improve the inspection process when entering the U.S. at our ports of entry. We also are lobbying to include programs like the dedicated commuter lane known as the SENTRI program for low risk frequent travelers at the Hidalgo Port of Entry.

Widen Ditches with Walking Trails and Plant Wildflowers that Will Promote Wildlife Habitat and Connect Neighborhoods

Managements' Response: Partially completed. The Public Works Department has widened the Northeast Blueline, Northwest Blueline, McAllen/Pharr East Lateral and McAllen Pharr Southeast Lateral ditches, totaling 8.23 miles. Grass has been planted within these sections of channel and tiers have been prepared for trails.

Implement an Aggressive Tree Planting Program

Managements' Response: Completed tree planting of 2nd Street and Bicentennial Trails. Purchased nursery stock from Alice, Texas.

Complete South 2nd Street Trails Project
Managements' Response: Project is 90% Complete.

Develop a Program that Would Encourage City Staff to Be More Informative and Responsive to Citizens
Managements' Response: City Website Upgraded. Citizen Hearings Regarding Major Constructions Projects Ongoing.

Start Construction of New Convention Center
Managements' Response: Completed. Construction of the New Convention Center commenced on January 10, 2005. It is currently 40% complete and expected to be completed February 14, 2007, followed by a March 2005 opening.

Complete Fire Station Location Study and Bid Out New Main Fire Station
Managements' Response: Partially Completed. Fire Station Location Reviewed by City Commission in April 2005. Architectural Firm, Croslin, Completed Schematic of New Number One Station.

Select Site for New Main Library with Citizen Input and Develop Strategy to Finance the Project
Managements' Response: Partially Completed Space Program for New Main Library by Providence.

Start Planning Process for New Performing Arts Facility
Managements' Response: No Activity.

Build Drainage Detention Facilities at McAuliffe and Garza Schools
Managements' Response: Regional Detention Facilities Under Construction and Expected to Be Completed December 2005. Related Park Projects Also Under Contract for Construction.

Buy Additional Right-of-Way for North East Blueline Ditches and Construct Improvements
Managements' Response: Purchased 12 Acres @ South Main Drain, West of McColl.

Increase Funding for One-Step Street Recycling Project from \$1,450,000 to \$2,750,000
Managements' Response: Completed With 20 Miles of Streets Resurfaced.

Construct the Extension of Dove Avenue West to Taylor Road
Managements' Response: Completed With Opening of New Sharyland North Junior High on August 22, 2005.

Start the Construction of Bicentennial Boulevard with the Moving of Railroad Tracks
Managements' Response: Not Completed. Reviewed by City Commission on August 22, 2005.

Complete Feasibility Study for new Downtown Parking Garage at 15th and Beaumont.
Managements' Response: Completed. Alamo Architects Authorized to Finish Construction Drawings.

Begin Operation of McAllen Express transit under City Department.
Managements' Response: Completed. McAllen Express commenced operation on January 1, 2005 and its activities are accounted for as a fund of the City.

Complete Airport Master Plan including extension of existing runway and future second runway.
Managements' Response: Master Plan Completed and Adopted by City Commission.

MAJOR GOALS FOR FISCAL YEAR 2005-06

The goals adopted by the Mayor and City Commission for FY 2005-06 are as follows:

Improve City Traffic Flow and Storm Drainage by:

- Hire Consultant to Update Traffic Master Plan - p.87
- beginning Bentsen Road reconstruction: Expressway to Pecan - p.94
- beginning first phase of widening Bentsen: Pecan to 3-Mile by placing irrigation canal underground - p.94
- beginning first phase of Bicentennial Parkway north of Nolana to Dove by relocation of railroad facilities - p.94
- beginning TxDOT design process for upgrade of Nolana: Jackson to 10th Street -p.94
- completing new traffic signals along 23rd Street corridor - p.87
- completing new drainage facilities in STC/Quince area, 4th and 8th Streets, 2nd and Quamasia, 27th to 29th from Olga to Sarah - p.94
- coordinating new drainage outfall for STC Pecan Campus - p.94
- continuing alley and street resurfacing program to provide new surface every eight years for arterial and ten years for residential streets - p.99
- beginning the acquisition of 10 parcels of right-of-way for Ware Road upgrade, 3-mile to 5 mile, for TxDOT construction in 2008 - p.55
- beginning the design process with TxDOT relating to the Federal Highway Bill earmarked for the relocation of 10th Street (SH 336) due to the need to extend the airport runway – pp. 55 & 292
- completing specific traffic consultation studies for intersection improvements, access management, signal timing and roadway expansion – p.87

Continue Efforts to Make McAllen an "International Shopping Destination" by:

- continuing construction on the McAllen Convention Center, scheduled for opening in Spring 2007 with site improvements scheduled for completion during FY 2005-06 and bookings of conventions to begin for 2007 – p.284
- completing the sale of property for a major new retail shopping and restaurant area at the 70 acres south of the new Convention Center site – p.37
- recruiting Convention Center Hotel Developer for City-designated site – p.284
- beginning the planning for the new Performing Arts building at the New Convention Center site – p.284
- opening Quinta Mazatlan in March 2006 as Wing of World Birding Center and small conference

center – p.129

- providing partial funding for TxDOT landscape of Expressway 83 right-of-ways in McAllen city limits –pp. 55 & 117
- construction of new covered entrance and enhance passenger amenities at McAllen Bus Terminal – p.308
- bidding and receiving replacement transit system buses – p.308
- provide additional parking spaces downtown - p.94
- continuing to market McAllen-Miller International Airport for additional flights to Mexico and Orlando, Florida – p.292
- beginning the construction of Anzalduas International Bridge – pp. 37 & 316
- develop a marketing plan for the McAllen-Hidalgo-Reynosa International Bridge to provide better customer service – p.316
- continue to aggressively attract maquila supplier companies to locate in the McAllen MSA
- planning the establishment of Historical Districts with the completion of City Historical Building and Sites Inventory – p.62
- develop a plan to attract higher-end retailers to McAllen

Improve Customer Service by:

- implementing recommendations to improve the development process
- completing consultant selection and beginning the process to update “Foresight McAllen” Overall Master Plan – p.62
- providing greater access to city services by opening of Los Encinos Neighborhood Police Station @ Olga and 28th Street in October 2005 – pp.37 & 78
- starting construction of New Fire Station One @ Cedar and 22nd site – p.84
- implement customer training for City staff

Improve Water & Wastewater Services by:

- completing Bentsen Road water and sanitary sewer improvements from Expressway to Daffodil
- finishing construction of sanitary sewer collection system from Airport to South Wastewater Plant
- completing design for increased capacity @ North Wastewater Plant and South Water Plant
- beginning design and acquiring site for replacement of force main along the Bicentennial extension route

- continuing recycling program for green waste/sewer sludge to produce 7,600 tons of bio-solids compost for private and public use

Improve Quality of Life in McAllen by:

- providing funding for operations of the City's "Heart of the City Committee"
- converting public housing @ Vine Terrace to homeownership by rehabilitating 49 units
- continuing funding for McAllen Affordable Housing for scattered site vacant lots in the heart of the City for new home construction
- developing a plan for funding improvements to former Kaepler property on north 23rd Street as City park as well as parkland acquisition locations
- opening south loop on 2nd Street of the Hike and Bike Trail, which will add 2.5 miles to the existing City trail network – p.117
- opening and operating the City's first regional storm drainage detention facility and combination city/school parks at Jackson and McAuliffe Elementary Schools – pp. 94 & 117
- opening Gonzales City School Park – p.117
- beginning construction of Dove Landing, Summer Breeze, medical District and La Ventana Parks – p.117
- completing new landscape project on South Bicentennial entrance to Airport and La Piedad Cemetery access improvements – p.117

CITY'S MISSION

The City's mission is to *provide quality of life through quality service*. We believe that this budget is realistic, attainable and cost-effectively meets the level of services which meet the mission statement criteria, which you have directed City staff to provide and to which our citizens have come to expect and deserve.

CURRENT YEAR ISSUES

During the budget process several issues were raised which are discussed below:

Street Re-Paving Program Funding Increased

The City Commission considered and approved increasing the funding for re-paving streets from \$2.95M to \$3.45. At this new level of funding, the City will become one step closer to the \$4.5M threshold, at which it is estimated that residential streets can be repaved every 10 years and arterial street, every 7-8 years.

Funding Stormwater Drainage Regulation

Stormwater drainage regulations are beginning to phase in. These regulations represent an unfunded mandate and it is expected the cost to comply will increase significantly over time. In order to fund these new requirements, consideration was given to a stormwater drainage fee, which ultimately was not adopted.

Paid-Parking at the Airport

Last year's budget provided for improvements to accommodate paid-parking at the Airport as well as the related revenues from its operations; however, the project did not materialize. During the budget process, this issue was reconsidered and the decision was made to implement the project this year.

Including Residential Electricity and Gas in Items Subject to City Sales Tax

Many Texas cities impose city sales tax on residential use of electricity and gas. This issue was also considered, however was not adopted.

Fire Station #7

Consideration was given to adding an additional fire station. However, it was finally decided that additional information was needed to properly locate it. The commencement was deferred, however, provision was made in the budget to fund plans.

Impact of Capital Improvement Projects on Operations & Maintenance Expenditures

As a part of the approval process for capital improvement projects, management considers the impact on operation and maintenance expenditures. For major projects, for which funding is provided through the issuance of bonds, generally a ten-year financial plan is prepared in conjunction with the presentation to the credit rating agencies. Accordingly, plans were prepared in conjunction with the \$60M Water and Sewer Masterplan as well as the Anzalduas International Crossing. A plan also has been developed for the new Convention Center. All of these plans are under separate cover. Other less significant improvements included in the Capital Improvement Fund have been evaluated for their impact as you will note on the applicable section of this budget on pages 188-193. This year it has been determined that such improvements will impact operating and maintenance expenditures by approximately \$134,470 per year as shown on pages 188-193.

Planned Revenue Bond Issues

Once the use of the new Anzalduas Bridge is approved southbound cargo crossings, the City plans to issue between \$26M to \$32M in bonds to fund the new Anzalduas Bridge Project, which may begin construction this year—depending upon developments in the exchange of final diplomatic notes. The budget has not provided for the bridge issue, pending these developments.

Water and Wastewater Improvements

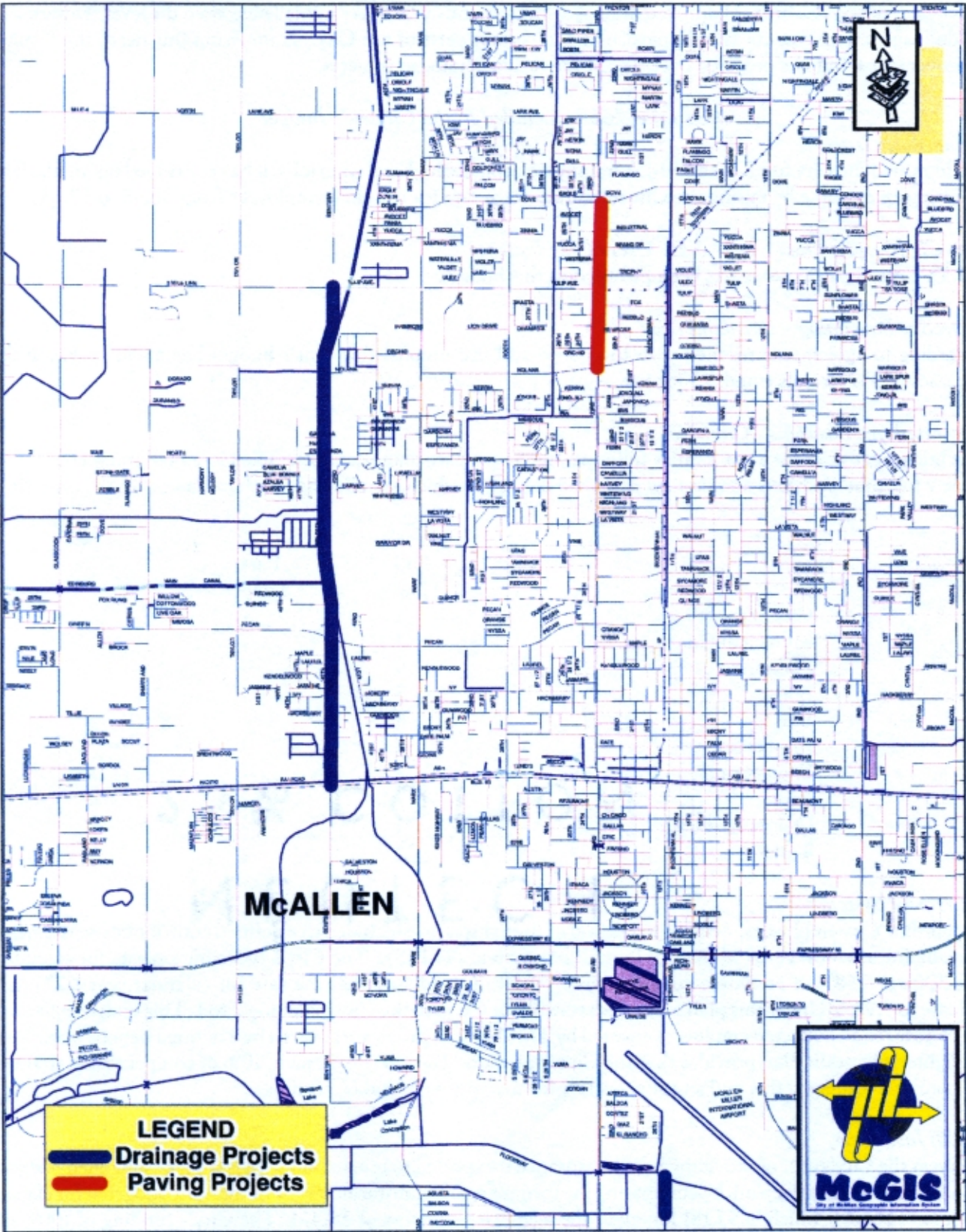
A substantial amount of improvements to the water and sewer systems has been provided in this year's budget. Detailed information is presented within the various funds, which are located within the Capital Projects tab of this budget.

Infrastructure

Streets

Due to the significant growth and development the City has experienced over the last few years, a substantial amount of money has been provided in this budget to finance constructing and improving streets as well as drainage. This year's funding for streets, which in the aggregate, amounts to \$14.6 M—will be done on a pay-as-you-go basis without incurring additional debt. Detailed information is presented in the Capital Improvement

Fund, which is located within the Capital Projects tab of this budget. Street projects receiving funding this year are presented in the following map:



Drainage

The significant development that has occurred within the City over the last several years has had the effect of placing pressure on the existing drainage system. Stormwater drainage regulations, promulgated by the EPA, have also added to the pressure for improved drainage. Recent unusually heavy rainfall has raised the level of awareness for drainage improvements as well, particularly in certain parts of the City. Addressing this need, the Capital Improvement Fund has provided over \$2.8M for various drainage projects.

Personnel Issues Included in the Citywide Budget

Living Wage Issue

In addition to the City funding skilled-job training to promote higher paying jobs, it has continued taking the lead in setting an example by raising the City minimum wage rate for full-time employees from \$8.55 to \$8.85.

Non-Civil Service Employees – 3.5% Overall Pay Increase

A 3.5% overall pay increase has been provided in this budget.

Collective Bargaining – Fire and Police

According to agreements reached with the police and fire unions, this year's budget has made provision for increases of 3% for police and 3.5 for fire.

New Employee Positions - Citywide

This budget provides for a net 32 new full-time and 5 new part-time positions. The General Fund accounts for 22 new full-time positions and no new part-time positions, which are allocated to departments in the following table:

	<u>Full Time</u>	<u>Part Time</u>
City Secretary	1	-
Municipal Court	1	-
Planning	6	-
Police	5	-
Fire	5	-
Inspection	1	-
Engineering	1	-
Parks	1	-
Quinta Mazatlan	1	-
Total	<u>22</u>	<u>-</u>

Retirement System

All full-time City employees, with the exception of firefighters, are included in a defined contribution retirement plan administered by Texas Municipal Retirement System (TMRS). The City's contribution rate for calendar year 2005 is 6.68% of employee compensation. TMRS has advised that the rate for calendar year 2006 will increase to 7.92%. Under this plan employees contribute 6% with the City matching 2 to 1. This budget reflects a 8.25% rate for all budgeted employees covered by TMRS. Firefighters are covered by a defined benefit plan. The Firefighter's Pension Plan provides that the City contribute 11% and the firemen, 10% of compensation to fund the plan. Accordingly, this budget provides 11% for the City's portion of funding.

Health Insurance

This year the City's cost of providing health insurance is expected to remain flat with last year's amended budget. The City did modify the plan, by eliminating the formulary and non-formulary. The amount budgeted for claims expense is \$5.3M, which is \$3.1M less than the aggregate stop loss of \$8.4M. The City's funding of 100% of employee cost and 50% of dependent cost will increase from last year's level of \$215.03 and \$171.28 per month to \$230.03 and 176.28, respectively.

THE FY 2005-06 BUDGET – AS A WHOLE

Overall Budget Basis of Accounting

The budget basis that the City has adopted by past practice is the modified accrual basis for all governmental fund types. The accrual basis has been adopted for the proprietary fund types, with some modifications; principally the inclusion of debt principal payments and capital outlay as expenses and not making provision for depreciation expense. Under accrual accounting, transactions and events are recognized as revenues/gains or expenses/losses when they occur, regardless of the timing of related cash flows. On the other hand, under the modified accrual basis, not only must the underlying revenue transaction have occurred but also the related cash flow must take place within a short-enough period to have an effect on current spendable resources. Therefore, revenues must be both measurable and available to liquidate liabilities of the current period. Likewise, expenditures generally are recognized when an event or transaction is expected to draw upon current spendable resources. This budget has been prepared in accordance with this legal basis of accounting.

Revenues and Operating Transfers-In

The City's overall budgeted revenues and transfers-in this year aggregate \$218M—comparable with last year's budget, considering that last year's budget included \$10M, representing bond proceeds.

Expenditures and Operating Transfers-Out

Expenditures and transfers-out are budgeted at \$270M.

Fund Balances

City fund balances as of September 30, 2006 are estimated to amount to \$122M—a \$52M decline from last year due to spending down the capital projects funds.

A detailed financial analysis of this year's budget appears in the *Executive Summary*, following this message.

LONG-TERM CONCERNS AND ISSUES

Growth

As noted earlier in this message, the City has experienced dramatic growth over the last few years. And, while growth has been accompanied by economic prosperity, it also presents its own challenges. Although, much has been done to provide an adequate transportation system, which continuously alleviates traffic congestion within the City, as well as an adequate drainage system, there is yet much to be done.

Unfunded Mandate – Stormwater Drainage Regulations

As implementation of these regulations begin to phase in, all cities will be required to incur additional costs—both capital as well as operating and maintenance—to comply. These costs must either be absorbed within the existing revenue stream, or like many cities be financed by a new revenue source.

Quality of Life Issues

The City has been developing over time from a small-to-medium sized city toward a larger city status, which has brought about an increased emphasis on quality of life issues. The new Convention Center, which cost approximately \$60M is currently under construction. A new Performing Arts Center as well as a new Library are also under discussion—both of which could amount to an additional \$60M. All the while, there is more interest in parkland acquisition and development.

Economic Development

As has been noted, the City's economic progress over the last 10-15 years has been truly remarkable—by almost any standard, including growth in sales tax, taxable values, job growth, personal/family income, a significant decline in the traditionally high unemployment rate, etc. Much of this success in economic development can be attributable to its strong relationship with Mexico. One measure, being taken to further strengthen this relationship is the construction of a new international bridge, the Anzalduas International Crossing. As the

Department of Homeland Security continues the implementation of its program to track non-citizens coming in and leaving the U.S., it is critical that the process be designed and implemented in a way not to diminish trade with Mexico.

Financing Capital Costs

Over the last two years preceding this one, the City systematically redeemed all of its general obligation debt—leaving it debt-free. During that time, a significant amount of capital projects has been financed on a pay-as-you-go basis using surpluses generated by the General Fund as well as monies provided by the Development Corp Fund (the additional ½ c sales tax for economic development). As it considers the cost some of the issues being discussed and considered, the City may need to ask the citizens to consider issuing debt to finance them.

Balancing Demands for Service vs. the Tax Rate

As the City considers all of the requests for additional facilities and services, it must view them in relation to a balanced property tax rate—at a level that is supported by citizens and taxpayers, that does not place an undue burden on them, and that does impede economic development.

While all of these issues are indeed challenges, which must be addressed, they are indicative of a city on the grow and are considered preferable to the alternative.

DISTINGUISHED BUDGET AWARD

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to the City of McAllen, Texas for its annual budget for the fiscal year beginning October 1, 2004. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.

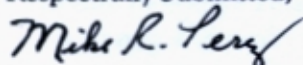
SUMMARY

We believe that this budget is realistic, attainable and cost-effectively meets not only the existing level of services which you have directed City staff to provide and which our citizens have come to expect and deserve; but, also addresses the issues that arose during the budget process. It will be closely monitored as to the performance of revenues and compliance with appropriation limits, with periodic reports provided to the City Commission, the Public Utility Board of Trustees and management.

Immediately following is an Executive Summary, which includes a detailed discussion of the budget by individual fund. We recommend that you read it in conjunction with this message as well as the financial schedules.

In closing, I want to thank Roel Rodriguez, Utility Manager, Brent Branham, Deputy City Manager, Jerry W. Dale, Finance Director, Angie Rodriguez, Senior Budget Analyst as well as the entire Finance Department staff, for each's contribution and efforts during the budget process and preparation of this document. Additionally, I would like to thank the Mayor, City Commission and the Public Utility Board of Trustees for their continued support of management and staff.

Respectfully Submitted,



Mike R. Perez
City Manager

EXECUTIVE SUMMARY

The following discussion is a fund-by-fund narrative review of the principal resources estimated to be provided in this year's budget, the major budgeted uses of those resources and the resulting fund balance or working capital. This information is then compared to that of last year's adjusted budget in order to place it in context and provide an indication of trend. The more significant changes are discussed, including the factors influencing those changes. This discussion should be read in conjunction with the Budget Message, preceding it, as well as the financial presentations, which follow.

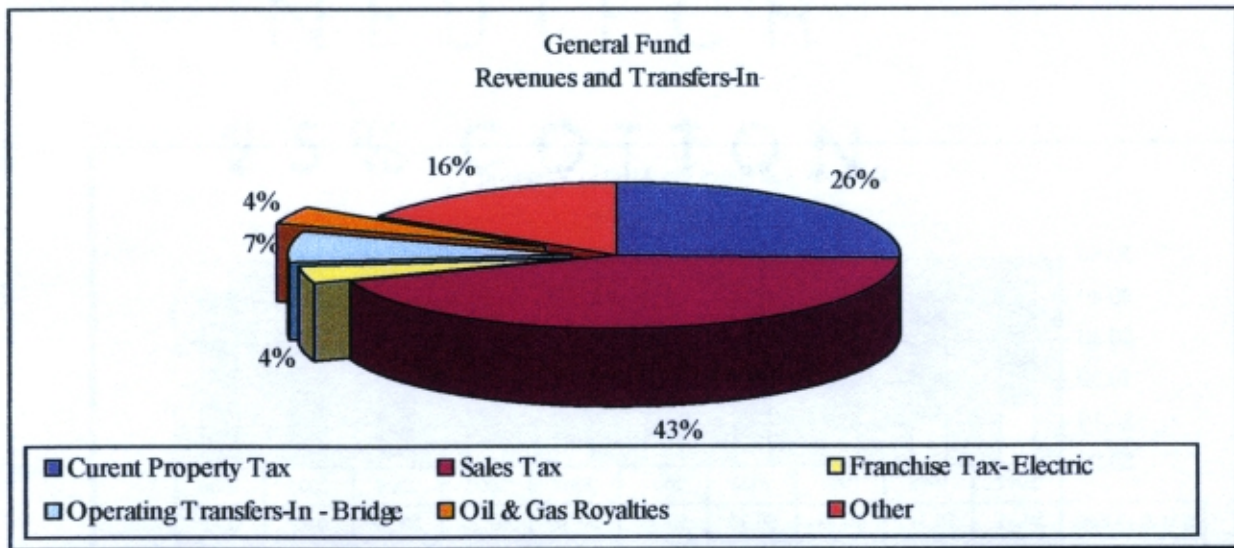
GENERAL FUND

The General Fund is used to account for resources traditionally associated with government, which are not required to be accounted for in another fund.

Revenues

The General Fund is expected to generate \$85M in revenues and transfers-in, an increase of \$6M or 7% over last year's amended budget. The increase is primarily attributable to current property tax and sales tax, which account for \$1.3M and \$3.2M of the increase, respectively. The balance is comprised of a net increase from all other less significant revenues.

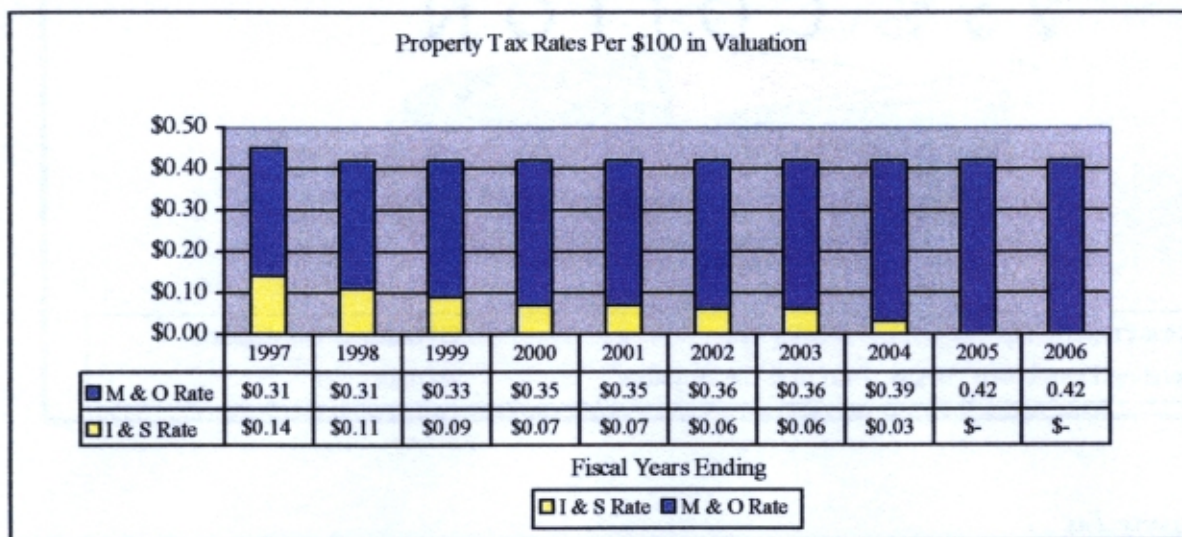
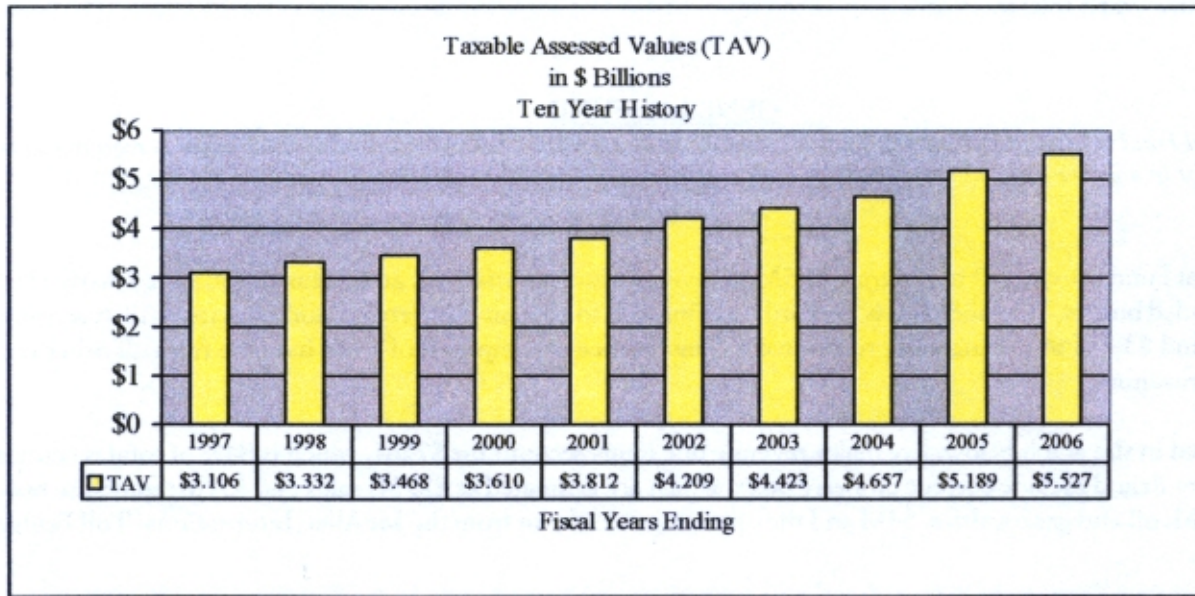
As illustrated in the graph below, five major revenue line items account for \$72M, which is 84% of total revenues and transfers-in and include current property taxes, which are estimated at \$22M; sales tax, \$37M; franchise tax - electric, \$3M; oil and gas royalties, \$4M and the operating transfer-in from the McAllen International Toll Bridge Fund, \$6M.



Current Property Tax

Although the overall property tax rate remains unchanged at 42c per \$100 valuation, taxable assessed value, as determined by the Hidalgo County Appraisal District, grew from \$5.189B to \$5.527B. This represents an increase of \$338M, or 6.5% over the prior year. The increase was due to both revaluation of properties existing in the prior year, which amounted to \$217M as well as and new improvements, which amounted to \$121M. The percentage increase due to revaluation of property existing in the prior year amounted to 4.2% with the balance of 2.3%

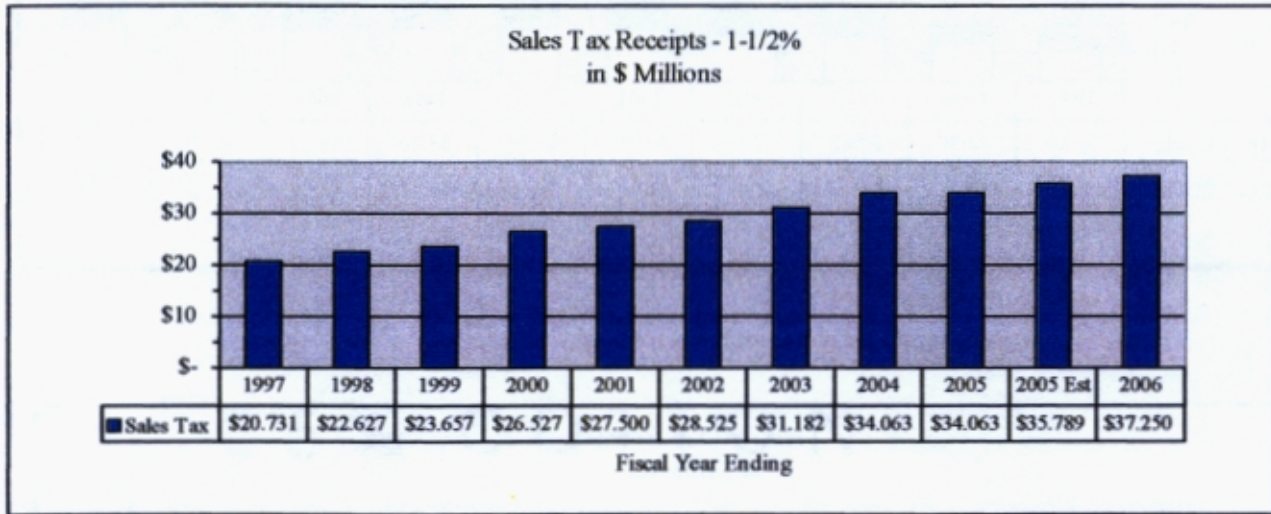
coming from new improvements. With no general obligation debt outstanding, the entire tax rate is allocated to and for General Fund operations (M&O rate) as in the prior year. The \$22M budgeted for collection of current property tax was determined by using the certified taxable assessed value, the adopted tax rate, assuming a collection rate of 94%.



Sales Tax

The most significant revenue line item in the General Fund is sales tax. Due to its instability relative to property tax and its historical sensitivity to fluctuations of the Mexican Peso, the City continues to take a conservative approach in estimating its performance. Over the last nine years, preceding this budget year, sales tax has increased

within the range of a low of 3.67% to a high of 12.13% and at an annual average simple increase of 7.5%. During the budget process, last year sales tax receipts were estimated to settle in at \$36M, an increase of 5.74% over the prior fiscal year. Although its growth trend during the years immediately preceding this budget year could be characterized as progressive, for the reasons previously given, we continue to take a conservative approach in estimating it at \$37M for this fiscal year, which reflects a 4% increase over last year's estimated performance.



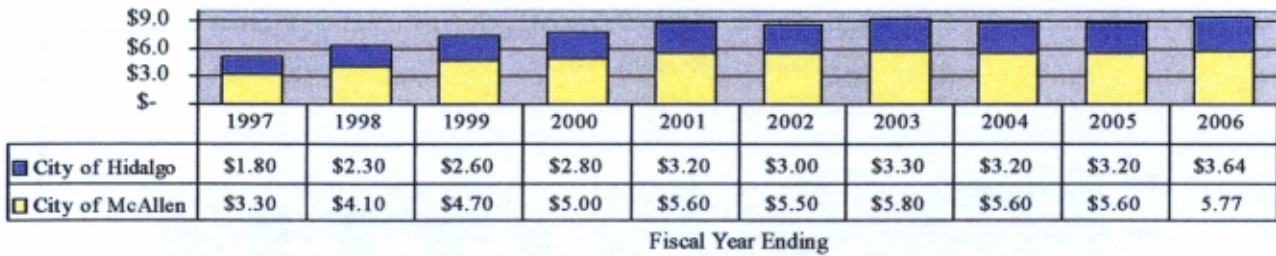
Franchise Taxes

Franchise taxes are collected from the electric, gas, telephone and cable companies, as a rental for the use of its right-of-ways—the largest of which is the electric company. It accounts for approximately 63% of the total. Over the last ten years, it has moved from a relatively stable \$4M to \$5M level. In fiscal year ending 2002, as shown in the chart below, it reached an unusual level due to historic highs in the price of natural gas prices, due to the tax being based on gross revenues. The tax is now based upon kilowatt usage. We are estimating this year's franchise tax from the electric companies at \$3.4M, the same level as last year's estimate and with the others estimated to remain relatively constant, total franchise taxes have been estimated at \$5.4M.

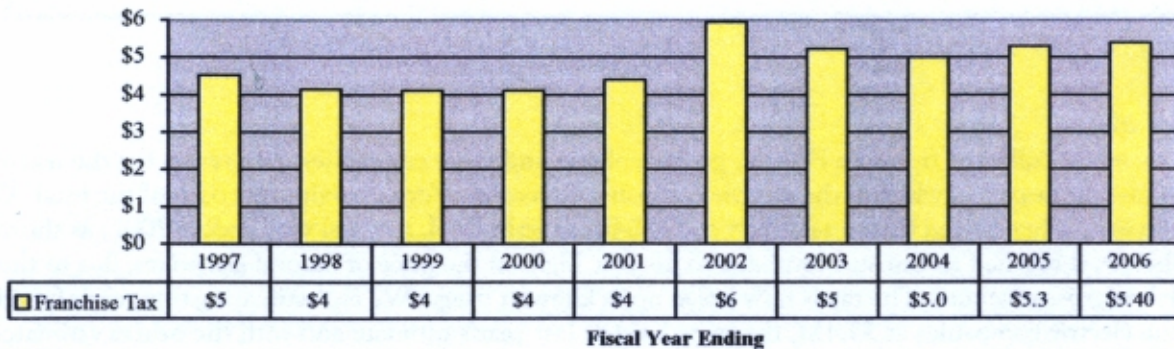
Operating Transfer-In - Bridge

The City of McAllen and the City of Hidalgo share in surplus revenues generated by the McAllen International Toll Bridge Fund at the rates of 64% and 36%, respectively—based upon an agreement reached during fiscal year 1998-99. For the six years immediately preceding the fiscal year in which 9/11 occurred and including fiscal year ending 2001, the growth in surplus revenues rose at a brisk pace due to increases in southbound traffic and periodic car toll rate increases. Since 9/11, southbound crossings have declined, which, offset by a car toll rate increase, has helped stabilized surplus revenues over the last four years, resulting in the City of McAllen's share holding in the \$5-6M level. As the amount allocable to the City is not transferred to the General Fund until approximately sixty (60) days after fiscal year end, it is not recognized as revenue, in the General Fund, until the subsequent year—therefore, a time lag of one fiscal year. The amount budgeted as a transfer-in to the City's General Fund is \$5.8M, a marginal increase over last year's budget.

**McAllen International Toll Bridge - Surplus Revenues
Shared Between the Cities of McAllen & Hidalgo
(in Millions)**



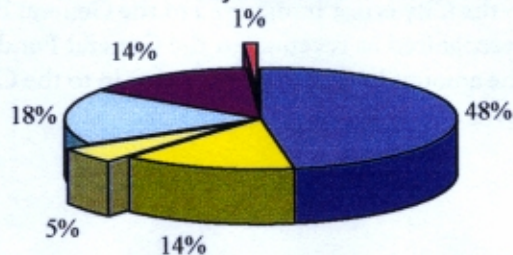
**Franchise Tax Receipts
in \$ Millions**



Expenditures

The General Fund's overall appropriation, including expenditures and transfers-out, is \$84M, a \$3M increase over last year's adjusted budget. Expenditures are budgeted at \$80M, an increase of \$4.4M or 5.85% over last years' adjusted budget. The following chart depicts how the expenditures are allocated among functions as well as the transfers-out.

**General Fund Expenditures and Transfers-Out
by Function**



■ Public Safety	■ Culture & Recreation	■ Operating Transfers - Out
■ General Government	■ Highways & Streets	

Increase in Expenditures – By Function

The following table distributes the overall increase in expenditures, over last year's amended budget, among the various functions of the City:

Allocation of Increase in Expenditures By Function

	<u>Fiscal Year</u>		<u>Inc (Dec)</u>
	<u>2005-06</u>	<u>2004-05</u>	
General Government	\$15,078,797	\$14,321,960	\$756,837
Public Safety	39,931,688	37,382,294	2,549,394
Highway and Streets	11,933,011	11,323,805	609,206
Health and Welfare	1,002,981	939,171	63,810
Culture and Recreation	<u>11,951,749</u>	<u>11,515,187</u>	<u>436,562</u>
Total	<u>\$79,898,226</u>	<u>\$75,482,417</u>	<u>\$4,415,809</u>

General Government

The most significant change within this function is employee benefits, which increased \$627K and is due to providing for a pay increase of 3 ½% for all non-civil service employees in all departments/functions as well as firefighters. The actual allocation of the pay raise will not be made to departments/functions until after the fiscal year begins, once the exact amount is known. The balance represents a net increase of a number of other less significant departmental increases.

Public Safety

The Police Department increase amounted to \$2.1M. The most significant increase, which amounted to \$600K, is due to the discontinuance of grant reimbursements. The budget provides for a 3% pay increase for civil service personnel, amounting to approximately \$441K, as called for in the union contract. It also provides for a \$418K increase in rental paid to the General Depreciation Fund due to the level or replacement of rolling stock. In addition, five new employee positions are being funded, which includes two police officers.

The Fire Department budget increased by \$363K, which includes provision for four additional firefighters, an additional fire inspector as well reclassifications. Rental paid to the General Depreciation Fund increased due to the planned replacement of a ladder truck. Of the four new firefighter positions, two will supplement the existing force, while the other two represents a build up of personnel, which will be needed to staff the planned new Station #7 in the Northwest part of the City.

Highways and Streets

Highways and streets is shown with a \$609K increase. The most significant change was a \$500K increase in Street Maintenance, which will increase funding to \$3.45M for the City's one-step street repaving program.

Health and Welfare

Health and welfare was relatively flat with last year.

Culture and Recreation

Culture and recreation increased by \$437K, which is primarily attributable to the Parks Department. An irrigator/plumber technician has been provided for as more park acreage is added to the City's inventory. Contract maintenance has been increased in order to properly care for the hike and bike trails, including 2nd Street, North of Trenton as well as south of Business 83. Also, overtime was increased by \$100K in order to bring the budget more in line with experience due to relying upon this department for support in hosting the many City events, which have become customary and traditional.

Increase in Expenditures – By Line-Item & Program

The following tables distribute the overall increase in expenditures, over last year's amended budget, among the line-item and program components:

Across the Board – 3 ½% Pay Increase Except Police	\$626,583
Police Pay Inc – Union Contract	441,442
Increase in Rental to General Depreciation Fund	740,357
Electricity – General 10% Inc with Adjustments	128,664
Fuel – General 25% Inc with Adjustments	229,755
Other	<u>657,415</u>
Anticipated Increase in Baseline Budget	\$2,824,216
Available for Programs	<u>1,591,593</u>
Total Increase in Expenditures	<u>\$4,415,809</u>

The *Top Ten* Decision Packages (programs) approved in next year's spending are shown in the following table:

<u>Department/DP #</u>	<u>Strategic Plan Element</u>	<u>Brief Description Of Program</u>	<u>Amount</u>
St Maintenance #5	Safe Clean Streets	Inc to Cutler Repaving Program	\$500,000
Planning #1	Aesthetics	Historical Preservation Plan	152,313
Engineering #1		Hire Drainage Engineer	120,915
Police #1	Safety	Achieve 2.1 P.O.s /1,000 Population	104,794
Fire #8	Safety	Reclassification – 3 Lt/ 6 Firefighters	70,147
Fire #1	Safety	Hire 2 FF & Fire Prevention Officer	68,451
Parks #2	Aesthetics	Hire Irrigation/Plumber Tech	62,671
Drainage #1	Safety/Aesthetics	Drainage Ditch Re-Profiling	62,000
Fire #6	Safety	Add Fire Inspector Position	59,309
Parks #8	Aesthetics	Maintenance – Hike & Bike Trails	<u>57,000</u>
Sub-Total			1,257,600
Other			<u>333,993</u>
Total			<u>\$1,591,593</u>

Fund Balance

Revenues and transfers-in are budgeted to exceed expenditures and transfers-out by \$834K, resulting in an ending fund balance of \$51M. This level represents 235 days of operating expenditures, which exceeds the City's policy, requiring that the General Fund maintain a minimum of 140 days in fund balance. This unusually high level is temporarily being maintained to provide for the potential need for bridge funding for some of the new convention center construction costs, pending the sale of land contiguous to it to Simon Properties.

SPECIAL REVENUE FUNDS

Hotel Occupancy Tax Fund

The Hotel Occupancy Tax Fund was established to account for hotel occupancy tax collections within the City.

The Hotel Occupancy Tax Fund is estimated to generate \$3.3M in hotel occupancy tax revenues—a 3% increase over the prior year estimated. The 7c collected by the City is allocated to the Chamber of Commerce, Civic Center and Civic Center Expansion at the rates of 2c, 2c and 3c, respectively.

Development Corporation of McAllen, Inc. (Development Corp) Fund

The Development Corp of McAllen, Inc. (4B) was established to account for the additional ½ cent sales tax for economic development.

The Development Corp Fund was established in fiscal year 1997-98 to account for the revenues from the additional ½ cent sales tax rate for economic development, approved by the voters in May 1997. Sales tax revenues from the ½ cent rate are estimated at \$12.4M, which is proportional to the estimate provided in the General Fund from its 1½ cent rate. Expenditures have been budgeted to provide funding for programs, which include:

- skill-job training for youth and families, through grants to three agencies,
- physician services for the COPC and Texas A&M School of Rural Public Health,
- economic development incentives recommended by the McAllen Economic Development Corporation (MEDC) under Chapter 380 of the Local Government Code,
- transfers to the McAllen Express Transit Fund and Bus Terminal Fund for the local match monies related to FTA grant capital projects as well as operations,
- and, transfers to the Civic Center Expansion Fund to assist with financing of the New Convention Center, to the Capital Improvement Fund for various projects and to the Debt Service Fund, which services the Sales Tax Revenue Bonds, Series 1998.

Community Development Block Grant Fund

The Community Development Block Grant Fund was established to account for this federal grant, which is used for the sole purpose of improving the health and welfare of the low to moderate income sector of our community.

The grant from the U.S. Department of Housing and Urban Development this year was \$2.7M, A \$500K decline from last year. The Top Five Programs funded this year include:

- Four Programs administered by McAllen Affordable Homes, Inc., which include:
 - *HOME Program*, in the amount of \$664K, to be used for constructing homes throughout the City and administered by McAllen Affordable Housing,
 - *Vine Terrace Housing Project*, in the amount of \$490K, which will convert Vine Terrace in home ownership or for scattered site construction,
 - *Beginnings*, in the amount of \$240,000, to be used for emergency rehabilitation or housing reconstruction,
 - and, *Buyer Helping Hands Grants*, in the amount of \$200K, which will be used for down payment/principal reduction for qualifying families.
- Rancho Phase II – Construction, which will fund a new storm sewer line from 27th to 29th Streets between Olga and Sara Streets.

Other programs to be funded as well as the amounts budgeted for each are presented in the related section of this budget document. Funding for the oversight and administration of these activities has been budgeted at \$290K.

Parklands Funds

The Parklands Funds were established to account for the resources received under Ordinance No. 1998 – 113 to be used to acquire and develop future park sites as well as provide improvements to existing parks.

Parklands Funds have been established for three (3) zones within the City. Revenues are estimated to amount to \$689K. Expenditures for parkland acquisition amounting to \$1.9M have been planned for this year, leaving an estimated fund balance of \$545K at year-end. The projects to be funded as well as the amounts budgeted for each include the following:

- Medical District, amounting to \$150K,
- Las Brisas, amounting to \$300K,
- Daffodil Park, amounting to \$168K
- Summer Breeze, amounting to \$25K,
- Land Acquisition – approximately 20 acres – Undesignated, amounting to \$800K,
- Gonzalez Park, amounting to \$215K
- and, La Ventana (Garcia), amounting to \$250K.

DEBT SERVICE FUNDS

Debt Service Fund - General Obligation Bonds

The Debt Service Fund is established by Ordinances authorizing the issuance of general obligation bonds. The fund provides for payment of bond principal, interest, paying agent fees, and a debt service reserve as a sinking fund each year. An ad valorem tax rate and tax levy is required to be computed and levied, which will be sufficient to produce the money required to pay principal and interest as it comes due and provide the interest and sinking fund reserve.

Legal Debt Limit

The State of Texas limits the ad valorem tax rate to \$2.50 per \$100 valuation. Other than the amount resulting from such rate limitation, there is no legal debt limit. The computation of this limit is presented on page 13.

With no general obligation bonds outstanding, the entire tax rate has shifted to the General Fund, helping provide additional funding for operations, particularly those expenditures impacted by the City's capital improvement program as well as capital projects on a pay-as-you-go basis.

Debt Service Funds – Revenue Bond Issues

Enterprise Fund/Sales Tax Revenue Bonds

The Debt Service Funds other than general obligation bonds are established by Ordinances authorizing the issuance of revenue bonds. The fund provides for payment of bond principal, interest, paying agent fees, and a debt service reserve as a sinking fund each year. Revenues of the activity related to the purpose of each bond issue are pledged as security for repayment of these bonds.

The resources to fund debt service requirements on revenue bonds have been presented as transfers from the operating funds to which each relates.

Bond Reserve Funds – Revenue Bond Issues

Enterprise Funds /Sales Tax Revenue Bonds

The Bond Reserve Fund is established by Ordinances authorizing the issuance of revenue bonds.

During fiscal year 1998-99, the City, as a part of its financial planning related to the issuance of Water and Sewer Revenue Bonds, Series 1999, Series 2000 and Series 2005, decided to purchase bond surety insurance in lieu of the requirement to build up bond reserve funds. During successive bonds issues, it was decided to follow that practice. This leaves the Bridge issue the only revenue bonds requiring a bond reserve fund. The bond reserve fund relating to that issue is fully funded and amounts to \$225K.

CAPITAL PROJECTS FUNDS

Capital Improvement Fund

The Capital Improvement Fund was established to account for all resources used for the acquisition and/or construction of capital facilities except those financed by proprietary fund types.

In addition to projects funded by the General Fund, this fund also accounts for Development Corp projects, once the Development Corp Board approves each project. This year a considerable amount of fund balance will be spent down. Estimated beginning fund balance of \$16.9M is expected to be supplemented by revenues and transfers-in, amounting to \$14.9M, to provide resources of \$31.8M for projects. Budgeted transfers-in will be provided from the Development Corp as well as the General Fund. Total budgeted expenditures amount to \$30.8M, which includes significant funding for streets, drainage and parks. Some of the more significant projects include:

- McAuliffe City/School Park w/Regional Detention Facility - \$1.7M
- Land Acquisition for Ware Road Expansion - \$1.5M,
- New Fire Station Number One @ Cedar and 22nd Street - \$4.5M,
- Bentsen Road - Pecan to 3 Mile - \$4.4M,
- Bentsen Road – Pecan to Expressway 83 - \$4.8M,
- Bicentennial Parkway – Nolana to Dove - \$4.4M

Other projects to be undertaken as well as the amounts budgeted for each are presented in the related section of this budget document. By fiscal year end 2005-06, fund balance is estimated to be spent down to \$1M.

The Water and Sewer Capital Improvement Funds/Bond Construction Funds were established to account for all major projects such as: plant expansions, rehabilitation of water and sewer lines, future annexations, rehabilitation of water towers, etc. Bond issues and Water and Sewer revenues are sources for funding these projects.

Water Capital Improvement Fund

Resources for this fund are primarily provided by transfers from the Water Fund, which this year were not provided. Expenditures are budgeted at \$3M, leaving an estimated fund balance of \$6.7M. The individual projects to be undertaken are presented in the related section of this budget document.

Sewer Capital Improvement Fund

Resources for this fund are primarily provided by transfers from the Sewer Fund, which this year amount of \$100K.

Expenditures are budgeted at \$1.9M. The individual projects to be undertaken are presented in the related section of this budget document. Fund balance is projected at \$1M by year-end.

Sewer Bond Construction Funds – Series 1999, 2000 & 2005

The projects to be undertaken are presented in the related section of this budget document. Fund balance is projected at \$500K by year-end.

Civic Center Expansion Fund

The Civic Center Expansion Fund was established for the sole purpose of future Expansion—the Development and Construction of the New Convention Center. Hotel tax is the primary revenue source.

Fund balance has grown over time principally due to the City's allocation of a portion of the hotel occupancy tax receipts to this fund as well as the interest thereon. This year revenues are budgeted to generate \$511K consisting primarily of interest income. An operating transfer-in from the Hotel Occupancy Tax Fund amounting to \$1.4M has been budgeted for its share of the hotel occupancy tax. In addition, a transfer-in from the Development Corp Fund for \$3.3M has been provided. Expenditures have been budgeted at \$24M for construction costs relating to the new convention center. Fund balance is expected to amount to \$8M by year-end. The new convention center at Expressway 83 and Ware Road is expected to be completed in the summer of 2006.

Anzalduas Bridge Fund

The Anzaldua's Bridge Fund was established to account for all expenses related to the development of a new international bridge connecting Reynosa, Mexico and McAllen, Texas.

Fund balance has built up primarily by transfers from the Bridge Fund as well as the interest thereon. It is intended to be used to fund part of the cost to construct the new Anzalduas Bridge and thereby reduce the amount of debt otherwise required for the project and/or to provide a contingency fund for anticipated startup losses. The Bridge Fund discontinued its transfer to this fund when the \$5M targeted fund balance was attained during fiscal year 1997-98. Interest income has been budgeted at \$150K. Expenditures are presented at \$62K, which includes provision for personnel and necessary travel expenses. The City's governing body has passed a resolution, which is required in order to be able to reimburse these expenses from the proceeds of a revenue bond issue planned for this project. The bond issue, which will finance this project, has not been presented in this budget, pending the exchange of final diplomatic notes. Mexican interests are currently in the process of obtaining Mexico's Presidential Permit. The United States Presidential Permit for the new bridge has been issued. Fund balance is expected to amount to \$4.5M by year-end.

Airport Capital Improvement Fund

The Airport Capital Improvement Fund was established to account for resources received from the Federal Aviation Administration and related capital improvements

This fund, which was established this year, provides for the funding of the runway overlay, airfield lighting, jet blast deflector, air carrier ramp, customs ramp and rehabilitation of taxi "c" and "a".

Passenger Facility Charge (PFC) Fund

The PFC Fund was established to account for the expenditure of passenger facility charges collected by the airlines and remitted to the airport.

Airport management anticipates spending \$830K for rehabilitation of the general aviation ramp from the monies available in this fund, leaving a fund balance of \$2.2M.

During fiscal year 1998-99, the City, as a part of its financial planning related to the issuance of Water and Sewer Revenue Bonds, Series 1999, Series 2000 and Series 2005, decided to purchase bond surety insurance in lieu of the requirement to build up bond reserve funds. During successive bonds issues, it was decided to follow that practice. This leaves the Bridge issue the only revenue bonds requiring a bond reserve fund. The bond reserve fund relating to that issue is fully funded and amounts to \$225K.

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Passenger Facility Charge (PFC) Fund

The PFC Fund was established to account for the expenditure of passenger facility charges collected by the airlines and remitted to the airport.

Airport management anticipates spending \$830K for rehabilitation of the general aviation ramp from the monies available in this fund, leaving a fund balance of \$2.2M.

ENTERPRISE FUNDS

Water Fund

The Water Fund is used to account for the provision of water services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, and billing and collections

Revenues have been budgeted at \$13M, a marginal increase over the prior year budget. This year's budget has provided for an increase in the customer base of 1,000 new customers and a 2% growth in consumption. The rate remains the same as last year. Operating expenses are budgeted to increase \$821K or 9% over the prior year budget. At these budgeted levels of operation, the debt coverage is 1.74x the debt service requirements. Working capital is expected to be \$7.4M by year-end, which represents 278 days of operating expenses and substantially exceeds the policy minimum of 120 days.

Water Depreciation Fund

This section also includes the working capital summaries for Water Depreciation Fund, which was established for the sole purpose of replacing fixed assets. Funding for this fund is based on 35% of the monthly depreciation cost and is transferred in from the Water Fund revenues.

Over twenty years ago, the MPUB began setting aside 50% of actual depreciation from the Water Fund in order to accumulate monies to be used for asset replacement. During the financial planning for the Series 2000 bond issue, the MPUB carefully considered and decided to reduce the funded depreciation requirement to 35%. This year it is estimated the Water Fund will transfer \$1M into this fund. \$700K has been budgeted to provide for replacements, leaving an estimated fund balance of \$3.7M.

Sewer Fund

The Sewer Fund is used to account for the provision of waste water treatment services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including administration, plants and stations, laboratory services and waster water collection.

Revenues are budgeted at \$10.6M, an increase of \$199K or 2% over the prior year budget. The rate remains the same as last year. Operating expenses are budgeted to increase \$601K. At these budgeted levels of operation, the debt coverage is estimated to be 1.86x the debt service requirements. Transfers-out for both debt service and for capital projects have been budgeted to decrease \$3.6M. Working capital is expected to amount to \$8.2M at year-end, which represents 448 days of operating expenses—far in excess of the policy of a minimum of 120 days.

Sewer Depreciation Fund

This section also includes the working capital summaries for Sewer Depreciation Fund, which was established for the sole purpose of replacing fixed assets. Funding for this fund is based on 50% of the monthly depreciation cost and is transferred in from the Sewer Fund revenues.

As was the case with the Water Fund, about twenty years ago the MPUB began setting aside 50% of actual depreciation from the Sewer Fund in order to accumulate monies to be used for asset replacement. This level of funding depreciation will continue. This year it is estimated the Sewer Fund will transfer \$1M into this fund. \$2.5M has been budgeted to provide for replacements, leaving an estimated fund balance of \$3.2M.

Sanitation Fund

The Sanitation Fund is used to account for the provision of sanitation services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including administration garbage pickup, brush collection, and recycle operations.

Revenues are estimated to increase by \$1M or 10% over last year's budget. Approximately \$400K of the reported increase appears to have resulted from underestimating the impact of phasing out of the franchise agreements with

private haulers of commercial accounts in last year's budget. The balance of the increase--\$600K, is primarily attributable to residential collection and is due to a rate increase of \$1 during FY 2004-05, which was not originally budgeted and which became effective June 1, 2005. As a result, FY 2005-06 will be the first full year since implementation of the rate increase. Residential collection revenues also provides for growth in the customer base of 720 customers. Expenses, other than capital expenditures, have been budgeted with a \$950K increase, which is principally due to increases in rental paid to the Sanitation Depreciation Fund and fuel—with a lesser amount due to new employee positions, which includes a tree trimming crew for the Brush Department and a new Deputy Director position in Administration. Fund balance is expected to be \$1.1M at year-end.

Sanitation Depreciation Fund

This section also includes the working capital summary for Sanitation Depreciation Fund, which was established for the sole purpose of replacing fixed assets. Funding is provided by charging rental to the Sanitation Fund.

The Sanitation Fund is charged rental for rolling stock acquired by this replacement fund at an annual amount equal to annual straight-line depreciation with a 10% add-on to provide for inflation. Rental income this year increased to \$1.5M, which is approximately a \$600K over last year. This increase in turn is largely responsible for the increase in expenses in the Sanitation Fund—resulting from a substantial increase in replacements. The increase in part is due to a change this year in acquiring new rather than used vehicles. The cost of replacements this year amounts to \$2M--\$1M over last year's budget, leaving working capital at \$1.4M at year-end

Palm View Golf Course Fund

The Palm view Golf Course Fund is used to account for the revenues and expenses of operating a complete 18 hole municipal golf course. The operation of the course is primarily financed by user charges.

Revenues are anticipated to be comparable to last year. There has been a general decline in rounds played not only at courses in the immediate area but nationwide. Expenses also generally reflect the same level as last year. Included in expenses is \$100K for the annual installment toward the repayment of a \$4M loan from the Development Corp for reconstructing the course. This year \$43K is budgeted to be transferred to the Palm View Golf Course – Depreciation Fund. Working capital at year-end is expected to approximate \$104K.

McAllen International Civic Center Fund

The Civic Center Fund is used to account for revenues and expenses of a convention and cultural center which provides a wide variety of entertainment including performances by ballet and musical groups or which a significant portion is financed through user charges.

The overall revenue and expense performance are not expected to change significantly and largely reflects last year's level.

McAllen International Airport Fund

The Airport Fund is used to account for the operational activities of the City's Airport.

Ignoring grant revenues, which are being transitioned to be accounted for in the Airport Capital Improvement Fund, revenues are budgeted to decrease \$84K from prior year budget, recognizing that the security reimbursement has been reclassified to non-operating income. The decrease is largely due to overestimating bridge boarding fees last year, a drop in landing fees and terminal rental charges due to Northwest Airlines ceasing operations offset by an increase in hangar rental as well as the tax on rental cars. Rental cars have increased significantly due to the increase in disemplanements experienced. Operating expenses are budgeted to increase \$159K, which is principally due to anticipated increases in utilities as well as facility maintenance. Working capital is expected to decline to \$182K by the end of this year.

Bus Terminal Fund

The Bus Terminal Fund is used to account for revenues and expenses for the bus terminal located in Downtown McAllen.

Ignoring, grant revenues, this year the balance is estimated to increase \$60K, of which \$30K is attributable to

advertising revenues with \$25K of the remainder to an increase in funding from the Development Corp Fund . While operating expenses are budgeted to increase by \$53K, capital expenditures have increased by \$766K, of which \$700K is for pedestrian walkway and canopies. An FTA grant will provide for 80% of the cost of the capital expenditures. Working capital is expected to be maintained in the \$75K range by the end of the year.

McAllen Express Transit Fund

The McAllen Express Transit Fund is used to account for the activities of the City's public transportation system.

In its first full year of operation, revenues are expected to generate \$2.1M, of which \$1.8M represents various grants for capital expenditures from the FTA. The Development Corp is providing funding of \$810K , of which \$300K will provide the local match for the grant-related capital expenditures with the balance of \$510K for operations.

McAllen International Toll Bridge Fund

The Bridge Fund is used to account for revenues and expenses for the International Toll Bridge located between Hidalgo, TX and Reynosa, Mexico.

Toll revenues are budgeted to increase 3% over prior year's estimate due to the first complete year following the car toll increase implemented during last year, offset by an anticipated 2% decline in southbound car crossings. Operating expenses are budgeted to increase marginally over last year. Working capital is estimated to amount to \$952K at year-end.

INTERNAL SERVICE FUNDS

Inter-Departmental Service Fund

The Inter-Department Service Fund was established to finance and account for services, materials, and supplies furnished to the various departments for the City, and on a limited basis, to other local governmental agencies. These services are provided on a cost reimbursement basis.

The level of activity is expected to increase somewhat with revenues estimated to generate \$2.5M, while expenses are planned at \$2.4M, leaving an estimated working capital of \$731K at year-end.

General Depreciation Fund

This section also includes the working capital summary for General Depreciation Fund, which was established for the sole purpose of replacing rolling stock of the General Fund. Funding has been provided by a rental charge to the appropriate department in the General Fund.

The rental paid by various departments of the General Fund for rolling stock is the budgeted acquisition cost plus 10% inflation factor to be recaptured over the estimated useful life. The aggregate rental income provided in this year's budget amounts to \$2.8M. Capital expenditures planned this year amounts to \$3.6M, leaving an estimated working capital of \$3.5M.

Health Insurance Fund

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

This fund accounts for the cost of self-insured claims, health insurance premiums on excess coverage and related administrative costs. Revenues, primarily derived from other City funds to which these coverages are attributable for 100% of the employee cost and 50% of the dependent cost, in the absence of an increase in premiums have remained flat with prior year's budget. Expenses have remained relatively flat at \$6.4M. Claims have been budgeted at \$5.3M, which is 62.5% of the aggregate stop loss limit of \$8.4M. Working capital is expected to amount to \$1.7M by year-end.

General Insurance & Workmen's Compensation Fund

The General Insurance and Workmen's Compensation Fund was established to account for all expenses related to workmen's compensation claims and general liability insurance. Primary funding sources are transfers in from General Fund and Enterprise Funds

This fund accounts for the cost of self-insured claims, insurance premiums on excess coverage and related administrative costs related to workers' compensation, property and casualty insurance. Revenues, primarily derived from other City funds to which these coverages are attributable are expected to increase marginally. Expenses have increased \$1.5M over prior year's budget. Fund balance is expected be \$6.3M at year-end.

The Government Finance Officers Association of the United States and Canada (GFOA) presented an award of Distinguished Presentation to the City of McAllen, Texas, for its annual budget for the fiscal year beginning October 1, 2003.

In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy documents, as an operations guide, as a financial plan, and as a communication device.

The award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

City of McAllen

Texas

For the Fiscal Year Beginning

October 1, 2004

Nancy L. Ziehl

President

Jeffrey R. Emen

Executive Director

City of McAllen's Location in Relation to the State of Texas

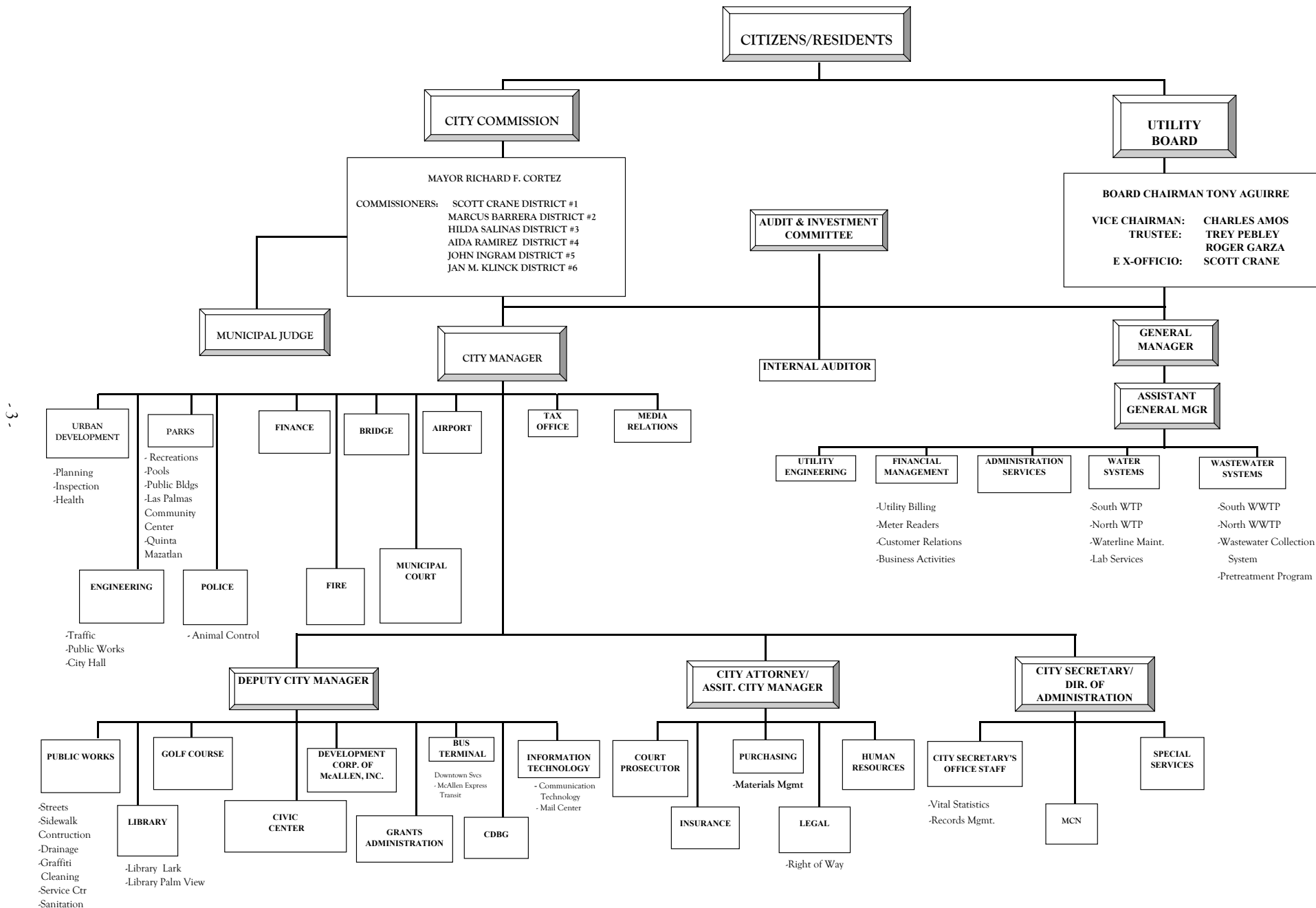


The City of McAllen lies in the southern region of the State in an area referred to as "The Rio Grande Valley". It is the largest City of the County of Hidalgo. The City was incorporated on February 20, 1911, and its Charter was adopted on January 31, 1927. Its form of government is Home Rule, i.e., Mayor/Commission-City Manager.

Estimated Distance to other Texas Cities:

	Miles
San Antonio.....	230
Austin.....	300
Houston.....	340
Dallas.....	490
El Paso.....	750

CITY OF McALLEN, TEXAS



COMBINED FINANCIAL SECTION



CITY of McALLEN, TEXAS

City of McAllen, Texas
2005-2006 Combined Budget Summary
All Funds

	Beginning Fund Balance	Projected Revenues	Transfers In	Transfers Out	Operations
General Fund					
General Fund	\$ 49,577,633	\$ 78,360,049	\$ 6,872,194	\$ (4,500,000)	\$ 78,202,422
Total General Fund	49,577,633	78,360,049	6,872,194	(4,500,000)	78,202,422
Special Revenue Funds					
Hotel Occupancy Tax Fund	26,014	3,341,565	-	(2,386,833)	954,732
Development Corp. of McAllen, Inc. Fund	5,039,928	12,525,995	-	(12,994,032)	3,240,241
Community Development Block Grant Fund	-	2,736,955	-	-	687,623
Parklands Funds	1,764,562	688,894	-	-	-
Total Special Revenue Funds	6,830,504	19,293,409	-	(15,380,865)	4,882,596
Debt Service Funds					
General Obligation Bonds	-	-	-	-	-
Water Revenue Bonds	232,362	-	1,961,657	-	-
Sewer Revenue Bonds	561,432	-	2,097,475	-	-
Bridge Revenue Bonds	102,117	-	283,553	-	-
Sales Tax Revenue Bonds	5,622	-	40,763	-	-
Bond Reserve Funds	225,000	-	-	-	-
Total Debt Service Funds	1,126,533	-	4,383,448	-	-
Capital Projects Funds					
Capital Improvement Fund	16,878,310	1,873,000	13,072,304	-	-
Water Capital Improvement Fund	9,526,776	135,000	-	-	-
Sewer Capital Improvement Fund	2,724,619	-	100,000	-	-
Sewer Bond Const. Fund - Series 1999, 2000 & 2004	7,869,700	72,000	-	-	-
Civic Center Expansion Fund	27,331,020	510,642	4,698,186	-	-
Anzalduas Bridge Fund	4,407,641	150,000	-	-	62,073
McAllen International Airport Capital Impr. Fund	-	3,250,185	171,062	-	-
Passenger Facility Charge Fund	1,915,062	947,260	-	-	-
Total Construction Funds	70,653,128	6,938,087	18,041,552	-	62,073
Enterprise Funds					
Water Fund	6,944,993	13,083,793	-	(2,919,913)	9,747,297
Water Depreciation Fund	3,349,672	69,200	958,256	-	-
Sewer Fund	7,514,781	10,595,310	-	(3,221,075)	6,684,125
Sewer Depreciation Fund	4,596,214	76,765	1,023,600	-	-
Sanitation Fund	2,193,740	11,182,234	-	-	10,450,689
Sanitation Depreciation Fund	1,864,084	1,505,444	-	-	-
Palm view Golf Course Fund	223,509	1,173,239	-	(43,200)	1,229,139
Palm view Golf Course Fund - Depreciation Fund	177,451	-	43,200	-	-
McAllen International Civic Center Fund	136,741	372,000	954,733	-	1,423,474
McAllen International Airport Fund	139,889	3,720,930	-	(1,275,027)	2,353,732
Bus Terminal Fund	75,524	1,065,790	314,485	-	595,375
McAllen Express Transit	32,571	2,118,714	800,394	-	828,146
McAllen International Toll Bridge Fund	952,442	12,833,300	-	(6,755,739)	5,642,561
McAllen Intl Toll Bridge Fund - Restricted Acct	5,768,229	-	6,472,186	(5,768,229)	-
Total Enterprise Funds	33,969,840	57,796,719	10,566,854	(19,983,183)	38,954,538
Internal Service Funds					
Inter-Departmental Service Fund	605,503	2,525,000	-	-	2,363,525
General Depreciation Fund	4,305,377	2,756,144	-	-	-
Health Insurance Fund	1,730,940	6,355,598	-	-	6,379,136
General Ins. and Workmen's Comp. Fund	6,339,440	4,298,238	-	-	4,333,779
Total Internal Service Funds	12,981,260	15,934,980	-	-	13,076,440
TOTALS	\$ 175,138,898	\$ 178,323,244	\$ 39,864,048	\$ (39,864,048)	\$ 135,178,069

05-06 Fund Balance Analysis Cont.

Capital Outlay	Debt Service	Total Appropriations	Reserved/Designed Fund Balance	Other Items Working Capital	Ending Fund Balance
\$ 1,695,804	\$ -	\$ 79,898,226	\$ -	\$ -	\$ 50,411,650
1,695,804	-	79,898,226	-	-	50,411,650
-	-	954,732	-	-	26,013
-	-	3,240,241	-	100,000	1,431,650
2,049,332	-	2,736,955	-	-	-
1,908,000	-	1,908,000	-	-	545,456
3,957,332	-	8,839,928	-	100,000	2,003,119
-	-	-	-	-	-
-	1,961,657	1,961,657	-	-	232,362
-	2,097,475	2,097,475	-	-	561,432
-	283,553	283,553	-	-	102,117
-	40,763	40,763	-	-	5,622
-	-	-	-	-	225,000
-	4,383,448	4,383,448	-	-	1,126,533
30,822,456	-	30,822,456	-	-	1,001,158
2,947,194	-	2,947,194	-	-	6,714,582
1,863,050	-	1,863,050	-	-	961,569
7,470,355	-	7,470,355	-	-	471,345
24,427,953	-	24,427,953	-	-	8,111,895
-	-	62,073	-	-	4,495,568
3,421,247	-	3,421,247	-	-	-
830,000	-	830,000	-	-	2,032,322
71,782,255	-	71,844,328	-	-	23,788,439
-	-	9,747,297	-	-	7,361,576
696,450	-	696,450	-	-	3,680,678
-	-	6,684,125	-	-	8,204,891
2,489,503	-	2,489,503	-	-	3,207,076
1,858,719	-	12,309,408	-	-	1,066,566
1,976,482	-	1,976,482	-	-	1,393,046
20,000	-	1,249,139	-	-	104,409
28,000	-	28,000	-	-	192,651
40,000	-	1,463,474	-	-	-
81,800	-	2,435,532	-	-	150,260
784,900	-	1,380,275	-	-	75,524
2,108,089	-	2,936,235	-	-	15,444
435,000	-	6,077,561	-	-	952,442
-	-	-	-	-	6,472,186
10,518,943	-	49,473,481	-	-	32,876,749
35,500	-	2,399,025	-	-	731,478
3,549,000	-	3,549,000	-	-	3,512,521
-	-	6,379,136	-	-	1,707,402
-	-	4,333,779	-	-	6,303,899
3,584,500	-	16,660,940	-	-	12,255,300
\$ 91,538,834	\$ 4,383,448	\$ 231,100,351	\$ -	\$ 100,000	\$ 122,461,790

**CITY OF McALLEN, TEXAS
SUMMARY OF MAJOR
REVENUES & EXPENDITURES
ALL FUNDS**

FINANCING SOURCES:	GENERAL FUND	SPECIAL REVENUE FUNDS				DEBT SERVICE FUNDS		CAPITAL PROJECTS FUNDS	
		CDBG	Development Corp	Hotel Tax	Parklands Fee	G.O. Bonds	Revenue Bonds		
CURRENT REVENUES:									
Taxes									
Ad Valorem Tax	\$ 22,878,162	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sales Tax	37,249,548	-	12,416,516	-	-	-	-	-	-
Franchise Taxes	5,374,000	-	-	-	-	-	-	-	-
Penalty & Interest Property Taxes	950,000	-	-	-	-	-	-	-	-
Hotel Taxes	-	-	-	3,341,565	-	-	-	-	-
Total Taxes	66,451,710	-	12,416,516	3,341,565	-	-	-	-	-
Licenses and Permits	1,362,325	-	-	-	688,894	-	-	-	-
Intergovernmental Revenues	375,000	2,736,955	-	-	-	-	-	-	5,123,185
Charges for Services	3,256,900	-	-	-	-	-	-	-	920,260
Fines and Forfeitures	2,068,114	-	-	-	-	-	-	-	-
Miscellaneous	3,741,000	-	-	-	-	-	-	-	-
Interest	1,100,000	-	109,479	-	-	-	-	-	894,642
Rentals	-	-	-	-	-	-	-	-	-
Sale of Property	5,000	-	-	-	-	-	-	-	-
Proceeds - Debt	-	-	-	-	-	-	-	-	-
Total Revenues	78,360,049	2,736,955	12,525,995	3,341,565	688,894	-	-	-	6,938,087
Transfers-In	6,872,194	-	-	-	-	-	4,383,448	-	18,041,552
Total Financing Sources	\$ 85,232,243	\$ 2,736,955	\$ 12,525,995	\$ 3,341,565	\$ 688,894	\$ -	\$ 4,383,448	\$ -	\$ 24,979,639
CURRENT EXPENDITURES/EXPENSES:									
Salaries and Wages	\$ 41,311,497	\$ 290,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 42,073
Employee Benefits	13,385,748	-	-	-	-	-	-	-	-
Supplies	1,547,803	-	-	-	-	-	-	-	-
Other Services and Charges	15,045,567	397,622	3,240,241	954,732	-	-	-	-	790,000
Maintenance	6,911,807	-	-	-	-	-	-	-	-
Capital Outlay	1,695,804	2,049,332	-	-	1,908,000	-	-	-	71,012,255
Debt Service	-	-	-	-	-	-	4,383,448	-	-
Total Expenditures/Expenses	79,898,226	2,736,954	3,240,241	954,732	1,908,000	-	4,383,448	-	71,844,328
Transfers-Out	4,500,000	-	12,994,032	2,386,833	-	-	-	-	-
Total Current Expenditures/ Expenses	\$ 84,398,226	\$ 2,736,955	\$ 16,234,273	\$ 3,341,565	\$ 1,908,000	\$ -	\$ 4,383,448	\$ -	\$ 71,844,328

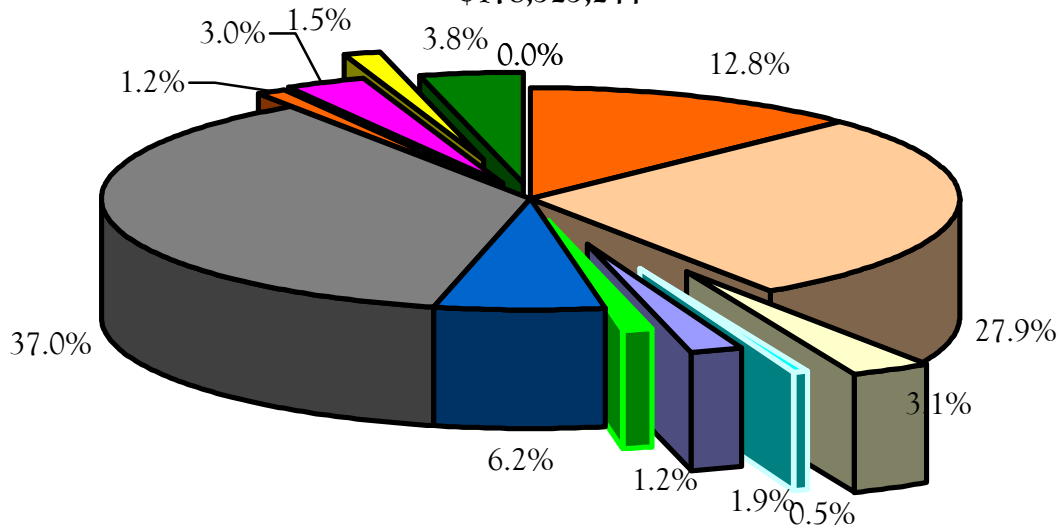
05-06 Summary of Major Revenue & Expenditures Cont.

ENTERPRISE FUNDS									INTERNAL SERVICE FUNDS	Total All Funds
Water & Water Depr. Fund	Sewer & Sewer Depr. Fund	Sanitation & Sanitation Depr. Fund	Golf & Golf Depr. Fund	Civic Center Fund	Airport Fund	McAllen Express Fund	Bus Terminal Fund	Bridge Fund		
\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 22,878,162
-	-	-	-	-	-	-	-	-	-	49,666,064
-	-	80,000	-	-	-	-	-	-	-	5,454,000
-	-	-	-	-	-	-	-	-	-	950,000
-	-	-	-	-	-	-	-	-	-	3,341,565
-	-	80,000	-	-	-	-	-	-	-	82,289,791
-	-	-	-	-	-	-	-	-	-	2,051,219
-	-	-	-	-	189,334	1,918,714	737,920	-	-	11,081,108
12,868,793	10,415,010	10,957,234	1,153,239	-	1,652,678	200,000	-	11,404,706	13,178,836	66,007,656
-	-	-	-	-	-	-	-	-	-	2,068,114
-	-	1,505,444	12,000	15,000	39,005	-	40,200	39,800	-	5,392,449
284,200	257,065	-	8,000	-	3,000	-	-	37,000	-	2,693,386
-	-	125,000	-	357,000	1,836,913	-	287,670	1,351,794	2,756,144	6,714,521
-	-	20,000	-	-	-	-	-	-	-	25,000
-	-	-	-	-	-	-	-	-	-	-
13,152,993	10,672,075	12,687,678	1,173,239	372,000	3,720,930	2,118,714	1,065,790	12,833,300	15,934,980	178,323,244
958,256	1,023,600	-	43,200	954,733	-	800,394	314,485	6,472,186	-	39,864,048
<u>\$ 14,111,249</u>	<u>\$ 11,695,675</u>	<u>\$ 12,687,678</u>	<u>\$ 1,216,439</u>	<u>\$ 1,326,733</u>	<u>\$ 3,720,930</u>	<u>\$ 2,919,108</u>	<u>\$ 1,380,275</u>	<u>\$ 19,305,486</u>	<u>\$ 15,934,980</u>	<u>\$ 218,187,292</u>
\$ 3,161,001	\$ 1,925,383	\$ 3,073,999	\$ 551,441	\$ 671,164	\$ 699,965	\$ 435,499	\$ 274,606	\$ 946,324	\$ 727,606	\$ 54,110,558
1,300,128	776,198	1,370,260	149,192	269,915	345,964	137,110	96,329	344,001	240,391	18,415,236
2,354,569	764,330	162,174	185,202	36,300	43,722	4,785	28,680	89,800	23,614	5,240,979
2,259,968	3,255,935	4,221,651	269,162	386,339	822,706	45,216	171,627	4,108,621	12,059,054	48,028,441
603,131	540,122	1,622,605	74,142	59,756	441,375	205,536	24,133	153,815	25,775	10,662,197
764,950	1,911,660	3,835,201	48,000	40,000	81,800	2,108,089	784,900	435,000	3,584,500	90,259,491
-	-	-	-	-	-	-	-	-	-	4,383,448
10,443,747	9,173,628	14,285,890	1,277,139	1,463,474	2,435,532	2,936,235	1,380,275	6,077,561	16,660,940	231,100,350
2,919,913	3,221,075	-	43,200	-	1,275,027	-	-	12,523,968	-	39,864,048
<u>\$ 13,363,660</u>	<u>\$ 12,394,703</u>	<u>\$ 14,285,890</u>	<u>\$ 1,320,339</u>	<u>\$ 1,463,474</u>	<u>\$ 3,710,559</u>	<u>\$ 2,936,235</u>	<u>\$ 1,380,275</u>	<u>\$ 18,601,529</u>	<u>\$ 16,660,940</u>	<u>\$ 270,964,399</u>

CITY OF McALLEN, TEXAS

SUMMARY OF MAJOR REVENUES - ALL FUNDS

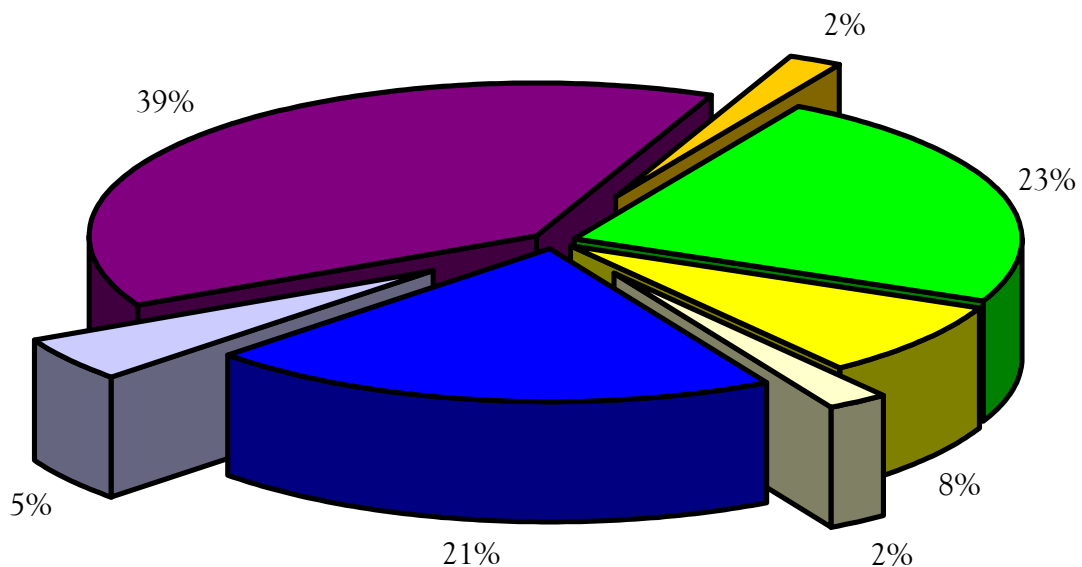
\$178,323,244



- | | | |
|----------------------------|-----------------------|-----------------------|
| Ad Valorem Taxes | Sales Tax | Franchise Taxes |
| Penalty & Interest | Hotel Occupancy Taxes | Licenses and Permits |
| Intergovernmental Revenues | Charges for Services | Fines and Forfeitures |
| Miscellaneous | Interest | Rentals |
| Proceeds-Debt | Sale of Property | |

SUMMARY OF MAJOR EXPENDITURES - ALL FUNDS

\$231,100,351



- | | | |
|----------------------------|-------------------|----------------|
| Salaries and Wages | Employee Benefits | Supplies |
| Other Services and Charges | Maintenance | Capital Outlay |
| Debt Service | | |

CITY OF McALLEN, TEXAS
Ad Valorem Tax
Legal Debt Limit vs Current Debt Service Requirements
Effect of Current Debt Levels/Debt Service Requirements on Current and Future Operations

	LEGAL DEBT LIMIT	
Taxable Assessed Values (Including Properties Under Protest) for FY 2005-06		\$ 5,527,274,655
Maximum Ad Valorem Tax Rate per \$100		<u>2.50</u>
Total Maximum Ad Valorem Tax Levy		<u>\$ 138,181,866</u>

	YEAR LEVY	
Taxable Assessed Values (Including Properties Under Protest) for FY 2005-06		\$ 5,527,274,655
FY 2005-06 Ad Valorem Tax Rate per \$100		<u>0.4213</u>
Total FY 2005-06 Ad Valorem Tax Levy		<u>\$ 23,286,408</u>

CITY OF McALLEN, TEXAS
APPROPRIATED OPERATING TRANSFERS

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>TO GENERAL FUND FROM:</u>				
International Bridge Fund	\$ 5,836,235	\$ 5,589,657	\$ 6,040,940	\$ 5,768,229
Airport Fund	1,071,811	1,071,811	1,071,811	1,103,965
Debt Service fund	148,316	-	-	-
General Fund Totals	7,056,362	6,661,468	7,112,751	6,872,194
<u>TO DEV CORP DEBT SVC FUND</u>				
Dev. Corp of McAllen Fund	43,508	41,894	41,894	40,763
<u>TO DEBT SERVICE FROM:</u>				
Airport Fund	4,065,989	-	-	-
Revenue Bonds Total	4,065,989	-	-	-
<u>TO CAPITAL IMPROVEMENTS FUND FROM:</u>				
General Fund	10,483,149	6,187,906	6,187,906	4,500,000
Development Corp. Fund	4,114,421	5,531,973	2,183,812	8,572,304
Misc. gov. grants fund	-	-	57,945	-
Cap. Impr sales tx proj.	390,841	-	-	-
Park Land Zone #1	150,000	-	-	-
Park Land Zone #2	437,295	-	-	-
Capital Improvements Fund Total	15,575,706 x	11,719,879	8,429,663	13,072,304
<u>TO DEPRECIATION FUNDS FROM:</u>				
Water Fund	780,418	1,149,881	882,544	958,256
<u>TO WATER DEBT SERVICE FUND FROM:</u>				
Water fund	861,923	1,873,324	1,755,772	1,961,657
<u>TO WATER CAPITAL IMPRV FUND FROM:</u>				
Water fund	7,166,245	2,303,758	2,303,758	-
<u>TO WATER REV BOND FUND FROM:</u>				
Sewer Revenue Fund	-	150,000	150,000	-
<u>TO SEWER CAPITAL IMPRV. FROM:</u>				
Sewer Fund	429,700	2,821,000	2,821,000	100,000
<u>TO SEWER DEPRECIATION FUND FROM:</u>				
Sewer fund	976,991	1,405,944	1,026,302	1,023,600
<u>TO SEWER DEBT SERVICE FUND FROM:</u>				
Sewer fund	1,127,172	2,587,281	1,937,380	2,097,475
<u>TO SEWER BOND REV '00 FUND FROM:</u>				
Water Revenue Bond Fund	6,029,376	-	-	-
Sewer Bond Rev'00 Fund Total	6,029,376	-	-	-
<u>TO GOLF COURSE DEPRECIATION FUND FROM:</u>				
Golf Course Fund	93,200	93,200	93,200	43,200

CITY OF McALLEN, TEXAS
APPROPRIATED OPERATING TRANSFERS

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>TO CIVIC CENTER FUND FROM:</u>				
Hotel Occupancy Tax Fund	888,833	926,817	926,817	954,733
<u>TO CIVIC CENTER EXPANSION FROM:</u>				
Development corp fund	1,800,000	5,150,000	5,150,000	3,266,086
Hotel Occupancy Tax Fund	1,333,250	1,390,388	1,390,388	1,432,100
Civic Center Fund	-	1,816,151	1,816,151	-
Civic Center Expansion Totals	3,133,250	8,356,539	8,356,539	4,698,186
<u>TO AIRPORT CIP FUND FROM:</u>				
Airport Fund	-	214,465	80,450	171,062
Airport Fund Total	-	214,465	80,450	171,062
<u>TO INTL AIRPORT FUND FROM:</u>				
General Fund	870,404	-	-	-
Capital Improvement Fund	310,309	-	-	-
Int'l Airport Fund Total	1,180,713	-	-	-
<u>TO McALLEN EXPRESS FUND FROM:</u>				
Development Corp. Fund	-	272,205	452,205	800,394
<u>TO TRANSIT SYSTEM FUND FROM:</u>				
General Fund	256,802	-	-	-
Development Corp. Fund	242,201	294,221	194,856	314,485
Transit System Fund Totals	499,003	294,221	194,856	314,485
<u>TO BRIDGE DEBT SVC FUND FROM:</u>				
Bridge Fund	82,673	282,778	282,778	283,553
<u>TO BRIDGE FUND -RESTICTED ACCT:</u>				
Bridge Fund	-	-	-	6,472,186
<u>TO ANZALDUA'S START UP FUND FROM:</u>				
Bridge Fund	-	-	818,000	-
TOTAL ALL FUNDS	\$ 49,991,062	\$ 41,154,654	\$ 37,665,909	\$ 39,864,048

**City of McAllen, Texas
Personnel Summary**

	Actual 02-03	Actual 03-04	Estimated 04-05	Budgeted 05-06
<u>GENERAL FUND</u>				
Full-time	607	644	664	679
Civil Service	386	391	397	404
Part-time	366	381	386	386
Total	1,359	1,416	1,447	1,469
<u>WATER FUND</u>				
Full-time	100	108	114	120
Part-time	4	4	2	1
Total	104	112	116	121
<u>SEWER FUND</u>				
Full-time	65	67	68	70
Part-time	-	-	-	-
Total	65	67	68	70
<u>SANITATION FUND</u>				
Full-time	100	106	117	125
Part-time	9	9	11	11
Total	109	115	128	136
<u>GOLF COURSE FUND</u>				
Full-time	13	13	15	14
Part-time	8	11	10	9
Total	21	24	25	23
<u>CIVIC CENTER FUND</u>				
Full-time	16	15	21	22
Part-time	3	3	3	3
Total	19	18	24	25
<u>AIRPORT FUND</u>				
Full-time	22	23	25	25
Part-time	-	-	-	1
Total	22	23	25	26
<u>BUS TERMINAL FUND</u>				
Full-time	10	10	11	11
Part-time	-	-	-	-
Total	10	10	11	11

**City of McAllen, Texas
Personnel Summary**

		Actual 02-03	Actual 03-04	Estimated 04-05	Budgeted 05-06
<u>McALLEN EXPRESS FUND</u>					
Full-time		-	-	22	22
Part-time		-	-	-	-
Total		-	-	22	22
<u>BRIDGE FUND</u>					
Full-time		33	40	40	40
Part-time		3	3	3	3
Total		36	43	43	43
<u>FLEET/MAT. MGMT'T FUND</u>					
Full-time		19	19	20	20
Part-time		-	-	-	4
Total		19	19	20	24
<u>HEALTH INSURANCE FUND</u>					
Full-time		2	2	2	3
Part-time		-	-	1	-
Total		2	2	3	3
<u>GENERAL INSURANCE FUND</u>					
Full-time		3	3	3	3
Part-time		-	-	1	1
Total		3	3	4	4
<u>TOTAL ALL FUNDS</u>					
Full-time		990	1,050	1,122	1,154
Civil Service		386	391	397	404
Part-time		393	411	417	419
Grand Total		1,769	1,852	1,936	1,977

GENERAL FUND

The General Fund is used to account for resources traditionally associated with government which are not required to be accounted for in another fund.



CITY of McALLEN, TEXAS

**City of McAllen
General Fund
Fund Balance Summary**

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
BEGINNING FUND BALANCE	\$ 40,898,716	\$ 42,401,973	\$ 45,747,269	\$ 49,577,633
<u>Revenues:</u>				
Taxes	59,753,869	61,645,317	63,550,472	66,451,710
Licenses and Permits	1,401,360	1,077,602	1,361,500	1,362,325
Intergovernmental	358,732	300,000	375,000	375,000
Charges for Services	3,403,160	3,210,902	3,208,725	3,256,900
Fines and Forfeits	2,055,473	1,718,114	2,068,114	2,068,114
Miscellaneous Revenues	9,600,161	4,819,356	6,483,000	4,846,000
Total Revenues	76,572,755	72,771,291	77,046,811	78,360,049
Transfers In/Loan Repayment	7,056,362	6,661,468	7,112,751	6,872,194
Total Revenues and Transfers	83,629,117	79,432,759	84,159,562	85,232,243
TOTAL RESOURCES	<u>\$ 124,527,833</u>	<u>\$ 121,834,732</u>	<u>\$ 129,906,831</u>	<u>\$ 134,809,876</u>
APPROPRIATIONS				
<u>Operating Expense:</u>				
General Government	\$ 12,862,057	\$ 14,321,960	\$ 14,026,242	\$ 15,078,797
Public Safety	33,669,368	37,382,294	36,397,823	39,931,688
Highways and Streets	8,686,590	11,323,805	11,471,432	11,933,011
Health and Welfare	901,352	939,171	963,614	1,002,981
Culture and Recreation	10,636,384	11,515,187	11,282,181	11,951,749
Total Operations	66,755,751	75,482,417	74,141,292	79,898,226
Transfers Out	11,610,355	6,187,906	6,187,906	4,500,000
TOTAL APPROPRIATIONS	<u>78,366,115</u>	<u>81,670,323</u>	<u>80,329,198</u>	<u>84,398,226</u>
Revenue over/under Expenditures	5,263,002	(2,237,564)	(1,351,099)	834,017
Other	(414,449)	-	-	-
ENDING FUND BALANCE	<u>\$ 45,747,269</u>	<u>\$ 40,164,409</u>	<u>\$ 49,577,633</u>	<u>\$ 50,411,650</u>
Reserved - Advance to Airport Fund	-	-	-	-
ENDING FUND BALANCE-UNRESERVED	<u>\$ 45,747,269</u>	<u>\$ 40,164,409</u>	<u>\$ 49,577,633</u>	<u>\$ 50,411,650</u>

City of McAllen
General Fund
Revenue by Source

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>Source of Income</u>				
<u>TAXES</u>				
<i>Ad Valorem Taxes:</i>				
Current	\$ 17,837,932	\$ 20,547,390	\$ 20,547,390	\$ 21,889,224
Delinquent	912,888	950,000	950,000	950,000
Rollback Taxes	106,939	68,000	68,000	68,000
Penalty and Interest	962,201	661,350	950,000	950,000
Property Tax-Refund	(66,470)	(54,062)	(54,062)	(54,062)
Special Inventory-Vehicles	22,514	160,000	25,000	25,000
<i>Sales and Use Taxes:</i>				
Sales Tax	34,201,451	34,062,639	35,789,144	37,249,548
Electric	3,778,941	3,300,000	3,300,000	3,399,000
Natural Gas	324,645	200,000	350,000	350,000
Telephone	1,058,767	1,200,000	1,000,000	1,000,000
Cable	614,061	550,000	625,000	625,000
TOTAL TAXES	59,753,869	61,645,317	63,550,472	66,451,710
<u>LICENSES AND PERMITS</u>				
<i>Business Licenses and Permits:</i>				
Alcoholic Beverage License	38,753	15,000	40,000	40,000
State Mixed Drink License	1,650	7,000	7,000	7,000
Electrician's License	11,150	10,000	10,000	11,000
Transportation License	9,791	10,000	10,200	10,000
Sign License	1,900	6,000	2,000	2,000
Food Handler's Permit	81,780	40,000	80,000	80,000
House Mover's License	200	200	200	225
Other - Precious Metals	10	100	100	100
<i>Occupational Licenses:</i>				
Building Permits	537,997	500,000	550,000	550,000
Electrical Permits	157,956	100,000	130,000	130,000
Plumbing Permits	154,643	95,302	150,000	150,000
A/C Permits	60,209	30,000	60,000	60,000
House Moving Permits	4,175	1,500	1,500	1,500
Garage Sale Permits	23,070	12,000	20,000	20,000
Alarm Ordinance	246,422	200,000	250,000	250,000
Intinerant Vendor's License	600	500	500	500
Special Use Permit	71,054	50,000	50,000	50,000
TOTAL LICENSES AND PERMITS	1,401,360	1,077,602	1,361,500	1,362,325

GENERAL FUND REVENUES BY SOURCE (continued)

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
INTERGOVERNMENTAL REVENUES				
<i>State Shared Revenues:</i>				
State Mixed Drink Tax	358,732	300,000	375,000	375,000
TOTAL INTERGOVERNMENTAL REVENUES	358,732	300,000	375,000	375,000
CHARGES FOR SERVICES				
<i>General Government:</i>				
Management Services	1,086,600	1,001,600	951,600	981,600
State Court Costs Fees	81,843	75,000	90,000	90,000
Administrative Filing Fees	28,654	2,000	25,000	25,000
Developer's fee	129,763	75,000	200,000	150,000
Subdivision Recording Fees	25,202	9,000	15,000	15,000
Sale Documents - Maps, Code Books	9,292	2,000	5,000	5,000
Plans & Specifications	11,019	2,000	5,000	5,000
Signs Fees	-	-	-	-
<i>Public Safety:</i>				
Accident Reports	73,238	35,000	50,000	50,000
Local Officer Arrest Fee	29,967	60,000	30,000	30,000
Abandoned Vehicles	(3,640)	4,000	4,000	4,000
Child Safety Fund	715	1,500	1,500	1,500
Housing of Prisoners	-	-	-	-
Rural Fire Protection	6,860	6,000	6,000	6,000
Sex Offender	(502)	-	-	-
U.S. Marshall Contract	314,805	350,000	250,000	250,000
Miscellaneous Revenues	45,333	29,643	12,000	12,000
<i>Highways and Streets:</i>				
Parking Meters Fees	517,722	587,468	550,000	550,000
Signs and Signals	-	1,000	1,000	1,000
Parking spaces required	16,000	-	2,000	-
Immobilization - vehicles	14,608	18,591	10,000	10,000
<i>Health:</i>				
Vital Statistics	341,995	300,000	340,000	340,000
Weed and Lot Cleaning	56,925	40,000	56,000	56,000
Animal Licenses	54	4,500	200	200
Health Card permit	1,910	2,000	2,000	2,000
<i>Recreation:</i>				
Yearly Recreation Program	35,973	70,000	70,000	70,000
League Registration	96,830	80,000	80,000	80,000
Aquatic Program Entry	129,220	120,000	120,000	120,000
Tournament Fees	10,487	1,000	1,000	1,000
Program Entry Fees	170,022	150,000	150,000	150,000
Swimming Pools-Municipal	15,531	45,000	45,000	45,000
Swimming Pools-Cascade	5,070	4,000	4,000	4,000
Swimming Pools-Boy's Club	3,883	1,500	1,500	1,500
Los Encinos Pool	12,392	20,000	10,000	10,000
Park concessions	3,085	2,000	2,000	2,000
Facilities Use Fees Park	64,318	65,000	65,000	65,000
La Placita bldg use	198	200	25	200
Senior Citizens	-	300	300	300
Quinta Mazatlan	3,000	5,000	5,000	75,000

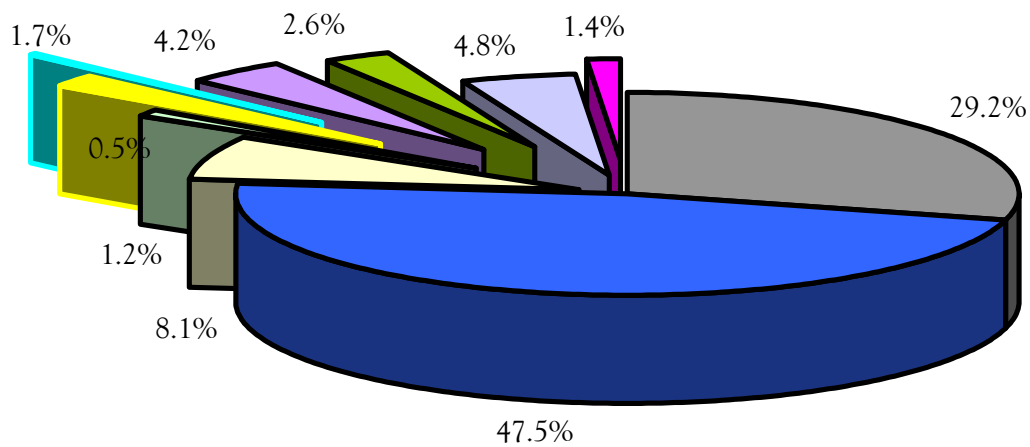
GENERAL FUND REVENUES BY SOURCE (continued)

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Rental/Lark Community ctr	18,075	10,000	10,000	10,000
Rental/Palm View Community ctr	16,440	8,000	8,000	8,000
Use Fees-Library Copier	30,290	22,000	30,000	30,000
Use Fees-Library Sales	-	-	-	-
Equipment Rental	-	-	-	-
Miscellaneous	(17)	600	600	600
TOTAL CHARGES FOR SERVICES	3,403,160	3,210,902	3,208,725	3,256,900
<u>FINES AND FORFEITS</u>				
Municipal Court	1,451,445	1,300,000	1,500,000	1,500,000
Warrant Detail	307,460	150,000	300,000	300,000
Court Technology/Security	25,586	17,346	17,346	17,346
Library Fines	51,447	49,000	49,000	49,000
Parking Fees	200,860	200,268	200,268	200,268
Construction Penalty	18,675	1,500	1,500	1,500
TOTAL FINES AND FORFEITS	2,055,473	1,718,114	2,068,114	2,068,114
<u>MISCELLANEOUS REVENUES</u>				
Royalties-Natural Gas	8,075,238	3,500,000	5,000,000	3,500,000
Miscellaneous Rentals	60,617	40,000	40,000	40,000
Fixed assets	-	5,000	52,000	5,000
Reimb. Dist. Attorney	-	10,000	10,000	10,000
Reimb. Other Agencies	-	7,000	7,000	7,000
Subd. infrastructure	87,023	-	90,000	60,000
Recovery prior year expenses	16,249	-	-	-
Insurance Recoveries	128,546	-	-	-
Commissions-vending & telephone	27,821	7,000	26,000	26,000
Private donations	6,400	25,000	-	-
Recovery of curr. Yr. exp.	27	-	-	-
Principle Pmts. Paving Assessments	4,139	10,000	4,000	4,000
Legal recording fees	12,774	3,000	13,000	13,000
Other Miscellaneous Revenue:				
Misc. General Government	94,325	62,356	91,000	81,000
Interest	1,224,171	1,150,000	1,150,000	1,100,000
Net increase in the fair value of invest.	(137,169)	-	-	-
TOTAL MISC. REVENUES	9,600,161	4,819,356	6,483,000	4,846,000
<u>OPERATING TRANSFERS</u>				
International Toll Bridge Fund	5,836,235	5,589,657	6,040,940	5,768,229
McAllen International Airport Fund	1,071,811	1,071,811	1,071,811	1,103,965
Debt Service Fund	148,316	-	-	-
TOTAL OPERATING TRANSFERS	7,056,362	6,661,468	7,112,751	6,872,194
TOTAL GENERAL FUND REVENUES	\$ 83,629,117	\$ 79,432,759	\$ 84,159,562	\$ 85,232,243

CITY OF McALLEN, TEXAS

GENERAL FUND REVENUES

\$78,360,049



■ Ad Valorem Taxes

■ Sales Tax

■ Franchise Taxes

■ Penalty & Interest

■ Licenses and Permits

■ Intergovernmental Revenues

■ Charges for Services

■ Fines and Forfeitures

■ Miscellaneous

■ Interest

City of McAllen
General Fund
Budget Summary By Department

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>EXPENDITURES:</i>				
<u>GENERAL GOVERNMENT</u>				
City Commission	\$ 128,163	\$ 175,354	\$ 171,811	\$ 98,998
Special Service	1,036,454	581,260	656,260	629,800
City Manager	522,176	531,108	534,162	529,786
City Secretary	586,051	659,662	498,134	594,153
Audit Office	156,185	166,291	162,321	161,297
Municipal Court	760,158	994,270	946,667	969,921
Finance	785,130	893,504	834,344	902,177
Tax Office	795,266	670,875	785,176	769,273
Purchasing & Contracting	293,171	307,563	304,430	315,099
Legal	692,548	813,212	814,033	805,854
Grant Administration	160,127	181,548	166,478	179,658
Right-of-way	134,447	134,983	134,983	135,701
Human Resources	697,051	574,222	510,060	611,827
Employee Benefits	-	296,766	296,766	923,349
Insurance	1,047,059	1,151,761	1,151,761	1,151,761
Planning	724,603	919,998	918,143	1,175,222
Information Technology	1,039,399	1,274,201	1,233,012	1,183,157
MCN	355,783	389,411	364,414	398,932
City Hall	563,154	756,730	695,355	746,297
Building Maintenance	288,755	405,665	404,356	407,524
Mail Center	-	-	-	142,435
Economic Development:				
MEDC	1,331,025	1,447,576	1,447,576	1,397,576
Chamber of Commerce	578,818	660,000	660,000	600,000
Los Caminos del Rio	15,000	15,000	15,000	15,000
LRGVDC	18,456	24,000	24,000	24,000
Border Trade Alliance	-	25,000	25,000	25,000
So. Tx Border Partnership	35,000	35,000	35,000	35,000
Hispanic Chamber of Commerce	118,078	150,000	150,000	150,000
Heart of the City Improvements	-	87,000	87,000	-
TOTAL GENERAL GOVERNMENT				
EXPENDITURES	12,862,057	14,321,960	14,026,242	15,078,797
<u>PUBLIC SAFETY</u>				
Police	20,787,355	23,092,598	22,179,209	25,192,273
Animal Control	157,597	166,398	169,178	177,966
Communication Technology	85,628	247,196	199,545	156,331
Fire	9,867,291	10,810,635	10,861,711	11,173,864
Traffic Operations	1,623,113	1,652,838	1,723,445	1,892,068
Downtown Services	498,494	565,724	565,993	508,179
Inspection	649,886	846,905	698,742	831,007
TOTAL PUBLIC SAFETY	33,669,368	37,382,294	36,397,823	39,931,688

BUDGET SUMMARY BY DEPARTMENT (Continued)

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>HIGHWAYS AND STREETS</u>				
Engineering Services	1,693,441	1,895,333	1,964,107	2,034,566
Street Cleaning	342,259	376,642	375,218	373,763
Street Maintenance	3,196,977	5,239,216	5,204,924	5,617,275
Street Lighting	1,418,983	1,615,826	1,615,826	1,773,141
Sidewalk Construction	602,186	641,620	645,919	617,087
Drainage	1,432,744	1,555,168	1,665,438	1,517,179
TOTAL HIGHWAYS AND STREETS	8,686,590	11,323,805	11,471,432	11,933,011
<u>HEALTH AND WELFARE</u>				
Health	584,558	618,695	639,895	613,864
Graffiti Cleaning	129,926	140,486	143,729	136,624
Other Agencies:				
Air Care	27,428	27,428	27,428	27,428
Humane Society	156,940	150,062	150,062	222,565
Valley Environ. Council	2,500	2,500	2,500	2,500
TOTAL HEALTH AND WELFARE	901,352	939,171	963,614	1,002,981
<u>CULTURE AND RECREATION:</u>				
Parks Administration	444,202	434,217	443,429	438,706
Parks	3,239,434	3,423,051	3,539,035	3,900,053
Recreation	896,212	921,859	890,071	918,487
Pools	654,302	647,668	670,583	605,153
Las Palmas Community Center	297,891	301,447	298,171	298,672
Recreation North	372,474	411,459	439,902	385,400
Recreation South	411,209	423,831	443,319	440,515
Quinta Mazatlan Renovation	16,008	161,582	120,859	191,852
Library	2,297,543	2,567,793	2,280,691	2,538,035
Library Branch Lark	364,442	475,924	453,547	483,499
Library Brank Palm View	404,728	487,781	443,999	492,802
Other Agencies:				
Amigos del Valle	33,500	38,500	38,500	38,500
Centro Cultural	20,000	20,000	20,000	20,000
Hidalgo County Museum	35,000	40,000	40,000	40,000
McAllen Boy's & Girl's Club	380,000	390,000	390,000	390,000
McAllen Int'l museum	672,075	672,075	672,075	672,075
Town Band	8,000	8,000	8,000	8,000
RGV International Music Festival	15,000	15,000	15,000	15,000
World Birding Center	-	5,000	5,000	5,000
South Texas Symphony	70,000	70,000	70,000	70,000
Catastrophe	4,364	-	-	-
TOTAL CULTURE AND RECREATION	10,636,384	11,515,187	11,282,181	11,951,749
TOTAL OPERATIONS	66,755,751	75,482,417	74,141,292	79,898,226

BUDGET SUMMARY BY DEPARTMENT (Continued)

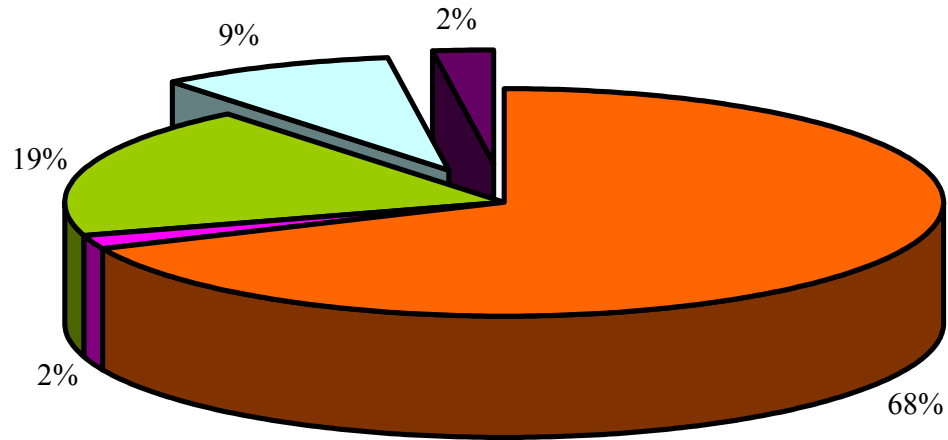
	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
TRANSFERS				
Transfer to Debt Service	-	-	-	-
Transfer to Capital Impv.	10,483,149	6,187,906	6,187,906	4,500,000
Transfer to Airport Fund	870,404	-	-	-
Transfer to Transit System Fund	256,802	-	-	-
TOTAL TRANSFERS OUT	11,610,355	6,187,906	6,187,906	4,500,000
TOTAL GENERAL FUND	78,366,110	81,670,323	80,329,198	84,398,226
EXPENDITURES BY FUNCTION:				
BY EXPENSE GROUP				
Salaries and Wages	35,784,953	40,393,318	38,730,784	41,311,497
Employee Benefits	10,379,353	12,139,158	12,146,300	13,385,748
Supplies	1,369,841	1,518,245	1,535,273	1,547,803
Other Services and Charges	13,309,053	14,141,139	14,138,106	15,251,307
Maintenance	4,636,058	6,121,867	6,501,113	6,911,807
Subtotal	65,479,258	74,313,727	73,051,576	78,408,162
Capital Outlay	2,602,318	2,146,430	2,104,994	1,695,804
Grant Reimbursements	(1,325,833)	(977,740)	(1,015,278)	(205,740)
TOTAL OPERATIONS	\$ 66,755,751	\$ 75,482,417	\$ 74,141,292	\$ 79,898,226

CITY OF McALLEN, TEXAS

GENERAL FUND EXPENDITURES

By Category

\$79,898,226

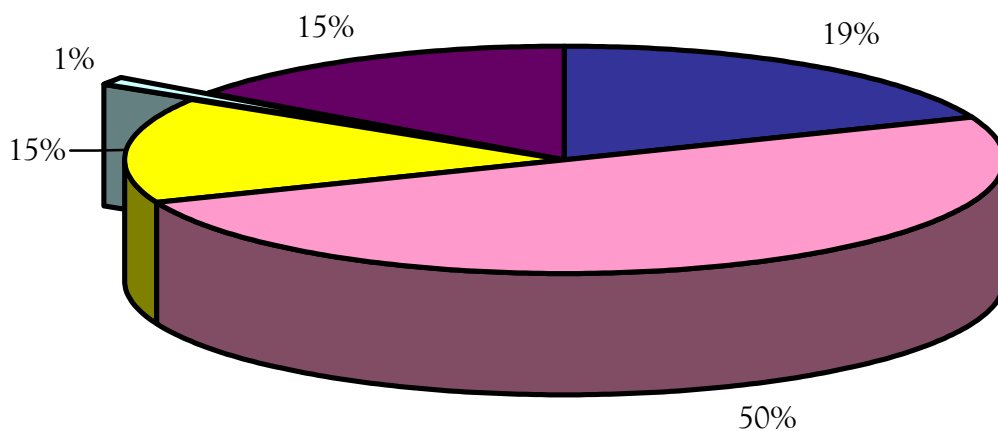


■ Personnel ■ Supplies ■ Other Services & Charges ■ Maintenance ■ Capital Outlay

GENERAL FUND EXPENDITURES

By Service Area

\$79,898,226



■ General Government ■ Public Safety ■ Highways & Streets
■ Health & Welfare ■ Culture & Recreation

City of McAllen, Texas
General Government
Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
BY DEPARTMENT				
City Commission	\$ 128,163	\$ 175,354	\$ 171,811	\$ 98,998
Special Service	1,036,454	581,260	656,260	629,800
City Manager	522,176	531,108	534,162	529,786
City Secretary	586,051	659,662	498,134	594,153
Audit Office	156,185	166,291	162,321	161,297
Municipal Court	760,158	994,270	946,667	969,921
Finance	785,130	893,504	834,344	902,177
Tax Office	795,266	670,875	785,176	769,273
Purchasing & Contracting	293,171	307,563	304,430	315,099
Legal	692,548	813,212	814,033	805,854
Grants Administration	160,127	181,548	166,478	179,658
Right-of-way	134,447	134,983	134,983	135,701
Human Resources	697,051	574,222	510,060	611,827
Employee Benefits	-	296,766	296,766	923,349
Liability Insurance	1,047,059	1,151,761	1,151,761	1,151,761
Planning	724,603	919,998	918,143	1,175,222
Information Technology	1,039,399	1,274,201	1,233,012	1,183,157
MCN	355,783	389,411	364,414	398,932
City Hall	563,154	756,730	695,355	746,297
Building Maintenance	288,755	405,665	404,356	407,524
Mail Center	-	-	-	142,435
Economic Development				
MEDC	1,331,025	1,447,576	1,447,576	1,397,576
Chamber of Commerce	578,818	660,000	660,000	600,000
Los Caminos del Rio	15,000	15,000	15,000	15,000
LRGVDC	18,456	24,000	24,000	24,000
Border Trade Alliance	-	25,000	25,000	25,000
So. Tx Border Partnership	35,000	35,000	35,000	35,000
Hispanic Chamber of Commerce	118,078	150,000	150,000	150,000
Heart of the City Improvements	-	87,000	87,000	-
TOTAL	\$ 12,862,057	\$ 14,321,960	\$ 14,026,242	\$ 15,078,797
BY EXPENSE GROUP				
Personnel Services				
Salaries and Wages	\$ 4,717,223	\$ 5,809,755	\$ 5,470,721	\$ 5,887,719
Employee Benefits	1,164,228	1,749,257	1,756,399	2,492,407
Supplies	151,687	165,501	157,206	185,086
Other Services and Charges	5,543,644	5,846,393	5,900,392	5,853,176
Maint. and Repair Services	616,455	469,479	448,024	487,067
Capital Outlay	668,820	329,315	319,240	199,082
Grant Reimbursement	-	(47,740)	(25,740)	(25,740)
TOTAL APPROPRIATIONS	\$ 12,862,057	\$ 14,321,960	\$ 14,026,242	\$ 15,078,797

City of McAllen, Texas
General Government
Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>PERSONNEL</u>				
City Commission	1	1	1	1
City Manager	9	9	9	9
City Secretary	17	16	16	17
Audit Office	2	2	2	2
Municipal Court	27	27	27	28
Finance	18	18	18	18
Tax Office	6	7	7	7
Purchasing & Contracting	6	6	6	6
Legal	9	11	12	12
Grants Administration	5	5	4	4
Right-of-way	2	2	2	2
Human Resources	9	10	9	9
Planning	21	23	22	28
Information Technology	14	17	19	17
MCN	7	8	8	8
City Hall	3	3	3	3
Building Maintenance	9	9	9	9
Mail Center	-	-	-	2
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL PERSONNEL	165	174	174	182
	<hr/>	<hr/>	<hr/>	<hr/>

CITY OF McALLEN, TEXAS

DEPARTMENT: CITY COMMISSION

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 61,852	\$ 78,260	\$ 95,260	\$ 43,000
Employee Benefits	28,357	11,846	11,846	11,555
Supplies	4,672	5,700	4,000	4,700
Other Services and Charges	30,951	75,843	57,000	33,843
Maintenance	-	-	0	
Operations Subtotal	125,832	171,649	168,106	93,098
Capital Outlay	2,331	3,705	3,705	5,900
DEPARTMENTAL TOTAL	\$ 128,163	\$ 175,354	\$ 171,811	\$ 98,998
PERSONNEL				
Exempt	1	1	1	1
Non-Exempt	-	-	-	-
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	1	1	1	1

MISSION STATEMENT

The City Commission, consisting of a Mayor and six Commissioners, serves as the legislative and policy making body of the City of McAllen. The Commission adopts all ordinances, approves major expenditure items, and annually established the City's program of services through the adoption of the Operating Budget and the Capital Improvement Program (CIP).

CITY OF McALLEN, TEXAS

DEPARTMENT: SPECIAL SERVICE

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ -	\$ -	\$ -	\$ -
Employee Benefits	-	-	-	-
Supplies	-	-	-	-
Other Services and Charges	697,645	581,260	656,260	629,800
Maintenance	338,809	-	-	-
Operations Subtotal	1,036,454	581,260	656,260	629,800
Capital Outlay	-	-	-	-
DEPARTMENTAL TOTAL	\$ 1,036,454	\$ 581,260	\$ 656,260	\$ 629,800
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	-	-	-	-
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	-	-	-	-

MISSION STATEMENT:

This department was created for the purpose of accounting for expenditures incurred through special projects at the discretion of the City Commission.

CITY OF McALLEN, TEXAS

DEPARTMENT: CITY MANAGER

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 428,221	\$ 434,787	\$ 434,787	\$ 433,552
Employee Benefits	76,541	78,694	78,694	79,163
Supplies	1,575	1,615	1,615	1,615
Other Services and Charges	14,057	15,632	18,686	15,276
Maintenance	180	380	380	180
Operations Subtotal	520,574	531,108	534,162	529,786
Capital Outlay	1,602	-	-	-
DEPARTMENTAL TOTAL	\$ 522,176	\$ 531,108	\$ 534,162	\$ 529,786
PERSONNEL				
Exempt	3	3	3	3
Non-Exempt	3	3	3	3
Part-Time	3	3	3	3
Civil Service	-	-	-	-
DEPARTMENT TOTAL	9	9	9	9

MISSION STATEMENT:

The City Manager's Office is responsible for the day to day administration of the City and for providing the City Commission with recommendations on current and future issues. This is achieved by providing timely, complete and accurate information to the City Commission. The City Manager's Office also involves providing the overall management philosophy and direction to the organization. The City Manager's Office also has a Director of Media Relations who works closely with local, state and national media in radio, print, and television. The Media Relations Department focuses on issues and stories affecting residents in the City of McAllen. This department also makes sure the City gets the correct information to the public.

MAJOR FY 05-06 GOALS:

- 1.) Begin Scope and design of performing Arts Facility at Convention Center site.
- 2.) Finish design and bid construction for parking garage at 15th and Beaumont.
- 3.) Complete scope of new main library and determine financing program.
- 4.) Begin construction on new Anzalduas International Crossing.
- 5.) Begin operations of new Los Encinos Police Neighborhood Center.
- 6.) Begin construction on Bicentennial Extension and Bentsen Road, Expressway to Pecan.
- 7.) Complete new City/School Parks and Regional Stormwater Detention ponds at Jackson and McAuliffe.
- 8.) Open Quinta Mazatlan as Wing of World Birding Center.
- 9.) Completing the sale of property for a major new retail shopping and restaurant area at the 70 acres south of the new Convention Center site.
- 10.) Continue to aggressively attract maquila supplier companies to locate in the McAllen MSA.
- 11.) Providing greater access to city services by opening of Los Encinos Neighborhood Police Station at Olga and 28th Street in October 2005.

CITY OF McALLEN, TEXAS

DEPARTMENT: CITY MANAGER

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees	6	6	6	6
Department expenditures	\$ 522,176	\$ 531,108	\$ 534,162	\$ 529,786
<i>Outputs:</i>				
Number of monthly City Manager's Reports	12	12	12	12
Number of meetings with city council	56	50	52	52
Population served	121,176	121,552	125,500	128,900
<i>Effectiveness Measures:</i>				
Taxable value of per capita	\$ 34,732	\$ 36,167	\$ 35,029	\$ 36,128
Percent of FY 02-03 goals completed	n/a	n/a	62%	n/a
Administrative services overhead as percent of city operating budget	0.519%	0.499%	0.522%	0.457%
<i>Efficiency Measures:</i>				
Average number of total city full time employees per 1000 resident population	9	9	10	10
General fund expenditures per capita	\$ 473	\$ 545	\$ 498	\$ 525
Department expenditures per capita	\$ 4.31	\$ 4.37	\$ 4.26	\$ 4.11

CITY OF McALLEN, TEXAS

DEPARTMENT: CITY SECRETARY

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 360,406	\$ 421,246	\$ 341,100	\$ 362,634
Employee Benefits	92,038	106,311	106,311	99,018
Supplies	6,255	5,700	6,000	6,500
Other Services and Charges	121,365	120,364	38,343	119,568
Maintenance	651	911	1,250	925
Operations Subtotal	580,715	654,532	493,004	588,645
Capital Outlay	5,336	5,130	5,130	5,508
DEPARTMENTAL TOTAL	\$ 586,051	\$ 659,662	\$ 498,134	\$ 594,153
PERSONNEL				
Exempt	4	3	3	3
Non-Exempt	9	8	8	9
Part-Time	4	5	5	5
Civil Service	-	-	-	-
DEPARTMENT TOTAL	17	16	16	17

MISSION STATEMENT

City Secretary's Office: 1) Prepares City Commission meeting agendas and electronic agenda packets; 2) Attends City Commission meetings and prepares minutes; 3) Attends McAllen Housing Finance Corporation and McAllen Health Facilities Corporation meetings and prepares minutes; 4) Processes, Signs, and Attests to Alcoholic Beverage Licenses, Itinerant Vendors' Permit, Carnival, Circus, Parade and/or Procession Permits, Ordinances, Resolutions, Orders, Contracts, Legal Notices, etc.; 5) Publishes Ordinances Captions; 6) Conducts City Elections; 7) Serves as Custodial of all City Records; 8) Oversees the Vital Statistics, Records, MCN, Media Relations and Custodial Staff; 9) Schedules and attends hearings before the Police Human Relations Committee (PHRC); and 10) Processes Requests for Information; 11) Review and approval of invoices under City Hall, City Secretary, City Commission and Special Services.

MAJOR FY 05-06 GOALS:

- 1.) Conduct Voter Education on new voting system in conjunction with Hildago County Elections Administration.
- 2.) Conduct feasibility study on additional early voting polling places for future elections.
- 3.) Transition Vital Statistics to provide services to conform with new federal standards.

CITY OF McALLEN, TEXAS

DEPARTMENT: CITY SECRETARY

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees	13	11	11	12
Number of full time Vital Statistics	4	4	4	4
Department expenditures	\$ 586,051	\$ 659,662	\$ 498,134	\$ 594,153
<i>Outputs:</i>				
Revenues generated	\$ 300,000	\$ 302,000	\$ 380,000	\$ 380,000
Number of minutes prepared	60	60	60	60
Number of ordinances published, codified, scanned and indexed	80	95	90	90
Number of resolutions processed	45	45	45	50
Number of city commission meetings attended	60	70	65	65
Number of e-agendas packaged	23	23	23	23
Number of public notices posted per month	6	6	6	6
Total number of permits issued (mass gathering, parade, TABC, itinerant)	140	90	125	75
Number of burial transit permits issued	650	700	650	650
Number of birth certificates issued	18,700	18,800	19,500	19,500
Number of death certificates issued	11,500	11,600	11,600	11,600
Requests for information received	100	75	125	125
<i>Effectiveness Measures:</i>				
Council satisfaction on minutes	100%	98%	100%	100%
Customer satisfaction	100%	100%	100%	100%
% information requests satisfied	100%	100%	100%	100%
Number of minutes prepared within 2-weeks (where the measurement unit is a set)	3	3	3	3
Number of resolutions processed within 2-weeks	3	3	3	3
Number of ordinances processed within 2-weeks	4	4	4	4
Average submission time of vital statistics to the State (days)	16	16	15	15
<i>Efficiency Measures:</i>				
Number of birth and death certificates issued per full time employee per business day	73	73	90	90
Number of burial transit permits issued per full time employee per business day	2	2	2	2
Department expenditures per capita	\$ 2.48	\$ 2.48	\$ 3.03	\$ 2.95

CITY OF McALLEN, TEXAS

DEPARTMENT: AUDIT OFFICE

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 116,382	\$ 121,500	\$ 116,691	\$ 121,500
Employee Benefits	26,369	27,856	27,856	28,942
Supplies	1,135	1,425	1,750	1,425
Other Services and Charges	10,379	9,430	9,630	9,430
Maintenance	-	-	-	-
Operations Subtotal	154,265	160,211	155,927	161,297
Capital Outlay	1,920	6,080	6,394	-
DEPARTMENTAL TOTAL	\$ 156,185	\$ 166,291	\$ 162,321	\$ 161,297
PERSONNEL				
Exempt	2	2	2	2
Non-Exempt	-	-	-	-
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	2	2	2	2

MISSION STATEMENT

The mission of the City Auditor's Office is to preserve the public trust, assist the governing boards, and city management by independently and objectively reviewing activities and resources for accountability. Audit results are communicated in a concise, full disclosure, and timely manner to the City Audit Committee who reports to the governing bodies, as well as, the citizens of McAllen.

AUDITS

In general, the audit staff conducts performance audits to improve and enhance the efficiency and effectiveness of the City Wide financial and operational functions. We conduct compliance audits to standard operating policies and third party contracts. In addition, we provide department support on controlling processes unique to the operating environment. We investigate allegations pertaining to fraud, waste and abuse of city resources. The fraud hotline and other reporting mechanisms provide citizens and city employees with an avenue to report what they perceive to be improper activities.

MAJOR FY 05-06 GOALS:

- 1.) Provide audit coverage in assessed risk areas presented in the Five Year Audit Plan.
- 2.) To provide financial monitoring and work closely with management to maximize cost effectiveness cost savings and increase revenues.
- 3.) Continue to provide support serviced to city departments to improve their control systems by providing best practices rules and control self assessments to improve the service delivery process.
- 4.) Provide audit expertise to prevent, detect, investigate and follow-up on allegations of fraud, illegal acts and abuse to safeguard city assets and provide accountability.

CITY OF McALLEN, TEXAS

DEPARTMENT: AUDIT OFFICE

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of Full Time Employees	2	2	2	2
Total Work Hours	4,000	4,000	4,000	4,000
Department Expenditures	\$ 156,185	\$ 166,291	\$ 162,321	\$ 161,297
<i>Outputs:</i>				
Revenues generated	\$ 33,269	\$ 90,000	\$ 21,538	\$ 28,000
Audit Service Hours	2,880	2,880	2,880	2,880
Administrative Hours	480	480	480	480
Other Service Hours	640	640	640	640
Number of Internal Audit Reports	9	6	6	6
Number of Special Assignments	4	6	6	6
Number of Follow-up Audits	3	5	5	5
Number of Surprise Cash Counts	24	20	20	20
Number of Reports Issued	40	37	37	37
<i>Effectiveness Measures:</i>				
% of annual audit plan completed	100%	100%	100%	100%
% of hours spent in auditing	64%	64%	64%	64%
Audit Concurrence for	95%	95%	95%	95%
Recommendations-WHO				
Implementation Rate for Audit	95%	95%	95%	95%
Recommendations				
Complete "Follow-ups" within 12				
months	87%	87%	87%	87%
<i>Efficiency Measures:</i>				
Number of internal audit reports				
completed/ per auditor	4.5	3	3	3
Number of special assignments / per				
auditor	2	3	3	3
Department expenditures per capita	\$ 1.29	\$ 1.37	\$ 1.29	\$ 1.25

CITY OF McALLEN, TEXAS

DEPARTMENT: MUNICIPAL COURT

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 538,967	\$ 721,021	\$ 684,684	\$ 716,693
Employee Benefits	143,200	200,502	200,502	203,566
Supplies	10,043	9,500	8,500	8,900
Other Services and Charges	33,199	46,903	47,643	45,553
Maintenance	14,713	9,306	4,849	15,949
Operations Subtotal	740,122	987,232	946,178	990,661
Capital Outlay	20,036	32,778	26,229	5,000
Grant Reimbursement	-	(25,740)	(25,740)	(25,740)
DEPARTMENTAL TOTAL	\$ 760,158	\$ 994,270	\$ 946,667	\$ 969,921
PERSONNEL				
Exempt	5	5	5	5
Non-Exempt	20	20	20	21
Part-Time	2	2	2	2
Civil Service	-	-	-	-
DEPARTMENT TOTAL	27	27	27	28

MISSION STATEMENT

The City of McAllen Municipal Court is dedicated to the fair and efficient administration of justice.

MAJOR FY 05-06 GOALS:

- 1.) Implement new computer system.
- 2.) Expand remote payment options.
- 3.) Continue to improve customer service.

CITY OF McALLEN, TEXAS

DEPARTMENT: MUNICIPAL COURT

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees	25	25	25	26
Number of Judges	3	4	4	4
Department Expenditures	\$ 760,158	\$ 994,270	\$ 946,667	\$ 969,921
<i>Outputs:</i>				
Revenues generated	\$ 1,250,000	\$ 2,500,000	\$ 2,500,000	\$ 2,500,000
Number cases filed with the court	-	50,000	45,000	50,000
Number of hearings held	18,250	22,000	22,000	22,000
Number of trials held	85	90	200	200
Number of new traffic citations	42,000	42,000	35,000	40,000
Number of new non-traffic citations	9,000	10,000	10,000	10,000
Number of cases disposed	39,000	45,000	45,000	40,000
Number of warrants	15,000	20,000	22,000	25,000
Number of truanancies	150	1,000	1,200	1,200
Number of walk-in customers	200/day	210/day	190/day	200/day
Number of Education Code cases	40	60	75	75
<i>Effectiveness Measures:</i>				
Percent of customers who consider service to be excellent or good	80%	80%	95%	99%
Collection Rate	70%	70%	85%	90%
Number of mail payments processed within 24 hours of receipt				
Traffic citations processed within 24 hours of receipt	97%	97%	75%	90%
Non-traffic citations processed within 24 hours of receipt	99%	99%	80%	90%
Average waiting time per walk-in customer in minutes	7	7	6	5
<i>Efficiency Measures:</i>				
Number of trials and hearings / judge	150	150	310	320
Number of payments processed by mail per worker hour	5	7	16	20
Number of window payments a day		100	120	125
Department expenditures per capita	\$ 6.27	\$ 8.18	\$ 7.54	\$ 7.52

CITY OF McALLEN, TEXAS

DEPARTMENT: FINANCE

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 564,625	\$ 647,764	\$ 595,500	\$ 647,931
Employee Benefits	137,568	157,096	157,096	171,017
Supplies	16,316	15,480	15,480	15,480
Other Services and Charges	57,221	61,667	54,771	61,181
Maintenance	1,452	1,997	1,997	1,568
Operations Subtotal	777,182	884,004	824,844	897,177
Capital Outlay	7,948	9,500	9,500	5,000
DEPARTMENTAL TOTAL	\$ 785,130	\$ 893,504	\$ 834,344	\$ 902,177
PERSONNEL				
Exempt	6	6	6	6
Non-Exempt	12	12	12	12
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	18	18	18	18

MISSION STATEMENT

To provide sound, effective and cost-efficient management of the City's financial resources in all activities undertaken, which include the following:

- * accounting, auditing and financial reporting
- * cash management
- * investment management
- * debt management
- * budgeting

MAJOR FY 05-06 GOALS:

- 1.) Implement GASB Statement No. 40-Deposit and Investment Risk Disclosures.
- 2.) Review GASB Statement No. 42 - Accounting and Financial Reporting for Impairment of Capital Assets and for Insurance Recoveries, which becomes effective for FY 2005-2006.
- 3.) Review GASB Statement No. 44 - Economic Condition Reporting: The Statistical Section-an amendment of NCGA Statement 1.
- 4.) Review GASB Statements No. 43 - Financial Reporting for Post-employment Benefits Plans Other Than Pension Plans and No. 45 - Accounting and Financial Reporting by Employees for Post-employment Benefits Other Than Pensions, including determining the financial impact based on the results of health care actuarial study of the current substantive health insurance plan as well as alternative plan design changes.
- 5.) 10 Year Financial Plan for the Anzalduas International Crossing Bond Issue.

CITY OF McALLEN, TEXAS

DEPARTMENT: FINANCE

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees	18	18	18	18
Department Expenditures	\$ 785,130	\$ 893,504	\$ 834,344	\$ 902,177
<i>Outputs:</i>				
Interest earnings generated	\$ 5,360,290	\$ 4,090,148	\$ 4,090,148	\$ 3,408,066
Prepare CAFR	Yes	Yes	Yes	Yes
Prepare Official Budget Document	Yes	Yes	Yes	Yes
Implement and/or maintain performance measures program	Yes	Yes	Yes	Yes
Number of Qtrly Investment Reports	4	4	4	4
Number of funds maintained	45	45	45	46
Number of Monthly financial reports	12	12	12	12
Mid-year & Annual financial reviews	Yes	Yes	Yes	Yes
Prepare financial presentation to credit rating agencies when issuing bonds	Yes	Yes	Yes	Yes
Manage cash and investments - in millions	\$ 186	\$ 144	\$ 187	\$ 116
Manage debt				
<i>Effectiveness Measures:</i>				
GFOA's CAFR Award	Yes	Yes	Yes	Yes
GFOA'S Budget Award	Yes	Yes	Yes	Yes
% of months collected cash balance below target - \$6M	12	12	12	12
Quarterly Investment Reports Completed within 45 Days following the Quarter End	4	4	4	4
Maintain/improve credit ratings	S&P/M/FR	S&P/M/FR	S&P/M/FR	S&P/M/FR
General Obligation Bonds	A+/A1	A+/A1	AA-/A1/AA-	AA-/A1/AA-
Water/Sewer Revenue Bonds	A+/A1	A+/A1	A+/A1	A+/A1
Bridge Revenue Bonds	A+/A2	A+/A2	A+/A2	A+/A2
Sales Tax Revenue Bonds	A-/A3	A-/A3	A-/A3	A-/A3
<i>Efficiency Measures:</i>				
Total monthly turn-key cost to manage all financial affairs of City per fund	\$ 1,556	\$ 1,784	\$ 1,784	\$ 1,779
Personnel cost to manage cash and investments as a % of total portfolio	0.02%	0.02%	0.02%	0.02%
Department expenditures per capita	\$ 6.48	\$ 7.35	\$ 6.65	\$ 7.00

CITY OF McALLEN, TEXAS

DEPARTMENT: TAX OFFICE

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 152,024	\$ 173,628	\$ 173,628	\$ 173,646
Employee Benefits	38,316	41,487	41,487	42,672
Supplies	6,257	5,350	1,150	5,350
Other Services and Charges	592,650	444,365	567,611	546,180
Maintenance	1,425	1,425	1,300	1,425
Operations Subtotal	790,672	666,255	785,176	769,273
Capital Outlay	4,594	4,620	-	-
DEPARTMENTAL TOTAL	\$ 795,266	\$ 670,875	\$ 785,176	\$ 769,273
PERSONNEL				
Exempt	2	2	2	2
Non-Exempt	4	4	4	4
Part-Time	-	1	1	1
Civil Service	-	-	-	-
DEPARTMENT TOTAL	6	7	7	7

MISSION STATEMENT

To collect Ad-Valorem taxes that are due to the City of McAllen in a fair and uniform manner.

MAJOR FY 05-06 GOALS:

- 1.) Clean up our delinquent tax rolls by:
 - a. Purging the accounts that are no longer collectable and transferring them to an uncollectable roll if approved by the City Commission.
 - b. Submit an updated list of the top 100 tax accounts to the City Commission every quarter followed by an update on the activity of each account.
 - c. Enforce the collection of this accounts by legal action.
- 2.) Assign one person in my staff to keep close contact with our partial payment contracts and mail monthly statements to those delinquent taxpayers.

CITY OF McALLEN, TEXAS

DEPARTMENT: TAX OFFICE

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of Full Time Employees	6	6	6	6
Department Expenditures	\$ 795,266	\$ 670,875	\$ 785,176	\$ 769,273
<i>Outputs:</i>				
Revenues generated:				
Current Tax Collections	\$ 18,063,447	\$ 18,200,000	\$ 19,723,927	\$ 19,742,810
Delinquent Tax Collections	\$ 1,085,144	\$ 1,100,000	\$ 1,198,500	\$ 1,300,000
Tax Paid Due to Tax Suits	\$ 576,000	\$ 600,000	\$ 650,000	\$ 750,000
Payments due to Rollback	\$ 208,061	\$ 90,000	\$ 95,000	\$ 65,000
Tax Levy	\$ 19,519,513	\$ 20,964,000	\$ 20,982,902	\$ 21,003,000
Number of Tax Accounts	45,700	50,800	50,850	50,900
Total Aguse Inspections	23	25	20	20
<i>Effectiveness Measures:</i>				
Collection rate of current taxes	99%	99%	99%	99%
Department expenditures as a % of tax levy	4.15%	3.32%	3.74%	3.72%
<i>Efficiency Measures:</i>				
Number of accounts handled per full time employee	7,500	8,120	8,995	9,200
Collections per full time employee	\$ 3,200,500	\$ 3,398,711	\$ 3,602,633	\$ 3,818,790
Department expenditures per capita	\$ 6.56	\$ 5.52	\$ 6.26	\$ 5.97

CITY OF McALLEN, TEXAS

DEPARTMENT: PURCHASING AND CONTRACTING

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 215,878	\$ 225,992	\$ 218,165	\$ 229,304
Employee Benefits	51,782	53,123	60,265	60,265
Supplies	8,539	7,100	10,100	8,100
Other Services and Charges	986	5,880	882	5,880
Maintenance	11,000	11,000	11,550	11,550
Operations Subtotal	288,185	303,095	300,962	315,099
Capital Outlay	4,986	4,468	3,468	-
DEPARTMENTAL TOTAL	\$ 293,171	\$ 307,563	\$ 304,430	\$ 315,099
PERSONNEL				
Exempt	3	3	3	3
Non-Exempt	3	3	3	3
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	6	6	6	6

MISSION STATEMENT

The Purchasing and Contracting Department provides centralized purchasing services to insure that quality products and services are obtained on a timely basis at competitive prices, in order to maximize the City's buying power and meet departmental needs. The Purchasing and Contracting Department administers all construction projects and keeps proper documentation on same. Assures that the City of McAllen is in compliance with all City, State and Federal requirements that release to all construction projects (i.e., Davis Bacon Act, DBE, EEO Compliance etc.).

MAJOR FY 05-06 GOALS:

- 1.) Prepare video on Procurement Card Program to serve as orientation/refresher course to new/existing card holders.
- 2.) Video shall provide a quick reference to what can and what cannot be purchased with the procurement card.
- 3.) Prepare for upcoming training process to be conducted by Purchasing & Contracting Staff in the implementation of Buyspeed electronic requisitioning.

CITY OF McALLEN, TEXAS

DEPARTMENT: PURCHASING AND CONTRACTING

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees	6	6	6	6
Department Expenditures	\$ 293,171	\$ 307,563	\$ 304,430	\$ 315,099
<i>Outputs:</i>				
Requisitions	4,198	2,500	4,080	4,200
Small purchase orders issued	2,331	2,000	2,660	2,500
Purchase orders processed	4,357	2,500	4,210	4,200
Purchase contracts administered	73	40	60	65
Dollar value of purchases processed	\$ 18,417,155	\$ 16,850,000	\$ 20,500,000	\$ 19,000,000
HGAC purchases executed	5	10	5	5
Pre-bid conferences	199	150	210	195
Bid openings held	199	150	210	195
Pre-construction conferences	39	40	35	35
Construction contracts administered	52	40	40	45
Dollar value of construction contracts processed	\$ 20,775,666	\$ 23,000,000	\$ 85,565,240	\$ 35,500,000
Supply contracts	34	25	55	40
Service contracts	40	30	50	45
Informal Price Quotes	26	30	36	30
State rental contracts executed	13	35	10	15
Requests for availability of funds	126	150	200	195
Requests for change orders on p.o.s	222	400	290	270
Requests for procurement cards		10	15	15
Bidders on file	5,975	6,000	6,887	7,487
Bidders' list (new applications)	2,512	-	500	600
<i>Effectiveness Measures:</i>				
Average number of days to process requisitions to purchase order status	3	3	4	4
<i>Efficiency Measures:</i>				
Requisitions per full time employee	1,400	1,250	1,400	1,400
Construction contracts administered per full time employee	23.0	13.3	13.3	15.0
Purchase contracts administered per full time employee	50.0	13.3	20.0	21.7
Department expenditures per capita	\$ 2.42	\$ 2.53	\$ 2.43	\$ 2.44

CITY OF McALLEN, TEXAS

DEPARTMENT: LEGAL

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 428,935	\$ 540,287	\$ 549,258	\$ 547,111
Employee Benefits	93,396	126,905	126,905	128,473
Supplies	3,834	8,800	8,800	8,800
Other Services and Charges	161,243	129,620	121,470	121,470
Maintenance	-	-	-	-
Operations Subtotal	687,408	805,612	806,433	805,854
Capital Outlay	5,140	7,600	7,600	-
DEPARTMENTAL TOTAL	\$ 692,548	\$ 813,212	\$ 814,033	\$ 805,854
PERSONNEL				
Exempt	4	3	5	5
Non-Exempt	5	5	5	5
Part-Time	-	3	2	2
Civil Service	-	-	-	-
DEPARTMENT TOTAL	9	11	12	12

MISSION STATEMENT

To provide service to the public servants. To provide effective and timely legal representation and advice to the City Commission and City Administration. This office zealously represents the City in legal controversies from the point of claim resolution and is committed to implementing the City Commission's policy and minimizing exposure and potential liability. To protect and promote the City's interest by providing quality legal services to the Mayor, Commissioners, City Management, City Boards and Commissions and other City Departments in the areas of legal opinions, litigation, contracts, code enforcement, legislation, real estate, financial, drafting legal documents, and municipal court prosecution.

MAJOR FY 05-06 GOALS:

- 1.) Review Code of Ordinances Book Chapter for revisions.
- 2.) Implement New Human Resources Manual and Standard Operating Procedures and City Manager Directives.

CITY OF McALLEN, TEXAS

DEPARTMENT: LEGAL

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees	9	8	10	10
Number of Attorneys	4	3	5	5
Department Expenditures	\$ 692,548	\$ 813,212	\$ 814,033	\$ 805,854
<i>Outputs:</i>				
Number of City governmental entities represented	25	25	25	25
City Commission meetings attended	30	30	30	30
Subordinate agency meetings attended	200	200	200	225
Number of citizens with inquires and requests	789	800	800	800
Litigation hours	520	520	520	520
Human Resource Hearings held	25	30	25	30
Total number of resolutions, ordinances, orders, agreements, contracts, leases, deeds, liens and legal	375	375	395	395
Number of State Legislative Bills introduced	10	10	6	-
Number of Municipal Court hearings supervised	450	450	450	475
Number of South Texas Aggregation Project meetings	15	15	15	15
Right of Way acquisitions prepared and overseen			150	262
<i>Effectiveness Measures:</i>				
Average number of lawsuits filed against the City	15	20	20	20
Average number of Legislative Bills passed		-		
<i>Efficiency Measures:</i>				
Average preparation time per employee of Resolutions, Ordinances, Orders, Agreements, Contracts, Leases, Deeds, Liens and Legal Opinions	2	1.5	1.5	1.5
Department expenditures per capita	\$ 5.72	\$ 6.69	\$ 6.49	\$ 6.25

CITY OF McALLEN, TEXAS

DEPARTMENT: GRANTS ADMINISTRATION

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 118,121	\$ 154,980	\$ 119,210	\$ 132,393
Employee Benefits	28,567	35,778	35,778	34,945
Supplies	3,934	4,750	4,000	4,750
Other Services and Charges	6,138	7,570	7,490	7,570
Maintenance	-	-	-	-
Operations Subtotal	156,760	203,078	166,478	179,658
Capital Outlay	3,367	470	-	-
Grant Reimbursement	-	(22,000)	-	-
DEPARTMENTAL TOTAL	\$ 160,127	\$ 181,548	\$ 166,478	\$ 179,658
PERSONNEL				
Exempt	4	3	3	3
Non-Exempt	1	2	1	1
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	5	5	4	4

MISSION STATEMENT

The Grant Administration Office is committed to providing sound grant management practices, accessing sources of funding, and developing quality partnerships with City Department, and federal, state, and local agencies, to support programs and services that will improve the quality of life for all McAllen citizens.

MAJOR FY 05-06 GOALS:

- 1.) Achieve Grant Administrator certification.
- 2.) Develop a grant alert/announcement page on the City's Intranet website.
- 3.) Develop and implement an application process for Outside Agency budget requests.
- 4.) Develop and implement quarterly status reports to ensure Outside Agency contractual compliance.
- 5.) Attend conferences and workshops that will increase the skills levels of Department employees.

CITY OF McALLEN, TEXAS

DEPARTMENT: GRANTS ADMINISTRATION

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of Full Time Employees	5	5	4	4
Department Expenditures	\$ 160,127	\$ 181,548	\$ 166,478	\$ 179,658
<i>Outputs:</i>				
Number of grants researched and submitted to City Departments	72	72	80	80
Number of grant proposals submitted	21	20	20	20
Number of active grants	30	35	30	30
Grant proposals awarded (dollar amount)	\$ 7,342,211	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000
Number of grants managed (dollar amount)	\$ 23,370,551	\$ 20,000,000	\$ 15,000,000	\$ 15,000,000
Number of compliance and quality assurance visits conducted	30	30	24	24
Number of City Departments and other entities served	10	25	24	24
<i>Effectiveness Measures:</i>				
Number of grant proposals awarded	19	15	15	15
Grant proposals awarded (dollar amount)	\$ 7,342,211	\$ 6,000,000	\$ 6,000,000	\$ 6,000,000
Number of grants in compliance with local, State, and Federal regulations	30	30	24	24
<i>Efficiency Measures:</i>				
Active grants managed per full time employee (dollar amount)	\$ 7,790,184	\$ 5,000,000	\$ 3,750,000	\$ 3,750,000
Number of active grants managed per full time employee	10.0	8.75	7.50	7.50
Ratio of grant funds managed to Grant Administration operating budget	146.1	111.3:1	83.4:1	83.4:1
Department expenditures per capita	\$ 1.32	\$ 1.49	\$ 1.33	\$ 1.39

CITY OF McALLEN, TEXAS

DEPARTMENT: RIGHT-OF-WAY

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 89,315	\$ 90,900	\$ 90,900	\$ 90,900
Employee Benefits	22,328	19,830	19,830	20,548
Supplies	1,654	1,425	1,425	1,425
Other Services and Charges	21,150	22,828	22,828	22,828
Maintenance	-	-	-	-
Operations Subtotal	134,447	134,983	134,983	135,701
Capital Outlay	-	-	-	-
DEPARTMENTAL TOTAL	\$ 134,447	\$ 134,983	\$ 134,983	\$ 135,701
PERSONNEL				
Exempt	2	2	2	2
Non-Exempt	-	-	-	-
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	2	2	2	2

MISSION STATEMENT

To complete projects assigned to us by Public Utility Board and City Commission including State projects.

MAJOR FY 05-06 GOALS:

- 1.) To complete Bicentennial (North Extension-Nolana to Trenton & Trenton to SH107).
- 2.) To acquire 10th Street-Houston to FM 495.
- 3.) To continue acquiring property for airport expansion.
- 4.) To acquire Utility Easements for PUB projects as assigned.
- 5.) Acquisition of 10 parcels of ROW for Ware Road upgrade from 3 Mile Line to Mile 5 Line for TxDOT construction in 2008.
- 6.) Begin the design process with TxDOT relating to the Federal Highway Bill earmarked for the relocation of 10th Street (SH 336) due to the need to extend the airport runway.
- 7.) Providing partial funding for TxDOT landscape of Expressway 83 ROW in McAllen city limits.

CITY OF McALLEN, TEXAS

DEPARTMENT: RIGHT-OF-WAY

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of Full Time Employees	2	2	2	2
Department Expenditures	\$ 134,447	\$ 134,983	\$ 134,983	\$ 135,701
<i>Outputs:</i>				
Total number of parcels closed	79	120	45	100
Number of projects	33	55	30	50
Number of abandonment's of easements, streets, & alleys prepared	12	10	20	30
Number of condemnations filed	10	15	8	20
Number of donated property **	43	25	35	50
Number of Real Estate closings	8	12	12	12
<i>Effectiveness Measures:</i>				
Number of reimbursements from the state	4	25	6	50
<i>Efficiency Measures:</i>				
Estimated # hours for the complete documentation of parcel	3	3	3	3
Department expenditures per capita	\$ 1.11	\$ 1.11	\$ 1.08	\$ 1.05

** includes Easements acquired

CITY OF McALLEN, TEXAS

DEPARTMENT: HUMAN RESOURCES

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 180,161	\$ 307,163	\$ 261,226	\$ 276,351
Employee Benefits	47,414	82,322	82,322	76,857
Supplies	7,008	9,785	6,000	7,500
Other Services and Charges	107,645	126,365	124,607	223,767
Maintenance	695	28,352	17,000	27,352
Operations Subtotal	342,923	553,987	491,155	611,827
Capital Outlay	354,128	20,235	18,905	-
DEPARTMENTAL TOTAL	\$ 697,051	\$ 574,222	\$ 510,060	\$ 611,827
PERSONNEL				
Exempt	3	4	3	3
Non-Exempt	6	6	6	6
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	9	10	9	9

MISSION STATEMENT

The Human Resources Department is committed to assist other City of McAllen Departments in providing assistance in recruitment, training, and retention of diverse high quality work force. Additional functions include maintenance of: employee classification and salary pay plan; and maintaining personnel records.

MAJOR FY 05-06 GOALS:

- 1.) Initiate in house training program.
- 2.) Initiate proactive recruitment program.
- 3.) Propose compensation plan change and comprehensive update.
- 4.) Implement PeopleSoft workflow for selective employment action.
- 5.) Propose compensation workforce screening and employee assessment program.

CITY OF McALLEN, TEXAS

DEPARTMENT: HUMAN RESOURCES

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees (personnel)	9	10	9	9
Number of full time employees (application processing)	3	1	4	4
Civil Service	1	1	3	3
Non-Civil Service	2	2	3	3
Number of full time employees (completing exit interviews)	2	2	3	4
Number of full time employees (payroll)	2	2	2	2
Department Expenditures	\$ 697,051	\$ 574,222	\$ 510,060	\$ 611,827
<i>Outputs:</i>				
Number of positions advertised	350	400	400	400
Total number of civil and non-civil applications referred	8,370	9,000	10,000	10,000
Number of non-civil service applications referred	7,180	8,000	10,000	10,000
Number of civil service applications processed	250	500	350	400
Total number of non-civil service and civil service employees terminated	233	250	221	260
Number of non-civil service employees terminated	190	230	170	210
Number of employees under FMLA		18		
Civil Service: Number of entrance exam candidates tested	200	3	275	350
Civil Service: Number of promotional exam candidates tested	25	6	35	50
Number of exit interviews conducted (civil and non-civil service turnover)	210	250	240	280
Number of payroll checks/direct deposits processed	48,660	57,120	50,000	50,000
Number of employees utilizing automated time and attendance system	1,300	1,000	1,300	1,300
Number of appeals and grievances for non-civil services	25	30	32	35
Number of civil service appeals conducted	6	5	20	35
<i>Effectiveness Measures:</i>				
Employee turnover rate	190	180	170	180

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Efficiency Measures:</i>				
Number of exit interviews conducted and completed per Full Time Employee	105	125	80	70
Number of non-civil applications processed per Full Time Employee	3,590	8,500	3,333	3,333
Number of civil service applications processed per Full Time Employee	250	500	117	133
Department expenditures per capita	\$ 5.75	\$ 4.72	\$ 4.06	\$ 4.75

CITY OF McALLEN, TEXAS

DEPARTMENT: EMPLOYEE BENEFITS

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ -	\$ -	\$ -	\$ -
Employee Benefits	-	296,766	296,766	923,349
Supplies	-	-	-	-
Other Services and Charges	-	-	-	-
Maintenance	-	-	-	-
Operations Subtotal	-	296,766	296,766	923,349
Capital Outlay	-	-	-	-
DEPARTMENTAL TOTAL	\$ -	\$ 296,766	\$ 296,766	\$ 923,349
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	-	-	-	-
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	-	-	-	-

CITY OF McALLEN, TEXAS

DEPARTMENT: CITY INSURANCE

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ -	\$ -	\$ -	\$ -
Employee Benefits	-	-	-	-
Supplies	-	-	-	-
Other Services and Charges	1,047,059	1,151,761	1,151,761	1,151,761
Maintenance	-	-	-	-
Operations Subtotal	1,047,059	1,151,761	1,151,761	1,151,761
Capital Outlay	-	-	-	-
DEPARTMENTAL TOTAL	\$ 1,047,059	\$ 1,151,761	\$ 1,151,761	\$ 1,151,761
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	-	-	-	-
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	-	-	-	-

MISSION STATEMENT

This department was established for the accounting and record keeping of General Liability Insurance premiums and processing of claims through the insurance carriers and third party administrators. The Department is responsible for city-wide safety training through the Safety Committee and is in charge of over-all loss control.

MAJOR FY 05-06 GOALS:

- 1.) Implement a Workers' Compensation training program for all departments.
- 2.) Go paperless with workers' compensation, liability and subrogation files.
- 3.) Continue providing Safety training.
- 4.) Continue to minimize property, workers' compensation, general liability loss exposures.
- 5.) Keep Lock-out Tag-out procedures in place.

CITY OF McALLEN, TEXAS

DEPARTMENT: PLANNING

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 523,680	\$ 653,150	\$ 632,357	\$ 808,712
Employee Benefits	134,868	182,299	182,299	257,255
Supplies	6,943	6,508	6,808	8,458
Other Services and Charges	37,797	48,495	49,485	54,923
Maintenance	6,987	950	10,488	11,500
Operations Subtotal	710,275	891,402	881,437	1,140,848
Capital Outlay	14,328	28,596	36,706	34,374
Grant Reimbursement	-	-	-	-
DEPARTMENTAL TOTAL	\$ 724,603	\$ 919,998	\$ 918,143	\$ 1,175,222
PERSONNEL				
Exempt	13	14	13	16
Non-Exempt	6	7	8	11
Part-Time	2	2	1	1
Civil Service	-	-	-	-
DEPARTMENT TOTAL	21	23	22	28

MISSION STATEMENT

To provide for the health, safety and general welfare of the City of McAllen by promoting growth and development policies through sound principles of plan that:

- * Support neighborhood integrity and a thriving business climate.
- * Protect and preserve places and areas of historical, environmental and cultural importance.
- * Guide the physical, economic and social growth of McAllen to achieve a better quality of life.

MAJOR FY 05-06 GOALS:

- 1.) Complete update of Foresight McAllen Growth Management Guide.
- 2.) Implement automated improvements to the development process.
- 3.) Update the development of ordinances.
- 4.) Expand Historic Preservation Survey through Grant assistance.
- 5.) Planning the establishment of Historical Districts with the completion of the City Historical Building and Sites Inventory.

CITY OF McAllen, TEXAS

DEPARTMENT: PLANNING

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees	19	21	21	27
Department Expenditures	\$ 724,603	\$ 919,998	\$ 918,143	\$ 1,175,222
<i>Outputs:</i>				
Number of applications	533	509	485	527
Number of permits	700	685	671	685
Number of inspections	5,465	5,896	6,327	7,420
Total workload	6,698	6,990	7,483	8,633
<i>Effectiveness Measures:</i>				
Percent of applications approved	58%	60%	63%	61%
Percent of applications completed in compliance of statutory time limits	100	100%	100	100%
<i>Efficiency Measures:</i>				
Workload per employee	418	349	415	375
Expenditure per workload	\$ 108	\$ 131	\$ 122	\$ 159
Department expenditures per capita	\$ 5.98	\$ 7.57	\$ 7.32	\$ 9.12
<i>Population:</i>				
	121,176	121,552	125,500	128,900

CITY OF McALLEN, TEXAS

DEPARTMENT: INFORMATION TECHNOLOGY

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 481,624	\$ 650,022	\$ 599,610	\$ 661,700
Employee Benefits	108,239	154,674	154,674	157,604
Supplies	34,255	39,675	35,665	29,375
Other Services and Charges	92,490	112,644	132,881	76,404
Maintenance	119,718	131,787	129,238	129,974
Operations Subtotal	836,326	1,088,802	1,052,068	1,055,057
Capital Outlay	203,073	185,399	180,944	128,100
DEPARTMENTAL TOTAL	\$ 1,039,399	\$ 1,274,201	\$ 1,233,012	\$ 1,183,157
PERSONNEL				
Exempt	11	14	15	14
Non-Exempt	1	1	2	1
Part-Time	2	2	2	2
Civil Service	-	-	-	-
DEPARTMENT TOTAL	14	17	19	17

MISSION STATEMENT

Our mission is to provide and maintain all types of Information Technology (hardware, software, tele-communications) services and support for all City of McAllen departments. In addition, this department coordinates the overall direction of technology and communications as needs arise from other City departments.

MAJOR FY 05-06 GOALS:

- 1.) Purchase City -Wide Work order system.
- 2.) Increase network availability (fiber and wireless).
- 3.) Implement Court Management Software.
- 4.) Recable City Hall.
- 5.) Implement GIS system.
- 6.) Reduce IT support hours percentage to 55%.
- 7.) Reduce time to close work orders by 5%.

CITY OF McALLEN, TEXAS

DEPARTMENT: INFORMATION TECHNOLOGY

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees	12	15	17	15
Number of support personnel	8	8	8	8
Number of project personnel	4	7	5	7
Department Expenditures	\$ 1,039,399	\$ 1,274,201	\$ 1,233,012	\$ 1,183,157
<i>Outputs:</i>				
Number of servers supported	26	32	34	38
Number of PC's supported	590	620	625	650
Number of printers/scanners supported	120	585	130	140
Number of applications supported	30	40	40	42
Number of networks supported	55	60	60	70
Number of active customer projects (over 40 hours)	N/A	15	16	16
Number of work orders closed	N/A	2,796	2,796	2,900
<i>Effectiveness Measures:</i>				
Average initial response hours per service request	N/A	8	6	5.5
Percent of support hours	61%	67%	62%	53%
Percent of project hours	39%	33%	38%	47%
<i>Efficiency Measures:</i>				
Average closed work orders per month (support Personnel)	N/A	600	559	414
Expenditures per full time employee	\$ 79,954	\$ 80,000	\$ 93,716	\$ 90,112
Department expenditures per capita	\$ 8.58	\$ 10.48	\$ 9.82	\$ 9.18

CITY OF McALLEN, TEXAS

DEPARTMENT: MCN

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 238,404	\$ 272,771	\$ 253,443	\$ 279,956
Employee Benefits	55,212	61,350	61,350	69,252
Supplies	16,736	15,300	15,077	15,300
Other Services and Charges	7,537	10,132	6,635	10,132
Maintenance	5,438	9,599	7,650	9,292
Operations Subtotal	323,327	369,152	344,155	383,932
Capital Outlay	32,456	20,259	20,259	15,000
DEPARTMENTAL TOTAL	\$ 355,783	\$ 389,411	\$ 364,414	\$ 398,932
PERSONNEL				
Exempt	6	7	7	7
Non-Exempt	-	-	-	-
Part-Time	1	1	1	1
Civil Service	-	-	-	-
DEPARTMENT TOTAL	7	8	8	8

MISSION STATEMENT

The McAllen Cable Networks is television from the City of McAllen to the citizens of McAllen. We like to think of it as a local version of C-Span. We present a wide variety of information to our citizenry. People know that they can turn to MCN for the latest City Commission meeting or to find out about a lot of the activities that are happening around town. MCN is a source of information that can be trusted for facts and for timely information.

MAJOR FY 05-06 GOALS:

- 1.) Design and install a new interview set inside the MCN TV studio.
- 2.) Install and train on new Master Control CG.
- 3.) Enhance quantity of existing short PSA's and information programs on MCN.

CITY OF McALLEN, TEXAS

DEPARTMENT: MCN

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees	6	7	7	7
Department Expenditures	\$ 355,783	\$ 389,411	\$ 364,414	\$ 398,932
<i>Outputs:</i>				
City Commission shows	23	23	24	23
PUB shows	23	23	23	23
Magazine shows	114	90	95	90
Volunteer shows	17	30	16	15
Chamber shows	12	10	15	15
All other shows	175	200	200	205
Total shows	224	376	373	371
<i>Effectiveness Measures:</i>				
Non-linear computer editing	96%	96%	99%	99%
MCN quality -new graphics	90%	90%	92%	93%
<i>Efficiency Measures:</i>				
Number of man hours to produce a regularly occurring talk show	3/4	3/4	2/3	1/2
Computer hours to load a file (show) into the play list	2	2	2	1
Total Dept expenditure per show	3 \$ 1,588	\$ 1,040	\$ 977	\$ 1,075
Department expenditures per capita	\$ 2.94	\$ 3.20	\$ 2.90	\$ 3.09

CITY OF McALLEN, TEXAS

DEPARTMENT: CITY HALL

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 57,164	\$ 59,702	\$ 59,902	\$ 59,698
Employee Benefits	22,212	23,519	23,519	24,219
Supplies	15,665	21,375	24,800	19,475
Other Services and Charges	389,055	407,009	364,234	398,255
Maintenance	75,758	244,650	222,500	244,650
Operations Subtotal	559,854	756,255	694,955	746,297
Capital Outlay	3,300	475	400	-
DEPARTMENTAL TOTAL	\$ 563,154	\$ 756,730	\$ 695,355	\$ 746,297
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	3	3	3	3
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	3	3	3	3

MISSION STATEMENT

City Hall is composed of General Administrative Offices for the City within which are housed the Finance, Utility Billing, Billing, Planning, Inspection, Engineering, Purchasing and Contracting, Information Technology, Personnel, City Secretary, City Manager Departments and Health Department. City Hall Staff includes One (1) Maintenance Tech and two(2) Custodians.

MAJOR FY 05-06 GOALS:

- 1.) Re-paint all public lobbies and corridors.
- 2.) Paint first floor office areas.
- 3.) Paint second floor office areas.
- 4.) Install new carpet at first floor.
- 5.) Install new carpet at second floor.
- 6.) Seal exterior windows to prevent leaks during rain storms.
- 7.) Provide a new air conditioning system for the I.T. Division.
- 8.) Clean all above ceiling fan coil units.
- 9.) Wash building windows twice during the year.

CITY OF McALLEN, TEXAS

DEPARTMENT: CITY HALL

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of custodians	2	2	2	2
Number of maintenance technicians	1	1	1	1
Department Expenditures	\$ 563,154	\$ 756,730	\$ 695,355	\$ 746,297
<i>Outputs:</i>				
Number of bathrooms	9	9	9	9
Number of work orders completed	40	40	1,800	1,800
Number of times bathrooms cleaned (daily)	2	2	2	2
<i>Effectiveness Measures:</i>				
Percent of repair work orders completed within three working days	100%	100%	100%	100%
Average response time to emergency repairs	immediate	immediate	immediate	immediate
<i>Efficiency Measures:</i>				
Custodial cost per square foot	\$1.45 per sq. ft.	\$1.45 per sq. ft.	\$1.45 per sq. ft.	\$1.45 per sq. ft.
Department expenditures per capita	\$ 4.65	\$ 6.23	\$ 5.54	\$ 5.79

CITY OF McALLEN, TEXAS

DEPARTMENT: BUILDING MAINTENANCE

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 161,464	\$ 256,582	\$ 245,000	\$ 255,412
Employee Benefits	57,821	88,899	88,899	90,348
Supplies	6,866	6,013	6,036	6,013
Other Services and Charges	18,700	25,049	24,599	25,049
Maintenance	39,629	29,122	39,822	30,702
Operations Subtotal	284,480	405,665	404,356	407,524
Capital Outlay	4,275	-	-	-
DEPARTMENTAL TOTAL	\$ 288,755	\$ 405,665	\$ 404,356	\$ 407,524
PERSONNEL				
Exempt	4	4	4	4
Non-Exempt	5	5	5	5
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	9	9	9	9

MISSION STATEMENT

The Building Maintenance Division provides maintenance and minor construction to all City facilities, which includes, Administration of outsourced preventive maintenance service. Major repairs or renovations are overseen by this Division thus, providing the technical advice, cost estimates, bid contracting, and job supervision over contracts which are outsourced to the private sector. In addition to the Building Maintenance Superintendent, the Mechanic (Crew Leader) and the three Apprentice Mechanics, the Division supervises a Master Electrician, and Apprentice Electrician, and a certified HVAC Technician, and supervises sixteen (16) custodians at different facilities throughout the City. However, the salaries for the custodian are recognized in the appropriate facility budgets.

MAJOR FY 05-06 GOALS:

- 1.) Increase the number of work orders completed per week by an average of 50% with the additional personnel requested.
- 2.) Increase response time with new employees.
- 3.) Improve customer service.

CITY OF McALLEN, TEXAS

DEPARTMENT: BUILDING MAINTENANCE

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees	9	9	9	9
Total facilities maintained	43	43	44	44
Department Expenditures	\$ 288,755	\$ 405,665	\$ 404,356	\$ 407,524
<i>Outputs:</i>				
Number of A/C jobs completed	245	265	265	300
Number of electrical jobs completed	195	200	242	300
Other building maintenance jobs completed	775	800	835	850
<i>Effectiveness Measures:</i>				
Percent of jobs called back on	3%	2%	2%	2%
Percent of work orders completed within 3 working days	65	65%	65%	75%
<i>Efficiency Measures:</i>				
Number of work orders per full time employee	135	141	149	161
Department expenditures per capita	\$ 2.38	\$ 3.34	\$ 3.22	\$ 3.16

CITY OF McALLEN, TEXAS

DEPARTMENT: MAIL CENTER

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 05-06	Budget 05-06
Personnel Services				
Salaries and Wages	\$ -	\$ -	\$ -	\$ 47,226
Employee Benefits	-	-	-	13,359
Supplies	-	-	-	31,920
Other Services and Charges	-	-	-	47,730
Maintenance	-	-	-	2,000
Operations Subtotal	-	-	-	142,235
Capital Outlay	-	-	-	200
DEPARTMENTAL TOTAL	\$ -	\$ -	\$ -	\$ 142,435
PERSONNEL				
Exempt	-	-	-	1
Non-Exempt	-	-	-	1
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	-	-	-	2

MISSION STATEMENT

Our mission is to provide cost effective and efficient mail services to all City Departments.

MAJOR FY 05-06 GOALS:

- 1.) To fully automate and tract the incoming package process.
- 2.) To begin mail delivery services to City departments.

CITY OF McALLEN, TEXAS

DEPARTMENT: MAIL CENTER

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees	-	-	-	2
Department Expenditures	\$ -	\$ -	\$ -	\$ 142,435
<i>Outputs:</i>				
Number of pieces of mail received	-	-	-	1,000,000
Number of pieces of return mail	-	-	-	10,000
Number of packages received via couriers	-	-	-	5,000
Number of outgoing mail processed	-	-	-	20,700
Number of packages prepared for outgoing.	-	-	-	45
<i>Effectiveness Measures:</i>				
Average number of mail processed daily	-	-	-	125
Average number of mail received daily	-	-	-	20
<i>Efficiency Measures:</i>				
Average cost per piece of mail processed	\$ -	\$ -	\$ -	\$ 0.14
Department expenditures per capita	\$ -	\$ -	\$ -	\$ 1.11

CITY OF McALLEN, TEXAS

DEPARTMENT: McALLEN ECONOMIC DEVELOPMENT CORP *

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ -	\$ -	\$ -	\$ -
Employee Benefits	-	-	-	-
Supplies	-	-	-	-
Other Services and Charges	1,331,025	1,447,576	1,447,576	1,397,576
Maintenance	-	-	-	-
Operations Subtotal	1,331,025	1,447,576	1,447,576	1,397,576
Capital Outlay	-	-	-	-
DEPARTMENTAL TOTAL	\$ 1,331,025	\$ 1,447,576	\$ 1,447,576	\$ 1,397,576
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	-	-	-	-
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	-	-	-	-

* Non-City Department: The McAllen Economic Development Corporation directs it's efforts to attracting domestic / foreign industries to establish operations in the City of McAllen.

CITY OF McALLEN, TEXAS

DEPARTMENT: CHAMBER OF COMMERCE *

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ -	\$ -	\$ -	\$ -
Employee Benefits	-	-	-	-
Supplies	-	-	-	-
Other Services and Charges	578,818	660,000	660,000	600,000
Maintenance	-	-	-	-
Operations Subtotal	578,818	660,000	660,000	600,000
Capital Outlay	-	-	-	-
DEPARTMENTAL TOTAL	\$ 578,818	\$ 660,000	\$ 660,000	\$ 600,000
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	-	-	-	-
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	-	-	-	-

*Non-City Department: One of the goals of the Chamber of Commerce is to promote tourism.

CITY OF McALLEN, TEXAS

DEPARTMENT: ECONOMIC DEVELOPMENT/OTHER AGENCIES

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ -	\$ -	\$ -	\$ -
Employee Benefits	-	-	-	-
Supplies	-	-	-	-
Other Services and Charges	186,534	336,000	336,000	249,000
Maintenance	-	-	-	-
Operations Subtotal	186,534	336,000	336,000	249,000
Capital Outlay	-	-	-	-
DEPARTMENTAL TOTAL	\$ 186,534	\$ 336,000	\$ 336,000	\$ 249,000
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	-	-	-	-
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	-	-	-	-
Agencies				
Los Caminos del Rio	\$ 15,000	\$ 15,000	\$ 15,000	\$ 15,000
LRGVDC	18,456	24,000	24,000	24,000
Border Trade Alliance	-	25,000	25,000	25,000
South Texas Border Partnership	35,000	35,000	35,000	35,000
Hispanic Chamber of Commerce	118,078	150,000	150,000	150,000
Heart of the City Improvements	-	87,000	87,000	-
	<u>\$ 186,534</u>	<u>\$ 336,000</u>	<u>\$ 336,000</u>	<u>\$ 249,000</u>

City of McAllen, Texas
Public Safety
Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Police	\$ 20,787,355	\$ 23,092,598	\$ 22,179,209	\$ 25,192,273
Animal Control	157,597	166,398	169,178	177,966
Communication Technology	85,628	247,196	199,545	156,331
Fire	9,867,291	10,810,635	10,861,711	11,173,864
Traffic Operations	1,623,113	1,652,838	1,723,445	1,892,068
Downtown Services	498,494	565,724	565,993	508,179
Inspection	649,886	846,905	698,742	831,007
TOTAL	\$ 33,669,368	\$ 37,382,294	\$ 36,397,823	\$ 39,931,688
<u>BY EXPENSE GROUP</u>				
Personnel Services				
Salaries and Wages	\$ 21,931,866	\$ 24,697,919	\$ 23,567,722	\$ 25,967,852
Employee Benefits	6,837,809	7,570,736	7,570,736	8,014,025
Supplies	601,461	671,225	686,335	701,456
Other Services and Charges	2,458,087	2,551,531	2,554,427	3,080,170
Maintenance and Repair Services	1,356,708	1,314,001	1,452,015	1,395,338
Capital Outlay	483,433	576,882	566,588	772,847
TOTAL APPROPRIATIONS	\$ 33,669,368	\$ 37,382,294	\$ 36,397,823	\$ 39,931,688
<u>PERSONNEL</u>				
Police	389	394	393	398
Animal Control	4	4	4	4
Communication Technology	3	3	2	2
Fire	148	153	153	158
Traffic Operations	27	27	27	27
Downtown Services	17	17	16	16
Inspection	17	19	19	20
TOTAL PERSONNEL	605	617	614	625

CITY OF McALLEN, TEXAS

DEPARTMENT: POLICE

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 14,758,491	\$ 16,384,802	\$ 15,440,400	\$ 17,262,645
Employee Benefits	4,327,344	4,793,547	4,793,547	5,166,037
Supplies	315,600	349,130	353,000	352,130
Other Services and Charges	1,387,277	1,299,694	1,298,800	1,704,736
Maintenance	777,718	688,942	798,000	757,975
Operations Subtotal	21,566,430	23,516,115	22,683,747	25,243,523
Capital Outlay	275,771	326,483	320,000	363,750
Grant Reimbursements	(1,054,846)	(750,000)	(824,538)	(415,000)
DEPARTMENTAL TOTAL	\$ 20,787,355	\$ 23,092,598	\$ 22,179,209	\$ 25,192,273
PERSONNEL				
Exempt	10	9	8	8
Non-Exempt	121	126	126	129
Part-Time	-	-	-	-
Civil Service	258	259	259	261
DEPARTMENT TOTAL	389	394	393	398

MISSION STATEMENT

The mission of McAllen Police Department is to provide quality community oriented services and to enhance public safety and instill confidence of all citizens by partnership with our citizens to prevent crime and enhance the quality of life throughout our community always treating people with dignity, fairness, and respect.

MAJOR FY 05-06 GOALS:

- 1.) Refer to Performance Measures as follows.
- 2.) Providing greater access to city services by opening of Los Encinos Neighborhood Police Station at Olga and 28th Street in October 2005.

CITY OF McALLEN, TEXAS

DEPARTMENT: POLICE

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of sworn personnel	258	259	259	261
Number of non-sworn personnel	131	135	134	137
Total number of authorized personnel	389	394	393	398
Department Expenditures	\$ 20,787,355	\$ 23,092,598	\$ 22,179,209	\$ 25,192,273
<i>Outputs:</i>				
Total Part 1 Crimes	8,923	9,599	9,454	9,479
Calls for service	151,000	157,000	158,000	159,000
<i>Effectiveness Measures:</i>				
Average Call to Dispatch Response Time-Priority 1	2	2	2	2
Average Dispatch to Arrival Response Time-Priority 1	7	5	5	5
<i>Efficiency Measures:</i>				
Number of sworn personnel per 1000 population	2.2	2.1	2.1	2.0
Calls for service to budget ratio	140%	147%	140%	158%
Sworn personnel-to-calls for service ratio	585	606	610	609
Total police personnel-to-calls for service ratio	401	398	402	399
Number of non-sworn to sworn personnel	0.50	0.52	0.52	0.52
Number Part 1 crimes per 1000 population	76	79	75	74
Part 1 crimes-to-budget ratio	\$ 2,364	\$ 2,406	\$ 2,346	\$ 2,658
Number calls for service per 1000 population	1,293	1,292	1,259	1,234
Department expenditures per capita	\$ 172	\$ 190	\$ 177	\$ 195

CITY OF McALLEN, TEXAS

DEPARTMENT: ANIMAL CONTROL

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 105,084	\$ 106,400	\$ 108,000	\$ 108,522
Employee Benefits	31,540	32,449	32,449	34,003
Supplies	(2,063)	3,600	4,000	3,600
Other Services and Charges	7,229	7,704	7,729	14,618
Maintenance	15,807	16,245	17,000	17,223
Operations Subtotal	157,597	166,398	169,178	177,966
Capital Outlay	-	-	-	-
DEPARTMENTAL TOTAL	\$ 157,597	\$ 166,398	\$ 169,178	\$ 177,966
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	4	4	4	4
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	4	4	4	4

MISSION STATEMENT

The Animal Control Unit is responsible for controlling animals that are loose and a hazard to the City population. They pick dead, injured and unwanted animals and transport them to the animal shelter. They make reports of incidents involving injury to humans as well as animals being mistreated and enforce City ordinances which pertain to the control, care and medical condition of animals. They conduct clinics in conjunction with City veterinarians to obtain maximum compliance with rabies and licensing requirements. Wardens are on duty seven days a week 14 hours a day except weekends which have eight hour coverage. They work with the State Health Department and The Humane Society on a daily basis. They also respond to bee calls in order to prevent human or animal injury from bee attacks.

MAJOR FY 05-06 GOALS:

- 1.) Refer to Performance Measures as follows.

CITY OF McALLEN, TEXAS

DEPARTMENT: ANIMAL CONTROL

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees	4	4	4	4
Department Expenditures	\$ 157,597	\$ 166,398	\$ 169,178	\$ 177,966
<i>Outputs:</i>				
Number of rabies vaccinations handled	1,985	1,500	1,295	1,300
Number of animals processed	8,302	7,800	8,184	8,200
Number of calls for service handled	12,000	12,600	12,058	13,000
<i>Effectiveness Measures:</i>				
Total cost to process animals	\$ 194,846	\$ 148,200	\$ 148,200	\$ 290,570
Percent of animals processed	N/A	62%	0%	0%
<i>Efficiency Measures:</i>				
Number of animals process per full time employee	2,076	1,950	2,046	2,050
Number of calls for service handled per full time employee	3,000	3,150	3,015	3,250
Processing cost per animal	\$ 23	\$ 19		
Department expenditures per capita	\$ 1.30	\$ 1.37	\$ 1.35	\$ 1.38

CITY OF McALLEN, TEXAS

DEPARTMENT: COMMUNICATION TECHNOLOGY

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 58,092	\$ 122,768	\$ 78,468	\$ 72,800
Employee Benefits	14,708	33,210	33,210	21,473
Supplies	7,221	12,695	12,695	12,695
Other Services and Charges	3,954	44,988	43,050	44,988
Maintenance	-	4,375	3,000	4,375
Operations Subtotal	83,975	218,036	170,423	156,331
Capital Outlay	1,653	29,160	29,122	-
DEPARTMENTAL TOTAL	\$ 85,628	\$ 247,196	\$ 199,545	\$ 156,331
PERSONNEL				
Exempt	2	2	1	1
Non-Exempt	1	1	1	1
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	3	3	2	2

MISSION STATEMENT

The radio shop department provides administration and appropriation of technical radio support and solutions to our overall service to the citizens and visitors of the City of McAllen.

MAJOR FY 05-06 GOALS:

- 1.) Standardization of technology.
- 2.) Upgrade security in communications.

CITY OF McALLEN, TEXAS

DEPARTMENT: COMMUNICATION TECHNOLOGY

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees -	3	3	2	2
Department Expenditures	\$ 85,628	\$ 247,196	\$ 199,545	\$ 156,331
<i>Outputs:</i>				
Number of systems supported**	5	5	4	4
Number of Radios supported	800	800	1,000	1,000
Number of repair calls	300	300	450	475
Number of repair corrected in 24 hrs	200	200	352	352
Number of Critical System Repair calls	2	1	5	5
Number of Critical System Repair corrected in 4 hrs	1	1	3	3
Number of Mobile installations	25	25	45	45
Number of mobile removals	12	12	40	40
Number of fixed installations	3	3	7	9
Number of fixed removals	-	-	3	5
<i>Effectiveness Measures:</i>				
Average initial response hours per service request	2	2	1	1
Number of support hours per month	160	160	-	-
Number of project hours per month	-	-	-	-
<i>Efficiency Measures:</i>				
Average time to complete work requests in hours	3	3	3	2
Number of work orders per full time Technicians.	300	300	200	200
Average Hourly Labor cost - in house	\$ 20	\$ 20	\$ 42	\$ 42
Average Hourly Labor cost outsourced	\$ 70	\$ 70.00	\$ 70.00	\$ 70.00
Department expenditures per capita	\$ 0.71	\$ 2.03	\$ 1.59	\$ 1.21

CITY OF McALLEN, TEXAS

DEPARTMENT: FIRE

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 6,700,145	\$ 7,268,034	\$ 7,317,037	\$ 7,435,446
Employee Benefits	2,033,410	2,208,123	2,208,123	2,278,249
Supplies	176,675	211,159	216,209	210,259
Other Services and Charges	650,593	830,709	802,517	897,910
Maintenance	230,826	263,000	293,500	262,000
Operations Subtotal	9,791,649	10,781,025	10,837,386	11,083,864
Capital Outlay	75,642	29,610	24,325	90,000
DEPARTMENTAL TOTAL	\$ 9,867,291	\$ 10,810,635	\$ 10,861,711	\$ 11,173,864
PERSONNEL				
Exempt	2	2	2	2
Non-Exempt	8	8	9	9
Part-Time	5	5	4	4
Civil Service	133	138	138	143
DEPARTMENT TOTAL	148	153	153	158

MISSION STATEMENT

The mission of the McAllen Fire Department is to save lives, protect property and the environment while ensuring the safety and survival of it's firefighters. To provide the best possible emergency services through fire and rescue response. To promote fire safety and enhance the lives of it's residents and visitors through fire prevention and public education.

MAJOR FY 05-06 GOALS:

- 1.) Construction of a new fire station 7.
- 2.) Relocate fire station #1 and #2.
- 3.) Develop a plan for the construction of a fire academy training field.
- 4.) Begin a McAllen Fire Department training academy for new personnel.
- 5.) Starting contruction of New Fire Station One at Cedar and 22nd Street site.

CITY OF McALLEN, TEXAS

DEPARTMENT: FIRE

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of firefighting authorized positions	133	138	138	143
Number of inspectors	5	5	7	8
Number of Airport assigned firefighters	15	15	15	15
Number of Public Education Officers	1	1	1	1
Number of firefighting authorized apparatus	12	12	13	14
Number of pumper companies with minimum three (persons)	9	9	10	11
Department Expenditures	\$ 9,867,291	\$ 10,810,635	\$ 10,861,711	\$ 11,173,864
<i>Outputs:</i>				
Fire Alarms				
Total Alarm Responses	3,964	4,000	4,032	4,100
Alarms out of city	24	40	24	40
Multiple Alarms	8	16	6	6
Airport Alerts	13	12	24	24
<i>Operations Division</i>				
Number of vehicles maintained by fire service personnel	43	44	52	54
Total Man hours @ fires	8,500	8,428	9,000	9,000
Water pumped (gallons) @ fires	1,400,000	1,327,640	1,400,000	1,400,000
In-service inspections	1,000	514	1,100	1,200
Fire Hydrant Maint. (Man hours)	4,000	7,158	4,200	4,200
General Maint. (Man hours)	9,000	730	9,600	9,600
<i>Fire Prevention Division</i>				
Fire Prevention Presentations	173	400	550	600
Total Audience	27,049	69,500	70,000	75,000
Fire Prevention Inspections	2,869	4,500	4,500	4,750
Fire Prevention Investigations		570		
<i>Training Division</i>				
Training Man hours-In Service	2,429	2,728	4,403	4,500
Continuous Education	8,145	8,944	8,300	8,900
Hazardous Material	2,559	1,550	2,200	2,500
Aircraft Rescue Firefighting	3,413	5,048	5,648	6,000
Emergency Care Attendant	1,365	596	1,100	1,325
<i>Effectiveness Measures:</i>				
Average response times (minutes)	6:30	6:30	6:30	6:30
Reported to dispatch	1:30	1:30	1:30	1:30
Response to arrival (travel time)	5:30	5:30	5:30	5:30

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Average cost per training class off duty				
Percent estimated property fire loss	43%	35%	50%	50%
<i>Efficiency Measures:</i>				
Operating cost per capita	\$ 83	\$ 89	\$ 91	\$ 91
Average number of inspections per inspector per month	239	102	375	395
Number of firefighters per 1000 residents	1.11	1.16	1.22	1.31
Number of firefighters per square mile	2.78	2.80	3.06	3.29
Department expenditures per capita	\$ 81.43	\$ 88.94	\$ 86.55	\$ 86.69

CITY OF McALLEN, TEXAS

DEPARTMENT: TRAFFIC OPERATIONS

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 621,968	\$ 674,840	\$ 685,840	\$ 665,578
Employee Benefits	203,856	220,630	220,630	237,117
Supplies	75,299	66,850	73,390	96,850
Other Services and Charges	304,961	242,118	285,865	284,461
Maintenance	307,233	311,315	312,815	320,062
Operations Subtotal	1,513,317	1,515,753	1,578,540	1,604,068
Capital Outlay	109,796	137,085	144,905	288,000
DEPARTMENTAL TOTAL	\$ 1,623,113	\$ 1,652,838	\$ 1,723,445	\$ 1,892,068
PERSONNEL				
Exempt	2	2	3	3
Non-Exempt	25	25	24	24
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	27	27	27	27

MISSION STATEMENT

The Traffic Operations Department mission is to provide the highest level of service to the Citizens by providing reductions of accidents, congestion and travel times through the efficient and effective installation, maintenance and operation of traffic control devices.

MAJOR FY 05-06 GOALS:

- 1.) Begin feasibility study and design of Traffic Management Center.
- 2.) Complete comprehensive, Citywide traffic study.
- 3.) Maintain and expand fiber optic cable infrastructure.
- 4.) Expand our spreadspectrum to 80% of signalized intersections.
- 5.) Build and support GIS database of signs.
- 6.) Try three traffic calming pilot projects as alternatives to speed bumps.
- 7.) Install video detection systems at 8 intersections.
- 8.) Install illuminated street name signs at remaining 23 intersections..
- 9.) Relamp remaining 25% of signalized intersections.
- 10.) Install traffic monitoring cameras at 5 intersections.
- 11.) Hire Consultant to Update Traffic Master Plan.
- 12.) Completing new Traffic Signals along 23rd Street corridor.
- 13.) Completing specific traffic consultation studies for intersection improvements, access management, signal timing and roadway expansion.

CITY OF McALLEN, TEXAS

DEPARTMENT: DOWNTOWN SERVICES

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 318,164	\$ 343,018	\$ 351,434	\$ 322,889
Employee Benefits	104,106	120,831	120,831	109,045
Supplies	19,694	13,582	12,832	14,832
Other Services and Charges	33,299	36,700	36,809	36,879
Maintenance	18,400	23,948	18,900	24,534
Operations Subtotal	493,663	538,079	540,806	508,179
Capital Outlay	4,831	27,645	25,187	-
DEPARTMENTAL TOTAL	\$ 498,494	\$ 565,724	\$ 565,993	\$ 508,179
PERSONNEL				
Exempt	1	1	1	1
Non-Exempt	14	14	13	13
Part-Time	2	2	2	2
Civil Service	-	-	-	-
DEPARTMENT TOTAL	17	17	16	16

MISSION STATEMENT

Downtown Services Department - PARKING ENFORCEMENT - issues overtime and improper parking citations, collects money from parking meters and traf-o-teria boxes; maintains and repairs meters (1557); immobilizes vehicles with 3 or more outstanding citations; tows improperly parked vehicles. Appears in municipal court for contested citations. COLLECTIONS OFFICE - counts daily and deposits money collected from meters, traf-o-teria boxes and fines paid at window; dispatches for meter attendants; maintains all records of repair, complaints and attendant activity; issues notices and collects past due Texas vehicle accounts. TRANSIT OFFICE - inspects taxi vehicles on a quarterly basis; tests new chauffeur applicants; issues chauffeur, vehicle and company permits; collects yearly fees. Inspects all jitney and limousines on a bi-annual basis; issues all corresponding permits and licenses. Inspects all buses on an annual basis; issues all corresponding permits and licenses. ADA CODE ENFORCEMENT - inspects, issues work orders, brings to compliance and permits to City of McAllen ADA parking spaces. Inspects and issues letter of compliance to all private property owners with ADA parking spaces. Oversees "COPS" volunteers.

MAJOR FY 05-06 GOALS:

- 1.) Increase Parking Meters and Citations Revenues.
- 2.) Minimize department expenditures.
- 3.) Strive to provide better customer service.

CITY OF McALLEN, TEXAS

DEPARTMENT: DOWNTOWN SERVICES

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs</i>				
Department Staff	17	17	16	16
Total Citations Issued	36,415	43,801	57,455	59,179
Department Expenditures	\$ 498,494	\$ 565,724	\$ 565,993	\$ 508,179
Number of Past Due Notices Sent	0	3,000	22,388	23,060
Number of Past Due Notices Collected	0	445		
Number of Office Operating Hours	20,262	20,262	20,262	20,262
Number of Meter Attendant Operating	14,736	14,736	14,736	14,736
<i>Outputs</i>				
Department Revenue	\$ 685,681	\$ 838,525	\$ 839,382	\$ 854,000
Parking meter revenue	\$ 509,072	\$ 593,611	\$ 577,681	\$ 595,011
Parking citation revenue	\$ 176,609	\$ 218,272	\$ 232,370	\$ 239,341
Immobilization fees	\$ -	\$ 17,050	\$ 9,069	\$ 9,369
Transit (taxi) revenue	\$ -	\$ 9,592	\$ 2,938	\$ 3,150
Past Due Collections Revenue	\$ -	\$ 2,717	\$ 52,988	\$ 54,548
<i>Effectiveness Measures:</i>				
% Change in cost per hour	n/a	0.00%	0.00%	0.00%
% Change in revenue collected per hour	n/a	0.00%	0.00%	0.00%
<i>Efficiency Measures</i>				
Revenue Collected per meter attendant per hour	\$ 35	\$ 40	\$ 39	\$ 40
Citations Issued per meter attendant per hour	2	3	4	4
Operating Cost per hour	\$ 25	\$ 28	\$ 28	\$ 25
Revenue Collected per hour	\$ 34	\$ 41	\$ 41	\$ 42
% of Past Due Collections Collected	0.00%	85.17%	100.00%	100.00%
Department expenditures per capita	\$ 4.11	\$ 4.65	\$ 4.51	\$ 3.94

CITY OF McALLEN, TEXAS

DEPARTMENT: INSPECTION

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 424,768	\$ 548,057	\$ 411,081	\$ 514,972
Employee Benefits	122,845	161,946	161,946	168,101
Supplies	9,035	14,209	14,209	11,090
Other Services and Charges	70,774	89,618	79,657	96,578
Maintenance	6,724	6,176	8,800	9,169
Operations Subtotal	634,146	820,006	675,693	799,910
Capital Outlay	15,740	26,899	23,049	31,097
DEPARTMENTAL TOTAL	\$ 649,886	\$ 846,905	\$ 698,742	\$ 831,007
PERSONNEL				
Exempt	1	1	1	1
Non-Exempt	15	17	17	18
Part-Time	1	1	1	1
Civil Service	-	-	-	-
DEPARTMENT TOTAL	17	19	19	20

MISSION STATEMENT

"Our job is Building Inspection. Our mission is to conduct thorough inspections to ensure our citizens a high level of safety in buildings in which we live, work, play and worship."

MAJOR FY 05-06 GOALS:

- 1.) Continue to hold training sessions to make staff more proficient and provide customer satisfaction.
- 2.) Continue promotion of new permit and inspections software, and use, to builders.
- 3.) Through use of new permit and inspections software and new inspector, provide more field time for inspectors.
- 4.) Expedite plan review with new Plans Examiner positions.

CITY OF McALLEN, TEXAS

DEPARTMENT: INSPECTION

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total full time employees	16	18	18	19
Permit Technician (Const.)	1	1	1	1
Permit Clerks (subs.)	4	4	5	5
Construction Inspectors	5	5	6	7
Housing Inspector	1	1	1	1
Plan review	3	3	4	4
Department Expenditures	\$ 649,886	\$ 846,905	\$ 698,742	\$ 831,007
<i>Outputs:</i>				
Residential permits issued	1,133	1,400	1,200	1,300
Commercial permits issued	606	550	650	730
Sub-Cont. Permits issued	4,239	8,400	5,728	6,400
Construction inspections made	33,710	39,000	40,518	45,000
Housing - Unsafe Housing inspected	43	200	82	85
Condemned structures	70	60	46	50
Plan review	1,739	1,950	1,850	2,030
<i>Effectiveness Measures:</i>				
Permits - Residential				
Average Days Review	3 days	3 days	3 days	3 days
Permits - Commercial				
Average Days Review	30 days	30 days	30 days	30 days
Construction-Percent Inspections				
Made on date requested	100%	100%	100%	100%
Condemned structures cleared	26	50	23	25
Plan review - Residential	3 days	3 days	3 days	3 days
Plan review - Commercial	30 days	30 days	30 days	30 days
<i>Efficiency Measures:</i>				
Average permits per Permit Technician	1,739	2,100	1,850	2,030
Average permits per clerk	1,708	2,100	1,684	1,873
Construction average inspections per				
Inspector	6,742	6,500	6,753	6,428
Average inspections (housing)	43	200	82	85
Plan review	579	488	462	507
Department expenditures per capita	\$ 5.36	\$ 6.97	\$ 5.57	\$ 6.45

*Res. Plan Review-is conducted by one person. This fiscal year this person had to learn the plan review process, new state laws, and zoning. This delayed the review process.

* Comm. Plan Review - is conducted by one person. He had to create a new plan review system while still conducting customer interviews, thus causing delays.

* Housing Inspector fills in for off-duty inspectors.

City of McAllen, Texas
Highways and Streets
Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Engineering	\$ 1,693,441	\$ 1,895,333	\$ 1,964,107	\$ 2,034,566
Street Cleaning	342,259	376,642	375,218	373,763
Street Maintenance	3,196,977	5,239,216	5,204,924	5,617,275
Street Lighting	1,418,983	1,615,826	1,615,826	1,773,141
Sidewalk Construction	602,186	641,620	645,919	617,087
Drainage	1,432,744	1,555,168	1,665,438	1,517,179
TOTAL	\$ 8,686,590	\$ 11,323,805	\$ 11,471,432	\$ 11,933,011
<u>BY EXPENSE GROUP</u>				
Personnel Services				
Salaries and Wages	\$ 2,564,095	\$ 3,083,564	\$ 2,952,864	\$ 3,151,425
Employee Benefits	876,882	1,078,314	1,078,314	1,105,185
Supplies	285,212	316,964	331,940	304,181
Other Services and Charges	2,152,974	2,421,314	2,469,494	2,789,873
Maintenance and Repair Services	2,429,584	3,872,338	4,087,585	4,523,757
Capital Outlay	576,707	651,311	651,235	158,590
Grant Reimbursements	(198,864)	(100,000)	(100,000)	(100,000)
TOTAL APPROPRIATIONS	\$ 8,686,590	\$ 11,323,805	\$ 11,471,432	\$ 11,933,011
<u>PERSONNEL</u>				
Engineering	34	35	35	36
Street Cleaning	6	6	6	6
Street Maintenance	33	39	39	39
Sidewalk Construction	11	11	11	11
Drainage	18	21	21	21
TOTAL PERSONNEL	102	112	112	113

CITY OF McALLEN, TEXAS

DEPARTMENT: ENGINEERING

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 1,202,865	\$ 1,365,353	\$ 1,365,619	\$ 1,444,728
Employee Benefits	309,524	351,905	351,905	386,955
Supplies	31,704	25,095	25,095	25,995
Other Services and Charges	246,473	163,775	219,427	179,618
Maintenance	37,381	24,519	37,375	30,680
Operations Subtotal	1,827,947	1,930,647	1,999,421	2,067,976
Capital Outlay	64,358	64,686	64,686	66,590
Grant Reimbursements	(198,864)	(100,000)	(100,000)	(100,000)
DEPARTMENTAL TOTAL	\$ 1,693,441	\$ 1,895,333	\$ 1,964,107	\$ 2,034,566
PERSONNEL				
Exempt	14	15	15	16
Non-Exempt	19	19	19	19
Part-Time	1	1	1	1
Civil Service	-	-	-	-
DEPARTMENT TOTAL	34	35	35	36

MISSION STATEMENT

The Engineering Departments' mission is to provide the highest level of services to the Citizens by providing efficient and effective design, review, construction and maintenance of public infrastructure and facilities.

MAJOR FY 05-06 GOALS:

- 1.) Continual upgrade of drainage infrastructure. Complete the Jackson & McAuliffe RDF and begin the N.E. RDF.
- 2.) Develop a Master Corridor Plan, identifying right-of-way alignments for major thoroughfares and collectors.
- 3.) Commence construction of two major thoroughfares: Bicentennial Parkway and Bentsen Road.
- 4.) Improve the turnaround period for the review of subdivision plats and related paving & drainage plans.
- 5.) Begin Bentsen Road reconstruction: Expressway to Pecan
- 6.) Begin first phase of widening Bentsen: Pecan to 3 Mile Line by placing irrigation canal underground.
- 7.) Begin first phase of Bicentennial Parkway- North of Nolan to Dove by relocation of railroad facilities.
- 8.) Begin TxDOT design process for upgrade of Nolana: Jackson to 10th Street.
- 9.) Completing new drainage facilities in STC/Quince area, 4th & 8th, 2nd & Quamasia, 27th to 29th from Olga to Sarah Streets.
- 10.) Coordinate new drainage outfall for STC Pecan Campus.
- 11.) Provide additional parking spaces for Downtown.
- 12.) Opening and operating the City's first regional storm drainage detention facility and combination city/school parks at Jackson and McAuliffe Elementary Schools.

CITY OF McALLEN, TEXAS

DEPARTMENT: ENGINEERING

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees staff engineers / architect	3	4	4	5
Number of full time employees support	7	7	7	7
Number of full time employees CDBG	4	4	4	4
Number of full time employees review staff engineers	5	5	5	5
Department Expenditures	\$ 1,693,441	\$ 1,895,333	\$ 1,964,107	\$ 2,034,566
<i>Outputs:</i>				
Number of construction contracts executed	42	40	41	40
Number of in-house projects designed	28	30	24	30
Number of architect and engineer consulting contracts monitored	20	20	18	20
Number of ROW Permits processed / Inspected / Request for service	10,372	10,000	11,056	11,000
Number of Subdivision plat & Construction plans reviewed	110	130	125	130
Amount of Community Development Block Grant Administered	\$ 2,169,000	\$ 2,134,000	\$ 2,134,000	\$ 2,024,560
<i>Effectiveness Measures:</i>				
Percent of projects designed within budget	95%	95%	95%	95%
Number of construction contracts completed within contract time	95%	95%	95%	95%
Number of ROW permits reviewed within 1 working day	95%	95%	97%	97%
Number of Subdivisions reviewed within 5 working days	91%	95%	96%	96%
Percent of CDBG projects completed within 1 year of funding	90%	85%	85%	88%
<i>Efficiency Measures:</i>				
Number of construction contracts executed per full time employee -	14	10	10	8
Number of in-house projects designed per full time employee - Engineer Staff	9	8	6	6

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Number of A/E Consulting contracts monitored per full time employee - Engineer Staff	7	5	5	4
Number of ROW permits processed / inspected per full time employee - Support Staff	750	792	921	917
Number of Subdivisions reviewed per full time employee - Engineer Staff	24	26	25	26
Entitlement \$ Administered per full time employee - CDBG Staff	\$ 542,250	\$ 706,731	\$ 533,500	\$ 506,140
Department expenditures per capita	\$ 13.98	\$ 15.59	\$ 15.65	\$ 15.78

CITY OF McALLEN, TEXAS

DEPARTMENT: STREET CLEANING

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 101,200	\$ 127,692	\$ 121,709	\$ 126,446
Employee Benefits	44,317	55,696	55,696	57,539
Supplies	2,564	4,656	3,700	3,200
Other Services and Charges	103,871	106,151	104,871	106,151
Maintenance	88,747	82,447	89,242	80,427
Operations Subtotal	340,699	376,642	375,218	373,763
Capital Outlay	1,560	-	-	-
DEPARTMENTAL TOTAL	\$ 342,259	\$ 376,642	\$ 375,218	\$ 373,763
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	6	6	6	6
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	6	6	6	6

MISSION STATEMENT

Street cleaning crews mission is to keep the streets as clean as possible to enhance aesthetics in all neighborhoods - residential, commercial and industrial. Currently, our number of sweepers and human resources permit us to clean the city four (4) times per year. As we phase in eight (8) sweeper units, we anticipate meeting the proceeding goals.

MAJOR FY 05-06 GOALS:

- 1.) Sweep city-wide streets four (4) times per year.
- 2.) As applicable, will assist in meeting rules and regulations set forth by the EPA through the NPDES II mandate.
- 3.) Streamline way of measuring performance.

CITY OF McALLEN, TEXAS

DEPARTMENT: STREET CLEANING

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees/sweepers	6	6	6	6
Department Expenditures	\$ 342,259	\$ 376,642	\$ 375,218	\$ 373,763
<i>Outputs:</i>				
Total street inventory - gutter miles	1,471	1,501	1,501	1,531
Residential - gutter miles	1145.0	1175.0	1175.0	1198.0
Arterial & collector - gutter miles	312	312	312	318
Downtown district - gutter miles	124.0	13.4	13.4	13.6
Request for service	260	225	225	225
Gutter miles swept - All	5,886	6,004	6,004	6,124
Gutter miles swept - Residential	4,580	4,700	4,700	4,794
Gutter miles swept - Arterial & Collector	624	624	624	636
Gutter miles swept - Downtown District	4,181	4,181	4,181	4,264
Street cleaning debris collected - cubic yards	35,000	35,000	35,000	35,700
<i>Effectiveness Measures:</i>				
Number of requests for service per 1000 residents	2.17	2.00	1.88	1.88
<i>Efficiency Measures:</i>				
Residential street sweeping cycles - cycles per year	4	4	4	4
Arterial and collector street sweeping - cycles per year	4	4	4	4
Downtown business district - cycles per year	312	312	312	312
Cost of street cleaning - cost per gutter mile	58.15	\$ 54.58	\$ 62.49	\$ 62.50
Department expenditures per capita	\$ 2.82	\$ 3.10	\$ 2.99	\$ 2.90

CITY OF McALLEN, TEXAS

DEPARTMENT: STREET MAINTENANCE

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 662,785	\$ 880,728	\$ 787,000	\$ 873,113
Employee Benefits	264,229	363,927	363,927	359,016
Supplies	17,352	32,127	47,635	19,900
Other Services and Charges	235,803	261,484	260,662	267,246
Maintenance	1,998,973	3,548,000	3,593,000	4,068,000
Operations Subtotal	3,179,142	5,086,266	5,052,224	5,587,275
Capital Outlay	17,835	152,950	152,700	30,000
DEPARTMENTAL TOTAL	\$ 3,196,977	\$ 5,239,216	\$ 5,204,924	\$ 5,617,275
PERSONNEL				
Exempt	1	2	2	2
Non-Exempt	32	37	37	37
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	33	39	39	39

MISSION STATEMENT

Street Maintenance crews mission is to keep paved and unpaved streets, alley ways and all rights-of-way safe for all vehicular traffic in residential, commercial and industrial subdivisions.

MAJOR FY 05-06 GOALS:

- 1.) Resume the Chip Seal program as piloted in FY 2001-2002 since residents have consistently advocated resuming this program.
- 2.) As applicable, will assist in meeting rules and regulations set forth by the EPA through the NPDES II mandate.
- 3.) Improve our way of measuring performance.
- 4.) Continue alley and street resurfacing program to provide new surface every eight years for arterial and ten years for residential streets.

CITY OF McALLEN, TEXAS

DEPARTMENT: STREET MAINTENANCE

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of pothole crews	4	4	4	4
Number of full time employees	33	39	39	39
Department Expenditures	\$ 3,196,977	\$ 5,239,216	\$ 5,204,924	\$ 5,617,275
<i>Outputs:</i>				
Total street inventory - center line miles	736	751	751	766
Total alley inventory - center line miles	129	129	129	131
Requests for service	2,025	2,025	2,025	2,065
Potholes patching - each	2,600	2,600	2,600	2,652
Alley rehabilitation - linear feet	31,500	31,500	31,500	32,130
Crack sealing - linear feet	31,680	31,680	31,680	32,313
Seal coating - linear feet	4,500	4,500	4,500	4,590
Linear miles cutler				
<i>Effectiveness Measures:</i>				
Number of employee per square mile	1.14	1.44	1.34	1.34
<i>Efficiency Measures:</i>				
Total street inventory per street maintenance position	22.30	20.30	19.26	19.64
Total alley inventory per street maintenance position	3.9	3.5	3.3	3.4
Pothole patching - each per crew per day	10	10	10	12
Alley rehabilitation - linear feet per day	121	180	121	123
Percentage of street cutler				
Department expenditures per capita	\$ 26.38	\$ 43.10	\$ 41.47	\$ 43.58

CITY OF McALLEN, TEXAS

DEPARTMENT: STREET LIGHTING

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ -	\$ -	\$ -	\$ -
Employee Benefits	-	-	-	-
Supplies	-	-	-	-
Other Services and Charges	1,394,001	1,566,510	1,566,510	1,730,466
Maintenance	24,982	49,316	49,316	42,675
Operations Subtotal	1,418,983	1,615,826	1,615,826	1,773,141
Capital Outlay	-	-	-	-
DEPARTMENTAL TOTAL	\$ 1,418,983	\$ 1,615,826	\$ 1,615,826	\$ 1,773,141
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	-	-	-	-
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	-	-	-	-

MISSION STATEMENT

This is a unit of the Traffic Safety Department, therefore, no personnel is assigned. This unit includes the maintenance and overseeing the installation of the city street light, both city owned and AEP leased.

CITY OF McALLEN, TEXAS

DEPARTMENT: STREET LIGHTING

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Department Expenditures	\$ 1,418,983	\$ 1,615,826	\$ 1,615,826	\$ 1,773,141
<i>Outputs:</i>				
Number of street lights inspected	21,364	8,500	21,364	21,400
<i>Effectiveness Measures:</i>				
<i>Efficiency Measures:</i>				
Number of street lights inspected per full time employee all employees	763	304	791	793
Number of lights per citizen per 1000	201	80	201	201
Department expenditures per capita	\$ 11.71	\$ 13.29	\$ 12.88	\$ 13.76

CITY OF McALLEN, TEXAS

DEPARTMENT: SIDEWALK CONSTRUCTION

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 219,919	\$ 237,136	\$ 237,136	\$ 232,748
Employee Benefits	107,797	114,956	114,956	100,613
Supplies	215,564	233,076	233,500	233,076
Other Services and Charges	22,157	22,157	22,157	22,157
Maintenance	28,541	28,120	31,995	28,493
Operations Subtotal	593,978	635,445	639,744	617,087
Capital Outlay	8,208	6,175	6,175	-
Grant Reimbursements	-	-	-	-
DEPARTMENTAL TOTAL	\$ 602,186	\$ 641,620	\$ 645,919	\$ 617,087
PERSONNEL				
Exempt	1	1	1	1
Non-Exempt	10	10	10	10
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	11	11	11	11

MISSION STATEMENT

The Sidewalk Construction crews mission is to keep all pedestrian traffic safe by constructing new and reconstruction old concrete sidewalks. Special attention is given to the Americans with Disabilities Act (ADA) as new walks, wheelchair ramps and other ADA-friendly amenities are provided. Currently our 11 employee crew is striving to construct 7 miles by this year's end and believe we will achieve this goal.

MAJOR FY 05-06 GOALS:

- 1.) Construct eight (8) miles of sidewalk.
- 2.) Improve on method of measuring performance.

CITY OF McALLEN, TEXAS

DEPARTMENT: SIDEWALK CONSTRUCTION

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of sidewalk construction crews	1	1	1	1
Number of full time employees	11	11	11	11
Department Expenditures	\$ 602,186	\$ 641,620	\$ 645,919	\$ 617,087
<i>Outputs:</i>				
Requests for service - Sidewalk repair	25	25	25	25
Sidewalk construction-linear feet	36,960	42,240	42,240	43,084
Sidewalk reconstruction miles	7	8	8.00	8
Number of ADA compliant ramps installed - city facilities	50	75	75	75
<i>Effectiveness Measures:</i>				
Number of requests for service per 1000 residents	0.21	0.24	0.21	0.21
<i>Efficiency Measures:</i>				
Cost per square foot - sidewalk construction	\$ 4.07	\$ 4.19	\$ 3.82	\$ 4.36
Sidewalk construction (linear feet) per full time employee	3,360	3,840	3,840	3,916
Sidewalk construction (miles) per full time employee	0.64	0.73	0.73	0.74
Department expenditures per capita	\$ 4.97	\$ 5.28	\$ 5.15	\$ 4.79

CITY OF McALLEN, TEXAS

DEPARTMENT: DRAINAGE

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 377,326	\$ 472,655	\$ 441,400	\$ 474,390
Employee Benefits	151,015	191,830	191,830	201,062
Supplies	18,028	22,010	22,010	22,010
Other Services and Charges	150,669	301,237	295,867	484,235
Maintenance	250,960	139,936	286,657	273,482
Operations Subtotal	947,998	1,127,668	1,237,764	1,455,179
Capital Outlay	484,746	427,500	427,674	62,000
DEPARTMENTAL TOTAL	\$ 1,432,744	\$ 1,555,168	\$ 1,665,438	\$ 1,517,179
PERSONNEL				
Exempt	1	2	2	2
Non-Exempt	17	19	19	19
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	18	21	21	21

MISSION STATEMENT

The Drainage crews mission is to keep all drainage ways/ditches safe, clean and performing at their engineered design criteria. Drainage crews help minimize flooding by rendering proper maintenance to the 25 miles of drainage ways/ditches owned, maintained and operated by the city. Maintenance efforts include mowing of these ditches. This division also assists other departments mow facilities such as the Airport, Civic Center, Right-of-Way and various other City - owned facilities.

MAJOR FY 05-06 GOALS:

- 1.) Add storm water detention capacity to drainage ways/ditches. This will be achieved by re-contouring these ditches' current profile. A two-tiered, "terraced" profile instead of its existing "U" shape profile will be the result.
- 2.) Establish then improve up the method of measuring ditch-regarding performance efforts.

CITY OF McALLEN, TEXAS

DEPARTMENT: DRAINAGE

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Number of full time employees	18	21	21	21
Department Expenditures	\$ 1,432,744	\$ 1,555,168	\$ 1,665,438	\$ 1,517,179
<i>Outputs:</i>				
Number of storm inlets	15,404	15,500	15,500	15,810
Ditch inventory - miles	27	28	28	28
Number of manholes cleaned per year	3,120	3,120	3,120	3,182
Number of storm inlets cleaned per year	780	780	780	795
Excavator/drainage linear miles cleaned	5 miles	8 miles	8 miles	8 miles
ROW mowing - acres	800	850	850	850
Ditch re-profiling (linear feet)	26,400	31,680	31,680	31,680
Collection system cleaned - linear feet	11,000	11,000	11,000	11,000
Requests for service responded to	180	180	180	150
<i>Effectiveness Measures:</i>				
Requests for Service Response Time				
Percent within 48 hours	92%	92%	92%	92%
Percent within 72 hours	100%	100%	100%	100%
<i>Efficiency Measures:</i>				
Number of manholes cleaned per day	13	13	13	12
Collection system cleaned-linear feet per day	44	44	44	44
Number of requests for service per full time employee	10	8.5	8.5	9
Department expenditures per capita	\$ 11.82	\$ 12.79	\$ 13.27	\$ 11.77

City of McAllen, Texas
Health and Welfare
Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Health	\$ 584,558	\$ 618,695	\$ 639,895	\$ 613,864
Graffiti Cleaning	129,926	140,486	143,729	136,624
Other Agencies:				
Air Care	27,428	27,428	27,428	27,428
Humane Society	156,940	150,062	150,062	222,565
Valley Environ. Council	2,500	2,500	2,500	2,500
TOTAL	<u><u>\$ 901,352</u></u>	<u><u>\$ 939,171</u></u>	<u><u>\$ 963,614</u></u>	<u><u>\$ 1,002,981</u></u>
<u>BY EXPENSE GROUP</u>				
Personnel Services				
Salaries and Wages	\$ 374,638	\$ 422,944	\$ 422,944	\$ 411,953
Employee Benefits	106,970	124,267	124,267	127,724
Supplies	36,059	43,837	42,725	40,037
Other Services and Charges	349,171	298,894	320,094	390,597
Maintenance and Repair Services	29,711	25,441	33,396	30,170
Capital Outlay	4,803	23,788	20,188	2,500
TOTAL APPROPRIATIONS	<u><u>\$ 901,352</u></u>	<u><u>\$ 939,171</u></u>	<u><u>\$ 963,614</u></u>	<u><u>\$ 1,002,981</u></u>
<u>PERSONNEL</u>				
Health	14	14	14	14
Graffiti Cleaning	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>
TOTAL PERSONNEL	<u><u>17</u></u>	<u><u>17</u></u>	<u><u>17</u></u>	<u><u>17</u></u>

CITY OF McALLEN, TEXAS

DEPARTMENT: HEALTH

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 318,244	\$ 361,904	\$ 361,904	\$ 351,174
Employee Benefits	84,018	99,890	99,890	102,553
Supplies	19,388	23,125	23,125	23,125
Other Services and Charges	147,591	104,192	125,392	123,392
Maintenance	10,514	9,396	9,396	11,120
Operations Subtotal	579,755	598,507	619,707	611,364
Capital Outlay	4,803	20,188	20,188	2,500
DEPARTMENTAL TOTAL	\$ 584,558	\$ 618,695	\$ 639,895	\$ 613,864
PERSONNEL				
Exempt	2	2	2	2
Non-Exempt	10	10	10	10
Part-Time	2	2	2	2
Civil Service	-	-	-	-
DEPARTMENT TOTAL	14	14	14	14

MISSION STATEMENT

To provide and promote a clean and healthy environment through education and prevention including rodent and mosquito abatement programs, inspections of all food establishments, daycare centers and registered family homes; issue food establishment permits and health cards. Enforce weedy and illegal dumping ordinances and laws. Place liens on properties for lack of mowing fees cost reimbursement. Enforce the septic tank system rules and regulations with the city ordinance and state laws. Conduct food handler courses to educate food service operators to sound environmental practices and controls. Investigate and abate health related nuisance complaints.

MAJOR FY 05-06 GOALS:

- 1.) Automate the inspection process in the environmental section.
- 2.) Develop a swimming pool educational program.
- 3.) Standardize Food Safety Inspections by state standards.
- 4.) Develop an environmental health educational program for child care providers.
- 5.) Map weedy lot, mosquito breeding and illegal dumping sites to identify problem areas and code violation trends.
- 6.) Educate elementary school students in vector control-source reduction.
- 7.) Expand the food handler program to the elementary schools, junior and senior high schools.
- 8.) Establish viable methods of reducing weedy lot abatement spending.
- 9.) Increase the number of neighborhood clean ups by 25%.
- 10.) Have support staff attend personal development courses to improve their job performance.

CITY OF McALLEN, TEXAS

DEPARTMENT: HEALTH

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	12	12	12	12
Total number of inspectors	8	8	8	8
Number of Public Health Inspectors (weedy lot, illegal dumping, vector control)	5	5	5	5
Number of Environmental Health Inspectors (food inspections and certification, vector control)	2	2	6	6
Number of Sanitarium Inspectors (food inspections and certification, vector Department Expenditures	1	1	1	1
	\$ 584,558	\$ 618,695	\$ 639,895	\$ 613,864
<i>Outputs:</i>				
Number of Food Inspections	1,275	1,100	1,501	1,350
Number of weedy lot/illegal dumping inspections	6,052	5,000	5,000	5,000
Number of food handlers certified	3,012	3,200	3,098	3,000
Number of non-food inspectors	2,000	1,600	1,000	1,000
Customer oriented issues	7,050	3,700	4,680	4,200
Number of vector control activities conducted	645	375	106	150
Number of complaints	3,761	1,800	1,849	1,800
Number of Total liens placed and released	938	850	975	900
<i>Effectiveness Measures:</i>				
Percent of establishments permitted/Inspections	150%	200%	100%	100%
Percent Letter send/Compliance	174%	175%	100%	100%
Percent food handlers registered / Certified	98%	96%	97%	95%
Percentage of complaints / Inspections	100%	150%	100%	100%
Percentage of vector requested / conducted	100%	93%	100%	100%
Percentage liens due/total liens places and released	100%	129%	100%	100%
<i>Efficiency Measures:</i>				
Number of food inspections per inspector	510	600	600	520
Number of weedy lot and illegal dumping per inspector	1,210	750	700	710

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Number of food handlers certified per inspector	969	1,000	1,033	1,020
Number of complaint inspections per inspector	566	325	396	310
Number of vector controls per inspector	129	80	106	50
Department expenditures per capita	\$ 4.82	\$ 5.09	\$ 5.10	\$ 4.76

CITY OF McALLEN, TEXAS

DEPARTMENT: GRAFFITI CLEANING

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 56,394	\$ 61,040	\$ 61,040	\$ 60,779
Employee Benefits	22,952	24,377	24,377	25,171
Supplies	16,671	20,712	19,600	16,912
Other Services and Charges	14,712	14,712	14,712	14,712
Maintenance	19,197	16,045	24,000	19,050
Operations Subtotal	129,926	136,886	143,729	136,624
Capital Outlay	-	3,600	-	-
DEPARTMENTAL TOTAL	\$ 129,926	\$ 140,486	\$ 143,729	\$ 136,624
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	3	3	3	3
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	3	3	3	3

MISSION STATEMENT

The graffiti crews mission is to strive to rid graffiti from the City of McAllen - in its entirety. This crew works much like the "broken window" effect: if a window in a structure is broken and left to be...all windows will be broken next. Similarly, if the first graffiti "tag" is left to be, much more graffiti will soon follow. This crew aims to fix that first "tag" within two days from the day the request to remove graffiti is in our database.

MAJOR FY 05-06 GOALS:

- 1.) Strive to remove graffiti as soon as possible but no later than two (2) day from date the report is received.
- 2.) Continue our education efforts to the general public to NOT ignore graffiti-to instead, report it!
- 3.) In coordination with the Police Department develop an effective plan to reduce the number of graffiti-addicted individuals from tagging the city.
- 4.) Improve upon the way of measuring our performance-effectiveness and efficiencies.

CITY OF McALLEN, TEXAS

DEPARTMENT: GRAFFITI CLEANING

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	3	3	3	3
Department expenditures	\$ 129,926	\$ 140,486	\$ 143,729	\$ 136,624
<i>Outputs:</i>				
Total square miles cleaned	1.61	1.61	1.61	1.61
Number of requests for service	670	650	650	650
Number of special events	4	4	4	4
Number of special requests	35	35	35	35
<i>Effectiveness Measures:</i>				
Request for service response time				
Percent within 48 hours (estimate)	95%	95%	95%	95%
Percent within 72 hours (estimate)	100%	100%	100%	100%
<i>Efficiency Measures:</i>				
Cost per square foot - paint	\$ 0.75	\$ 0.75	\$ 0.75	\$ 0.75
Cost per square foot - pressure	\$ 1.50	\$ 1.75	\$ 1.50	\$ 1.75
Cost per site cleaned	\$ 210.98	\$ 210.98	\$ 210.98	\$ 210.98
Department expenditures per capita	\$ 1.07	\$ 1.16	\$ 1.15	\$ 1.06

CITY OF McALLEN, TEXAS

DEPARTMENT: HEALTH AND WELFARE/OTHER AGENCIES

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ -	\$ -	\$ -	\$ -
Employee Benefits	-	-	-	-
Supplies	-	-	-	-
Other Services and Charges	186,868	179,990	179,990	252,493
Maintenance	-	-	-	-
Operations Subtotal	186,868	179,990	179,990	252,493
Capital Outlay	-	-	-	-
DEPARTMENTAL TOTAL	\$ 186,868	\$ 179,990	\$ 179,990	\$ 252,493
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	-	-	-	-
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	-	-	-	-

Agencies

Air Care	\$ 27,428	\$ 27,428	\$ 27,428	\$ 27,428
Humane Society	156,940	150,062	150,062	222,565
Valley Environment Council	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>	<u>2,500</u>
	<u>\$ 186,868</u>	<u>\$ 179,990</u>	<u>\$ 179,990</u>	<u>\$ 252,493</u>

City of McAllen, Texas
Culture and Recreation
Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Parks and Recreation Administration	\$ 444,202	\$ 434,217	\$ 443,429	\$ 438,706
Parks	3,239,434	3,423,051	3,539,035	3,900,053
Recreation	896,212	921,859	890,071	918,487
Pools	654,302	647,668	670,583	605,153
Las Palmas Community Center	297,891	301,447	298,171	298,672
Recreation Center Lark	372,474	411,459	439,902	385,400
Recreation Center Palm View	411,209	423,831	443,319	440,515
Quinta Mazatlan	16,008	161,582	120,859	191,852
Library	2,297,543	2,567,793	2,280,691	2,538,035
Library Branch Lark	364,442	475,924	453,547	483,499
Library Branch Palm View	404,728	487,781	443,999	492,802
Other Agencies				
Amigos del Valle	33,500	38,500	38,500	38,500
Centro Cultural	20,000	20,000	20,000	20,000
Hidalgo County Museum	35,000	40,000	40,000	40,000
McAllen Boy's & Girl's Club	380,000	390,000	390,000	390,000
McAllen Int'l Museum	672,075	672,075	672,075	672,075
Town Band	8,000	8,000	8,000	8,000
RGV Int'l Music Festival	15,000	15,000	15,000	15,000
World Birding Center	-	5,000	5,000	5,000
South Texas Symphony	70,000	70,000	70,000	70,000
Catastrophe	4,364	-	-	-
TOTAL	\$ 10,636,384	\$ 11,515,187	\$ 11,282,181	\$ 11,951,749
<u>BY EXPENSE GROUP</u>				
Personnel Services				
Salaries and Wages	\$ 5,142,285	\$ 5,629,136	\$ 5,491,995	\$ 5,817,548
Employee Benefits	1,393,464	1,616,584	1,616,584	1,721,407
Supplies	295,422	324,718	317,067	317,043
Other Services and Charges	2,805,177	3,023,007	2,893,699	3,137,491
Maintenance and Repair Services	542,410	440,608	480,093	475,475
Capital Outlay	529,749	561,134	547,743	562,785
Grant Reimbursements	(72,123)	(80,000)	(65,000)	(80,000)
TOTAL APPROPRIATIONS	\$ 10,636,384	\$ 11,515,187	\$ 11,282,181	\$ 11,951,749
<u>PERSONNEL</u>				
Parks and Recreation Administration	8	9	9	9
Parks	75	75	75	76
Recreation Center	230	230	230	230
Pools	92	92	92	92
Las Palmas Community Center	6	5	5	5
Recreation Center Lark	9	9	9	9
Recreation Center Palm View	9	9	9	9
Quinta Mazatlan	1	3	3	4
Library	69	69	69	69
Library Branch Lark	14	15	15	15
Library Branch Palm View	14	14	14	14
TOTAL PERSONNEL	527	530	530	532

CITY OF McALLEN, TEXAS

DEPARTMENT: PARKS AND RECREATION ADMINISTRATION

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 255,457	\$ 272,856	\$ 272,306	\$ 272,949
Employee Benefits	67,991	77,021	77,021	74,787
Supplies	9,381	9,125	8,625	8,625
Other Services and Charges	86,024	62,291	74,455	69,278
Maintenance	13,622	12,924	11,022	13,067
Operations Subtotal	432,475	434,217	443,429	438,706
Capital Outlay	11,727	-	-	-
DEPARTMENTAL TOTAL	\$ 444,202	\$ 434,217	\$ 443,429	\$ 438,706
PERSONNEL				
Exempt	3	3	3	3
Non-Exempt	5	5	5	5
Part-Time	-	1	1	1
Civil Service	-	-	-	-
DEPARTMENT TOTAL	8	9	9	9

MISSION STATEMENT

The McAllen Parks and Recreation Administration Division provides administrative support for the Parks Division, Recreation Division, Aquatics Division, Las Palmas Community Center, Lark Community Center, Palmview Community Center, City Wide Building Maintenance and Sundance Mobile Home Park. It manages payroll and personnel functions for full-time and part-time employees, processes incoming telephone traffic, thus providing facility and service information to the public. The Division rents parks, ball fields and other facilities, as well as, handles the incoming revenue from all recreation, aquatic, and other programs. Administrative projects include long range park and open space planning, grant writing for special programs, along with administering construction projects and projecting goals for all divisions.

MAJOR FY 05-06 GOALS:

- 1.) Complete conversion of Quinta Mazatlan into the World Birding Center.
- 2.) Update the Parks Master Plan Needs Assessment.
- 3.) Complete Discovery Courtyards at Lark and Palmview Community Centers.

CITY OF McALLEN, TEXAS

DEPARTMENT: PARKS AND RECREATION ADMINISTRATION

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	8	8	8	8
Department Expenditures	\$ 444,202	\$ 434,217	\$ 443,429	\$ 438,706
<i>Outputs:</i>				
Number of rental pavilions available	10	11	12	12
Number of rental pools available	4	4	4	4
Number of City Commission Agenda items processed	60	60	75	60
<i>Effectiveness Measures:</i>				
Number of pavilion rentals	814	900	815	900
Number of pool rentals	207	350	300	300
Number of Quinta rentals	14	-	-	20
Average of trail patrons (daily)				
<i>Efficiency Measures:</i>				
Revenue per capita	\$ 6.05	\$ 7.68	\$ 6.56	\$ 6.58
Department expenditures per capita	\$ 3.67	\$ 3.57	\$ 3.53	\$ 3.40

CITY OF McALLEN, TEXAS

DEPARTMENT: PARKS

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 1,499,001	\$ 1,663,369	\$ 1,658,000	\$ 1,794,957
Employee Benefits	511,542	589,485	589,485	643,630
Supplies	108,568	86,000	110,000	103,900
Other Services and Charges	587,312	658,501	716,885	856,341
Maintenance	352,023	307,482	345,000	334,790
Operations Subtotal	3,058,446	3,304,837	3,419,370	3,733,618
Capital Outlay	180,988	118,214	119,665	166,435
DEPARTMENTAL TOTAL	\$ 3,239,434	\$ 3,423,051	\$ 3,539,035	\$ 3,900,053
PERSONNEL				
Exempt	3	3	3	3
Non-Exempt	68	68	68	69
Part-Time	4	4	4	4
Civil Service	-	-	-	-
DEPARTMENT TOTAL	75	75	75	76

MISSION STATEMENT

The Department strives to:

- * Improve the quality of life through the provision of well balanced, high quality recreation programs for the residents of McAllen to enjoy during their leisure time.
- * Facilitate wholesome and constructive programs with a measurable value to the community.
- * Provide attractive and well-maintained major parks and recreation facilities in each sector of the city. These facilities should be within a reasonable distance of every surrounding neighborhood and offer safe opportunities for athletic competition, family gatherings, and other passive and active recreation activities.
- * Promote environmental conservation, eco and cultural tourism and socially oriented special events.

MAJOR FY 05-06 GOALS:

- 1.) Complete construction of three city/school parks and two hike/bike trails.
- 2.) Improve maintenance of existing parks.
- 3.) Install five playground structures.
- 4.) Contract out trails, city/school parks, cul-de-sacs, boulevards and rights of ways maintenance.
- 5.) Provide accurate oversight over all construction and maintenance contracts.
- 6.) Providing partial funding for TxDOT landscape of Expressway 83 right-of-ways in Mcallen city limits.
- 7.) Opening south loop on 2nd Street of the Hike and Bike Trail, which will add 2.5 miles to the existing City trail network.
- 8.) Opening Gonzales City School Park.
- 9.) Beginning contruction of Dove Landing, Summer Breeze, Medical District and La Ventana Parks.
- 10.) Completing new landscape project on South Bicentennial entrance to Airport and La Piedad Cemetary access improvements.
- 11.) Opening and operating the City's first regional storm drainage detention facility and combination city/school parks at Jackson and McAuliffe Elementary Schools.

CITY OF McALLEN, TEXAS

DEPARTMENT: PARKS

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	71	71	71	72
Department Expenditures	\$ 3,239,434	\$ 3,423,051	\$ 3,539,035	\$ 3,900,053
<i>Outputs:</i>				
Number of developed parks maintained	139	139	148	151
Number of undeveloped parks maintained	8	9	10	11
Number of developed park acres maintained	480	578	538	889
Number of undeveloped park acres maintained	90	106	106	122
Number of municipal facilities maintained	43	43	44	44
Number of downtown trees maintained	97	97	97	97
Number of pavilions maintained	10	10	11	13
Number of playscape areas maintained	36	43	43	45
Number of athletic fields maintained	41	41	41	47
Number of irrigation systems maintained	53	53	53	60
Number of special events supported	120	54	150	150
Number of maintenance contracts managed	3	3	3	5
Number of park restrooms cleaned	13	13	13	15
<i>Effectiveness Measures:</i>				
Number of pavilion rentals managed	814	900	815	850
Number of Quinta Mazatlan rentals managed	14	-	-	20
<i>Efficiency Measures:</i>				
Number of acres maintained per full time employee	8.03	9.63	9.07	14.04
Unit cost per acres maintained	\$ 5,683	\$ 5,004	\$ 5,495	\$ 3,858
Department expenditures per capita	\$ 26.73	\$ 28.16	\$ 28.20	\$ 30.26

CITY OF McALLEN, TEXAS

DEPARTMENT: RECREATION

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 582,439	\$ 624,901	\$ 578,612	\$ 618,915
Employee Benefits	114,456	134,375	134,375	136,452
Supplies	40,689	48,400	49,400	48,400
Other Services and Charges	226,484	191,609	189,259	190,459
Maintenance	4,267	2,574	3,425	4,261
Operations Subtotal	968,335	1,001,859	955,071	998,487
Capital Outlay	-	-	-	-
Grant Reimbursement	(72,123)	(80,000)	(65,000)	(80,000)
DEPARTMENTAL TOTAL	\$ 896,212	\$ 921,859	\$ 890,071	\$ 918,487
PERSONNEL				
Exempt	4	4	4	4
Non-Exempt	1	1	1	1
Part-Time	225	225	225	225
Civil Service	-	-	-	-
DEPARTMENT TOTAL	230	230	230	230

MISSION STATEMENT

The Recreation Division plans, coordinates and implements youth and adult recreation programs for the City. It operates at three Community Recreation Centers and facilitates various sports leagues and special events. It works jointly with the Aquatics Division the department and provision of various swimming programs held at the City's swimming pools.

MAJOR FY 05-06 GOALS:

- 1.) Increase online registration numbers.
- 2.) Increase overall participation in recreation programs.
- 3.) Reduce number of class cancellations.

CITY OF McALLEN, TEXAS

DEPARTMENT: RECREATION

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	5	5	5	5
Department Expenditures	\$ 896,212	\$ 921,859	\$ 890,071	\$ 918,487
<i>Outputs:</i>				
Special events	120	66	150	150
Programs offered	1,253	1,025	1,253	1,253
After school recreation sites	11	11	11	11
<i>Effectiveness Measures:</i>				
Special event attendance	250,000	210,000	275,000	275,000
Program Participants	6,451	7,500	7,500	8,000
After-School Recreation Participants	2,187	1,750	2,816	3,000
Athletic Leagues Participants	10,500	11,000	11,000	11,500
Program Fees	\$ 306,996	\$ 325,000	\$ 310,000	\$ 315,000
<i>Efficiency Measures:</i>				
Cost per day of operation	\$ 2,938	\$ 3,022	\$ 2,918	\$ 3,011
Department expenditures per capita	\$ 7.40	\$ 7.58	\$ 7.09	\$ 7.13

CITY OF McALLEN, TEXAS

DEPARTMENT: POOLS

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 396,049	\$ 325,448	\$ 353,112	\$ 368,323
Employee Benefits	86,973	83,832	83,832	90,208
Supplies	27,566	34,750	29,750	24,750
Other Services and Charges	100,021	112,039	98,289	89,549
Maintenance	37,284	31,749	44,299	32,323
Operations Subtotal	647,893	587,818	609,282	605,153
Capital Outlay	6,409	59,850	61,301	-
	\$ 654,302	\$ 647,668	\$ 670,583	\$ 605,153
PERSONNEL				
Exempt	1	1	1	1
Non-Exempt	4	4	4	4
Part-Time	87	87	87	87
Civil Service	-	-	-	-
DEPARTMENT TOTAL	92	92	92	92

MISSION STATEMENT

The Aquatics Division provides and maintains five (5) swimming facilities within the City. These pools are used by the City for its programs, the McAllen Independent School District (MISD) for Learn-to-Swim and UIL swimming

MAJOR 05-06 GOALS:

- 1.) Install a heater for Los Encinos Pool.
- 2.) Resurface Boy's Club Municipal Pool.
- 3.) Increase Learn-to-swim participation by 15%.

CITY OF McALLEN, TEXAS

DEPARTMENT: POOLS

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	5	5	5	5
Department Expenditures	\$ 654,302	\$ 647,668	\$ 670,583	\$ 605,153
<i>Outputs:</i>				
Public pools	4	4	4	4
Days open for public swim & programs	353	353	353	353
Total days of operation	353	353	353	353
Programs offered	95	200	95	95
<i>Effectiveness Measures:</i>				
Public patrons	38,759	35,000	43,000	49,000
Private rentals	208	450	200	200
Private rental attendance	10,400	22,000	10,000	10,000
Program participants	43,580	7,500	56,000	60,000
Program fees	\$ 86,504	\$ 105,000	\$ 95,000	\$ 105,000
Public swimming fees	\$ 48,714	\$ 35,000	\$ 52,000	\$ 55,000
Rental fees	\$ 33,847	\$ 45,000	\$ 35,000	\$ 44,000
<i>Efficiency Measures:</i>				
Cost per day of operation	\$ 1,853	\$ 1,921	\$ 1,662	\$ 1,879
Cost of service provided per person	\$ 8	\$ 7	\$ 7	\$ 7
Department expenditures per capita	\$ 5.40	\$ 5.33	\$ 5.34	\$ 4.69

CITY OF McALLEN, TEXAS

DEPARTMENT: LAS PALMAS COMMUNITY CENTER

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 151,497	\$ 138,716	\$ 140,716	\$ 138,722
Employee Benefits	50,015	48,534	48,534	50,236
Supplies	11,261	13,025	12,725	12,150
Other Services and Charges	55,964	77,186	66,408	69,423
Maintenance	29,154	19,498	25,300	17,641
Operations Subtotal	297,891	296,959	293,683	288,172
Capital Outlay	-	4,488	4,488	10,500
DEPARTMENTAL TOTAL	\$ 297,891	\$ 301,447	\$ 298,171	\$ 298,672
PERSONNEL				
Exempt	2	2	2	2
Non-Exempt	3	3	3	3
Part-Time	1	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	6	5	5	5

MISSION STATEMENT

Las Palmas Community Center will provide indoor cultural programs, leisure activities, and lifetime skills. The community center provides outreach programming within the service area which include the After school program. The center is available for community service presentation and may other community partner programs.

MAJOR FY 05-06 GOALS:

- 1.) Increase intergenerational programs for Youth and Seniors in our Community.
- 2.) Continue raising awareness for Senior Services.
- 3.) Expand art & ceramics programs for all age groups.
- 4.) Initiate plans for development of expanded Community Center.

CITY OF McALLEN, TEXAS

DEPARTMENT: LAS PALMAS COMMUNITY CENTER

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	5	5	5	5
Department Expenditures	\$ 297,891	\$ 301,447	\$ 298,171	\$ 298,672
<i>Outputs:</i>				
Days open to the public	307	307	307	307
Hours open to the public	3,600	3,600	3,600	3,600
Total days of operation	305	305	305	305
Total hours of operation	3,670	3,670	3,700	3,700
Programs offered	372	372	372	372
<i>Effectiveness Measures:</i>				
Total program participants	61,000	65,000	65,000	71,500
Youth program participants	715	1,000	875	1,000
Program fees	\$ 15,464	\$ 22,000	\$ 20,000	\$ 22,000
<i>Efficiency Measures:</i>				
Cost per day of operation	\$ 977	\$ 988	\$ 978	\$ 979
Cost of service provided per person	\$ 4.83	\$ 4.57	\$ 4.53	\$ 4.12
Average daily attendance	200	212	190	220
Department expenditures per capita	\$ 2.46	\$ 2.48	\$ 2.38	\$ 2.32

CITY OF McALLEN, TEXAS

DEPARTMENT: RECREATION CENTER LARK

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 192,655	\$ 185,072	\$ 220,893	\$ 184,435
Employee Benefits	55,884	59,894	59,894	65,906
Supplies	20,369	21,145	21,845	23,745
Other Services and Charges	86,467	108,479	105,550	102,989
Maintenance	8,204	13,974	8,825	8,325
Operations Subtotal	363,579	388,564	417,007	385,400
Capital Outlay	8,895	22,895	22,895	-
Grant Reimbursement				
DEPARTMENTAL TOTAL	\$ 372,474	\$ 411,459	\$ 439,902	\$ 385,400
PERSONNEL				
Exempt	3	3	3	3
Non-Exempt	3	3	3	3
Part-Time	3	3	3	3
Civil Service	-	-	-	-
DEPARTMENT TOTAL	9	9	9	9

MISSION STATEMENT

The Recreation Division plans, coordinates and implements youth and adults recreation programs for the City of McAllen. It also operates at the McAllen Senior Citizens' Center and facilitates various sports leagues and special events. It also works jointly with the Aquatics Division in the development and provision of various swimming programs held at the City's swimming pools.

MAJOR FY 05-06 GOALS:

- 1.) Diversify recreation programs to increase the senior participation in our Senior Programs through collaborative efforts of all 3 Community Centers.
- 2.) Implement youth management techniques involving elementary school officials and library services personnel to provide effective recreational programs for our youth.
- 3.) Provide effective recreational programs designed for Adult Recreation emphasizing "Healthy Attitudes".

CITY OF McALLEN, TEXAS

DEPARTMENT: RECREATION CENTER LARK

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	6	6	6	6
Department Expenditures	\$ 372,474	\$ 411,459	\$ 439,902	\$ 385,400
<i>Outputs:</i>				
Days open to the public	350	350	350	350
Days open for rental	144	144	144	144
Hours open for rental	1,413	1,413	1,413	1,413
Total days of operation	350	350	350	350
Total hours of operation	4,609	4,609	4,609	4,609
Programs offered		3,078		
<i>Effectiveness Measures:</i>				
Public patrons (Library)	192,000	200,000	200,000	201,500
Private rentals	60	50	50	55
Private rental attendance	4,399	4,500	5,250	6,000
Program participants	3,250	3,600	3,600	3,800
Program fees	63,246	80,000	80,000	82,000
Rental fees	\$ 13,140	\$ 12,000	\$ 13,800	\$ 15,000
<i>Efficiency Measures:</i>				
Cost per day of operation	\$ 1,064	\$ 1,176	\$ 1,257	\$ 1,101
Cost of service provided per person	\$ 1.94	\$ 2.06	\$ 2.20	\$ 1.91
Average daily attendance	549	571	571	576
Department expenditures per capita	\$ 3.07	\$ 3.39	\$ 3.51	\$ 2.99

CITY OF McALLEN, TEXAS

DEPARTMENT: RECREATION CENTER PALM VIEW

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 217,377	\$ 186,457	\$ 223,278	\$ 186,289
Employee Benefits	58,127	58,766	58,766	64,274
Supplies	22,785	21,145	22,045	21,745
Other Services and Charges	98,652	115,241	99,007	101,015
Maintenance	6,768	7,224	5,225	4,542
Operations Subtotal	403,709	388,833	408,321	377,865
Capital Outlay	7,500	34,998	34,998	62,650
Grant Reimbursement				
DEPARTMENTAL TOTAL	\$ 411,209	\$ 423,831	\$ 443,319	\$ 440,515
PERSONNEL				
Exempt	3	3	3	3
Non-Exempt	3	3	3	3
Part-Time	3	3	3	3
Civil Service	-	-	-	-
DEPARTMENT TOTAL	9	9	9	9

MISSION STATEMENT

The Community Centers will be that component of the Parks & Recreation Department the promotes physical and mental enrichment through a comprehensive program of Recreational, Cultural, Educational and Social activities and events. In carrying out its responsibilities, each center will facilitate and support the mission of the Parks and Recreation Department.

MAJOR FY 05-06 GOALS:

- 1.) Increase activities and participation for adults.
- 2.) Increase number of seniors that participate in center activities.
- 3.) Increase sponsorship in order to find more activities for participants at all levels.
- 4.) Continue to host a cultural program each quarter of the year.

CITY OF McALLEN, TEXAS

DEPARTMENT: RECREATION CENTER PALM VIEW

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	6	6	6	6
Department Expenditures	\$ 411,209	\$ 423,831	\$ 443,319	\$ 440,515
<i>Outputs:</i>				
Days open to the public	350	350	350	350
Hours open to the public	3,196	3,196	3,196	3,196
Days open for rental	144	144	144	144
Hours open for rental	1,413	1,413	1,413	1,413
Total days of operation	350	350	350	350
Total hours of operation	4,609	4,609	4,609	4,609
Programs offered		300		
<i>Effectiveness Measures:</i>				
Public patrons (Library)	196,000	200,000	202,000	205,000
Private rentals	37	40	40	42
Private rental attendance	5,150	5,300	5,575	5,700
Program participants	2,850	3,000	3,200	3,400
Program fees	\$ 33,500.00	\$ 35,000.00	\$ 37,500.00	\$ 38,000.00
Rental fees	\$ 9,100.00	\$ 26,000.00	\$ 10,500.00	\$ 11,800.00
<i>Efficiency Measures:</i>				
Cost per day of operation	\$ 1,175	\$ 1,196	\$ 1,210	\$ 1,320
Cost of service provided per person	\$ 2.01	\$ 2.03	\$ 2.01	\$ 2.05
Average daily attendance	583	571	602	612
Department expenditures per capita	\$ 3.39	\$ 3.49	\$ 3.53	\$ 3.42

CITY OF McALLEN, TEXAS

DEPARTMENT: QUINTA MAZATLAN

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ -	\$ 96,996	\$ 51,000	\$ 117,614
Employee Benefits	112	36,096	36,096	42,738
Supplies	1,531	5,958	13,800	8,008
Other Services and Charges	11,453	22,532	9,851	23,492
Maintenance	2,912	-	10,112	-
Operations Subtotal	16,008	161,582	120,859	191,852
Capital Outlay	-	-	-	-
Grant Reimbursement	-	-	-	-
DEPARTMENTAL TOTAL	\$ 16,008	\$ 161,582	\$ 120,859	\$ 191,852
PERSONNEL				
Exempt	1	3	3	3
Non-Exempt	-	-	-	1
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	1	3	3	4

MISSION STATEMENT

Quinta Mazatlan will provide programs and activities that promote a greater understanding and appreciation of the natural and cultural treasures of South Texas.

MAJOR FY 05-06 GOALS:

- 1.) Open Quinta Mazatlan in March 2006 as Wing of the World Birding Center and small conference center. .
- 2.) Organize a VIP Grand Opening - October 22, 2005.
- 3.) Organize a Family Day Grand Opening.
- 4.) Develop programs targeted to specific school age groups.
- 5.) Develop programs for local families and adults.
- 6.) Develop programs for the tourism and birder's market.
- 7.) Increase the tourism market by promoting Quinta Mazatlan and the City of McAllen.
- 8.) Continue to develop partnerships.
- 9.) Develop a meeting/conference market.
- 10.) Develop a wedding/special event market.
- 11.) Create a Gift Store.
- 12.) Restore the grounds at Quinta Mazatlan to attract more birds and wildlife.
- 13.) Develop demonstration gardens at Quinta Mazatlan: Butterfly, Hummingbird Garden/Palm Place, Arid Cactus Garden, Wetland Dragonfly Pond.
- 14.) Develop a "Friends Groups" for fundraising and volunteerism.

CITY OF McALLEN, TEXAS

DEPARTMENT: LIBRARY

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 1,324,725	\$ 1,476,262	\$ 1,380,097	\$ 1,474,013
Employee Benefits	316,919	359,095	359,095	378,226
Supplies	39,817	66,900	39,700	50,900
Other Services and Charges	298,905	396,954	258,624	356,770
Maintenance	86,236	33,783	24,575	49,126
Operations Subtotal	2,066,602	2,332,994	2,062,091	2,309,035
Capital Outlay	230,941	234,799	218,600	229,000
DEPARTMENTAL TOTAL	\$ 2,297,543	\$ 2,567,793	\$ 2,280,691	\$ 2,538,035
PERSONNEL				
Exempt	18	17	17	17
Non-Exempt	23	24	24	24
Part-Time	28	28	28	28
Civil Service	-	-	-	-
DEPARTMENT TOTAL	69	69	69	69

MISSION STATEMENT

The McAllen Memorial Library shall dedicate its efforts to the task of bringing to its patrons the body of knowledge and of human insights which forms the basis of our culture. (Passed by Library Board 4-8-1999)

MAJOR FY 05-06 GOALS:

- 1.) Finish smoothing out operations using the new computerized library management system.
- 2.) Continue the planning and implementation process for a new Main Library.
- 3.) Continue giving the level of library service that is expected by the people of McAllen.

CITY OF McALLEN, TEXAS

DEPARTMENT: LIBRARY

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	41	41	41	41
Department Expenditures	\$ 2,297,543	\$ 2,567,793	\$ 2,280,691	\$ 2,538,035
Service population	169,600	169,600	169,000	169,000
Number of Children's Services Staff for purposes of Summer Reading Reports received	4	4	4	4
Total number of professional public services staff	10	11	10	10
Number of professional reference services staff	7	7	7	7
Number of Technical services staff	15	12	15	15
Number of Public Service hours	3,064	3,064	3,064	3,064
Number of meeting/study/class rooms available for public use	5	5	5	5
Number of Internet computers available for public use	20	19	27	27
Number of non-internet computers (Word, Excel) available for public use	11	11	11	11
<i>Outputs: - Main Library only</i>				
Number of items circulated (external usage)	364,535	585,000	442,877	490,000
Number of items used (internal usage)	145,338	220,000	123,487	150,000
Total number of reference / information transactions handled - all public service areas	106,890	120,000	105,853	110,000
Total number of reference / information transactions handled - reference department only	33,118	50,000	34,884	40,000
Total number of interlibrary loan requests processed (from outside McAllen Library System)	7,039	4,500	6,253	7,100
Total number of intralibrary loan requests processed (McAllen Library System-Main, Lark, Palm View Libraries)	310	750	426	2,600
Total number of active registrations - System	180,738	210,000	190,000	198,000
Number of new registrations	8,503	8,500	7,216	8,000
Number of programs held	529	515	603	610
Total attendance of programs held	46,059	54,000	42,810	43,000
Number of 30 minute internet sessions (internal usage)	79,117	78,000	87,041	90,000
Total internet users (internal usage)	58,871	52,000	63,106	64,000

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Number of first time internet users (internal usage)	4,834	5,700	4,497	5,100
Number of computer (non-internet) uses (Word, Excel)	3,804	4,500	3,257	4,000
Number of computer (non-internet) users (Word, Excel)	3,253	4,000	2,860	3,500
Number of remote dial-in internet users	22,773	28,000	23,010	25,000
Number of remote dial-in internet usage-in hours	10,715	15,000	12,000	12,500
Number of new titles added to collection system	14,000	21,000	23,026	23,500
Number of new volumes added to collection system	14,444	27,000	23,000	24,000
Collection size total number of titles held system	346,567	365,000	269,559	293,500
Collection size total number of volumes held system	386,052	412,000	397,576	425,800
Collection size number of volumes held main 81% of total collections	301,244	351,395	318,804	338,624
Number of items repaired	1,674	2,100	2,452	2,500
Summer reading program book reports received	10,801	n/a	N/A	N/A
Library walk-in count	285,938	290,000	282,906	295,000
<i>Effectiveness Measures:</i>				
Percent of change in number of items circulated (external usage)	10.64%	0.86%	21.49%	10.64%
Percent of change in number of items used (internal usage)	10.64%	0.00%	-15.03%	21.47%
Percent of change in total number of reference / information transactions handled all public service areas	-0.98%	9.09%	-0.97%	3.92%
Percent of change in total number of reference/information transactions handled reference department only	5.06%	n/a	5.33%	14.67%
Percent of change in total number of interlibrary loan requests processed (from outside McAllen Library System)	13.55%	2.27%	-11.17%	13.55%
Percent of change in total number of intralibrary loan requests processed (McAllen Library System- Main, Lark and Palm View)	13.55%	7.14%	37.42%	510.33%
Percent of change in total number of active registrations system	4.21%	9.38%	5.12%	4.21%

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Percent of change in number of new registrations	10.86%	4.94%	-15.14%	10.86%
Percent of change in number of programs held	-9.73%	0.98%	13.99%	1.16%
Percent of change in total attendance of programs held	-5.87%	1.89%	-7.05%	0.44%
Percent of change in number of 30 minute internet sessions - Internal Usage	6.98%	1.30%	10.02%	3.40%
Percent of change in total internet users - Internal usage	11.64%	1.96%	7.19%	1.42%
Percent of change in number of first time internet users usage	17.27%	3.64%	-6.97%	13.41%
Percent of change in number of computer (non-internet) users (Word, Excel)	-9.64%	4.65%	-14.38%	22.81%
Percent of change in number of computer (non-internet) users (Word, Excel)	-7.83%	11.11%	-12.08%	22.38%
Percent of change in number of remote dial-in internet users	11.10%	10.67%	1.04%	8.65%
Percent of change in number of remote dial-in internet usage-in hours	11.99%	25.00%	11.99%	4.17%
Percent of change in number of new titles added to collection system	3.07%	5.00%	64.47%	2.06%
Percent of change in number of new volumes added to collection system	2.73%	3.85%	59.24%	4.35%
Percent of change in collection size total number of titles held system	0.30%	5.21%	-22.22%	8.88%
Percent in change in collection size total number of volumes held system	0.98%	5.64%	2.99%	7.10%
Percent of change in collection size number of volumes held main - 85.29% of total collection	0.98%	5.64%	5.83%	6.22%
Percent of change in number of items repaired	-20.00%	5.00%	46.48%	1.96%
Percent of change in summer reading program book reports received	n/a	n/a	N/A	N/A
Percent of change in Library walk-in count	-1.14%	1.75%	-1.06%	4.27%
<i>Efficiency Measures:</i>				
Number of reference/information transactions handled per public services staff from all public service areas	10,689	10,909	10,585	11,000
Number of reference / information transactions handled per hour all public service areas	35	39	35	36
Number of reference / information transactions handled / Professional reference staff	4,731	17,143	4,983	5,714

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Turn-over rate books circulated (external) / book collection	1.05	1.42	1.64	1.67
Number of items used (internal usage) per hour	47	72	40	49
Number of volumes added to collection / technical services staff	963	2,250	1,533	1,600
Number of programs held / study room available	106	103	121	122
Program attendance / Meetings held	87	105	71	70
Interlibrary loaned items sent to other libraries (non-McAllen library system libraries) / Total number of interlibrary loan requests	n/a	40%	n/a	n/a
Interlibrary loaned items borrowed from other libraries (non-McAllen library system libraries) / Total number of interlibrary loan requests	n/a	60%	n/a	n/a
Intralibrary loaned items sent to Lark Library / Total number of intralibrary loans	n/a	1%	n/a	n/a
Intralibrary loaned items sent to Palm View Library / Total number of intralibrary loans	n/a	7%	n/a	n/a
Number of people using internet computers / number of public internet computers available	11,774	3,250	12,621	12,800
Number of summer reading reports taken / number of children's staff available to receive them	n/a	n/a	n/a	n/a
Number of summer reading reports taken / during the 5 week reporting period (Reports per week)	n/a	n/a	n/a	n/a
Number of books / building square footage (Main=40,000)	7.53	8.78	7.97	8.47
Department expenditures per capita	\$ 18.96	\$ 21.13	\$ 18.17	\$ 19.69

CITY OF McALLEN, TEXAS

DEPARTMENT: LIBRARY BRANCH LARK

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 246,486	\$ 327,240	\$ 316,696	\$ 329,467
Employee Benefits	60,290	80,969	80,969	83,712
Supplies	7,746	9,270	4,478	7,720
Other Services and Charges	8,162	9,800	7,874	9,800
Maintenance	1,089	5,700	685	5,700
Operations Subtotal	323,773	432,979	410,702	436,399
Capital Outlay	40,669	42,945	42,845	47,100
DEPARTMENTAL TOTAL	\$ 364,442	\$ 475,924	\$ 453,547	\$ 483,499
PERSONNEL				
Exempt	3	3	3	3
Non-Exempt	7	7	7	7
Part-Time	4	5	5	5
Civil Service	-	-	-	-
DEPARTMENT TOTAL	14	15	15	15

MISSION STATEMENT

The McAllen Memorial Library shall dedicate its efforts to the task of bringing to its patrons the body of knowledge and of human insights which forms the basis of our culture. (Passed by Library Board 4-8-1999).

MAJOR FY 05-06 GOALS:

- 1.) Become fully staffed, especially in the professional ranks.

CITY OF McALLEN, TEXAS

DEPARTMENT: LIBRARY BRANCH - LARK

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	10	10	10	10
Department Expenditures (public services staff)	\$ 364,442 10	\$ 475,924 10	\$ 453,547 10	\$ 483,499 10
<i>Outputs:</i>				
purposes of summer reading reports received	4	5	5	5
Total number of professional public services staff	3	4	3	4
Number of public service hours	3,328	3,328	3,328	3,328
Number of meeting / study / class room available for public use	2	2	2	2
Number of computers available for public use	34	34	34	34
Collection site number of volumes held - Lark 10.3% of total system collection	37,506	32,424	40,925	42,500
Number of items circulated (external usage)	64,342	80,000	86,374	87,000
Number of items used (internal usage)	24,057	26,000	53,082	53,000
Total number of reference / information transactions handled	191,604	192,000	179,354	60,000
Number of intralibrary loan requests processed (requests from Lark to Main and Palm View Libraries)	33	30	22	50
Number of new registrations	2,804	3,200	2,744	2,800
Number of programs held	133	135	136	140
Total attendance of programs held	6,330	6,300	5,625	6,500
Number of 30 minute internet sessions (internal usage)	94,539	92,000	95,215	96,000
Total internet uses (internal usage)	57,859	60,000	59,072	60,000
Number of first time internet users (internal usage)	1,014	1,300	1,378	900
Number of items repaired	n/a	10	n/a	n/a
Summer reading program book reports received	n/a	n/a	n/a	n/a
Library walk in count	226,044	210,000	234,973	240,000
<i>Effectiveness Measures:</i>				
Percent of change in number of items circulated (external usage)	-9.02%	6.67%	34.24%	0.72%
Percent of change in items used (internal usage)	1.47%	4.00%	120.65%	-0.15%

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Percent of change in total number of reference / information transactions handled	-3.32%	3.78%	-6.39%	-66.55%
intralibrary loan requests processed (requests between Main and Palm View Libraries)	0.00%	0.00%	-33.33%	127.27%
Percent of change in number of new registrations	2.92%	6.67%	-2.14%	2.04%
Percent of change in number of programs held	35.42%	3.85%	2.26%	2.94%
Percent of change of total attendance of programs held	5.78%	1.61%	-11.14%	15.56%
Percent of change in number of 30 minute internet sessions - Internal usage	5.88%	1.10%	0.72%	0.82%
Percent of change in total internet users- Internal usage	2.91%	7.14%	2.10%	1.57%
Percent of change in number of first time internet users internal usage	4.08%	8.33%	35.90%	-34.69%
Percent of change in number of items repaired	100.00%	0.00%	n/a	n/a
Percent changed in summer reading program book reports received	n/a	n/a	n/a	n/a
Percent of change in library walk in count	4.47%	2.44%	3.95%	2.14%

Efficiency Measures:

Number of reference / information transactions handled per public services staff from all public service areas	19,160	87,500	17,935	6,000
Number of reference / information transactions handled per hour all public service areas	58	53	54	18
Turn-over rate - Books circulated (external) / Book collection	1.72	2.54	2.11	2.05
Number of items used (internal usage) per hour	7	11	16	16
Number of programs held / study room available	67	50	68	70
Program attendance / meetings held	48	47	41	46
Intralibrary loaned items sent to Main Library / total number of intralibrary loans	n/a	n/a	n/a	n/a
Intralibrary loaned items sent to Palm View Library / total number of intralibrary loans	n/a	n/a	n/a	n/a

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Number of people using computers / number of public computers available	2,411	1,500	2,461	2,500
Number of summer reading reports taken / number of children's staff available to receive them	n/a	n/a	n/a	n/a
Number of summer reading reports taken / during the 5 week reporting period (Reports per week)	n/a	n/a	n/a	n/a
Number of books / building square footage Lark = 11000	3.41	2.95	3.72	3.86
Department expenditures per capita	\$ 3.01	\$ 3.92	\$ 3.61	\$ 3.75

CITY OF McALLEN, TEXAS

DEPARTMENT: LIBRARY BRANCH PALM VIEW

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 276,599	\$ 331,819	\$ 297,285	\$ 331,864
Employee Benefits	71,155	88,517	88,517	91,238
Supplies	5,709	9,000	4,699	7,100
Other Services and Charges	7,794	9,800	8,922	9,800
Maintenance	851	5,700	1,625	5,700
Operations Subtotal	362,108	444,836	401,048	445,702
Capital Outlay	42,620	42,945	42,951	47,100
DEPARTMENTAL TOTAL	\$ 404,728	\$ 487,781	\$ 443,999	\$ 492,802
PERSONNEL				
Exempt	4	4	4	4
Non-Exempt	7	7	7	7
Part-Time	3	3	3	3
Civil Service	-	-	-	-
DEPARTMENT TOTAL	14	14	14	14

MISSION STATEMENT

The McAllen Memorial Library shall dedicate its efforts to the task of bringing to its patrons the body of knowledge and of human insights which forms the basis of our culture. (Passed by Library Board 4-8-1999).

MAJOR FY 05-06 GOALS:

- 1.) Palm View Branch will strive to increase library use from the Palm View area.

CITY OF McALLEN, TEXAS

DEPARTMENT: LIBRARY BRANCH - PALM VIEW

FUND: GENERAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Inputs:				
Total number of full time employees	11	11	11	11
Department Expenditures	\$ 404,728	\$ 487,781	\$ 443,999	\$ 492,802
(public services staff)	10	10	10	10
Outputs:				
Number of children's services staff				
For purposes of summer reading				
reports received	6	6	6	6
Total number of professional public				
services staff	3	4	3	4
Number of public service hours	3,328	3,328	3,328	3,328
Number of meeting / study / class				
rooms available for public use	2	2	2	2
Number of computers available for				
public use	34	34	34	34
Collection site - No of volumes held -	30,223	28,181	35,136	37,500
Number of items circulated (external				
usage)	36,053	40,000	40,924	42,000
Number of items used (internal usage)	53,510	50,000	53,795	54,000
Total number of reference /				
information transactions handled	72,078	65,000	94,641	96,000
Number of intralibrary loan requests				
processed (Requests from Palm View to				
Main and Lark Libraries)	409	350	286	400
Number of new registrations	1,150	1,500	1,481	1,500
Number of programs held	187	210	138	150
Total attendance of programs held	681	900	848	1,000
Number of 30 minute internet sessions				
(internal usage)	74,367	73,000	88,595	89,000
Total internet users (internal usage)	50,450	53,000	54,340	55,000
Number of first time internet users				
(internal usage)	98	200	142	300
Number of items repaired	35	10	50	25
Summer reading program book reports				
received	n/a	n/a	n/a	n/a
Library walk-in count	177,771	200,000	196,126	200,000

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Effectiveness Measures:</i>				
Percent of change in number of items circulated (external usage)	-3.05%	8.11%	13.51%	2.63%
Percent of change in items used (internal usage)	-2.11%	4.17%	0.53%	0.38%
Percent of change in total number of reference / information transactions handled	11.96%	8.33%	31.30%	1.44%
Percent of change in number of intralibrary loan requests processed (Requests between Main and Lark Libraries)	-2.60%	16.67%	-30.07%	39.86%
Percent of change in number of new registrations	-15.37%	25.00%	28.78%	1.28%
Percent of change in number of programs held	92.31%	5.00%	-26.20%	8.70%
Percent of change in total attendance of programs held	0.63%	12.50%	24.52%	17.92%
Percent of change in number of 30 minute internet sessions - Internal usage	-4.46%	2.82%	19.13%	0.46%
Percent of change in total internet users - Internal usage	-4.04%	3.92%	7.71%	1.21%
Percent of change in number of first time internet users - Internal usage	-9.55%	11.11%	44.90%	111.27%
Percent of change in number of items repaired	0.00%	0.00%	42.86%	-50.00%
Percent of change in summer reading program book reports received	n/a	n/a	n/a	n/a
Percent of change in Library walk-in count	5.26%	5.26%	10.33%	1.98%
<i>Efficiency Measures:</i>				
Number of reference / information transactions handled per public services staff - from all public service areas	7,208	6,500	9,464	9,600
Number of reference / information transactions handled per hour - all public service areas	22	20	28	29
Turn-over rate - Books circulated (external) / book collection	1.19	1.42	1.16	1.12
Number of items used (internal usage) per hour	16	15	16	16
Number of programs held / study rooms available	94	105	69	75
Program attendance / meetings held	4	4	6	7

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Intralibrary loaned items sent to Main Library / Total number of intralibrary loans	n/a	n/a	n/a	n/a
Interlibrary loaned items sent to Lark Library / Total number of intralibrary loans	n/a	n/a	n/a	n/a
Number of people using computers / number of public computers available	2,102	2,208	2,264	2,292
Number of summer reading reports taken / during the 5 week reporting period (Reports per week)	n/a	n/a	n/a	n/a
Number of summer reading reports taken / during the 5 week reporting period (Reports per week)	n/a	n/a	n/a	n/a
Number of books / building square footage - Palm View = 11,000 sq ft	2.75	2.56	3.19	3.41
Department expenditures per capita	\$ 3.34	\$ 4.01	\$ 3.54	\$ 3.82

CITY OF McALLEN, TEXAS

DEPARTMENT: CULTURE AND RECREATION/OTHER AGENCIES

FUND: GENERAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ -	\$ -	\$ -	\$ -
Employee Benefits	-	-	-	-
Supplies	-	-	-	-
Other Services and Charges	1,237,939	1,258,575	1,258,575	1,258,575
Maintenance	-	-	-	-
Operations Subtotal	1,237,939	1,258,575	1,258,575	1,258,575
Capital Outlay	-	-	-	-
DEPARTMENTAL TOTAL	\$ 1,237,939	\$ 1,258,575	\$ 1,258,575	\$ 1,258,575
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	-	-	-	-
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	-	-	-	-

Agencies

Amigos del Valle	\$ 33,500	\$ 38,500	\$ 38,500	\$ 38,500
Centro Cultural	20,000	20,000	20,000	20,000
Hidalgo County Museum	35,000	40,000	40,000	40,000
McAllen Boy's & Girl's Club	380,000	390,000	390,000	390,000
McAllen Int'l Museum	672,075	672,075	672,075	672,075
Town Band	8,000	8,000	8,000	8,000
RGV Int'l Music Festival	15,000	15,000	15,000	15,000
World Birding Center	-	5,000	5,000	5,000
South Texas Symphony	70,000	70,000	70,000	70,000
Catastrophe	4,364	-	-	-
	<u>\$ 1,237,939</u>	<u>\$ 1,258,575</u>	<u>\$ 1,258,575</u>	<u>\$ 1,258,575</u>

<p align="center">CITY OF McALLEN GENERAL FUND CAPITAL OUTLAY LISTING FISCAL YEAR 2005 - 2006</p>

DEPARTMENT NAME	DESCRIPTION	N R	QTY APPROVED	APPROVED CAPITAL OUTLAY
GENERAL FUND (011):				
CITY COMMISSION	OFFICE FURNITURE / EQUIPMENT	N	1	\$ 900
	COMPUTER	N	2	5,000
	DEPT. TOTAL			<u>5,900</u>
CITY SECRETARY	LASER FICHE LICENSE, SCANNER	N	1	5,508
	DEPT. TOTAL			<u>5,508</u>
MUNICIPAL COURT	OFFICE FURNITURE	N	1	1,000
	BOOKS	N	V	4,000
	DEPT. TOTAL			<u>5,000</u>
FINANCE	DESKTOP INSERTING MACHINE	N	1	5,000
	DEPT. TOTAL			<u>5,000</u>
PLANNING	NEW VEHICLE	N	1	15,000
	FILING CABINETS	N	5	3,950
	DESK	N	2	1,200
	CHAIR	N	2	400
	PHONE	N	1	100
	FAX MACHINE	N	1	724
	COPIER	N	1	2,500
	FILE CABINET	N	1	800
	HP PRINTER 260C	N	1	1,500
	LAPTOP WITH ACCESSORIES	N	1	2,600
	ARCVIEW 9.1	N	1	1,500
	PUBLISHER	N	1	100
	PHOTOSHOP	N	1	500
	COMPUTER	N	1	1,900
	COMPUTER	N	1	1,500
	PHONE	N	1	100
	DEPT. TOTAL			<u>34,374</u>
INFORMATION TECH	FURNITURE	N	1	900
	COMPUTERS	R	12	18,000
	SERVER UPGRADES	N	1	10,000
	ROUTERS	N	1	20,000
	COMPUTERS	N	2	3,600
	LAPTOP	N	1	2,800
	RAM FOR UPGRADES	N	15	1,800
	COMPUTER COMPONENTS	N	V	6,000
	SOFTWARE	N	1	65,000
	DEPT. TOTAL			<u>128,100</u>
MCN	HIGH TECH STUDIO SET	N	1	15,000
	DEPT. TOTAL			<u>15,000</u>
MAIL CENTER	OFFICE FURNITURE	N	1	<u>200</u>

Note: N=New; R=Replacement; V=Varies

CITY OF McALLEN
GENERAL FUND CAPITAL OUTLAY LISTING
FISCAL YEAR 2005 - 2006

DEPARTMENT NAME	DESCRIPTION	N R	QTY APPROVED	APPROVED CAPITAL OUTLAY
	DEPT. TOTAL			200
POLICE	OVERHEADS	N	12	12,600
	MOVING RADARS	N	10	25,000
	SIREN CONTROL	N	21	13,000
	SHOTGUN MOUNTS	N	35	6,000
	PUSH BUMPERS	N	20	4,000
	RADIO SHELF TRUCK	N	21	6,000
	STOP STICKS	N	10	3,600
	MOBILE RADIOS	N	10	35,000
	LAPTOP PATROL CARS	N	3	12,000
	DATA RADIOS	N	3	12,000
	K-9 BITE SUIT	N	1	1,200
	SOFT BODY ARMOR	N	50	26,250
	BIKE RACKS EVIDENCE	N	8	2,400
	DIGITAL CAMERAS	N	5	15,000
	SHOTGUNS	N	10	3,000
	HEADSETS COMMUNICATIONS	N	15	4,500
	DISPATCH CHAIRS	N	3	2,500
	7 DRAWER STORAGE CABINET	N	1	800
	VEHICLE FIRE EXTINGUISHERS	N	3	1,050
	TICKET WRITING MODULES	N	10	50,000
	TAPE LIBRARY	N	V	15,000
	COMPUTERS	N	26	39,550
	COLOR PRINTER	N	2	6,400
	ANALOG CARD RECORDER	N	2	14,900
	HARD DRIVE FOR THALES RECORDER	N	1	2,000
	DESIGN FOR MID-TOWN NETWORK CENTER	N	1	50,000
	DEPT. TOTAL			363,750
FIRE	COMPUTERIZE ACCESS SYSTEM	N	1	17,750
	VEHICLE FOR INSPECTOR	N	1	20,000
	COMPUTER EQUIPMENT	N	1	52,250
	DEPT. TOTAL			90,000
TRAFFIC OPERATIONS	2006 ONE TON TRUCK	N	1	42,000
	2006 1/2 TON TRUCK	N	1	25,000
	TRENCHER	N	1	40,000
	DIGGER DERRICK	N	1	130,000
	EQUIPMENT	N	1	35,000
	COMPUTER HARDWARE	N	1	4,000
	COMPUTER SOFTWARE	N	1	10,000
	SHELVES	N	1	2,000
	DEPT. TOTAL			288,000
INSPECTION	DIGITAL IMAGING HARDWARE	N	1	10,000
	COMPUTER SOFTWARE	N	1	307
	PICK UP TRUCK, AUTO TRANS, GAS ENGINE	N	1	17,000
	DESK	N	1	1,000
	CHAIR	N	1	200

Note: N=New; R=Replacement; V=Varies

<p align="center">CITY OF McALLEN GENERAL FUND CAPITAL OUTLAY LISTING FISCAL YEAR 2005 - 2006</p>

DEPARTMENT NAME	DESCRIPTION	N R	QTY APPROVED	APPROVED CAPITAL OUTLAY
	NEXTEL PHONE	N	1	90
	COMPUTER	N	1	2,000
	MS SOFTWARE	N	1	500
	DEPT. TOTAL			<u>31,097</u>
ENGINEERING	DESK/WORKSTATION	N	1	2,500
	CHAIRS	R	6	1,700
	EQUIPMENT	N	1	1,000
	BOOKS REFERENCE	N	V	4,200
	OFFICE FURNITURE/EQUIPMENT	N	1	2,500
	DIGITAL CAMERA	N	1	400
	VIDEO CAMERA	N	1	750
	TRUCK TOOLBOX, RACK, HITCH	N	2	5,000
	TRUCK LIGHT BAR	N	2	1,810
	TOOL SETS	N	6	450
	SURVEY - LEVEL & ROD	N	1	480
	DISTANCE METERS - WHEEL	N	1	300
	PORTABLE LIGHT	N	1	300
	GPS TRANSCEIVER	N	2	5,000
	GAS DETECTOR	N	1	700
	TECH COMPUTERS	N	5	16,600
	MONITOR	N	1	2,400
	LIGHT BARS	N	1	1,000
	AUTOCAD	N	1	14,200
	ARCIMS SOFTWARE -SERVER	N	1	2,000
	OTHER SOFTWARE	N	1	1,000
	SMALL TOOLS	N	V	2,300
	DEPT. TOTAL			<u>66,590</u>
STREET MAINTENANCE	3/4 TON PICKUP 4X4 DIESEL	N	1	30,000
	DEPT. TOTAL			<u>30,000</u>
DRAINAGE	90 HP CAB AIR TRACTOR W/DUELLY	N	1	62,000
	DEPT. TOTAL			<u>62,000</u>
HEALTH	DESK	N	1	300
	CHAIR	N	1	200
	COMPUTER WITH MONITOR AND KEYBOARD	N	1	2,000
	DEPT. TOTAL			<u>2,500</u>
PARKS	PICKUP TRUCK W/UTILITY TRUCK BED	N	1	24,000
	SUCTION PUMP	N	1	550
	STRING TRIMMERS	N	5	1,375
	POWER BLOWERS	N	2	750
	CHAIN SAWS	N	4	1,390
	HEDGE TRIMMERS	N	2	520
	TILT TRAILER	N	3	2,950
	UTILITY TRUCKSTER	N	1	10,000
	OUTFRONT MOWERS	N	2	32,000
	FLAIL UNITS	N	1	6,500

Note: N=New; R=Replacement; V=Varies

CITY OF McALLEN
GENERAL FUND CAPITAL OUTLAY LISTING
FISCAL YEAR 2005 - 2006

DEPARTMENT NAME	DESCRIPTION	N R	QTY APPROVED	APPROVED CAPITAL OUTLAY
	BATWING ROTARY UNIT	N	1	11,000
	SMALL GRILLS	N	20	3,000
	LARGE GRILLS	N	20	3,200
	PRESSURE WASHER	N	1	600
	WALK-BEHIND TRENCHER	N	1	10,500
	TANDEM TRAILERS	N	2	3,600
	3" WATER PUMP	N	2	1,300
	SUBMERSIBLE PUMPS	N	2	1,700
	POWER HAND TOOLS	N	V	3,000
	VALVE METAL DETECTOR	N	1	850
	SMALL GENERATOR	N	1	1,500
	SLICER ATTACHMENT	N	1	3,900
	AERATOR - 66" WIDTH	N	1	8,500
	POLESAW PRUNNERS	N	4	2,200
	PARK SIGNS	N	V	12,000
	ZERO TURN OUTFRONT MOWER	N	1	10,000
	OTHER EQUIPMENT	N	V	9,550
	DEPT. TOTAL			166,435
LAS PALMAS COMM CTR	STORM SHUTTERS	N	V	8,000
	OFFICE FURNITURE	N	1	2,500
	DEPT. TOTAL			10,500
RECREATION PALM VIEW	WINDOWS FOR INTERIOR COURTYARD	N	6	32,400
	REPAINT EXTERIOR OF BUILDING	R	1	10,000
	REPLACE CELING	R	1	5,000
	EQUIPMENT	N	1	15,250
	DEPT. TOTAL			62,650
LIBRARY	AUTOMATIC DOORS - PHASE 2	N	1	11,000
	OFFICE FURNITURE/EQUIPMENT	N	1	6,000
	BOOKS LIBRARY MATERIALS PRINT & AUDIO/VISUAL	N	V	197,000
	COMPUTERS MEET NEEDS OF NEW LIBRARY SYSTEM	N	1	12,000
	DIES FOR DIE CUT MACHINE	N	V	1,000
	BOOK TRUCKS	N	V	1,000
	LIBRARY DISPLAY FURNITURE	N	1	1,000
	DEPT. TOTAL			229,000
LIBRARY BRANCH LARK	OFFICE FURNITURE/EQUIPMENT	N	1	6,000
	LIBRARY MATERIALS BOOKS & AUDIO/VISUAL	N	V	38,000
	DIES FOR DIE CUT MACHINE	N	1	500
	SHIRTS	N	V	600
	BOOK TRUCKS	N	V	1,000
	LIBRARY DISPLAY FURNITURE	N	1	1,000
	DEPT. TOTAL			47,100
LIBRARY BRANCH PALM VIEW	SHELVING AND OTHER LIBRARY FURNITURE	N	1	6,000
	LIBRARY MATERIALS (BOOKS & AUDIO/VISUAL)	N	V	38,000
	DIES FOR DIE CUT MACHINE	N	1	500
	SHIRTS	N	V	600

Note: N=New; R=Replacement; V=Varies

CITY OF McALLEN
GENERAL FUND CAPITAL OUTLAY LISTING
FISCAL YEAR 2005 - 2006

DEPARTMENT NAME	DESCRIPTION	N R	QTY APPROVED	APPROVED CAPITAL OUTLAY
	BOOK TRUCKS	N	V	1,000
	LIBRARY DISPLAY FURNITURE	N	1	1,000
	DEPT. TOTAL			<u>47,100</u>
	GENERAL FUND GRAND TOTAL			<u><u>\$ 1,695,804</u></u>

SPECIAL REVENUE FUNDS

Hotel Occupancy Tax Fund was established to account for hotel occupancy tax collection within the city.

The Development Corp. of McAllen, Inc. - (4B) was established to account for the additional ½ cent sales tax for economic development.

The Community Development Block Grant Fund was established to account for federal grants, which are used for the sole purpose of improving the health and welfare of the community.

Parklands Fund was established to account for the resources received under Ordinance No. 1998 - 113 to be used to acquire and develop future park sites as well as provide improvements to existing parks.



CITY of McALLEN, TEXAS

City of McAllen, Texas
Hotel Occupancy Tax Fund
Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
BEGINNING FUND BALANCE	\$ 48,610	\$ 49,610	\$ (192)	\$ 26,014
Hotel Taxes	3,110,916	3,244,022	3,244,022	3,341,565
Interest Income	1,197	1,500	24,206	-
Other	-	-	2,000	-
Total Sources and Transfers	3,112,113	3,245,522	3,270,228	3,341,565
TOTAL RESOURCES	<u>\$ 3,160,723</u>	<u>\$ 3,295,132</u>	<u>\$ 3,270,036</u>	<u>\$ 3,367,579</u>
<u>APPROPRIATIONS</u>				
Chamber of Commerce	\$ 938,833	\$ 926,817	\$ 926,817	\$ 954,732
Total Expenditures	938,833	926,817	926,817	954,732
Transfers-Out				
International Civic Center	888,833	926,817	926,817	954,733
Civic Center Expansion	1,333,250	1,390,388	1,390,388	1,432,100
Total Transfers-Out	2,222,083	2,317,205	2,317,205	2,386,833
TOTAL APPROPRIATIONS	<u>3,160,916</u>	<u>3,244,022</u>	<u>3,244,022</u>	<u>3,341,565</u>
ENDING FUND BALANCE	<u>\$ (192)</u>	<u>\$ 51,110</u>	<u>\$ 26,014</u>	<u>\$ 26,013</u>

**City of McAllen, Texas
Development Corporation
of McAllen, Inc.
Fund Summary**

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
BEGINNING FUND BALANCE	\$ 1,994,924	\$ 3,124,903	\$ 3,761,329	\$ 5,039,928
Sales Tax Revenue	11,400,484	11,354,213	12,054,870	12,416,516
Bond Proceeds - Accrued Interest	-	-	-	-
Interest	25,244	130,382	156,854	109,479
Total Revenues	11,425,728	11,484,595	12,211,724	12,525,995
TOTAL RESOURCES	\$ 13,420,652	\$ 14,609,498	\$ 15,973,053	\$ 17,565,923
<u>APPROPRIATIONS</u>				
Expenditures				
Skilled Job Training for Youth & Families	\$ 1,188,621	\$ 1,414,176	\$ 1,414,176	\$ 1,500,000
City-Wide Transit System Subsidy	420,000	180,000	-	-
City-Wide Transit System 20% Subsidy-Bus Replacement	161,799	-	-	-
A&M School of Rural Health Executive Director	-	125,000	125,000	125,000
COPC Health Clinic Operations - Physician Services	315,000	315,000	315,000	150,000
MEDC Industrial Incentive - Carry over available	-	250,000	-	150,000
MEDC Industrial Incentive - Contracts in Place	499,618	325,576	570,983	582,241
Professional Services	4,223	50,000	5,200	50,000
Center City Affordable Homes Scattered Site Const.	500,000	500,000	500,000	500,000
Equipment for Vannie Cook Clinic	-	98,000	-	98,000
Miscellaneous	4,000	-	-	-
Management Fee	75,000	80,000	80,000	85,000
Total Expenditures	3,168,261	3,337,752	3,010,359	3,240,241
Transfers-Out				
Sales Tax Revenue Debt Service Fund	43,598	41,894	41,894	40,763
Capital Improvement Fund	4,505,263	5,531,973	2,183,811	8,572,304
Civic Center Expansion Fund	1,800,000	5,150,000	5,150,000	3,266,086
McAllen Express Transit	-	272,205	452,205	800,394
Bus Terminal	242,201	294,221	194,856	314,485
Total Transfers-Out	6,591,062	11,290,293	8,022,766	12,994,032
TOTAL APPROPRIATIONS	9,759,323	14,628,045	11,033,125	16,234,273
Other items Affecting Working Capital:				
Repay Due to Golf Course Fund - partial	100,000	100,000	100,000	100,000
ENDING FUND BALANCE	\$ 3,761,329	\$ 81,453	\$ 5,039,928	\$ 1,431,650

**City of McAllen, Texas
Community Development Block Grant
Summary**

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -
Intergovernmental	4,131,982	3,227,024	4,062,264	2,736,955
Interest Income	-	-	-	-
Other	-	-	-	-
	<hr/>	<hr/>	<hr/>	<hr/>
Total Sources and Transfers	4,131,982	3,227,024	4,062,264	2,736,955
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL RESOURCES	\$ 4,131,982	\$ 3,227,024	\$ 4,062,264	\$ 2,736,955
	<hr/>	<hr/>	<hr/>	<hr/>
<u>APPROPRIATIONS</u>				
General government	\$ 255,546	\$ 290,002	\$ 211,396	\$ 290,001
Public safety	16,819	262,500	16,819	93,200
Highways and streets	635,343	326,000	635,343	214,800
Health and welfare	3,054,404	2,182,022	3,035,583	1,991,454
Culture and recreation	169,870	166,500	163,123	147,500
	<hr/>	<hr/>	<hr/>	<hr/>
TOTAL APPROPRIATIONS	4,131,982	3,227,024	4,062,264	2,736,955
	<hr/>	<hr/>	<hr/>	<hr/>
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -

**CITY OF McALLEN, TEXAS
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
2005 GRANT**

AGENCY	PURPOSE	GRANT
<u>General Government</u>		
CD Administration	Funds will be used for general office expenses including salaries, travel and supplies.	\$ 290,001
<u>Public Safety:</u>		
Fire Department Brush Truck	Funds will be used to purchase brush truck and mobile radio	93,200
	<i>Total Public Safety</i>	<i>93,200</i>
<u>Highways and Streets:</u>		
Engineering Department Rancho Phase II - Construction	Funds will be used to construct a storm sewer line from 27th to 29th between Olga & Sarah	214,800
	<i>Total Highways and Streets</i>	<i>214,800</i>
<u>Health and Welfare:</u>		
Amigos Del Valle, Inc.	Funds will be used to provide home delivered meals to homebound elderly residents.	30,000
CASA of Hidalgo County	Funds will be used for salaries to provide services to children who are wards of the court	15,000
Children's Advocacy of Hidalgo County	Funds will be used for the salary of a child forensic interviewer.	10,000
Comfort House	Funds will be used for the salaries of full time caregivers	15,000
Community Hope Projects, Inc.	Funds will be used for medicine, counseling stipends and specialized testing services	15,000
Dentist Who Care, Inc.	Funds will be used for dental care and oral hygiene instruction for children	12,000
Easter Seals of the Rio Grande Valley	Funds will be used for outpatient rehabilitation of non-work related injuries	9,000
El Milagro Clinic	Funds will be used for the salaries of two social support clerks	10,000
"In His Steps" Shoe Bank	Funds will be used for the purchase of shoes for qualifying school aged children	8,000
Hidalgo County Homeless Coalition	Funds will be used for the purchase of clothing, hygiene kits and over the counter medications	700
Lower Rio Grande Development Council - Area Agency on Aging	Funds will be used for the purchase of medication and hearing aids	15,000
LRGVDC - Foster Grandparent Program	Funds will be used for stipends of elderly residents who mentor children	5,000
McAllen Affordable Homes, Inc. - New Beginnings (\$1 YR Lease)	Funds will be used for the emergency rehabilitation or reconstruction of housing	240,000
McAllen Affordable Homes, Inc. - Home Buyer Helping Hands Grants	Funds will be used for down payment/principal reduction for qualifying families	200,000

**CITY OF McALLEN, TEXAS
COMMUNITY DEVELOPMENT BLOCK GRANT FUND
2005 GRANT**

AGENCY	PURPOSE	GRANT
McAllen Affordable Homes, Inc. HOME Program	Funds will be used for the construction of homes throughout the City using HOME funds	663,832
Site Construction	Funds will be used for the construction of single family homes in scattered locations	112,022
MAHI/McAllen Housing Authority Vine Terrace Housing Project	Funds will convert Vine Terrace into homeownership or for scattered site construction	490,000
McAllen Food Pantry	Funds will be used to purchase food to be distributed to qualified families/individuals	35,000
McAllen Literacy Center, Inc.	Funds will be used for the office manager and steno clerk and for program supplies	8,000
Senior Community Outreach Services, Inc.	Funds will be used for stipend for active elderly who provide companionship	10,000
Silver Ribbon Community Partners	Funds will be used for durable medical equipment	2,500
Women Together Foundation, Inc. - Transitional Housing Complex	Funds will be used for transitional housing caseworker's, community educator's, shelter and children's advocates' and volunteer coordinator's salaries	10,000
The Salvation Army	Funds will be used for first aid supplies, obtaining proper ID's and transportation.	10,000
Options, Inc	Funds will be used for an activity coordinator who supervises disabled adults	10,400
Valley AIDS Council and/or El Milagro Clinic	Funds will be used for the salary of HIV Counselor, supplies, mileage and peer stipend	20,000
Vannie E. Cook Jr. Cancer Foundation Comprehensive Care	Funds will be used for chemotherapy and other treatment needs	15,000
Valley Association for Independent Living	Funds will be used for salaries of individuals who provide services to the disabled	20,000
	<i>Total Health and Welfare</i>	<i>1,991,454</i>
<u><i>Culture and Recreation:</i></u>		
Boys and Girls Club of McAllen, Inc. Scholarships	Funds will be used for sports and membership scholarships	10,000
Boys & Girls Club of McAllen, Inc. - Brand Center	Funds will be used to replace the gymnasium overhead rolling steel doors	14,000
Girl Scouts	Funds will be used for dues, t-shirts/sash/insignia handbook/badges and salaries	8,000
Parks and Recreation - Alvarez City/School Park Improvements	Funds will be used for restroom construction, irrigation shelters, trees, fencing & lighting	70,500
Escandon Park Concrete/Drainage	Funds will be used to correct the drainage and install concrete flatwork	35,000
Wilson City/School Park Rehabilitation	Funds will be used to install concrete flatwork	10,000
	<i>Total Culture and Recreation</i>	<i>147,500</i>
	<i>Total CDBG Grant</i>	<i>\$ 2,736,955</i>

City of McAllen, Texas
Parklands Fund
Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
BEGINNING FUND BALANCE	\$ 1,731,800	\$ 1,602,751	\$ 1,690,006	\$ 1,764,562
Park Land Zone #1	163,577	142,654	193,817	209,322
Park Land Zone #2	269,931	220,744	214,509	231,670
Park Land Zone #3	145,620	163,370	229,539	247,902
Interest Income	25,828	-	-	-
Total Sources and Transfers	604,957	526,768	637,865	688,894
TOTAL RESOURCES	<u>\$ 2,336,756</u>	<u>\$ 2,129,519</u>	<u>\$ 2,327,871</u>	<u>\$ 2,453,456</u>
<u>APPROPRIATIONS</u>				
Land Acquisition & Improvements				
Park Land Zone #1	\$ 2,000	\$ 550,000	\$ -	\$ -
Medical District Park	-	-	-	150,000
Las Brisas - Land Acquisition	-	-	-	300,000
Park Land Zone #2	19,152	835,000	19,309	-
Daffodil Park	-	-	-	168,000
Summer Breeze	-	-	-	25,000
Land Acquisition (20 acres)	-	-	-	800,000
Park Land Zone #3	7,681	690,000	544,000	-
Gonzalez Park	-	-	-	215,000
La Ventana (Garcia)	-	-	-	250,000
	28,833	2,075,000	563,309	1,908,000
Transfers-Out				
Capital Improvement Fund	587,295	-	-	-
TOTAL APPROPRIATIONS	<u>616,128</u>	<u>2,075,000</u>	<u>563,309</u>	<u>1,908,000</u>
Other	(30,622)	-	-	-
ENDING FUND BALANCE	<u><u>\$ 1,690,006</u></u>	<u><u>\$ 54,519</u></u>	<u><u>\$ 1,764,562</u></u>	<u><u>\$ 545,456</u></u>

DEBT SERVICE FUND

The Debt Service Fund is established by Ordinances authorizing the issuance of general obligation bonds. The fund provides for payment of bond principal, interest, paying agent fees, and a debt service reserve as a sinking fund each year. An ad valorem tax rate and tax levy is required to be computed and levied, which will be sufficient to produce the money required to pay principal and interest as it comes due and provide the interest and sinking fund reserve.

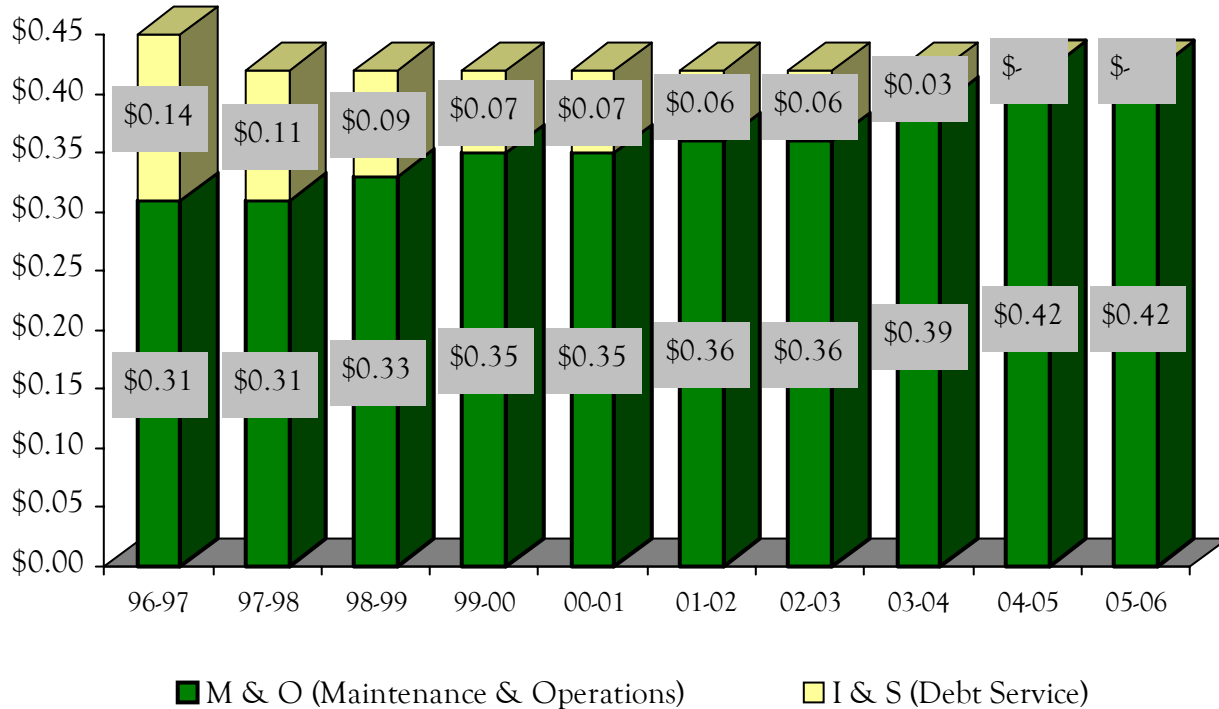


CITY of McALLEN, TEXAS

CITY OF McALLEN, TEXAS

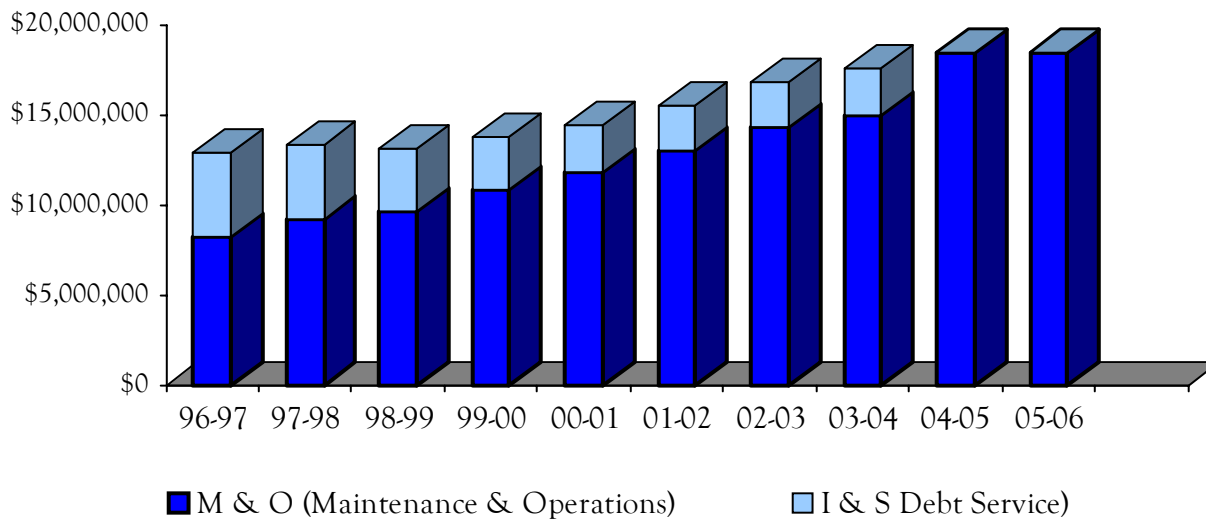
PROPERTY TAX RATES

Distribution - M & O/I & S
by Fiscal Year



BUDGETED PROPERTY TAX REVENUES

Distribution - M & O/I & S
by Fiscal Year



UTILITY, BRIDGE AND SALES TAX BONDS

WATER AND SEWER REVENUE BONDS

Within the Utility System Water Funds, restricted cash reserves are established for payment of bond principal, interest, and agent fees. Currently, user fee rates are sufficient to produce the money required to pay principal and interest as it comes due and provide the interest and sinking fund reserve.

BRIDGE REVENUE BOND

Within the Toll Bridge Fund, restricted cash reserve is established for payment of bond principal, interest, and agent fees. Long - term obligations are secured by the general credit and toll collecting powers of the Toll Bridge.

SALES TAX REVENUE BOND

Within the Development Corporation of McAllen Inc. Fund, restricted cash reserves are established for payment of bond principal, interest, and agent fees.



CITY of McALLEN, TEXAS

City of McAllen, Texas
Water Debt Service Fund
Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
SINKING FUND				
BEGINNING FUND BALANCE	\$ 408,963	\$ -	\$ 349,914	\$ 232,362
<u>Sources:</u>				
Transfer In-Operations	1,390,925	1,873,324	1,755,772	1,961,657
Transfers from other funds	-	-	-	-
Interest Income	-	-	-	-
Total Sources and Transfers	<u>1,390,925</u>	<u>1,873,324</u>	<u>1,755,772</u>	<u>1,961,657</u>
TOTAL RESOURCES	<u>\$ 1,799,888</u>	<u>\$ 1,873,324</u>	<u>\$ 2,105,686</u>	<u>\$ 2,194,019</u>
<u>APPROPRIATIONS</u>				
Bond Principal	\$ 564,000	\$ 597,600	\$ 597,600	\$ 753,200
Interest and Fees	885,974	1,275,724	1,275,724	1,208,457
Transfers Out-Operations	-	-	-	-
TOTAL APPROPRIATIONS	<u>1,449,974</u>	<u>1,873,324</u>	<u>1,873,324</u>	<u>1,961,657</u>
ENDING FUND BALANCE	<u>\$ 349,914</u>	<u>\$ -</u>	<u>\$ 232,362</u>	<u>\$ 232,362</u>

CITY OF McALLEN, TEXAS
WATER REVENUE BOND
DEBT SERVICE CURRENT REQUIREMENTS

ISSUE	OUTSTANDING 10/1/2005	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL
1999	\$ 9,114,000	\$ 462,000	\$ 429,041	\$ -	\$ 891,041
2000	1,576,400	274,400	96,250	-	370,650
2005	<u>14,263,200</u>	<u>16,800</u>	<u>683,166</u>	<u>-</u>	<u>699,966</u>
	<u>\$ 24,953,600</u>	<u>\$ 753,200</u>	<u>\$ 1,208,457</u>	<u>\$ -</u>	<u>\$ 1,961,657</u>

City of McAllen, Texas
Sewer Debt Service Fund
Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>SINKING FUND</u>				
BEGINNING FUND BALANCE	\$ 485,749	\$ -	\$ 561,432	\$ 561,432
<u>Sources:</u>				
Transfers In - Operations	2,258,138	2,587,281	2,587,281	2,097,475
Transfers from other funds	-	-	-	-
Interest Income	-	-	-	-
Total Sources and Transfers	<u>2,258,138</u>	<u>2,587,281</u>	<u>2,587,281</u>	<u>2,097,475</u>
TOTAL RESOURCES	<u>\$ 2,743,887</u>	<u>\$ 2,587,281</u>	<u>\$ 3,148,713</u>	<u>\$ 2,658,907</u>
<u>APPROPRIATIONS</u>				
Bond Principal	\$ 1,111,000	\$ 1,111,000	\$ 1,111,000	\$ 1,136,800
Interest and Fees	1,071,455	1,476,281	1,476,281	\$ 960,675
Transfers Out -Operations	-	-	-	-
TOTAL APPROPRIATIONS	<u>2,182,455</u>	<u>2,587,281</u>	<u>2,587,281</u>	<u>2,097,475</u>
ENDING FUND BALANCE	<u>\$ 561,432</u>	<u>\$ -</u>	<u>\$ 561,432</u>	<u>\$ 561,432</u>

CITY OF McALLEN, TEXAS
SEWER SYSTEM IMPROVEMENTS REVENUE BONDS
ALL SERIES
DEBT SERVICE CURRENT REQUIREMENTS

ISSUE	OUTSTANDING 10/1/2005	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL
1996	\$ 545,000	\$ 545,000	\$ 11,173	\$ -	\$ 556,173
1999	7,161,000	363,000	337,104	-	700,104
2000	1,238,600	215,600	75,625	-	291,225
2005	11,206,800	13,200	536,774	-	549,974
	<u>\$ 20,151,400</u>	<u>\$ 1,136,800</u>	<u>\$ 960,675</u>	<u>\$ -</u>	<u>\$ 2,097,475</u>

CITY OF McALLEN, TEXAS
 SERIES 1996-B SEWER SYSTEM IMPROVEMENTS
 REVENUE BONDS
 DEBT SERVICE CURRENT REQUIREMENTS

ISSUE	OUTSTANDING 10/1/2005	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL
1996	\$ 545,000	\$ 545,000	\$ 11,173	\$ -	\$ 556,173
	<u>\$ 545,000</u>	<u>\$ 545,000</u>	<u>\$ 11,173</u>	<u>\$ -</u>	<u>\$ 556,173</u>

CITY OF McALLEN, TEXAS
 SERIES 1996-B SEWER SYSTEM IMPROVEMENTS
 REVENUE BONDS
 ANNUAL DEBT SERVICE REQUIREMENTS TO MATURITY

YEAR	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL	PRINCIPAL BALANCE
					\$ 545,000
2006	<u>545,000</u>	<u>11,173</u>	<u>-</u>	<u>556,173</u>	-
	<u>\$ 545,000</u>	<u>\$ 11,173</u>	<u>\$ -</u>	<u>\$ 556,173</u>	

CITY OF McALLEN
 SERIES 1996-B SEWER SYSTEM IMPROVEMENTS
 REVENUE BONDS
 SCHEDULE OF REQUIREMENTS

EFFECTIVE INTEREST RATE: VARIOUS*

MATURITY	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL
02/01/06	<u>545,000</u>	<u>11,173</u>	<u>-</u>	<u>556,173</u>
	<u>\$ 545,000</u>	<u>\$ 11,173</u>	<u>\$ -</u>	<u>\$ 556,173</u>

* FROM 2.9% TO 4.100%

CITY OF McALLEN, TEXAS
 SERIES 1999 WATERWORKS AND SEWER SYSTEM REVENUE BONDS
 DEBT SERVICE CURRENT REQUIREMENTS

ISSUE	OUTSTANDING 10/1/2005	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL
1999	\$ 16,275,000	\$ 825,000	\$ 766,145	\$ -	\$ 1,591,145
	<u>\$ 16,275,000</u>	<u>\$ 825,000</u>	<u>\$ 766,145</u>	<u>\$ -</u>	<u>\$ 1,591,145</u>

ALLOCATION TO WATER AND SEWER DEBT SERVICE FUNDS (SEE NOTE BELOW)

WATER DEBT SERVICE FUND

1999	\$ 9,114,000	\$ 462,000	\$ 429,041	\$ -	\$ 891,041
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SEWER DEBT SERVICE FUND

1999	\$ 7,161,000	\$ 363,000	\$ 337,104	\$ -	\$ 700,104
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NOTE: The proceeds of this combined water and sewer revenue bond issue will finance both water and sewer improvement projects. The allocation of debt service to each respective debt service fund, which is shown above, reflects the estimated amount to be spent for improvements related to each fund. The corresponding percentages used in this allocation for water and sewer are 56% and 44%, respectively.

CITY OF McALLEN, TEXAS
 SERIES 1999 WATERWORKS & SEWER SYSTEM REVENUE BONDS
 ANNUAL DEBT SERVICE REQUIREMENTS TO MATURITY

YEAR	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL	PRINCIPAL BALANCE
					\$ 16,275,000
2006	\$ 825,000	\$ 766,145	\$ -	\$ 1,591,145	\$ 15,450,000
2007	875,000	718,332	-	1,593,332	14,575,000
2008	920,000	667,962	-	1,587,962	13,655,000
2009	970,000	619,771	-	1,589,771	12,685,000
2010	1,020,000	573,753	-	1,593,753	11,665,000
2011	1,065,000	525,537	-	1,590,537	10,600,000
2012	1,115,000	475,124	-	1,590,124	9,485,000
2013	1,170,000	421,845	-	1,591,845	8,315,000
2014	1,225,000	365,563	-	1,590,563	7,090,000
2015	1,285,000	306,257	-	1,591,257	5,805,000
2016	1,345,000	243,794	-	1,588,794	4,460,000
2017	1,415,000	178,244	-	1,593,244	3,045,000
2018	1,485,000	109,369	-	1,594,369	1,560,000
2019	1,560,000	37,050	-	1,597,050	-
	<u>\$ 16,275,000</u>	<u>\$ 6,008,746</u>	<u>\$ -</u>	<u>\$ 22,283,746</u>	

CITY OF McALLEN, TEXAS
 SERIES 1999 WATERWORKS AND SEWER
 SYSTEM IMPROVEMENT REVENUE BONDS
 SCHEDULE OF REQUIREMENTS

EFFECTIVE INTEREST RATE: VARIOUS*

MATURITY	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL
02/01/06	\$ 825,000	\$ 394,674	\$ -	\$ 1,219,674
08/01/06		371,471	-	371,471
02/01/07	875,000	371,471	-	1,246,471
08/01/07		346,861	-	346,861
02/01/08	920,000	346,861	-	1,266,861
08/01/08		321,101	-	321,101
02/01/09	970,000	321,101	-	1,291,101
08/01/09		298,670	-	298,670
02/01/10	1,020,000	298,670	-	1,318,670
08/01/10		275,083	-	275,083
02/01/11	1,065,000	275,083	-	1,340,083
08/01/11		250,454	-	250,454
02/01/12	1,115,000	250,454	-	1,365,454
08/01/12		224,670	-	224,670
02/01/13	1,170,000	224,670	-	1,394,670
08/01/13		197,175	-	197,175
02/01/14	1,225,000	197,175	-	1,422,175
08/01/14		168,388	-	168,388
02/01/15	1,285,000	168,388	-	1,453,388
08/01/15		137,869	-	137,869
02/01/16	1,345,000	137,869	-	1,482,869
08/01/16		105,925	-	105,925
02/01/17	1,415,000	105,925	-	1,520,925
08/01/17		72,319	-	72,319
02/01/18	1,485,000	72,319	-	1,557,319
08/01/18		37,050	-	37,050
02/01/19	1,560,000	37,050	-	1,597,050
	<u>\$ 16,275,000</u>	<u>\$ 6,008,746</u>	<u>\$ -</u>	<u>\$ 22,283,746</u>

* FROM 4.70% TO 5.625%

CITY OF McALLEN, TEXAS
 SERIES 2000 WATERWORKS AND SEWER SYSTEM REVENUE BONDS
 DEBT SERVICE CURRENT REQUIREMENTS

ISSUE	OUTSTANDING 10/1/2005	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL
2000	\$ 2,815,000	\$ 490,000	\$ 171,875	\$ -	\$ 661,875
	<u>\$ 2,815,000</u>	<u>\$ 490,000</u>	<u>\$ 171,875</u>	<u>\$ -</u>	<u>\$ 661,875</u>

ALLOCATION TO WATER AND SEWER DEBT SERVICE FUNDS (SEE NOTE BELOW)

WATER DEBT SERVICE FUND

2000	\$ 1,576,400	\$ 274,400	\$ 96,250	\$ -	\$ 370,650
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SEWER DEBT SERVICE FUND

2000	\$ 1,238,600	\$ 215,600	\$ 75,625	\$ -	\$ 291,225
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NOTE: The proceeds of this combined water and sewer revenue bond issue will finance both water and sewer improvement projects. The allocation of debt service to each respective debt service fund, which is shown above, reflects the estimated amount to be spent for improvements related to each fund. The corresponding percentages used in this allocation for water and sewer are 56% and 44%, respectively.

CITY OF McALLEN, TEXAS
 SERIES 2000 WATERWORKS AND SEWER SYSTEM REVENUE BONDS
 ANNUAL DEBT SERVICE REQUIREMENTS TO MATURITY

YEAR	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL	PRINCIPAL BALANCE
					\$ 2,815,000
2006	490,000	171,875	-	661,875	2,325,000
2007	525,000	137,619	-	662,619	1,800,000
2008	560,000	101,000	-	661,000	1,240,000
2009	600,000	61,850	-	661,850	640,000
2010	640,000	20,800	-	660,800	-
	<u>\$ 2,815,000</u>	<u>\$ 493,144</u>	<u>\$ -</u>	<u>\$ 3,308,144</u>	

CITY OF McALLEN, TEXAS
 SERIES 2000 WATERWORKS AND SEWER
 SYSTEM IMPROVEMENT REVENUE BONDS
 SCHEDULE OF REQUIREMENTS

EFFECTIVE INTEREST RATE: VARIOUS*

MATURITY	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL
02/01/06	\$ 490,000	\$ 94,206	\$ -	\$ 584,206
08/01/06		77,669	-	77,669
02/01/07	525,000	77,669	-	602,669
08/01/07		59,950	-	59,950
02/01/08	560,000	59,950	-	619,950
08/01/08		41,050	-	41,050
02/01/09	600,000	41,050	-	641,050
08/01/09		20,800	-	20,800
02/01/10	640,000	20,800	-	660,800
	<u>\$ 2,815,000</u>	<u>\$ 493,144</u>	<u>\$ -</u>	<u>\$ 3,308,144</u>

* FROM 6.50% TO 6.750%

CITY OF McALLEN, TEXAS
 SERIES 2005 WATERWORKS AND SEWER SYSTEM REVENUE BONDS
 DEBT SERVICE CURRENT REQUIREMENTS

ISSUE	OUTSTANDING 10/1/2005	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL
2005	<u>\$ 25,470,000</u>	<u>\$ 30,000</u>	<u>\$ 1,219,940</u>	<u>\$ -</u>	<u>\$ 1,249,940</u>
	<u>\$ 25,470,000</u>	<u>\$ 30,000</u>	<u>\$ 1,219,940</u>	<u>\$ -</u>	<u>\$ 1,249,940</u>

ALLOCATION TO WATER AND SEWER DEBT SERVICE FUNDS (SEE NOTE BELOW)

WATER DEBT SERVICE FUND

2005	<u>\$ 14,263,200</u>	<u>\$ 16,800</u>	<u>\$ 683,166</u>	<u>\$ -</u>	<u>\$ 699,966</u>
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SEWER DEBT SERVICE FUND

2005	<u>\$ 11,206,800</u>	<u>\$ 13,200</u>	<u>\$ 536,774</u>	<u>\$ -</u>	<u>\$ 549,974</u>
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NOTE: The proceeds of this combined water and sewer revenue bond issue will finance both water and sewer improvement projects. The allocation of debt service to each respective debt service fund, which is shown above, reflects the estimated amount to be spent for improvements related to each fund. The corresponding percentages used in this allocation for water and sewer are 56% and 44%, respectively.

CITY OF McALLEN, TEXAS
SERIES 2005 WATERWORKS AND SEWER SYSTEM REVENUE BONDS
ANNUAL DEBT SERVICE REQUIREMENTS TO MATURITY

YEAR	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL	PRINCIPAL BALANCE
					\$ 25,470,000
2006	30,000	1,219,940	-	1,249,940	25,440,000
2007	280,000	1,215,290	-	1,495,290	25,160,000
2008	285,000	1,206,815	-	1,491,815	24,875,000
2009	295,000	1,197,746	-	1,492,746	24,580,000
2010	305,000	1,187,615	-	1,492,615	24,275,000
2011	985,000	1,165,040	-	2,150,040	23,290,000
2012	1,020,000	1,129,188	-	2,149,188	22,270,000
2013	1,060,000	1,090,433	-	2,150,433	21,210,000
2014	1,100,000	1,048,843	-	2,148,843	20,110,000
2015	1,150,000	1,002,955	-	2,152,955	18,960,000
2016	1,205,000	946,886	-	2,151,886	17,755,000
2017	1,270,000	881,918	-	2,151,918	16,485,000
2018	1,335,000	813,536	-	2,148,536	15,150,000
2019	1,450,000	740,430	-	2,190,430	13,700,000
2020	1,530,000	662,205	-	2,192,205	12,170,000
2021	1,615,000	579,649	-	2,194,649	10,555,000
2022	1,710,000	492,368	-	2,202,368	8,845,000
2023	1,800,000	400,230	-	2,200,230	7,045,000
2024	1,900,000	303,105	-	2,203,105	5,145,000
2025	2,005,000	200,599	-	2,205,599	3,140,000
2026	570,000	134,715	-	704,715	2,570,000
2027	600,000	107,363	-	707,363	1,970,000
2028	625,000	78,575	-	703,575	1,345,000
2029	655,000	48,331	-	703,331	690,000
2030	690,000	16,388	-	706,388	-
	<u>\$ 25,470,000</u>	<u>\$ 17,870,160</u>	<u>\$ -</u>	<u>\$ 43,340,160</u>	

CITY OF McALLEN, TEXAS
 SERIES 2005 WATERWORKS AND SEWER
 SYSTEM IMPROVEMENT REVENUE BONDS
 SCHEDULE OF REQUIREMENTS

EFFECTIVE INTEREST RATE: VARIOUS*

MATURITY	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL
02/01/06	\$ 30,000	\$ 610,195	\$ -	\$ 640,195
08/01/06		609,745	-	609,745
02/01/07	280,000	609,745	-	889,745
08/01/07		605,545	-	605,545
02/01/08	285,000	605,545	-	890,545
08/01/08		601,270	-	601,270
02/01/09	295,000	601,270	-	896,270
08/01/09		596,476	-	596,476
02/01/10	305,000	596,476	-	901,476
08/01/10		591,139	-	591,139
02/01/11	985,000	591,139	-	1,576,139
08/01/11		573,901	-	573,901
02/01/12	1,020,000	573,901	-	1,593,901
08/01/12		555,286	-	555,286
02/01/13	1,060,000	555,286	-	1,615,286
08/01/13		535,146	-	535,146
02/01/14	1,100,000	535,146	-	1,635,146
08/01/14		513,696	-	513,696
02/01/15	1,150,000	513,696	-	1,663,696
08/01/15		489,259	-	489,259
02/01/16	1,205,000	489,259	-	1,694,259
08/01/16		457,628	-	457,628
02/01/17	1,270,000	457,628	-	1,727,628
08/01/17		424,290	-	424,290
02/01/18	1,335,000	424,290	-	1,759,290
08/01/18		389,246	-	389,246
02/01/19	1,450,000	389,246	-	1,839,246
08/01/19		351,184	-	351,184
02/01/20	1,530,000	351,184	-	1,881,184
08/01/20		311,021	-	311,021
02/01/21	1,615,000	311,021	-	1,926,021
08/01/21		268,628	-	268,628
02/01/22	1,710,000	268,628	-	1,978,628
08/01/22		223,740	-	223,740
02/01/23	1,800,000	223,740	-	2,023,740
08/01/23		176,490	-	176,490
02/01/24	1,900,000	176,490	-	2,076,490
08/01/24		126,615	-	126,615
02/01/25	2,005,000	126,615	-	2,131,615
08/01/25		73,984	-	73,984
02/01/26	570,000	73,984	-	643,984
08/01/26		60,731	-	60,731

CITY OF McALLEN, TEXAS
 SERIES 2005 WATERWORKS AND SEWER
 SYSTEM IMPROVEMENT REVENUE BONDS
 SCHEDULE OF REQUIREMENTS

EFFECTIVE INTEREST RATE: VARIOUS*

MATURITY	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL
02/01/27	600,000	60,731	-	660,731
08/01/27		46,631	-	46,631
02/01/28	625,000	46,631	-	671,631
08/01/28		31,944	-	31,944
02/01/29	655,000	31,944	-	686,944
08/01/29		16,388	-	16,388
02/01/30	690,000	16,388	-	706,388
09/01/30	-	-	-	-
	<u>\$ 25,470,000</u>	<u>\$ 17,870,161</u>	<u>\$ -</u>	<u>\$ 43,340,160</u>

* FROM 3.00% TO 5.25%

City of McAllen, Texas
McAllen International Toll Bridge
Debt Service Fund
Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>SINKING FUND</u>				
BEGINNING FUND BALANCE	\$ 110,834	\$ 118,914	\$ 102,117	\$ 102,117
 <u>Sources:</u>				
Transfer In-Operations	<u>272,673</u>	<u>282,778</u>	<u>282,778</u>	<u>283,553</u>
Total Sources and Transfers	<u>272,673</u>	<u>282,778</u>	<u>282,778</u>	<u>283,553</u>
TOTAL RESOURCES	<u>\$ 383,507</u>	<u>\$ 401,692</u>	<u>\$ 384,895</u>	<u>\$ 385,670</u>
 <u>APPROPRIATIONS</u>				
Bond Principal	\$ 190,000	\$ 200,000	\$ 200,000	\$ 210,000
Interest and Fees	<u>91,390</u>	<u>82,778</u>	<u>82,778</u>	<u>73,553</u>
TOTAL APPROPRIATIONS	<u>281,390</u>	<u>282,778</u>	<u>282,778</u>	<u>283,553</u>
 ENDING FUND BALANCE	<u><u>\$ 102,117</u></u>	<u><u>\$ 118,914</u></u>	<u><u>\$ 102,117</u></u>	<u><u>\$ 102,117</u></u>

CITY OF McALLEN, TEXAS
TOLL BRIDGE REVENUE BONDS
ALL SERIES
DEBT SERVICE CURRENT REQUIREMENTS

ISSUE	OUTSTANDING 10/1/2005	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL
2002	\$ 1,730,000	\$ 210,000	\$ 73,553	\$ -	\$ 283,553
	<u>\$ 1,730,000</u>	<u>\$ 210,000</u>	<u>\$ 73,553</u>	<u>\$ -</u>	<u>\$ 283,553</u>

CITY OF McALLEN, TEXAS
 SERIES 2002 TOLL BRIDGE REVENUE BONDS
 ANNUAL DEBT SERVICE REQUIREMENTS TO MATURITY

YEAR	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL	PRINCIPAL BALANCE
					\$ 1,730,000
2006	210,000	73,553	-	283,553	1,520,000
2007	225,000	63,765	-	288,765	1,295,000
2008	235,000	53,415	-	288,415	1,060,000
2009	245,000	42,615	-	287,615	815,000
2010	260,000	31,253	-	291,253	555,000
2011	270,000	19,328	-	289,328	285,000
2012	285,000	6,626	-	291,626	-
	<u>\$ 1,730,000</u>	<u>\$ 290,554</u>	<u>\$ -</u>	<u>\$ 2,020,554</u>	

CITY OF McALLEN
 SERIES 2002 TOLL BRIDGE REVENUE BONDS
 SCHEDULE OF REQUIREMENTS

EFFECTIVE INTEREST RATE: VARIOUS*

MATURITY	PRINCIPAL	INTEREST	FEEs	TOTAL
03/01/06	\$ 210,000	\$ 39,139	\$ -	\$ 249,139
09/01/06		34,414	-	34,414
03/01/07	225,000	34,414	-	259,414
09/01/07		29,351	-	29,351
03/01/08	235,000	29,351	-	264,351
09/01/08		24,064	-	24,064
03/01/09	245,000	24,064	-	269,064
09/01/09		18,551	-	18,551
03/01/10	260,000	18,551	-	278,551
09/01/10		12,701	-	12,701
03/01/11	270,000	12,701	-	282,701
09/01/11		6,626	-	6,626
03/01/12	285,000	6,626	-	291,626
	<u>\$ 1,730,000</u>	<u>\$ 290,554</u>	<u>\$ -</u>	<u>\$ 2,020,554</u>

* FROM 4.50% TO 4.65%

City of McAllen, Texas
Sales Tax Revenue Bonds
Debt Service Fund
Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
BEGINNING FUND BALANCE	\$ 5,715	\$ 5,715	\$ 5,622	\$ 5,622
<u>Sources:</u>				
Transfer In-Operations	<u>43,508</u>	<u>41,894</u>	<u>41,894</u>	<u>40,763</u>
Total Sources and Transfers	<u>43,508</u>	<u>41,894</u>	<u>41,894</u>	<u>40,763</u>
TOTAL RESOURCES	<u>\$ 49,223</u>	<u>\$ 47,609</u>	<u>\$ 47,516</u>	<u>\$ 46,385</u>
<u>APPROPRIATIONS</u>				
Bond Principal	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000
Interest and Fees	<u>18,601</u>	<u>16,894</u>	<u>16,894</u>	<u>15,763</u>
TOTAL APPROPRIATIONS	<u>43,601</u>	<u>41,894</u>	<u>41,894</u>	<u>40,763</u>
ENDING FUND BALANCE	<u><u>\$ 5,622</u></u>	<u><u>\$ 5,715</u></u>	<u><u>\$ 5,622</u></u>	<u><u>\$ 5,622</u></u>

CITY OF McALLEN, TEXAS
SALES TAX REVENUE BONDS
ALL SERIES
DEBT SERVICE CURRENT REQUIREMENTS

ISSUE	OUTSTANDING 10/1/2005	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL
1998	\$ 325,000	\$ 25,000	\$ 15,763	\$ -	\$ 40,763
	<u>\$ 325,000</u>	<u>\$ 25,000</u>	<u>\$ 15,763</u>	<u>\$ -</u>	<u>\$ 40,763</u>

CITY OF McALLEN, TEXAS
 SERIES 1998 SALES TAX REVENUE BOND
 ANNUAL DEBT SERVICE REQUIREMENTS TO MATURITY

YEAR	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL	PRINCIPAL BALANCE
					\$ 325,000
2006	25,000	15,763	-	40,763	300,000
2007	25,000	14,625	-	39,625	275,000
2008	25,000	13,463	-	38,463	250,000
2009	25,000	12,275	-	37,275	225,000
2010	25,000	11,050	-	36,050	200,000
2011	25,000	9,788	-	34,788	175,000
2012	25,000	8,506	-	33,506	150,000
2013	25,000	7,213	-	32,213	125,000
2014	25,000	5,906	-	30,906	100,000
2015	25,000	4,594	-	29,594	75,000
2016	25,000	3,281	-	28,281	50,000
2017	25,000	1,969	-	26,969	25,000
2018	25,000	656	-	25,656	-
	<u>\$ 325,000</u>	<u>\$ 109,087</u>	<u>\$ -</u>	<u>\$ 434,087</u>	

CITY OF McALLEN, TEXAS
 SERIES 1998 SALES TAX REVENUE BONDS
 McALLEN ECONOMIC DEVELOPMENT CORPORATION
 SCHEDULE OF REQUIREMENTS

EFFECTIVE INTEREST RATE: VARIOUS*

MATURITY	PRINCIPAL	INTEREST	ESTIMATED FEES	TOTAL
02/15/06	\$ 25,000	\$ 8,163	\$ -	\$ 33,163
08/15/06		7,600	-	7,600
02/15/07	25,000	7,600	-	32,600
08/15/07		7,025	-	7,025
02/15/08	25,000	7,025	-	32,025
08/15/08		6,438	-	6,438
02/15/09	25,000	6,438	-	31,438
08/15/09		5,838	-	5,838
02/15/10	25,000	5,838	-	30,838
08/15/10		5,213	-	5,213
02/15/11	25,000	5,213	-	30,213
08/15/11		4,575	-	4,575
02/15/12	25,000	4,575	-	29,575
08/15/12		3,931	-	3,931
02/15/13	25,000	3,931	-	28,931
08/15/13		3,281	-	3,281
02/15/14	25,000	3,281	-	28,281
08/15/14		2,625	-	2,625
02/15/15	25,000	2,625	-	27,625
08/15/15		1,969	-	1,969
02/15/16	25,000	1,969	-	26,969
08/15/16		1,313	-	1,313
02/15/17	25,000	1,313	-	26,313
08/15/17		656	-	656
02/15/18	25,000	656	-	25,656
	<u>\$ 325,000</u>	<u>\$ 109,087</u>	<u>\$ -</u>	<u>\$ 434,087</u>

* FROM 4.45% TO 5.25 %

CAPITAL PROJECT FUNDS

The Capital Improvement Fund was established to account for all resources used for the acquisition and/or construction of capital facilities except those financed by proprietary fund types.

The Water and Sewer Capital Improvement Funds/Bond Construction Funds were established to account for all major projects such as: plant expansions, rehabilitation of water and sewer lines, future annexations, rehabilitation of water towers, etc. Bond issues and Water and Sewer revenues are sources for funding these projects.

The Civic Center Expansion Fund was established for the sole purpose of future expansion. Hotel tax is the primary revenue source.

The Anzaldua's Bridge Fund was established to account for all expenses related to the construction of a new international bridge connecting Reynosa, Mexico and McAllen, Texas.

The Airport Capital Improvement Fund was established to account for resources received from the Federal Aviation Administration and to account for all capital improvements associated with the grants received.

The Passenger Facility Charge Fund was established to account for the resources received under Federal Aviation Regulation Part 158, which authorize the collection of a passenger facility charge fee to be used for capital improvements for the Airport.



CITY of McALLEN, TEXAS

City of McAllen, Texas
Capital Improvement Fund
Fund Balance Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING FUND BALANCE	\$ 20,885,590	\$ 21,403,005	\$ 22,131,470	\$ 16,878,310
<u>Revenues:</u>				
Interest Earned	497,268	616,642	382,917	-
Grant - TP&W - Quinta Mazatlan	750,000	-	-	-
ROW Reimbursement - Ware Rd Phase I - TxDOT	225,252	216,000	69,676	-
ROW Reimbursement - Ware Rd Phase II - TxDOT	-	-	-	105,000
ROW Reimbursement - Ware Rd Phase III - TxDOT	-	-	-	1,350,000
Grant - 2004 State Homeland Security	-	421,584	62,771	368,000
Hidalgo County Irrigation District	-	280,167	-	50,000
US Dept of Interior/Texas PW for Scout Park	147,955	-	88,745	-
Developers' Reimbursement	-	16,660	-	-
Simon: Palm Crossing Development	-	660,000	-	-
Special Assessments:Dove: Taylor to Bentsen	-	192,923	352,013	-
Other Proceeds - Miscellaneous	-	107,000	113,058	-
Sale of Properties	-	-	150,000	-
Total Revenues	<u>1,620,475</u>	<u>2,510,976</u>	<u>1,219,180</u>	<u>1,873,000</u>
<u>Operating Transfers-In</u>				
General Fund	10,483,149	6,187,906	6,187,906	4,500,000
Development Corp. Fund	4,114,421	5,531,973	2,183,812	8,572,304
Misc. Government Grants Fund	-	-	57,945	-
Capital Imprv. - Sales Tax Project Fund	390,841	-	-	-
Park Land Zone #1	150,000	-	-	-
Park Land Zone #2	437,295	-	-	-
Total Transfers-In	<u>15,575,706</u>	<u>11,719,879</u>	<u>8,429,663</u>	<u>13,072,304</u>
Total Revenues and Transfers-In	<u>17,196,181</u>	<u>14,230,855</u>	<u>9,648,843</u>	<u>14,945,304</u>
TOTAL RESOURCES	<u>\$ 38,081,771</u>	<u>\$ 35,633,860</u>	<u>\$ 31,780,312</u>	<u>\$ 31,823,614</u>
APPROPRIATIONS				
<u>Expenditures</u>				
General Government	\$ 433,483	\$ 3,915,562	\$ 829,837	\$ 1,250,000
Public Safety	833,566	3,124,398	2,187,504	5,792,700
Highways and Streets	11,506,716	17,396,181	6,479,934	19,089,194
Culture and Recreations	5,270,461	10,364,186	5,252,843	4,690,562
Golf Course Projects	801,801	145,000	147,922	-
Other Major Projects	49,076	350,000	3,962	-
Total Expenditures (Detailed Schedule Attached)	<u>18,895,103</u>	<u>35,295,327</u>	<u>14,902,002</u>	<u>30,822,456</u>
Transfer-Out - General Fund	<u>310,309</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total Expenditures and Transfers-Out	<u>19,205,412</u>	<u>35,295,327</u>	<u>14,902,002</u>	<u>30,822,456</u>
Other items affecting Working Capital (Tx A&M)	<u>3,255,111</u>	<u>-</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 22,131,470</u>	<u>\$ 338,533</u>	<u>\$ 16,878,310</u>	<u>\$ 1,001,158</u>

CITY OF McALLEN, TEXAS

DEPARTMENT: CAPITAL PROJECTS

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06	Operations & Maintenance Impact
General Government	\$ 433,483	\$ 3,915,562	\$ 829,837	\$ 1,250,000	n/a
Public Safety	833,566	3,124,398	2,187,504	5,792,700	16,895
Highways and Streets	11,506,716	17,396,181	6,479,934	19,089,194	9,600
Culture and Recreations	5,270,461	10,364,186	5,252,843	4,690,562	107,975
Golf Course Projects	801,801	145,000	147,922	-	n/a
Other Major Projects	49,076	350,000	3,962	-	n/a
TOTAL	\$ 18,895,103	\$ 35,295,327	\$ 14,902,002	\$ 30,822,456	\$ 134,470

General Government Improvements

Add two floors to City Hall - Design	-	75,000	20,000	-	n/a
City Hall Improvements	-	-	53,800	-	n/a
Recable City Hall	-	-	-	80,000	n/a
Neighborhood Matching Grant Program	30,260	80,000	53,018	80,000	n/a
City Contrib. to Boy's Club Capital Campaign	400,000	400,000	400,000	400,000	n/a
Foresight McAllen Growth Mgmt Guide	-	125,000	-	125,000	n/a
Off Site Data Storage	-	65,000	-	65,000	n/a
City Entry Monuments	3,223	50,000	40,200	-	n/a

Heart of the City Improvements

Parking Meters 1500 replacements	-	140,562	-	-	n/a
Historic Preservation	-	40,000	37,913	-	n/a
Construct Parking Garage	-	2,780,000	84,356	-	n/a
Expwy 83 Landscape Master Plan: Jackson-Taylor	-	60,000	140,550	500,000	n/a
Landscape Business 83: 2nd Street to Bicentennial	-	100,000	-	-	n/a

<i>Total General Government Improvements</i>	433,483	3,915,562	829,837	1,250,000	n/a
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Fire Department

Design: Station Seven	21,500	-	-	-	n/a
Design: New Station One	10,805	150,000	39,990	300,000	n/a
Construction: New Station 1: Administration				2,600,000	n/a
Construction: New Station 1: Apparatus Bay				1,610,000	n/a
Apparatus for New Ladder Truck	-	-	-	140,000	n/a
Mobile Software Systm: 300,K for New World	-	-	17,270	90,000	n/a
Replace Canopy Station No. 4	-	47,000	33,240	-	n/a

Police Department

Addition to New Public Safety Bldg	60,570	-	-	-	n/a
Police Department Weapons Range	16,000	-	-	-	n/a
Update computer information system	177,244	418,400	468,095	20,000	n/a
Software/Hardware Addtns for Field Rprtnng	-	90,000	-	-	n/a
Furn./Equip Replacements & Remodel Old Police Dept. Bldg	-	80,000	-	-	n/a
Install Sprinkler System in Jail Section	-	70,000	-	-	n/a
Mobile Crime Scene Unit	-	125,000	123,699	-	n/a
Mobile Command Unit	-	184,006	-	198,000	n/a
LED Street Name Signs	177,116	180,000	178,602	149,700	n/a
Los Encinos Network Cntr Construction	-	707,352	724,012	-	n/a

CITY OF McALLEN, TEXAS

DEPARTMENT: CAPITAL PROJECTS

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06	Operations & Maintenance Impact
Intersection Improvements:					
Traffic Signal Installation Annual Construction	-	-	392,727	200,000	1,500
Traffic Operations Ctr & Storage Building Design	-	25,000	-	-	n/a
Safe Routes to School Program	37,572	152,640	87,404	65,000	15,000
Cameras 30 Locations per year	-	75,000	75,000	-	n/a
Comprehensive Traffic Study - 5 Elements	-	60,000	7,465	400,000	n/a
Traffic Signal Installation - Materials	332,759	720,000	-	-	n/a
School Zone Flashers Paging System	-	40,000	40,000	20,000	395
Total Public Safety	833,566	3,124,398	2,187,504	5,792,700	16,895
Highways and Streets					
10th Street Widen: Houston to Pecan: Design	-	800,000	-	-	n/a
2nd Street - Dove to Trenton	782,893	34,248	41,148	-	n/a
2nd Street - Trenton - Hobbs	-	375,000	-	-	n/a
29th - 3 Mile to Mynah	(900)	-	-	-	n/a
29th - Business 83 to Gumwood	18,434	-	188,934	-	n/a
29th - Business to Nolana	938,429	207,854	-	-	n/a
33rd & Formosa Reconstruction in FTZ	1,109,008	46,820	46,820	-	n/a
35th: Military Highway to Sarah	-	-	-	-	n/a
Alley Reconstruction	-	250,000	222,422	200,000	n/a
Ash Ave Reconstruction 35th to 26th St	100,418	-	-	-	n/a
Baylor Street (Wisconsin) 2nd St to E City Limits	-	165,000	2,836	-	n/a
Bentsen - Pecan - Expressway 83	679,257	3,434,932	-	-	n/a
Bentsen - Pecan - Expressway 83 - Design	-	-	41,422	20,000	n/a
Bentsen - Pecan - Expressway 83 - Construction	-	-	467,676	4,786,742	n/a
Bentsen - Pecan to 3 Mile (Design)	-	750,000	8,236	250,000	n/a
Bentsen - Pecan to 3 Mile (Phase 1)	-	-	-	3,825,647	n/a
Bentsen - Pecan to 3 Mile Line (Railroad)	11,875	-	-	295,000	n/a
Bicentennial Ext-Nolana to Trenton - Design	16,855	3,158,091	-	-	n/a
Bicentennial Parkway - Nolana to Dove	-	-	773,772	4,361,657	6,400
Dove: Taylor Road to Bentsen: St Drainage	-	574,497	-	-	n/a
Dove: Bentsen to Ware Road Street, Canal Bridge	-	152,000	76,120	-	n/a
GIS Needs / upgrades	-	100,000	-	75,000	n/a
La Piedad Commentary Improvements	-	115,000	-	210,000	n/a
Landscape: Bicentennial	-	-	57,048	-	n/a
McColl - Xway to Bus 83: Widening & San Swr	188,766	1,027,336	1,032,069	-	3,200
Nolana Widening - 6 lanes	-	-	106,400	373,000	n/a
Railroad Signals & Grade Crossing @ 2nd St. & Ro	254,189	-	-	-	n/a
Railroad switching yard @ Bic: Hackberry-Ebony-Fea	-	50,000	-	-	n/a
Subdivision Paving	125,536	150,000	186,644	150,000	n/a
Trenton Rd: 23rd St. to Ware Road	1,447,946	835,870	820,883	-	n/a
Yuma Street: Cynthia to S McColl	503,288	-	-	-	n/a
Total Streets	6,175,992	12,226,648	4,072,430	14,547,046	9,600
Drainage					
1st Street: Laural to La Vista Design	-	30,000	-	-	n/a
26th & Gumwood Drainage Improvements	417,607	53,059	56,117	-	n/a
2nd & Quamasia Drainage Improvements	-	209,030	50,000	175,720	n/a
4th & 8th Street Drainage	-	750,000	100,000	839,428	n/a

CITY OF McALLEN, TEXAS

DEPARTMENT: CAPITAL PROJECTS

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06	Operations & Maintenance Impact
Balboa Ditch Levee Outfall east of 23rd Street	3,990	355,000	-	500,000	n/a
Balboa Pumps	97	250,000	212,437	100,000	n/a
Bentsen Road and Daffodil Drainage	166,632	-	-	-	n/a
Bicentennial Blueline Regrading: Phase I	-	420,000	50,000	-	n/a
Design of NE Blueline/Rd Facility	-	675,000	-	-	n/a
Eng Svcs:Strmwtr Prmt: Regs to enforce '05	-	-	-	200,000	n/a
Erosion Control (Concrete Rip Rap)	-	250,000	36	-	n/a
Ext Ditch widening/regrading	77,408	325,000	320,988	-	n/a
Jackson & 6th Street Drainage	48,587	-	-	-	n/a
Main/Pecan/Harvey Drainage	7,618	-	-	-	n/a
Master Drainage Plan Update	25,800	-	-	-	n/a
Mission Inlet relocation (non airport share) Study	-	30,000	-	30,000	n/a
NE Blueline Ditch Analysis	5,407	-	-	-	n/a
NE Blueline Drainage Ditch-48" Irrigation Line	-	-	32,765	-	n/a
NE Blueline Regional Detention Facility Site	-	-	923,786	-	n/a
NE Blueline Nolana - Quince	1,038,779	-	-	-	n/a
NE Blueline Regional Detention Facility Site	58,497	-	-	-	n/a
NW Blueline Widening & Crossing - Nolana to Rol	2,095,637	-	-	-	n/a
N Bic Regional Detention Facility (Main & Zenop)I	38,742	29,474	-	-	n/a
N Bic Regional Detention Facility (Main & Zenop)I	-	-	-	-	n/a
North West Blueline Ditch Profiling	-	-	29,174	-	n/a
Paving/ Drainage Reimbursement	54,283	-	-	-	n/a
Pecan and 27th Street - RDF	-	250,000	-	-	n/a
Pre 98 Developers	4,830	-	-	-	n/a
STC: Storm Drainage Connection to North	-	800,000	78	697,000	n/a
Storm Drainage NPDES Permit/Impv.	-	50,000	-	-	n/a
Subdivision Drainage Over sizing	193,691	260,970	27,177	250,000	n/a
Airport Lift Station	-	-	84,650	-	n/a
Ware Road and Beech Crossing	-	-	11,250	-	n/a
Edinburg Mcallen Lateral to S. Main Drain	-	-	54,725	-	n/a
Total Drainage	4,237,606	4,737,533	1,953,183	2,792,148	n/a
Right of Way					
ROW N Ware Rd; B 83 to Pecan	844,147	-	-	-	n/a
ROW for Widening 10th St	-	-	-	-	n/a
Nolana: Bentsen to Taylor Rd	150	-	-	-	n/a
Phase II - FM 495 to Expressway	-	-	100,000	150,000	n/a
Ware Rd: 3 Mi to 5 Mi: 90% TxDOT Reimb	-	-	-	1,500,000	n/a
Ware Rd: FM 495 - Business 83	-	-	63,299	-	n/a
Ware Rd: FM 495 - North of 3 Mile Line	-	-	2,507	-	n/a
Unspecified Right of Way Purchase	104,874	100,000	55,177	100,000	n/a
Land Acquisition - Dev Office	65,518	-	-	-	n/a
Land Acquisition: Traffic Maint Facility	-	100,000	500	-	n/a
Airport Runway Expansion	78,429	232,000	232,838	-	n/a
Total Right of Way	1,093,118	432,000	454,321	1,750,000	n/a
Total Highways and Streets	11,506,716	17,396,181	6,479,934	19,089,194	9,600

CITY OF McALLEN, TEXAS

DEPARTMENT: CAPITAL PROJECTS

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06	Operations & Maintenance Impact
<i>Culture and Recreation Improvements</i>					
Ag Farm/Tree Farm	25,715	52,000	51,940	-	n/a
Alvarez City / School Park	-	20,000	-	20,000	15,600
Assorted Parks Amenities	78,888	60,000	55,462	-	n/a
Bentsen City School Park: Design Only	-	40,000	-	-	n/a
Bicentennial Landscape: Jackson to Airport Entranc	10,356	589,644	8,832	614,980	21,600
Bicentennial and 2nd St- Trails Lndscpe Impr	-	185,570	186,222	-	n/a
Boy's Club Municipal Pool	834	150,000	135,292	-	n/a
Cascade Swimming Pool - Design & Renovation	-	50,000	-	-	n/a
Crockett City School/ Park Development	-	4,000	-	-	n/a
Daffodil Park Development	53,645	-	-	-	n/a
De Leon Athletic Facility Development - Design	-	84,750	-	-	n/a
Drainage Ditch Trails - Irrigation, Trees, Signage	16,473	95,000	14,475	-	n/a
Dove Landing Park Development	-	60,000	-	500,000	n/a
Equipment & Material Sheds at Ware Road	-	100,000	-	-	n/a
Fields Elementary / City School	239,471	24,378	33,189	-	n/a
Gin Park Site Development	-	15,000	-	15,000	n/a
Gonzales City/School Park Development	92,185	-	30,272	-	n/a
Jackson City/School Park Development	15,843	1,219,222	384,000	-	n/a
Jackson City/School Park/Irrigation, Planting & Utilities	-	-	-	634,222	n/a
Las Brisas Park	-	190,000	-	28,000	8,700
La Vista Park Pavillion Renovations	-	50,000	-	-	n/a
Lark Center Children's Discovery Courtyard	4,221	-	-	-	n/a
McAuliffe City/School Park Development	-	2,523,283	650,000	-	n/a
McAuliffe City/School Park w/RDF 27 acres	-	-	154,120	1,694,360	10,400
Mobile Bleachers for Special Events	(116)	-	-	-	n/a
Morris City/Schl Park/RDF Devlpmnt-Design	16,134	96,743	40,044	-	n/a
Motorcross Park Improvements	12	-	-	-	n/a
Palmer Pavilion Renov. as Community Cntr	-	40,000	-	-	n/a
PARD Office Expansion	-	-	26,698	-	n/a
PARD Office/Maintenance Expansion	12	250,000	-	-	n/a
Phase 2 Pedestrian/Bike Trail	317,491	841,021	970,905	-	n/a
Phase 3 Ped/Bike Trail-2nd -Nolana to Trenton	281,956	-	-	-	n/a
Phase 9 Trail Bentsen / Edinburg Main Canal	-	250,000	-	-	n/a
Quinta Mazatlan Acquisitions	1,046,215	-	-	-	n/a
Quinta Mazatlan Exhibits	-	-	-	39,000	n/a
Quinta Mazatlan Renovation	728,026	1,663,723	1,663,723	-	n/a
Quinta Mazatlan CO No. 2 & 3	-	-	233,681	-	n/a
Quinta Mazatlan CO No. 4 - Exhibit Halls	-	-	33,000	-	n/a
Quinta Mazatlan: FF&E - Storage Shed	-	-	30,666	-	n/a
Quinta Mazatlan: FF&E - Office	-	-	-	160,000	n/a
Region One: New Literacy Center	-	-	-	25,000	n/a
Reynolds Park (29th & Zinnia) Design	-	-	13,596	-	n/a
Robin Park / Rayburn City / School Park	42,720	-	-	-	n/a
Schupp Park Renovation	-	250,000	-	-	n/a
Scout Park Renovations	200,426	95,586	117,717	-	n/a
Skate Park Development	378,273	40,000	42,726	-	n/a
Southside Park Conversion to Natural Habitat	151,986	42,500	42,840	-	n/a
Stutzenbecker Ball Park Renovations	-	50,000	-	-	n/a
Summer Breeze Park Construction	-	475,000	13,765	475,000	5,850
Trails Lndscpe: Bicntnnial & 2nd St: Nolana to 83	1,326,380	-	-	-	n/a
2nd St. Trail Lndscpe: Nolana - Trenton Ext Prk	-	-	165,000	-	n/a
Uvalde & 27th Practice Field	24,887	106,884	64,236	-	n/a

CITY OF McALLEN, TEXAS

DEPARTMENT: CAPITAL PROJECTS

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06	Operations & Maintenance Impact
Ware Rd - Exp 83 to Military Hwy/Landscaping	2,261	133,882	64,236	135,000	31,200
War Memorial Landscape Phase I	-	-	-	250,000	14,625
Westside Softball Complex; 4 Sun shades	-	116,000	-	-	n/a
Total Culture & Recreation Improvements	<u>5,054,292</u>	<u>9,964,186</u>	<u>5,226,637</u>	<u>4,590,562</u>	<u>107,975</u>
Library					
Main Library Building - Design	216,170	400,000	-	100,000	n/a
Main Library Improvements	-	-	26,206	-	n/a
Total Library	<u>216,170</u>	<u>400,000</u>	<u>26,206</u>	<u>100,000</u>	
Total Culture and Recreation	<u>5,270,461</u>	<u>10,364,186</u>	<u>5,252,843</u>	<u>4,690,562</u>	<u>107,975</u>
Golf Course					
Golf Course Reconstruction	473,050	-	-	-	n/a
Driving Range HQ Building	4,913	145,000	147,922	-	n/a
Replace Low Water Bridges over Pilot Channel	323,837	-	-	-	
Total Golf Course	<u>801,801</u>	<u>145,000</u>	<u>147,922</u>	<u>-</u>	<u>n/a</u>
Other Major Projects					
Ash removal at PW Transfer Station Site	25,954	-	-	-	n/a
La Placita Renovations	19,300	50,000	3,962	-	n/a
Existing City Facility Renovations	-	300,000	-	-	n/a
Veterans Nursing Home	3,822	-	-	-	n/a
Total Other Major Projects	<u>49,076</u>	<u>350,000</u>	<u>3,962</u>	<u>-</u>	<u>n/a</u>
	<u>\$ 18,895,100</u>	<u>\$ 35,295,327</u>	<u>\$ 14,902,002</u>	<u>\$ 30,822,456</u>	<u>\$ 134,470</u>

City of McAllen, Texas
Water Capital Improvements Fund
Fund Balance Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING FUND BALANCE	\$ 4,202,711	\$ 9,428,795	\$ 10,792,537	\$ 9,526,776
<u>Revenues:</u>				
Interest Earned	143,849	132,500	260,427	135,000
Gain (loss) on Investments	(85)	-	-	-
Total Revenues	143,764	132,500	260,427	135,000
Transfers In:				
Water Fund for Working Capital Projects	6,047,245	805,658	805,658	-
Capital Outlay	1,119,000	1,498,100	1,498,100	-
Total Revenues and Transfers	7,310,009	2,436,258	2,564,185	135,000
TOTAL RESOURCES	\$ 11,512,720	\$ 11,865,053	\$ 13,356,722	\$ 9,661,776
APPROPRIATIONS				
<u>Expenditures</u>				
Working Capital Projects:				
Utility Extension/Developmental Lines	\$ 350	\$ 64,426	\$ 64,426	\$ -
Line Oversizing/Participation	216,601	505,658	561,079	470,000
TxDOT - 23rd Street - Trenton to 107	62,903	159,702	-	-
TxDOT - Ware Road - 83 to 495	102,330	487,025	502,211	-
Purchase of Reservoir	-	-	400,000	-
Bentsen Road Utility line	-	1,278,980	909,781	46,199
Bentsen Road Service Line Relocation	-	-	-	400,000
Northwest Water Treatment Plant	-	120,797	120,797	400,000
<u>Working Capital Outlay:</u>				
Water Plant	94,315	740,000	959,000	932,000
Water Lab	-	-	-	35,000
Water Line Maintenance	213,492	694,100	274,100	592,225
Meter Readers	11,506	13,000	13,000	15,500
Customer Relations	-	-	-	50,000
Administration	18,686	51,000	25,552	6,270
Total Operations	720,183	4,114,688	3,829,946	2,947,194
TOTAL APPROPRIATIONS	720,183	4,114,688	3,829,946	2,947,194
ENDING FUND BALANCE	\$ 10,792,537	\$ 7,750,365	\$ 9,526,776	\$ 6,714,582

City of McAllen, Texas
Sewer Capital Improvements Fund
Fund Balance Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING FUND BALANCE	\$ 951,534	\$ 959,526	\$ 1,075,576	\$ 2,724,619
<u>Revenues:</u>				
Interest Earned	16,621	-	55,233	-
Gain (loss) on Investments	(42)	-	-	-
Total Revenues	16,579	-	55,233	-
Transfers In:				
Working Capital	100,000	2,000,000	2,000,000	100,000
Capital Outlay	329,700	821,000	821,000	-
Total Revenues and Transfers	446,279	2,821,000	2,876,233	100,000
TOTAL RESOURCES	<u>\$ 1,397,813</u>	<u>\$ 3,780,526</u>	<u>\$ 3,951,809</u>	<u>\$ 2,824,619</u>
APPROPRIATIONS				
Operating Expenses:				
<u>Projects</u>				
Sewer Improvements	\$ 299,708	\$ -	\$ -	\$ -
Line Oversizing/Participation	-	788,000	416,000	300,000
Airport Gravity Line	-	25,665	25,665	-
Bentsen Road	-	586,560	-	586,560
North WWTP Improvements	-	714,000	714,000	-
Country Club Lift Station	-	526,490	-	526,490
Tierra del Sol LS Gravity Line	-	-	-	400,000
Total Project Costs	299,708	2,640,715	1,155,665	1,813,050
Capital Outlay				
Administration	5,832	-	-	-
Wastewater Treatment Plant	16,697	79,500	68,157	50,000
Wastewater Collections	-	353,500	3,368	-
Total Capital Outlay	22,529	433,000	71,525	50,000
TOTAL APPROPRIATIONS	<u>322,237</u>	<u>3,073,715</u>	<u>1,227,190</u>	<u>1,863,050</u>
ENDING FUND BALANCE	<u>\$ 1,075,576</u>	<u>\$ 706,811</u>	<u>\$ 2,724,619</u>	<u>\$ 961,569</u>

City of McAllen, Texas
Sewer Bond Construction Fund
1999, 2000 & 2005
Fund Balance Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING FUND BALANCE	\$ 4,169,111	\$ 8,954,152	\$ 8,455,775	\$ 7,869,700
Adjustment to Beginning Balance				
<u>Revenues:</u>				
Bond Proceeds - Proposed	-	10,000,000	10,016,000	-
Interest Earned	206,937	-	137,784	72,000
Gain (loss) on Investments	-	-	-	-
Total Revenues	206,937	10,000,000	10,153,784	72,000
Operating Transfers In:				
Sewer Fund (Calpine Deposit)	-	-	-	-
Sewer Bond 96-B	-	-	-	-
Water Bond 1999 & 2000	6,029,376	-	-	-
Total Revenues and Transfers	6,236,313	10,000,000	10,153,784	72,000
TOTAL RESOURCES	\$ 10,405,424	\$ 18,954,152	\$ 18,609,559	\$ 7,941,700
APPROPRIATIONS				
<u>Operating Expenses:</u>				
WW6101-2 South Trunk Sewer - Balboa LS & FM	\$ 15,521	\$ 3,279,000	\$ 2,453,737	\$ -
WW6103 Date Palm/McColl Redirection	46,375	-	-	-
WW6105 Airport Gravity Trunk Sewer	115,969	2,480,335	2,433,062	-
WW 7101 a North WWTP Expansion (6-8 mgd)	1,096,861	-	-	-
WW 7101 b Design WWTP Expansion (8-14 mgd)	-	1,600,000	150,000	1,369,615
WW6104 Design El Rancho LS & Gravity Sewer	10,463	-	-	-
WW2002 Bentsen Road	128,024	8,630,440	3,539,000	5,091,440
Trenton Truck Sewer	-	-	-	366,600
North WWTP Lift Station	-	160,000	-	166,400
McColl Rd Gravity: Phase 2	470,936	311,000	350,360	-
North WWTP Improvements	55,887	1,775,000	1,647,404	127,596
South WWTP Improvements	1,575	-	-	-
County Club Lift Station	8,040	-	-	-
Wastewater Collections Mntce Comple	-	220,000	16,296	203,704
29th Street Parallel Sewer	-	-	-	145,000
Total Operations	1,949,651	18,455,775	10,589,859	7,470,355
Operating Transfers Out	-	150,000	150,000	-
TOTAL APPROPRIATIONS	1,949,651	18,605,775	10,739,859	7,470,355
Over/(Under) Appropriations	4,286,662	(8,605,775)	(586,075)	(7,398,355)
ENDING FUND BALANCE	\$ 8,455,773	\$ 348,377	\$ 7,869,700	\$ 471,345

City of McAllen, Texas
Civic Center Expansion Fund
Fund Balance Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING FUND BALANCE	\$ 25,275,740	\$ 25,741,446	\$ 25,734,290	\$ 27,331,020
Revenues:				
User Fees	81,142	-	1,555	-
Late Fees	2,134	-	-	-
Sale of Property	-	17,000,000	17,000,000	-
Purchaser Reimbursement	-	2,832,813	5,423,734	-
Interest Earned	467,263	559,303	610,894	510,642
	<u>550,539</u>	<u>20,392,116</u>	<u>23,036,183</u>	<u>510,642</u>
Total Revenues				
Operating Transfers In				
Hotel Occupancy Tax Fund	1,333,250	1,390,388	1,390,388	1,432,100
Civic Center Fund	-	1,816,151	1,816,151	-
Development Corp Fund	1,800,000	5,150,000	5,000,000	3,266,086
	<u>3,683,789</u>	<u>28,748,655</u>	<u>31,242,722</u>	<u>5,208,828</u>
Total Revenues and Transfers				
TOTAL RESOURCES	<u>\$ 28,959,529</u>	<u>\$ 54,490,101</u>	<u>\$ 56,977,012</u>	<u>\$ 32,539,848</u>
APPROPRIATIONS				
Operating Expenses				
Sundance Mobile Home Park	\$ 149,706	\$ -	\$ 100,000	\$ -
	<u>149,706</u>	<u>-</u>	<u>100,000</u>	<u>-</u>
Total Operations				
Capital Outlay:				
Land	965,395	399,663	697,546	1,637,316
New Convention Center Design & Constr	2,005,627	24,791,592	23,203,709	20,999,137
Streets and Utilities	76,978	12,787,305	4,036,917	-
Other	99,726	2,664,828	1,607,820	1,791,500
	<u>3,147,726</u>	<u>40,643,388</u>	<u>29,545,992</u>	<u>24,427,953</u>
Total Capital Outlay				
TOTAL APPROPRIATIONS	<u>3,297,432</u>	<u>40,643,388</u>	<u>29,645,992</u>	<u>24,427,953</u>
Other Item Affecting Working Capital	<u>72,193</u>	<u>-</u>	<u>-</u>	<u>-</u>
ENDING FUND BALANCE	<u>\$ 25,734,290</u>	<u>\$ 13,846,713</u>	<u>\$ 27,331,020</u>	<u>\$ 8,111,895</u>

City of McAllen, Texas
Anzaldua's Bridge Fund
Fund Balance Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING FUND BALANCE	\$ 4,609,212	\$ 4,488,248	\$ 4,455,503	\$ 4,407,641
<u>Revenues:</u>				
Interest Earned	71,147	200,000	100,000	150,000
Total Revenues	71,147	200,000	100,000	150,000
Total Revenues and Transfers	71,147	200,000	100,000	150,000
TOTAL RESOURCES	<u>\$ 4,680,359</u>	<u>\$ 4,688,248</u>	<u>\$ 4,555,503</u>	<u>\$ 4,557,641</u>
APPROPRIATIONS				
Operating Expenses:				
Personnel	\$ 38,535	\$ 40,362	\$ 40,362	\$ 42,073
Project Consultant	143,900	1,000,000	100,000	-
Travel	5,950	20,000	7,500	20,000
Other	36,471	-	-	-
Total Operations	224,856	1,060,362	147,862	62,073
TOTAL APPROPRIATIONS	<u>224,856</u>	<u>1,060,362</u>	<u>147,862</u>	<u>62,073</u>
ENDING FUND BALANCE	<u>\$ 4,455,503</u>	<u>\$ 3,627,886</u>	<u>\$ 4,407,641</u>	<u>\$ 4,495,568</u>

City of McAllen, Texas
Airport Capital Improvement
Fund Balance Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING FUND BALANCE	\$ -	\$ -	\$ -	\$ -
<u>Revenues:</u>				
Grant Reimbursement	-	2,174,827	341,288	3,250,185
Other		30,000	-	-
Total Revenues	-	2,204,827	341,288	3,250,185
Operating Transfers In McAllen International Airport Fund	-	214,465	80,452	171,062
Total Revenues and Transfers	-	2,419,292	421,740	3,421,247
TOTAL RESOURCES	\$ -	\$ 2,419,292	\$ 421,740	\$ 3,421,247
APPROPRIATIONS				
Capital Projects	\$ -	\$ 2,419,292	\$ 421,740	\$ 3,421,247
TOTAL APPROPRIATIONS	-	2,419,292	421,740	3,421,247
ENDING FUND BALANCE	\$ -	\$ -	\$ -	\$ -

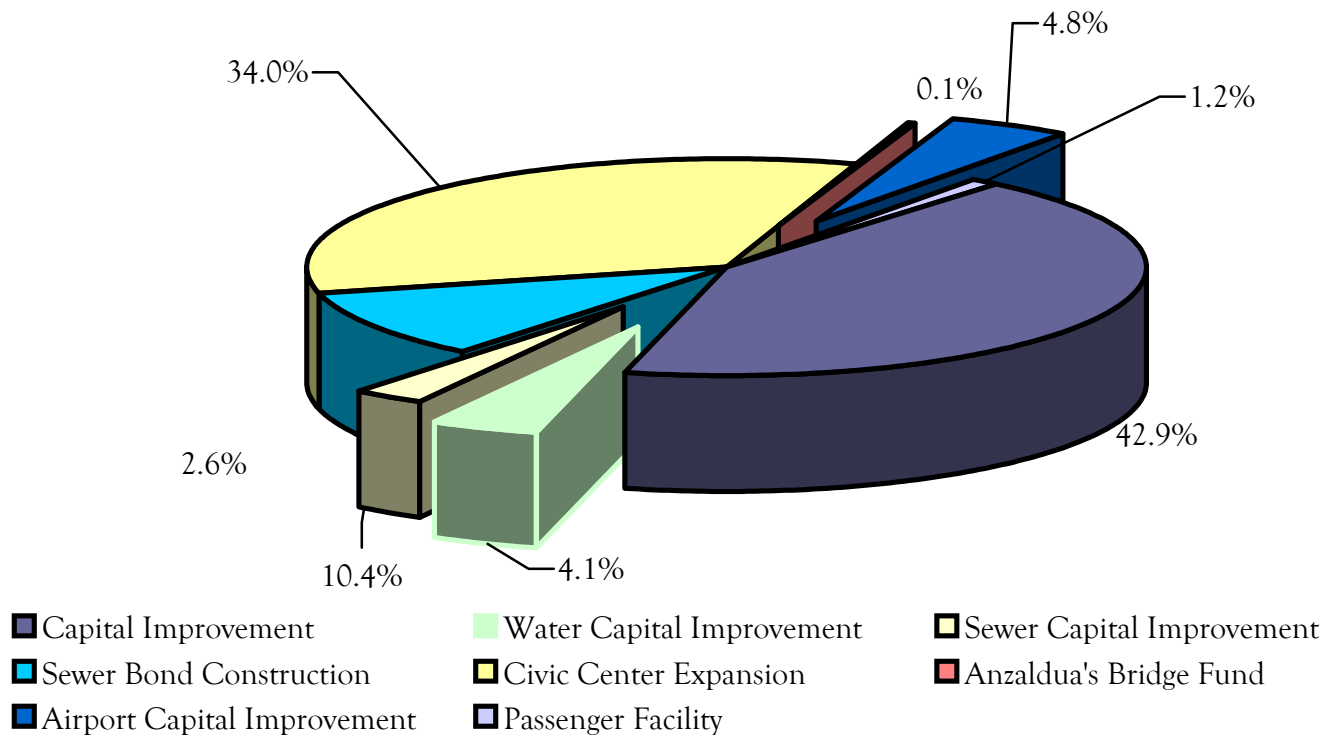
City of McAllen, Texas
Passenger Facility Charge
Fund Balance Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING FUND BALANCE	\$ 1,988,852	\$ 1,615,135	\$ 1,925,884	\$ 1,915,062
<u>Revenues:</u>				
Passenger Facility Charge	789,873	1,268,183	836,600	920,260
Interest Earned	39,535	22,193	39,932	27,000
Total Revenues	829,408	1,290,376	876,532	947,260
Total Revenues and Transfers	829,408	1,290,376	876,532	947,260
TOTAL RESOURCES	<u>\$ 2,818,260</u>	<u>\$ 2,905,511</u>	<u>\$ 2,802,416</u>	<u>\$ 2,862,322</u>
APPROPRIATIONS				
Capital Outlay:				
Improvement other than Building	\$ 892,376	\$ 123,115	\$ 337,949	\$ 830,000
Equipment	-	550,000	549,405	-
Total Capital Outlay	892,376	673,115	887,354	830,000
TOTAL APPROPRIATIONS	<u>892,376</u>	<u>673,115</u>	<u>887,354</u>	<u>830,000</u>
Other Items Affecting Working Capital	-			
ENDING FUND BALANCE	<u>\$ 1,925,884</u>	<u>\$ 2,232,396</u>	<u>\$ 1,915,062</u>	<u>\$ 2,032,322</u>

CITY OF McALLEN, TEXAS

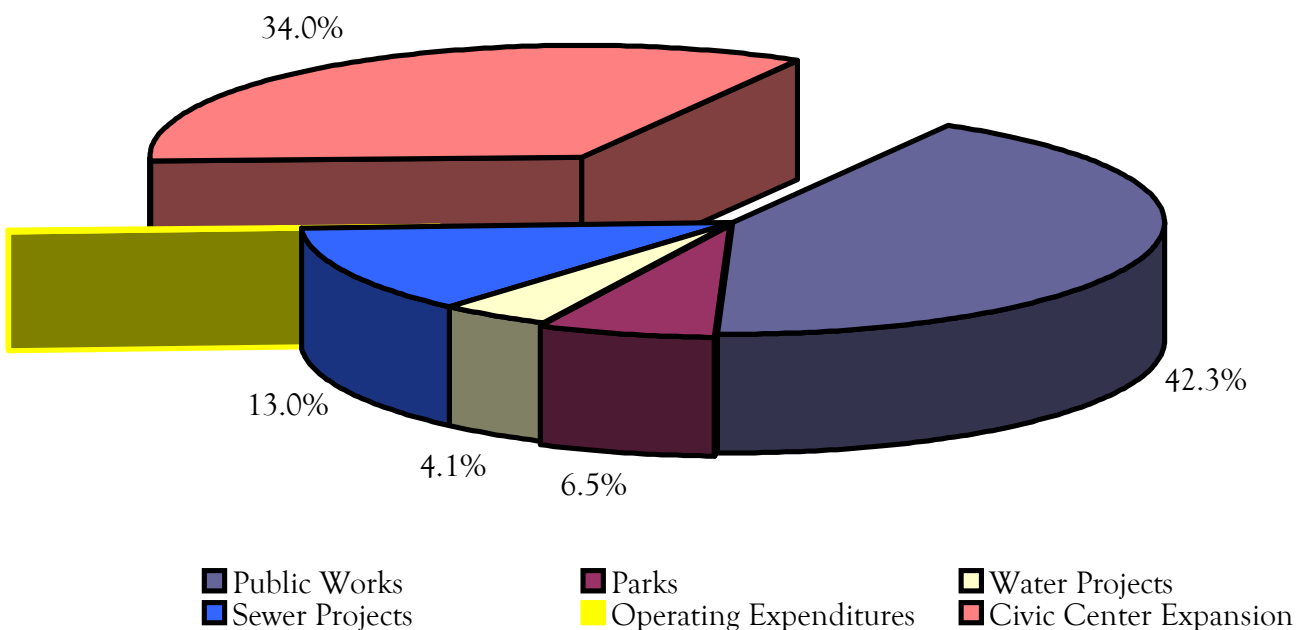
CAPITAL PROJECTS FUNDS APPROPRIATIONS

By Fund
\$71,844,328



CAPITAL PROJECTS FUNDS APPROPRIATIONS

By Category
\$71,844,328



WATER FUND

The Water Fund is used to account for the provision of water services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including administration, operations, maintenance, and billing and collections.

This section also includes the working capital summaries for Water Depreciation Fund, which was established for the sole purpose of replacing fixed assets. Funding for this fund is based on one - half of the monthly depreciation cost and is transferred in from the Water Fund revenues.



CITY of McALLEN, TEXAS

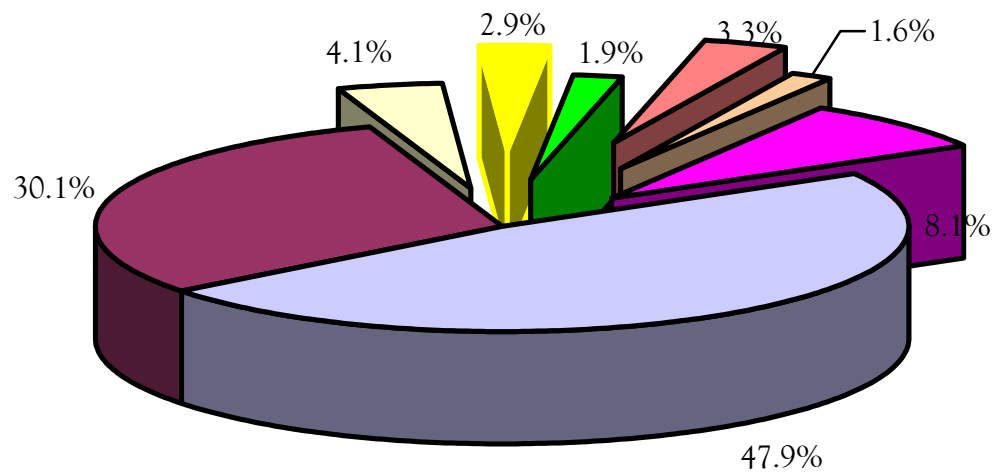
City of McAllen, Texas
Water Fund
Working Capital Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ 11,273,614	\$ 6,645,265	\$ 6,645,265	\$ 6,944,993
<u>Revenues:</u>				
Residential Water Sales	6,440,280	6,132,965	6,147,075	6,269,161
Commercial Water Sales	3,714,563	3,867,853	4,212,406	3,941,010
Industrial Water Sales	577,084	522,920	592,745	533,236
Regional Water Sales	-	-	265,000	-
Misc. Operating Revenues	1,000	47,000	125,817	57,000
Tap Fees	538,139	380,000	464,420	380,000
Connect Fees	110,785	90,000	90,000	90,000
Reconnect Fees	129,839	160,000	160,000	160,000
Billing Charges	380,000	405,000	405,000	430,000
Reimbursements-SWSC Buyout	72,880	865,184	1,135,048	873,886
Misc. Non-Operating Revenues	445,914	134,500	181,249	134,500
Interest Earned	216,031	220,000	228,777	215,000
Acquired Assets	-	-	20,156	-
Total Revenues	12,626,515	12,825,422	14,027,693	13,083,793
TOTAL RESOURCES	\$ 23,900,129	\$ 19,470,687	\$ 20,672,958	\$ 20,028,786
APPROPRIATIONS				
<u>Operating Expenses:</u>				
Administration and General/Benefits	\$ 1,022,606	\$ 1,324,576	\$ 1,174,630	\$ 1,438,684
Water Treatment Plant	2,640,427	3,235,552	3,237,911	3,491,372
Cost of Raw Water	1,021,860	1,137,400	1,104,107	1,188,583
Water Laboratory	214,290	250,596	252,050	257,652
Transmission and Distribution	1,213,998	1,305,486	1,347,492	1,519,308
Water Meter Readers	427,506	528,439	528,439	582,170
Utility Billing	442,193	462,122	462,122	531,950
Customer Relations	420,480	638,903	566,179	669,078
Capital Outlay	44,521	43,450	43,946	68,500
Total Operations	7,356,636	8,926,524	8,716,876	9,747,297
Transfers To Depreciation Fund	780,418	1,149,881	882,544	958,256
Transfers to Debt Service-1999 Issue	751,802	-	-	-
Transfers to Debt Service-2000 Issue	698,172	1,873,324	1,755,772	1,961,657
Transfers to Capital Improvements	7,166,245	2,303,758	2,303,758	-
Rebatable Arbitrage	172,763	-	69,015	-
TOTAL APPROPRIATIONS	16,926,038	14,253,487	13,727,965	12,667,210
Other Changes Affecting Working Capital	(328,828)	-	-	-
ENDING WORKING CAPITAL	\$ 6,645,265	\$ 5,217,200	\$ 6,944,993	\$ 7,361,576

CITY OF McALLEN, TEXAS

WATER FUND REVENUES

\$13,083,793



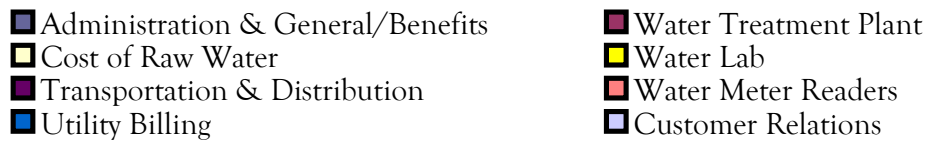
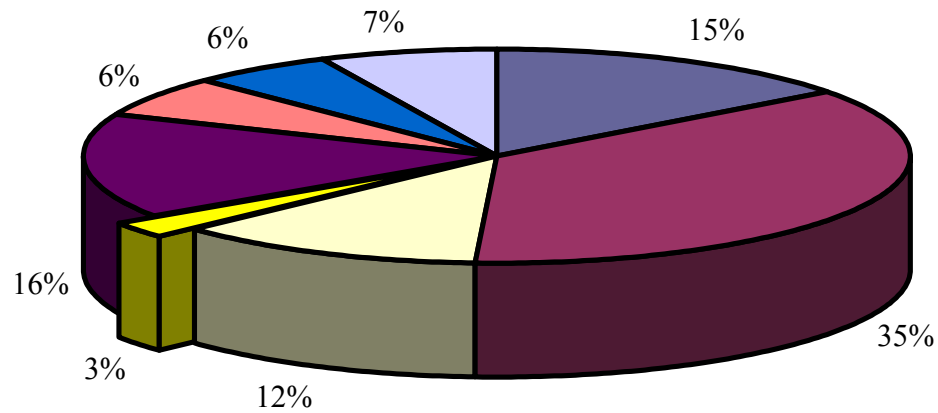
■ Residential Water Sales ■ Commercial Water Sales ■ Industrial Water Sales ■ Tap Fees
■ Connect/Reconnect Fees ■ Billing Charges ■ Interest ■ Other

CITY OF McALLEN, TEXAS

WATER FUND APPROPRIATIONS

By Division

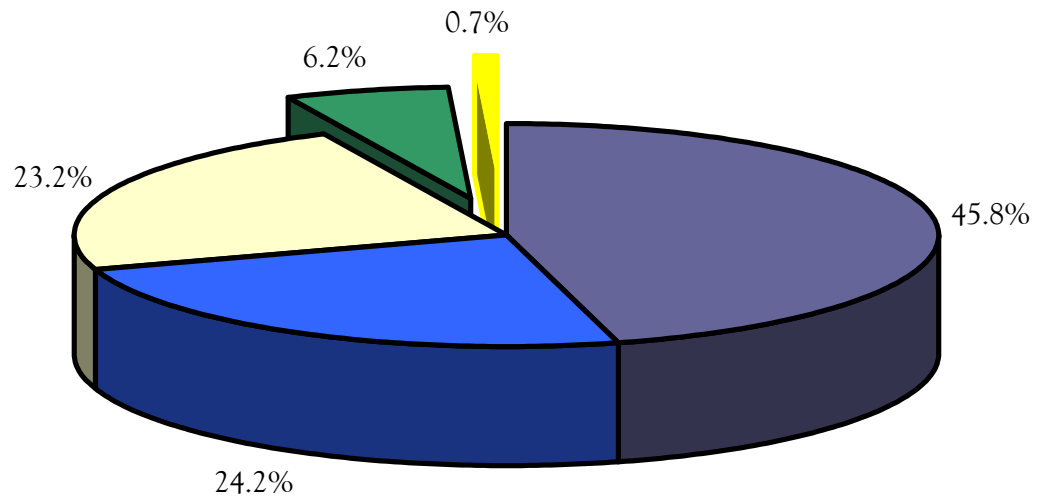
\$9,747,297



WATER FUND APPROPRIATIONS

By Expense Group

\$9,747,297



City of McAllen, Texas
Water Fund
Expense Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Administration and General	\$ 942,760	\$ 1,207,313	\$ 1,057,367	\$ 1,217,746
Employee Benefits	-	41,340	41,340	134,365
Liability and Misc. Insurance	81,888	90,073	90,073	90,073
Water Treatment Plants	2,651,633	3,241,152	3,243,497	3,502,972
Cost of Raw Water	1,021,860	1,137,400	1,104,107	1,188,583
Water Laboratory	217,172	252,596	253,850	257,652
Transportation & Distribution	1,223,388	1,323,586	1,365,592	1,535,408
Water Meter Readers	429,073	529,439	529,439	593,370
Utility Billing	445,397	462,122	462,122	546,150
Customer Relations	434,710	641,503	569,489	680,978
TOTAL EXPENDITURES	\$ 7,447,881	\$ 8,926,524	\$ 8,716,876	\$ 9,747,297
<u>BY EXPENSE GROUP</u>				
Expenses:				
Personnel Services				
Salaries and Wages	\$ 2,546,654	\$ 2,959,447	\$ 2,964,233	\$ 3,161,001
Employee Benefits	890,210	1,089,544	1,089,544	1,300,128
Supplies	1,905,960	2,198,984	2,128,555	2,354,569
Other Services and Charges	1,613,856	2,128,128	1,888,531	2,259,968
Maint. and Repair Services	446,680	506,971	602,067	603,131
TOTAL OPERATING EXPENSES	7,403,360	8,883,074	8,672,930	9,678,797
Capital Outlay	44,521	43,450	43,946	68,500
TOTAL EXPENDITURES	\$ 7,447,881	\$ 8,926,524	\$ 8,716,876	\$ 9,747,297
<u>PERSONNEL</u>				
Administration and General	5	8	8	7
Water Treatment Plants	31	31	31	32
Water Laboratory	5	5	5	5
Trans & Distribution	35	35	35	38
Water Meter Readers	13	14	14	15
Utility Billing	7	7	7	8
Customer Relations	16	16	16	16
TOTAL PERSONNEL	112	116	116	121

CITY OF McALLEN, TEXAS

DEPARTMENT: ADMINISTRATION AND GENERAL

FUND: WATER

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 281,470	\$ 427,879	\$ 428,789	\$ 404,370
Employee Benefits	69,151	104,458	104,458	95,383
Supplies	3,681	4,906	4,906	14,906
Other Services and Charges	585,383	648,685	497,829	689,399
Maintenance	1,033	7,235	7,235	10,188
Operations Subtotal	940,718	1,193,163	1,043,217	1,214,246
Capital Outlay	2,042	14,150	14,150	3,500
DEPARTMENTAL TOTAL	942,760	1,207,313	1,057,367	1,217,746
Non-Departmental				
Employee Benefits	-	41,340	41,340	134,365
Insurance	81,888	90,073	90,073	90,073
DEPARTMENTAL TOTAL	\$ 1,024,648	\$ 1,338,726	\$ 1,188,780	\$ 1,442,184
PERSONNEL				
Exempt	3	5	4	4
Non-Exempt	2	3	4	3
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	5	8	8	7

MISSION STATEMENT

This department is used to account for the overhead and management expenses in the Water Fund. Expenses recorded in this department are those which are relevant to the entire fund and are not feasible to proportion out. Types of expenses accounted for in this area include management charges, professional fees and services and auditing fees.

MAJOR FY 05-06 GOALS:

- 1.) Management and oversight of general operation of the Utility.
- 2.) Management and oversight of bond projects.
- 3.) Improve customer relations and customer confidence with MPU services.
- 4.) Promote regionalization for water and wastewater.
- 5.) Pursue additional water rights to supply MPU beyond 2010.

CITY OF McALLEN, TEXAS

DEPARTMENT: ADMINISTRATION & GENERAL

FUND: WATER

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Department expenditures	\$ 1,024,648	\$ 1,338,726	\$ 1,188,780	\$ 1,442,184
Total number of full time employees	5	8	8	7
<i>Outputs:</i>				
Quarterly financial reports	4	4	4	4
Official budget document	Yes	Yes	Yes	Yes
Maintenance/Improvement of Credit				
Ratings on bonds	Yes	Yes	Yes	Yes
Utility Board Agenda Packets	Yes	Yes	Yes	Yes
Utility Board Minutes	Yes	Yes	Yes	Yes
Posting of Board meeting agendas	Yes	Yes	Yes	Yes
<i>Effectiveness Measures:</i>				
Financial Reports completed within 45 days following quarter-end	4	4	4	4
	A+/A1	A+/A1	A+/A1	A+/A1
Maintain/Improve S&P/Moody's				
Ratings: Water/Sewer Revenue Bonds				
Agenda packets delivered to Board by Friday prior to Tuesday meeting	Yes	Yes	Yes	Yes
Board minutes prepared prior to next Utility Board meeting	Yes	Yes	Yes	Yes
Board meeting agendas posted within 72 hours of meeting time	Yes	Yes	Yes	Yes
<i>Efficiency Measures:</i>				
Complete Financial Reports within 45 days following quarter-end	Yes	Yes	Yes	Yes
	Yes	Yes	Yes	Yes
Complete Official Budget Document within 1st two months of year				
Agenda packets delivered to Board by Friday prior to Tuesday meeting	100%	100%	100%	100%
Board minutes prepared prior to next Utility Board Meeting	100%	100%	100%	100%
Board meeting agendas posted within 72 hours of meeting time	100%	100%	100%	100%

CITY OF McALLEN, TEXAS

DEPARTMENT: WATER TREATMENT PLANTS

FUND: WATER

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 699,869	\$ 781,467	\$ 783,160	\$ 831,056
Employee Benefits	234,839	268,228	268,228	302,086
Supplies	769,881	800,010	842,520	879,910
Other Services and Charges	754,036	1,167,432	1,098,348	1,234,637
Maintenance	181,802	218,415	245,655	243,683
Operations Subtotal	2,640,427	3,235,552	3,237,911	3,491,372
Capital Outlay	11,206	5,600	5,586	11,600
DEPARTMENTAL TOTAL	\$ 2,651,633	\$ 3,241,152	\$ 3,243,497	\$ 3,502,972
PERSONNEL				
Exempt	1	1	1	1
Non-Exempt	29	29	29	30
Part-Time	1	1	1	1
Civil Service	-	-	-	-
DEPARTMENT TOTAL	31	31	31	32

MISSION STATEMENT

To provide a safe continues supply of public water for public consumption.

MAJOR FY 05-06 GOALS:

- 1.) Optimize Plant performance for the Southwest and Northwest Water Plants.
- 2.) Northwest Plant startup.
- 3.) Provide a consistent adequate water pressure in distribution system.
- 4.) Improve water quality through taste and odor control.
- 5.) Foster and maintain a team oriented work environment between the departments in the Water Systems Division.

CITY OF McALLEN, TEXAS

DEPARTMENT: WATER TREATMENT PLANTS

FUND: WATER

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Department expenditures	\$ 2,651,633	\$ 3,241,152	\$ 3,243,497	\$ 3,502,972
Total number of full time employees	30	30	30	31
<i>Outputs:</i>				
Total raw water treated	7,865,387,000	7,900,000,000	7,900,000,000	7,900,000,000
Total HI-Service water produced (mgd)	728,087,000	7,600,000,000	7,600,000,000	7,600,000,000
Average daily consumption (mgd)	20	21	20	20
Maximum daily consumption (mgd)	36	36	36	38
Capacity (mg)	36	43	4	43
Water analysis	129,757	129,757	194,635	259,514
<i>Effectiveness Measures:</i>				
Turbidity removal	97%	97%	97%	97%
Disinfection requirement (MCL 4.0)	3	3	3	3
Compliance with all regularly requirements	100%	100%	100%	100%
Compliance with all water quality monitoring requirements	100%	100%	100%	100%
<i>Efficiency Measures:</i>				
Chemical cost per MG	\$ 94	\$ 97	\$ 102	\$ 112
Power cost per MG	\$ 75	\$ 123	\$ 101	\$ 135
Maintenance cost per MG	\$ 23	\$ 28	\$ 31	\$ 31
Personnel cost per MG	\$ 119	\$ 133	\$ 133	\$ 143
Total cost per MG	\$ 337	\$ 410	\$ 411	\$ 443

CITY OF McALLEN, TEXAS

DEPARTMENT: COST OF RAW WATER

FUND: WATER

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ -	\$ -	\$ -	\$ -
Employee Benefits	-	-	-	-
Supplies	1,021,860	1,137,400	1,104,107	1,188,583
Other Services and Charges	-	-	-	-
Maintenance	-	-	-	-
Operations Subtotal	1,021,860	1,137,400	1,104,107	1,188,583
Capital Outlay	-	-	-	-
DEPARTMENTAL TOTAL	\$ 1,021,860	\$ 1,137,400	\$ 1,104,107	\$ 1,188,583
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	-	-	-	-
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	-	-	-	-

MISSION STATEMENT

This account represents the cost of pumping water from the Rio Grande River to the treatment facilities. These costs are paid to the various irrigation districts, which include: Hidalgo County Irrigation District No. 2, Hidalgo County Water Improvement District No. 3, and the United Irrigation District.

CITY OF McALLEN, TEXAS

DEPARTMENT: COST OF RAW WATER

FUND: WATER

PERFORMANCE MEASURES

Actual
03-04

Adj. Budget
04-05

Estimated
04-05

Budget
05-06

Inputs:

Department expenditures

\$ 1,021,860

\$ 1,137,400

\$ 1,104,107

\$ 1,188,583

Outputs:

Effectiveness Measures:

Efficiency Measures:

CITY OF McALLEN, TEXAS

DEPARTMENT: WATER LABORATORY

FUND: WATER

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 132,052	\$ 134,037	\$ 134,037	\$ 134,902
Employee Benefits	37,969	39,738	39,738	44,832
Supplies	30,864	48,630	46,600	48,630
Other Services and Charges	7,462	16,380	14,775	16,840
Maintenance	5,943	11,811	16,900	12,448
Operations Subtotal	214,290	250,596	252,050	257,652
Capital Outlay	2,882	2,000	1,800	-
DEPARTMENTAL TOTAL	\$ 217,172	\$ 252,596	\$ 253,850	\$ 257,652
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	5	5	5	5
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	5	5	5	5

MISSION STATEMENT

To provide the Water Treatment Division and Commercial Customers a quality service assuring that all rules and regulations are met.

MAJOR FY 05-06 GOALS:

- 1.) Maintain Texas Department of Health Laboratory Certification.
- 2.) Increase Commercial workload on Bact & TOC analysis.
- 3.) Continue providing lab services for other utilities.
- 4.) Improve communication between both labs.
- 5.) Certify all Lab Technicians.
- 6.) Improve the quality of work performed in laboratories.
- 7.) Optimize use of space in lab facility.
- 8.) Develop cross training program.

CITY OF McALLEN, TEXAS

DEPARTMENT: WATER LABORATORY

FUND: WATER

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Department expenditures	\$ 217,172	\$ 252,596	\$ 253,850	\$ 257,652
Total number of full time employees	5	5	5	5
<i>Outputs:</i>				
Total Bacterial Analysis	4,200	4,200	4,200	4,200
General Analysis	13,260	13,260	13,260	13,260
Consumer Confidence Report (CCR)	44,000	44,000	44,000	44,000
<i>Effectiveness Measures:</i>				
Commercial Customer Bact's	2,880	2,880	2,880	2,880
MPU Bacteriological Analysis	1,560	1,560	1,560	1,560
Weekly General Analysis	255	255	255	255
Number of Inquires for CCR	10	10	10	10
<i>Efficiency Measures:</i>				
Lab cost per million gallons	\$ 27	\$ 31	\$ 32	\$ 32

CITY OF McALLEN, TEXAS

DEPARTMENT: TRANSPORTATION AND DISTRIBUTION

FUND: WATER

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 712,574	\$ 764,847	\$ 769,847	\$ 876,047
Employee Benefits	250,732	278,385	278,385	324,757
Supplies	23,421	24,628	23,300	24,080
Other Services and Charges	13,935	20,766	20,200	20,012
Maintenance	213,336	216,860	255,760	274,412
Operations Subtotal	1,213,998	1,305,486	1,347,492	1,519,308
Capital Outlay	9,390	18,100	18,100	16,100
DEPARTMENTAL TOTAL	\$ 1,223,388	\$ 1,323,586	\$ 1,365,592	\$ 1,535,408
PERSONNEL				
Exempt	1	1	1	1
Non-Exempt	34	34	34	37
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	35	35	35	38

MISSION STATEMENT

To maintain all water lines, fire hydrants, valves, and meters in the water distribution system in order to ensure quality, uninterrupted customer service.

MAJOR FY 05-06 GOALS:

- 1.) Continue TWUA certification.
- 2.) Continue exercising valves throughout the system.
- 3.) Replace damaged and deteriorated valves.
- 4.) Replace old fire hydrants.
- 5.) Continue old meter exchange program.
- 6.) Continue flushing of all blow offs and dead end mains to prevent bacteriological contamination.

CITY OF McALLEN, TEXAS

DEPARTMENT: TRANSPORTATION AND DISTRIBUTION

FUND: WATER

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Department expenditures	\$ 1,223,388	\$ 1,323,586	\$ 1,365,592	\$ 1,535,408
Total number of full time employees	35	35	35	38
Number of Line Maintenance Employees				
Number of Meter Maintenance Employees				
<i>Outputs:</i>				
Number of new taps	1,397	1,350	1,350	1,375
Number of complaints/requests completed	6,569	6,000	6,500	6,600
Number of service orders completed I.e., test, raise, relocate, replace meters, etc.	4,341	4,500	7,000	7,500
<i>Effectiveness Measures:</i>				
Exchanged old meters as per JBS Report	2,367	2,900	3,900	4,000
Main or service line repairs	858	800	840	850
Replace water lines (feet)	1,700	3,000	3,000	3,000
Fire hydrants replaced	29	30	35	35
<i>Efficiency Measures:</i>				
Average number of meters exchanged monthly	197	240	326	333
Average number of meters installed monthly	116	110	115	115
Number of request/complaints completed monthly	360	500	547	600
Miles of water lines maintained	590	600	634	650
Number of fire hydrants maintained	2,750	2,800	3,090	3,150

CITY OF McALLEN, TEXAS

DEPARTMENT: WATER METER READERS

FUND: WATER

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 267,914	\$ 323,480	\$ 323,480	\$ 345,828
Employee Benefits	96,131	116,359	116,359	131,517
Supplies	17,511	20,300	20,300	21,900
Other Services and Charges	9,818	16,850	16,850	22,225
Maintenance	36,132	51,450	51,450	60,700
Operations Subtotal	427,506	528,439	528,439	582,170
Capital Outlay	1,567	1,000	1,000	11,200
DEPARTMENTAL TOTAL	\$ 429,073	\$ 529,439	\$ 529,439	\$ 593,370
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	13	14	14	15
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	13	14	14	15

MISSION STATEMENT

This department is responsible for customer service as it relates to water services and meter reads. It is also responsible for the water meters after the initial installation. The staff in this department reads meter, rechecks reads, meets with customers on request as it relates to water services, disconnects delinquent accounts, connects and disconnects services requested by customers, and responds to emergency and stand-by calls.

MAJOR FY 05-06 GOALS:

- 1.) Cross-train all employees on H T E computer system.
- 2.) Improve customer confidence through better customer service.

CITY OF McALLEN, TEXAS

DEPARTMENT: WATER METER READERS

FUND: WATER

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Department expenditures	\$ 429,073	\$ 529,439	\$ 529,439	\$ 593,370
Total number of full time employees	14	14	14	15
Number of Meter Readers	7	7	7	7
Number of servicemen	5	5	5	6
<i>Outputs:</i>				
Number of Meters read	445,569	457,800	462,270	463,270
Number of service orders completed	52,862	63,200	52,600	52,750
Number of meters/readings checked	13,705	5,100	11,200	12,000
Number of misreads	529	750	870	800
Number of tampering incidents discovered	1,728	810	850	850
<i>Effectiveness Measures:</i>				
24-hour service percentage	99.9%	100%	99%	100%
Read accuracy percentage	99.8%	100%	99.8%	100%
<i>Efficiency Measures:</i>				
Number of completed service orders per employee	16	18	15	14
Number of meters ready daily per meter reader	252	258	261	229
Cost per meter reader	\$ 0.96	\$ 1.16	\$ 1.15	\$ 1.28

CITY OF McALLEN, TEXAS

DEPARTMENT: UTILITY BILLING

FUND: WATER

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 156,090	\$ 182,867	\$ 182,867	\$ 204,915
Employee Benefits	40,546	50,355	50,355	62,005
Supplies	20,640	32,050	32,050	45,500
Other Services and Charges	224,917	196,850	196,850	219,530
Maintenance	-	-	-	-
Operations Subtotal	442,193	462,122	462,122	531,950
Capital Outlay	3,204	-	-	14,200
DEPARTMENTAL TOTAL	\$ 445,397	\$ 462,122	\$ 462,122	\$ 546,150
PERSONNEL				
Exempt	1	1	1	1
Non-Exempt	6	6	6	7
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	7	7	7	8

MISSION STATEMENT

This department is responsible for the billing of water, sewer, sanitation, state taxes and neighborhood association dues. It involves correcting any misread meter by calculating and adjusting accounts. The department processes mailing of water statements and past due invoices three times a month. This department is also responsible for the monthly preparation of billing reports and reconciliation of associated funds.

MAJOR FY 05-06 GOALS:

- 1.) Cross-train all employees on H T E computer system.
- 2.) Develop operating procedures manual.

CITY OF McALLEN, TEXAS

DEPARTMENT: UTILITY BILLING

FUND: WATER

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Department expenditures	\$ 445,397	\$ 462,122	\$ 462,122	\$ 546,150
Total number of full time employees	7	7	7	8
<i>Outputs:</i>				
Number of bills annually	413,926	419,750	428,120	419,750
Number of service orders	59,529	56,000	61,200	56,000
Total amount billed	\$ 30,525,615	\$ 29,363,250	\$ 34,283,063	\$ 34,975,000
Number of delinquent notices	81,631	79,380	84,125	84,500
<i>Effectiveness Measures:</i>				
Bills sent out within the designated schedule	99%	100%	99%	100%
<i>Efficiency Measures:</i>				
Annual number of processed bills per employee	59,132	59,964	61,160	52,469
Cost per bill	\$ 1.08	\$ 1.10	\$ 1.08	\$ 1.30

CITY OF McALLEN, TEXAS

DEPARTMENT: CUSTOMER RELATIONS

FUND: WATER

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 296,685	\$ 344,870	\$ 342,053	\$ 363,883
Employee Benefits	78,954	100,608	100,608	115,110
Supplies	18,102	131,060	54,772	131,060
Other Services and Charges	18,305	61,165	43,679	57,325
Maintenance	8,434	1,200	25,067	1,700
Operations Subtotal	420,480	638,903	566,179	669,078
Capital Outlay	14,230	2,600	3,310	11,900
DEPARTMENTAL TOTAL	\$ 434,710	\$ 641,503	\$ 569,489	\$ 680,978
PERSONNEL				
Exempt	1	1	1	2
Non-Exempt	12	14	14	14
Part-Time	3	1	1	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	16	16	16	16

MISSION STATEMENT

Customer Relations is mainly comprised of Customer Service in Utility Billing, and involves providing support to various programs of McAllen Public Utilities in an effort to enhance and advance the objectives of the organization. Customers include the citizens of the City of McAllen, the development community, the department and employees of the City of McAllen, and the divisions within McAllen Public Utilities. This department has daily interaction with the public, the department initiates the electronic establishment of service for MPU customers as well as termination of same. The department deals specifically with matters such as collection of water payments, tap and service charges and the processing of returned (NSF) checks. Other matters include assisting customers with payment & billing questions and general inquires.

MAJOR FY 05-06 GOALS:

- 1.) Enhance the quality of our product and service at an economical cost.
- 2.) Identify, meet and exceed customer expectations.
- 3.) Continuous education and training for all employees.

CITY OF McALLEN, TEXAS

DEPARTMENT: CUSTOMER RELATIONS

FUND: WATER

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Department expenditures	\$ 434,710	\$ 641,503	\$ 569,489	\$ 680,978
Total number of full time employees	13	15	15	16
<i>Outputs:</i>				
Number of incoming calls (annually)	58,500	61,425	64,380	69,280
Number of payments (annually)	361,335	379,300	386,886	398,265
Number of Walk-up Customers (annually)	151,840	159,430	161,618	164,213
<i>Effectiveness Measures:</i>				
<i>Efficiency Measures:</i>				
Number of customers per employee (daily)	132	154	172	192
Percent of bad debt expense annually	34%	34%	34%	34%

City of McAllen, Texas
Water Depreciation
Working Capital Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ 2,765,956	\$ 3,263,686	\$ 3,114,036	\$ 3,349,672
<u>Revenues:</u>				
Interest Earned	55,598	43,100	43,100	69,200
Valuation Allowance	(42)	-	-	-
Total Revenues	55,556	43,100	43,100	69,200
Operating Transfers In - Water Fund	780,418	1,149,881	882,544	958,256
Total Revenues and Transfers	835,974	1,192,981	925,644	1,027,456
TOTAL RESOURCES	<u>\$ 3,601,930</u>	<u>\$ 4,456,667</u>	<u>\$ 4,039,680</u>	<u>\$ 4,377,128</u>
APPROPRIATIONS				
<u>Operating Expenses:</u>				
Administration and General	\$ -	\$ 4,400	\$ 3,958	\$ -
Water Treatment Plant	113,629	267,000	261,000	134,000
Transmission and Distribution	325,042	513,300	421,000	499,000
Water Meter Readers	49,223	-	-	58,300
Utility Billing	-	5,000	4,050	5,150
Total Operations	487,894	789,700	690,008	696,450
TOTAL APPROPRIATIONS	<u>487,894</u>	<u>789,700</u>	<u>690,008</u>	<u>696,450</u>
ENDING WORKING CAPITAL	<u><u>\$ 3,114,036</u></u>	<u><u>\$ 3,666,967</u></u>	<u><u>\$ 3,349,672</u></u>	<u><u>\$ 3,680,678</u></u>

SEWER FUND

The Sewer Fund is used to account for the provision of waste water treatment services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including administration, plants and stations, laboratory services and waster water collection.

This section also includes the working capital summaries for Sewer Depreciation Fund, which was established for the sole purpose of replacing fixed assets. Funding for this fund is based on one - half of the monthly depreciation cost and is transferred in from the Sewer Fund revenues.



CITY of McALLEN, TEXAS

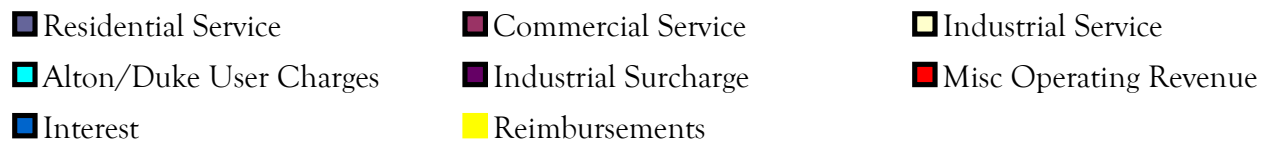
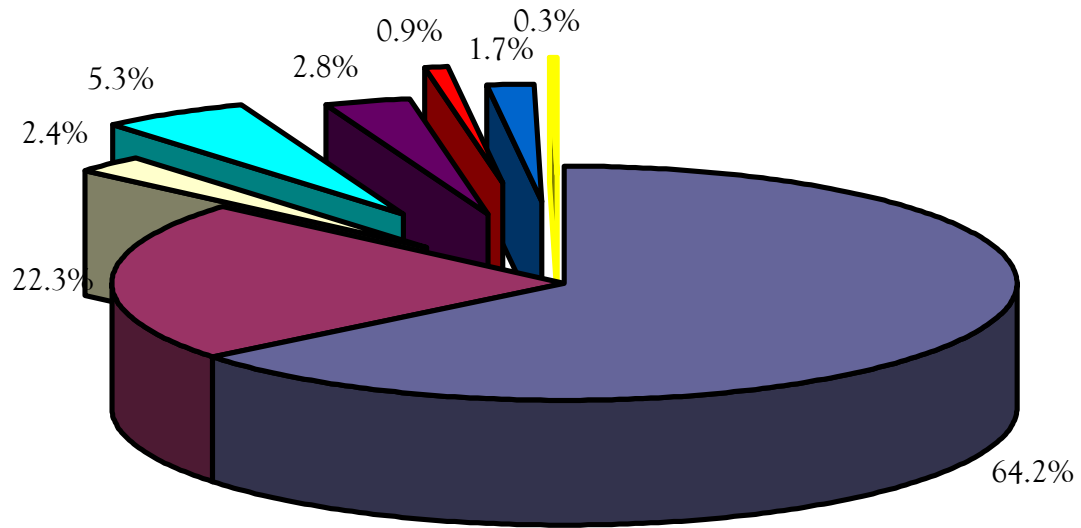
City of McAllen, Texas
Sewer Fund
Working Capital Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ 7,872,393	\$ 9,280,555	\$ 8,476,551	\$ 7,514,781
<u>Revenues:</u>				
Residential Service	5,577,276	6,641,067	6,754,067	6,799,258
Commercial Service	1,978,476	2,238,452	2,326,633	2,367,980
Industrial Service	236,556	254,803	266,190	259,582
Alton User Charges	263,052	300,154	208,657	213,190
Calpine/Duke User Charges	404,094	350,000	420,000	350,000
Industrial Surcharge	787,022	300,000	499,893	300,000
Misc Operating Revenues	157,227	92,000	92,000	92,000
Interest Earned	154,925	188,500	185,213	180,300
Reimbursements	105,308	31,000	74,854	33,000
Total Revenues	9,663,936	10,395,976	10,827,507	10,595,310
Total Revenues and Transfers	9,663,936	10,395,976	10,827,507	10,595,310
TOTAL RESOURCES	<u>\$ 17,536,329</u>	<u>\$ 19,676,531</u>	<u>\$ 19,304,058</u>	<u>\$ 18,110,091</u>
APPROPRIATIONS				
<u>Operating Expenses:</u>				
Administration & General	\$ 957,721	\$ 1,179,423	\$ 1,002,356	\$ 1,175,132
Employee Benefits	-	7,502	7,502	69,261
Liability and Misc. Insurance	65,643	72,201	72,201	72,201
Wastewater Treatment Plants	2,834,220	3,216,591	3,331,526	3,635,371
Wastewater Laboratory	177,154	238,685	223,836	233,883
Wastewater Collections	1,134,923	1,368,754	1,367,174	1,498,277
Total Operations	5,169,661	6,083,156	6,004,595	6,684,125
Transfers to Depreciation Funds	976,991	1,405,944	1,026,302	1,023,600
Transfers to Debt Service: 1996 Issue	551,153	557,846	557,846	556,173
Transfers to Debt Service: 1999 Issue	841,419	830,142	702,427	700,103
Transfers to Debt Service: 2000 Issue	789,883	775,710	474,251	291,225
Transfers to Debt Service: 2005 Issue	-	423,583	202,856	549,974
Transfers to Capital Impv-Projects	429,700	2,821,000	2,821,000	100,000
Rebatable Arbitrage	63,899	-	-	-
Total Transfers	3,653,045	6,814,225	5,784,682	3,221,075
TOTAL APPROPRIATIONS	<u>8,822,706</u>	<u>12,897,381</u>	<u>11,789,277</u>	<u>9,905,200</u>
Other Changes Affecting Working Capital	(237,072)	-	-	-
ENDING WORKING CAPITAL	<u>\$ 8,476,551</u>	<u>\$ 6,779,150</u>	<u>\$ 7,514,781</u>	<u>\$ 8,204,891</u>

CITY OF McALLEN, TEXAS

SEWER FUND REVENUES

\$10,595,310

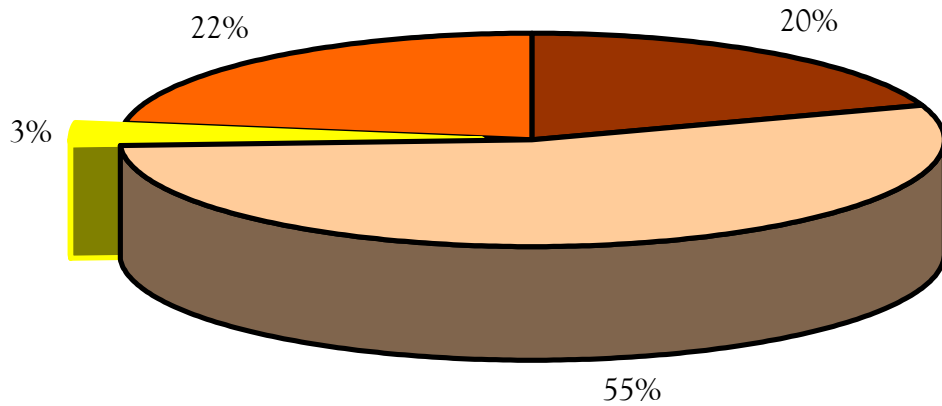


CITY OF McALLEN, TEXAS

SEWER FUND APPROPRIATIONS

By Division

\$6,684,125



Administration & General

Plants & Stations

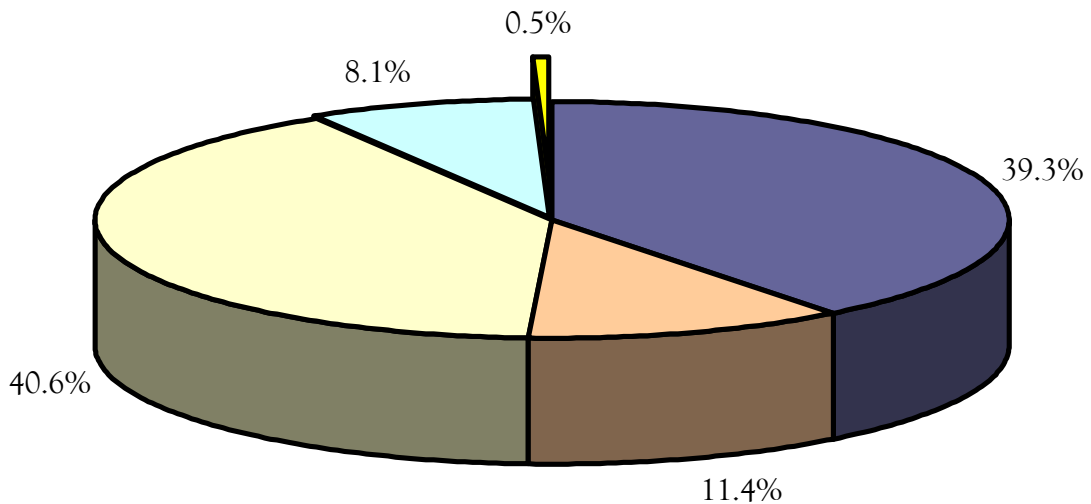
Sewer Lab

Wastewater Collection

SEWER FUND APPROPRIATIONS

By Expense Group

\$6,684,125



Personnel Services

Supplies

Other Services & Charges

Maintenance

Capital Outlay

City of McAllen, Texas
Sewer Fund
Expense Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Admin. and General	\$ 957,721	\$ 1,179,423	\$ 1,002,356	\$ 1,175,132
Employee Benefits	-	7,502	7,502	69,261
Liability and Misc. Insurance	65,643	72,201	72,201	72,201
Wastewater Treatment Plants	2,834,220	3,216,591	3,331,526	3,635,371
Wastewater Laboratory	177,154	238,685	223,836	233,883
Wastewater Collection	1,134,923	1,368,754	1,367,174	1,498,277
TOTAL EXPENDITURES	<u>5,169,661</u>	<u>6,083,156</u>	<u>6,004,595</u>	<u>6,684,125</u>
 <u>BY EXPENSE GROUP</u>				
Expenses:				
Personnel Services				
Salaries and Wages	\$ 1,664,634	\$ 1,880,434	\$ 1,886,434	\$ 1,925,383
Employee Benefits	585,306	662,075	662,075	703,997
Supplies	412,825	621,405	601,540	764,330
Other Services and Charges	2,173,235	2,242,317	2,248,976	2,715,143
Maint. and Repair Services	316,421	518,900	485,675	540,122
TOTAL OPERATING EXPENSES	<u>5,152,421</u>	<u>5,925,131</u>	<u>5,884,700</u>	<u>6,648,975</u>
Capital Outlay	<u>17,240</u>	<u>158,025</u>	<u>119,895</u>	<u>35,150</u>
TOTAL EXPENDITURES	<u>\$ 5,169,661</u>	<u>\$ 6,083,156</u>	<u>\$ 6,004,595</u>	<u>\$ 6,684,125</u>
 <u>PERSONNEL</u>				
Admin. and General	6	6	6	6
Wastewater Treatment Plants	36	36	37	39
Wastewater Laboratory	5	5	5	5
Wastewater Collection	20	20	20	20
TOTAL PERSONNEL	<u>67</u>	<u>67</u>	<u>68</u>	<u>70</u>

CITY OF McALLEN, TEXAS

DEPARTMENT: ADMINISTRATION AND GENERAL

FUND: SEWER

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 230,002	\$ 326,860	\$ 326,860	\$ 316,357
Employee Benefits	63,197	75,965	75,965	77,666
Supplies	2,240	5,000	4,300	6,000
Other Services and Charges	658,468	760,098	583,731	766,709
Maintenance	-	4,800	4,800	5,300
Operations Subtotal	953,907	1,172,723	995,656	1,172,032
Capital Outlay	3,814	6,700	6,700	3,100
DEPARTMENTAL TOTAL	957,721	1,179,423	1,002,356	1,175,132
Non-Departmental				
Employee Benefits	-	7,502	7,502	69,261
Insurance	65,643	72,201	72,201	72,201
DEPARTMENTAL TOTAL	\$ 1,023,364	\$ 1,259,126	\$ 1,082,059	\$ 1,316,594
PERSONNEL				
Exempt	4	4	4	4
Non-Exempt	2	2	2	2
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	6	6	6	6

MISSION STATEMENT

This department is used to account for the overhead and management expenses in the Sewer Fund. Expenses recorded in this department are those which are relevant to the entire fund and are not feasible to proportion out. Types of expenses account for in this area include: Management Charges, Professional Fees, and Auditing Fees.

MAJOR FY 05-06 GOALS:

- 1.) Management and oversight of general operation of the Utility.
- 2.) Management and oversight of bond projects.
- 3.) Improve customer relations and customer confidence with MPU services.
- 4.) Enhance the monitoring of industrial discharges to determine compliance with pre-treatment program.
- 5.) Evaluate alternatives for improvements at plants to improve operation.

CITY OF McALLEN, TEXAS

DEPARTMENT: ADMINISTRATION & GENERAL

FUND: SEWER

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Department expenditures	\$ 1,023,364	\$ 1,259,126	\$ 1,082,059	\$ 1,316,594
Total number of full time employees	6	6	6	6
Number of Engineers	2	2	2	2
Number of New Plat Applications	105	100	96	100
Variance Requests	5	-	9	10
<i>Outputs:</i>				
Plats Presented to MPUB	102	83	90	95
Plats Reviewed within 15 days	0	100	127	130
Variance requests presented to MPUB	5	10	5	5
Reimbursements Calculated	\$ 309,883	\$ 500,000	\$ 300,000	\$ 300,000
<i>Effectiveness Measures:</i>				
Plats approved by MPUB	102	100	77	83
Plats tabled by MPUB	4	-	4	4
Reimbursements Collected	\$ 246,040	\$ 98,000	\$ 369,145	\$ 400,000
<i>Efficiency Measures:</i>				
Percentage of Plats finalized within 15 days	100.00%	100.00%	95.83%	100.00%

CITY OF McALLEN, TEXAS

DEPARTMENT: WASTEWATER TREATMENT PLANTS

FUND: SEWER

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 886,946	\$ 979,504	\$ 979,504	\$ 1,033,112
Employee Benefits	277,960	314,012	314,012	339,455
Supplies	171,755	232,400	198,395	270,105
Other Services and Charges	1,339,768	1,274,425	1,485,980	1,649,449
Maintenance	148,568	326,300	280,430	332,800
Operations Subtotal	2,824,997	3,126,641	3,258,321	3,624,921
Capital Outlay	9,223	89,950	73,205	10,450
DEPARTMENTAL TOTAL	\$ 2,834,220	\$ 3,216,591	\$ 3,331,526	\$ 3,635,371
PERSONNEL				
Exempt	2	2	2	2
Non-Exempt	34	34	35	37
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	36	36	37	39

MISSION STATEMENT

The Wastewater Treatment Plants are responsible for the treatment of the City's wastewater. All activities of this department must meet rigorous standards established by the Texas Water Commission and the Environmental Protection Agency (EPA). All personnel are required to hold a Certificate of Competency to operate in this facility, as required by state law.

MAJOR FY 05-06 GOALS:

- 1.) Improve ongoing maintenance program, to focus in a more aggressive approach on preventing deterioration of existing structures, equipment etc, i.e. sand blasting of metal structures, through inspection of operating units to prevent breakdown.
- 2.) Improve safety training Techniques and continue on going safety training program.
- 3.) Continue to promote training for upgrading operator certification.
- 4.) Improve the appearance of plant through beautification.
- 5.) Improve wastewater treatment by replacing damaged equipment with new equipment.
- 6.) Continue stocking spare parts to decrease down time of plant equipment.

CITY OF McALLEN, TEXAS

DEPARTMENT: WASTEWATER COLLECTION

FUND: SEWER

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Department expenditures	\$ 1,134,923	\$ 1,368,754	\$ 1,367,174	\$ 1,498,277
Total number of full time employees	20	20	20	20
Number of rehabilitated manholes	50	50	50	50
Footage of SS Lines Cleaned	300,000	300,000	300,000	300,000
Televising of System (ft)	26,500	26,500	5,300	26,500
<i>Outputs:</i>				
Number of ft. cleaned/day	700	700	700	700
Number of ft. televised/day	1,200	1,200	1,200	1,200
<i>Effectiveness Measures:</i>				
Ft. of line cleaned/day	822	822	822	822
Need to respond to sanitary sewer overflows	200,500	200,500	730,550	200,500
Respond to stoppages within one hour or less	90%	90%	75%	90%
<i>Efficiency Measures:</i>				
Reduction of sewer backup		50%	50%	50%
Reduction of customer complaints		90%	90%	20%

CITY OF McALLEN, TEXAS

DEPARTMENT: WASTEWATER LABORATORY

FUND: SEWER

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 114,314	\$ 124,902	\$ 124,902	\$ 124,920
Employee Benefits	37,405	41,174	41,174	40,562
Supplies	18,006	57,505	43,500	57,505
Other Services and Charges	2,351	4,604	3,950	4,794
Maintenance	5,078	5,800	5,810	6,102
Operations Subtotal	177,154	233,985	219,336	233,883
Capital Outlay	-	4,700	4,500	-
DEPARTMENTAL TOTAL	\$ 177,154	\$ 238,685	\$ 223,836	\$ 233,883
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	5	5	5	5
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	5	5	5	5

MISSION STATEMENT

To provide the Wastewater Treatment Division a quality service and assurance that all TCEQ and EPA Regulations are being met.

MAJOR FY 05-06 GOALS:

- 1.) Upgrade bacteriological QA/QC program.
- 2.) Develop cross training program between labs.
- 3.) Improve communications between labs.
- 4.) Optimize use of space in lab facility.
- 5.) Improve quality of job performance in lab.
- 6.) Improve working relationship with Pre-Treatment Program.

CITY OF McALLEN, TEXAS

DEPARTMENT: WASTEWATER LABORATORY

FUND: SEWER

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Department expenditures	\$ 177,154	\$ 238,685	\$ 223,836	\$ 233,883
Total number of full time employees	5	5	5	5
<i>Outputs:</i>				
Total BOB Analysis	4,700	4,600	4,700	4,700
Total General Analysis	50,000	50,000	50,000	50,000
Metals	30	-	-	-
Table 2 & 3, QC, LL	1,600	1,410	1,500	1,600
TSS	3,000	3,233	3,000	3,000
<i>Effectiveness Measures:</i>				
Daily BOD Analysis	13	13	13	13
Daily General Analysis	130	130	130	130
Weekly sample collection	74	74	74	74
<i>Efficiency Measures:</i>				
Lab operating cost / gals. Water	\$ 45	\$ 45	\$ 45	\$ 45

CITY OF McALLEN, TEXAS

DEPARTMENT: WASTEWATER COLLECTION

FUND: SEWER

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 433,372	\$ 449,168	\$ 455,168	\$ 450,994
Employee Benefits	141,101	151,221	151,221	177,053
Supplies	220,824	326,500	355,345	430,720
Other Services and Charges	172,648	203,190	175,315	221,990
Maintenance	162,775	182,000	194,635	195,920
Operations Subtotal	1,130,720	1,312,079	1,331,684	1,476,677
Capital Outlay	4,203	56,675	35,490	21,600
DEPARTMENTAL TOTAL	\$ 1,134,923	\$ 1,368,754	\$ 1,367,174	\$ 1,498,277
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	20	20	20	20
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	20	20	20	20

MISSION STATEMENT

All Wastewater Collection employees should remember that they are in the public service, and that all users of the Wastewater Collection System share in its ownership. To earn public support, personnel must be helpful and courteous with the public. Careful maintenance of Lift station. Sanitary sewer lines and equipment is essential. Collection crews need to know that they may be watched closely by the public and should perform their duties conscientiously and professionally.

MAJOR FY 05-06 GOALS:

- 1.) Execute a basic plan of routine preventive maintenance designed to prelude interruption of service and to protect capital investment.
- 2.) Immediate investigation of all complaints, with prompt correction of faulty conditions.
- 3.) Continuous routine inspection for physical damage to the collections system to be supplemented by immediate and adequate repair of any damage and elimination of cause.
- 4.) Conduction of all operations with consideration to personnel safety.
- 5.) Continue fine tuning nitrate feed rates for best hyrogen sulfide removal.

CITY OF McALLEN, TEXAS

DEPARTMENT: WASTEWATER COLLECTION

FUND: SEWER

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Department expenditures	\$ 1,134,923	\$ 1,368,754	\$ 1,367,174	\$ 1,498,277
Total number of full time employees	20	20	20	20
Number of rehabilitated manholes	50	50	50	50
Footage of SS Lines Cleaned	300,000	300,000	300,000	300,000
Televising of System (ft)	26,500	26,500	5,300	26,500
<i>Outputs:</i>				
Number of ft. cleaned/day	700	700	700	700
Number of ft. televised/day	1,200	1,200	1,200	1,200
<i>Effectiveness Measures:</i>				
Ft. of line cleaned/day	822	822	822	822
Need to respond to sanitary sewer overflows	200,500	200,500	730,550	200,500
Respond to stoppages within one hour or less	90%	90%	75%	90%
<i>Efficiency Measures:</i>				
Reduction of sewer backup		50%	50%	50%
Reduction of customer complaints		90%	90%	20%

**City of McAllen, Texas
Sewer Depreciation Fund
Working Capital Summary**

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ 4,355,853	\$ 4,777,778	\$ 5,002,349	\$ 4,596,214
<u>Revenues:</u>				
Interest Earned	93,325	104,446	114,761	76,765
Total Revenues	93,325	104,446	114,761	76,765
Operating Transfers In - Sewer Fund	976,991	1,405,944	1,026,302	1,023,600
Total Revenues and Transfers	1,070,316	1,510,390	1,141,063	1,100,365
TOTAL RESOURCES	<u>\$ 5,426,169</u>	<u>\$ 6,288,168</u>	<u>\$ 6,143,412</u>	<u>\$ 5,696,579</u>
APPROPRIATIONS				
<u>Operating Expenses:</u>				
Administration and General	\$ -	\$ -	\$ -	\$ -
Wastewater Treatment Plant	196,371	164,400	156,712	169,200
Wastewater Laboratory	8,610	25,000	4,500	-
Wastewater Collections	218,839	327,500	45,986	443,793
<u>Capital Projects:</u>				
Country Club Lift Station	-	1,615,000	515,000	1,128,510
8th & Quince Lift Station	-	-	-	748,000
South Trunk Sewer	-	825,000	825,000	-
Total Operations	423,820	2,956,900	1,547,198	2,489,503
TOTAL APPROPRIATIONS	<u>423,820</u>	<u>2,956,900</u>	<u>1,547,198</u>	<u>2,489,503</u>
ENDING WORKING CAPITAL	<u>\$ 5,002,349</u>	<u>\$ 3,331,268</u>	<u>\$ 4,596,214</u>	<u>\$ 3,207,076</u>

SANITATION FUND

The **Sanitation Fund** is used to account for the provision of sanitation services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including administration, garbage pickup, brush collection, and recycle operations.

This section also includes the working capital summary for **Sanitation Depreciation Fund**, which was established for the sole purpose of replacing fixed assets. Funding has been provided by a rate increase in the Sanitation Fund.

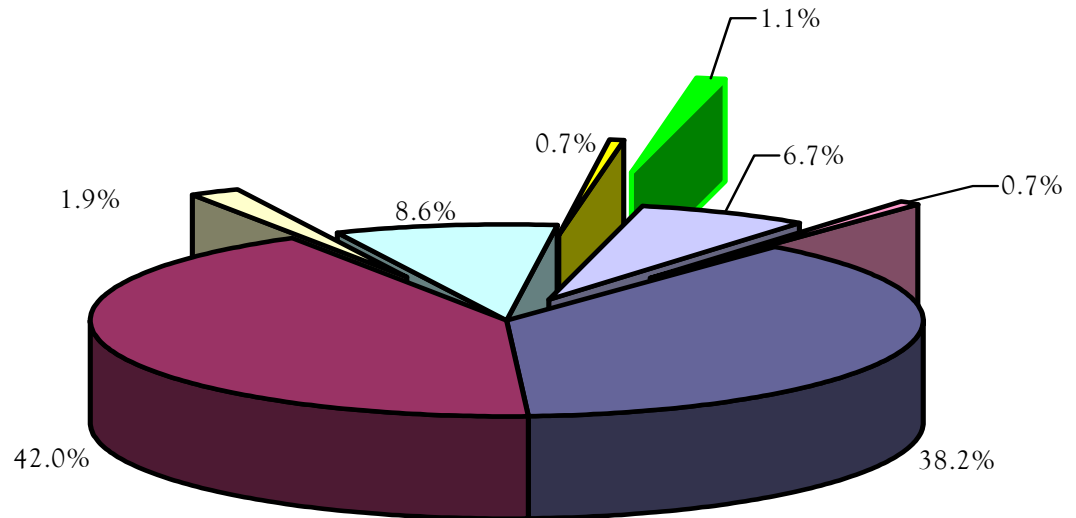


CITY of McALLEN, TEXAS

City of McAllen, Texas
Sanitation Fund
Working Capital Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ 1,722,779	\$ 2,318,113	\$ 2,408,979	\$ 2,193,740
<u>Revenues:</u>				
Residential Collection	3,787,450	3,811,092	3,941,716	4,270,210
Commercial Collection	4,595,284	4,263,786	4,682,626	4,700,000
Industrial Collection	211,937	200,000	216,093	215,000
Recycling Fee	550,836	547,357	545,240	564,024
Recycling Sales	384,633	350,000	400,000	400,000
Drop-off Disposal Fee	28,538	25,000	28,000	28,000
Roll-off System	629,785	700,000	650,000	700,000
Composting	26,654	42,000	80,000	80,000
Fixed assets - Sale of Property	-	40,000	16,700	20,000
Franchise Tax	90,394	60,000	60,000	80,000
Miscellaneous	34,698	127,500	36,967	125,000
Interest Earned	25,870	-	24,208	-
Total Revenues	<u>10,366,079</u>	<u>10,166,735</u>	<u>10,681,550</u>	<u>11,182,234</u>
TOTAL RESOURCES	<u>\$ 12,088,858</u>	<u>\$ 12,484,848</u>	<u>\$ 13,090,529</u>	<u>\$ 13,375,974</u>
APPROPRIATIONS				
<u>Expenses:</u>				
Composting	\$ 900	\$ 288,045	\$ 305,455	\$ 330,257
Residential	2,421,391	2,663,818	2,588,664	2,900,243
Commercial Box	3,033,933	2,776,411	2,887,264	3,077,641
Brush Collection	1,596,135	1,704,539	1,608,569	1,944,908
Recycling	811,637	1,013,065	1,017,065	1,028,922
Administration	856,016	944,937	929,792	1,063,820
Liability Insurance	104,898	104,898	104,898	104,898
Capital Outlay	865,266	2,102,058	1,455,082	1,858,719
Total Operating Expenses	<u>9,690,176</u>	<u>11,597,771</u>	<u>10,896,789</u>	<u>12,309,408</u>
TOTAL APPROPRIATIONS	<u>9,690,176</u>	<u>11,597,771</u>	<u>10,896,789</u>	<u>12,309,408</u>
Other Items Affecting Working Capital	<u>10,297</u>	<u>-</u>	<u>-</u>	<u>-</u>
ENDING WORKING CAPITAL	<u>\$ 2,408,979</u>	<u>\$ 887,077</u>	<u>\$ 2,193,740</u>	<u>\$ 1,066,566</u>

CITY OF McALLEN, TEXAS
SANITATION FUND REVENUES
By Source
\$11,182,234



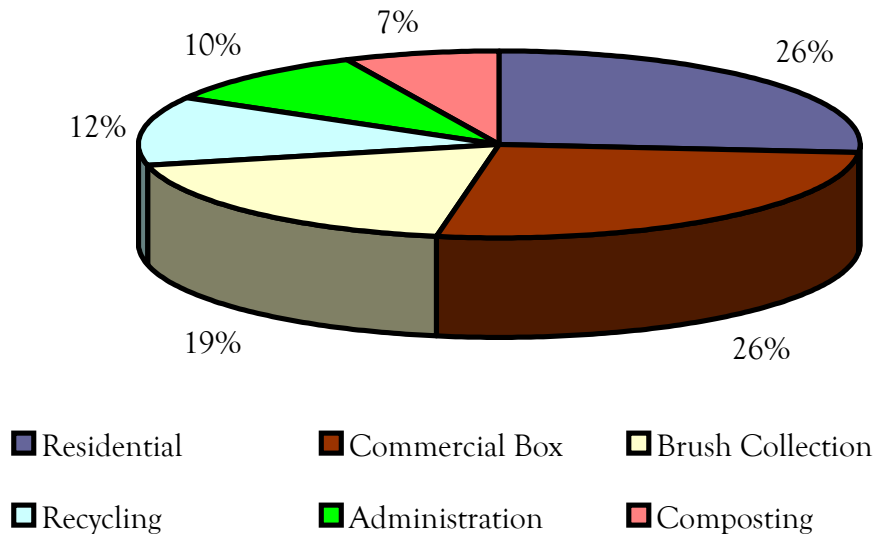
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|------------------------|-----------------------|-----------------------|
| ■ Residential Services | ■ Commercial Services | ■ Industrial Services |
| ■ Recycling | ■ Franchise Tax | ■ Miscellaneous |
| ■ Other Fees | ■ Composting | |

CITY OF McALLEN, TEXAS

SANITATION FUND APPROPRIATIONS

By Division

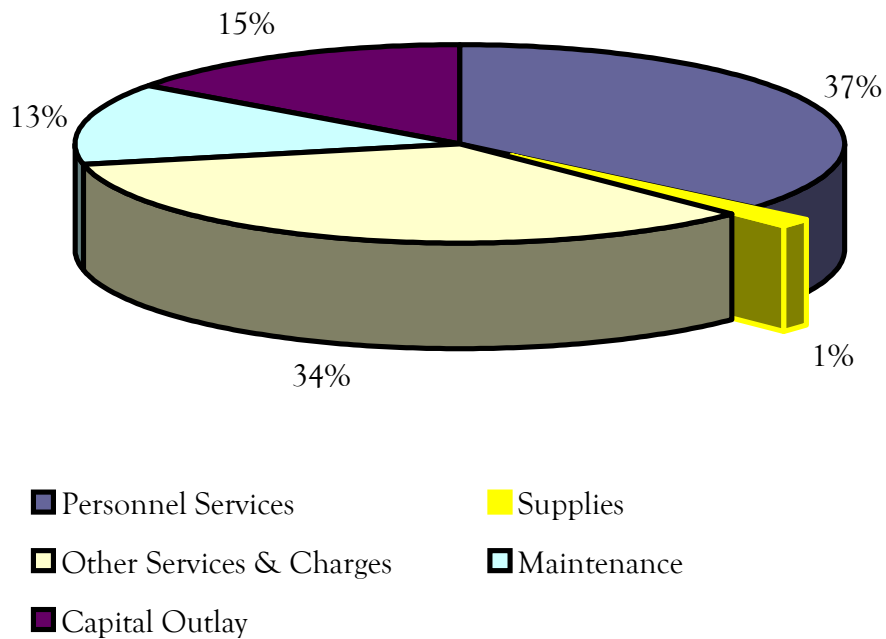
\$12,309,408



SANITATION FUND APPROPRIATIONS

By Category

\$12,309,408



City of McAllen, Texas
Sanitation Fund
Expense Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Composting	\$ 233,287	\$ 1,017,714	\$ 604,586	\$ 848,776
Residential	2,495,977	3,081,118	2,890,137	3,250,243
Commercial Box	3,464,545	3,343,891	3,454,744	3,230,541
Brush Collection	1,641,135	1,804,489	1,628,519	2,292,908
Recycling	894,318	1,288,099	1,271,488	1,495,522
Administration	960,914	1,062,460	1,047,315	1,191,418
TOTAL	\$ 9,690,176	\$ 11,597,771	\$ 10,896,789	\$ 12,309,408
<u>BY EXPENSE GROUP</u>				
Expenses:				
Personnel Services				
Salaries and Wages	\$ 2,415,121	\$ 2,902,132	\$ 2,675,671	\$ 3,073,999
Employee Benefits	1,008,535	1,239,682	1,239,682	1,370,260
Supplies	149,311	166,374	135,904	162,174
Other Services and Charges	3,634,524	3,693,060	3,791,500	4,221,651
Maint. and Repair Services	1,617,419	1,494,465	1,598,950	1,622,605
TOTAL OPERATING EXPENSES	8,824,910	9,495,713	9,441,707	10,450,689
Capital Outlay	865,266	2,102,058	1,455,082	1,858,719
TOTAL EXPENDITURES	\$ 9,690,176	\$ 11,597,771	\$ 10,896,789	\$ 12,309,408
<u>PERSONNEL</u>				
Composting	2	6	6	6
Residential	28	30	30	31
Commercial Box	24	27	26	27
Brush Collection	31	31	31	34
Recycling	23	28	28	28
Administration	7	7	7	10
TOTAL PERSONNEL	115	129	128	136

CITY OF McALLEN, TEXAS

DEPARTMENT: COMPOSTING

FUND: SANITATION

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ -	\$ 122,578	\$ 122,578	\$ 123,835
Employee Benefits	-	51,073	51,073	43,635
Supplies	-	8,500	8,500	8,500
Other Services and Charges	900	73,894	82,104	118,287
Maintenance	-	32,000	41,200	36,000
Operations Subtotal	900	288,045	305,455	330,257
Capital Outlay	232,387	729,669	299,131	518,519
DEPARTMENTAL TOTAL:	\$ 233,287	\$ 1,017,714	\$ 604,586	\$ 848,776
PERSONNEL				
Exempt	1	1	1	1
Non-Exempt	1	3	3	3
Part-Time	-	2	2	2
Civil Service	-	-	-	-
DEPARTMENT TOTAL	2	6	6	6

MISSION STATEMENT

We are dedicated to the furtherance of ensuring an environmentally sustainable community, contributing to the preservation of natural resources and recycling to ensure a promising tomorrow by providing an organic product of high quality and service.

MAJOR FY 05-06 GOALS:

- 1.) Complete Phase I of Composting Facility.
- 2.) Increase sale of McSoil Products by 10%.
- 3.) Promote Composting education and awareness via media campaign.

CITY OF McALLEN, TEXAS

DEPARTMENT: COMPOSTING

FUND: SANITATION

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	2	4	4	4
Department expenditures	\$ 233,287	\$ 1,017,714	\$ 604,586	\$ 848,776
<i>Outputs:</i>				
Ground Brush (cubic yards)	-	225,000	200,000	225,000
Mulch produced (cubic yards)	-	37,500	33,333	37,500
Bio-Solid Compost Produced (cubic yards)	-	6,750	-	6,750
Organic Compost Produced	-	27,000	-	27,000
Compost Sales	-	42,000	80,000	90,000
MPUB Contribution	-	205,000	-	205,000
Total Revenue	\$ -	\$247,000	\$80,000	\$295,000
<i>Effectiveness Measures:</i>				
Cost avoidance - Brush diverted from landfill	\$ -	\$ 687,360	\$ 687,360	\$ 744,030
<i>Efficiency Measures:</i>				
Composting processing cost per ton	\$ -	\$ 21.87	\$ -	\$ 21.87

CITY OF McALLEN, TEXAS

DEPARTMENT: RESIDENTIAL

FUND: SANITATION

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 591,692	\$ 700,284	\$ 622,000	\$ 721,955
Employee Benefits	238,119	293,967	293,967	321,150
Supplies	34,724	34,559	23,889	34,359
Other Services and Charges	1,052,744	1,104,008	1,094,808	1,261,529
Maintenance	504,112	531,000	554,000	561,250
Operations Subtotal	2,421,391	2,663,818	2,588,664	2,900,243
Capital Outlay	74,586	417,300	301,473	350,000
DEPARTMENTAL TOTAL:	\$ 2,495,977	\$ 3,081,118	\$ 2,890,137	\$ 3,250,243
PERSONNEL				
Exempt	2	2	2	2
Non-Exempt	26	28	28	29
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	28	30	30	31

MISSION STATEMENT

The residential solid waste collection crews mission is to professionally, reliably, effectively collect all solid waste and recyclables from every residence. These crews concurrent-and most important-mission is to render such serviced to all residents with a genuine smile and an eager-to-help disposition.

MAJOR FY 05-06 GOALS:

- 1.) Implement automated collection system in the downtown area.
- 2.) Add an additional collection route to keep up with city growth.
- 3.) Purchase rolling stock and hire personnel to implement new collection route.
- 4.) Assess, plan and implement necessary routes to address city growth as well as provide quality service.
- 5.) Improve upon the way of measuring performance effectiveness and efficiencies to further enhance our quality control of service.

CITY OF McALLEN, TEXAS

DEPARTMENT: RESIDENTIAL

FUND: SANITATION

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	28	30	30	31
Department expenditures	\$ 2,495,977	\$ 3,081,118	\$ 2,890,137	\$ 3,250,243
<i>Outputs:</i>				
Total number of customers / service points	27,820	28,400	28,850	29,625
Number of Solid Waste collection routes	29	32	28	29
Number of "Missed Service" calls	950	900	900	918
Revenue generated	\$ 3,787,450	\$ 3,811,092	\$ 3,941,716	\$ 4,270,210
Citizen drop-off tonnage collected	1,100	1,200	1,200	1,224
Total solid waste tonnage landfill	26,801	27,337	27,337	27,884
Landfill tipping costs - Residential	\$ 506,274	\$ 542,216	\$ 542,216	\$ 553,060
<i>Effectiveness Measures:</i>				
"Missed Service" calls per 1000 accounts	44.93	40.00	40.00	41.00
<i>Efficiency Measures:</i>				
Solid Waste tonnage collected per account per year	0.95	0.96	0.96	0.98
Solid Waste tonnage collected per route per week	34	33	33	34
Total cost per ton - collected and disposal	\$ 18.89	\$ 19.84	\$ 18.89	\$ 18.89
Accounts per employee	959	888	888	906

CITY OF McALLEN, TEXAS

DEPARTMENT: COMMERCIAL BOX

FUND: SANITATION

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 580,545	\$ 637,747	\$ 569,700	\$ 637,623
Employee Benefits	218,857	251,749	251,749	276,970
Supplies	42,318	43,829	28,029	43,829
Other Services and Charges	1,625,782	1,379,186	1,499,786	1,583,094
Maintenance	566,431	463,900	538,000	536,125
Operations Subtotal	3,033,933	2,776,411	2,887,264	3,077,641
Capital Outlay	430,612	567,480	567,480	152,900
DEPARTMENTAL TOTAL:	\$ 3,464,545	\$ 3,343,891	\$ 3,454,744	\$ 3,230,541
PERSONNEL				
Exempt	1	1	1	1
Non-Exempt	23	26	25	26
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	24	27	26	27

MISSION STATEMENT

The commercial solid waste collection crews mission is to professionally, reliably, efficiently and effectively collect all solid waste and recyclables from every business. These crews concurrent-and most important -mission is to render such services to all business with a genuine smile and an eager-to-help disposition.

MAJOR FY 05-06 GOALS:

- 1.) Establish a more effective preventive maintenance schedule to minimize escalating vehicle maintenance costs.
- 2.) Purchase rolling stock and hire personnel to implement new route.
- 3.) Plan and implement additional routes to serve new customers and address city growth.
- 4.) Continue educational efforts on proper solid waste disposal and recycle all waste that can be.
- 5.) Improve upon the way of measuring performance effectiveness and efficiencies to further enhance our quality control of service.

CITY OF McALLEN, TEXAS

DEPARTMENT: COMMERCIAL BOX

FUND: SANITATION

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	24	27	26	27
Waste collection routes - Dumpsters	10	10	10	11
Department expenditures	\$ 3,464,545	\$ 3,343,891	\$ 3,454,744	\$ 3,230,541
<i>Outputs:</i>				
Number of customers/service points	4,127	4,200	4,244	4,286
Waste collection crews - Roll-Off	4	5	4	5
Number of "Missed Service" calls	45	40	40	42
Revenue generated - Roll-Offs	\$ 629,785	\$ 700,000	\$ 650,000	\$ 700,000
Revenue generated - Dumpsters	\$ 4,595,284	\$ 4,159,791	\$ 4,682,626	\$ 4,700,000
Total solid waste landfilled - tons	68,502	70,557	70,557	71,968
Landfill tipping costs - Commercial	\$ 1,106,336	\$ 1,128,464	\$ 1,128,464	\$ 1,151,033
<i>Effectiveness Measures:</i>				
"Missed Service" calls per 1000 accounts	12.50	12.00	12.00	14.00
<i>Efficiency Measures:</i>				
Solid Waste tonnage collected per account per year	17.60	17.90	17.90	18.26
Solid Waste tonnage collected per route per week	5,708	5,879	5,879	5,997
Yearly revenue generated per account - Dumpsters	\$ 1,019.98	\$ 1,039.95	\$ 1,103.35	\$ 1,096.59
Number of accounts per route - Dumpsters	413	420	420	429
Total cost per ton - collection and disposal	\$ 18.89	\$ 19.84	\$ 18.89	\$ 18.89
Total number of accounts served per employee	165	156	156	160

CITY OF McALLEN, TEXAS

DEPARTMENT: BRUSH COLLECTION

FUND: SANITATION

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 618,105	\$ 676,670	\$ 593,600	\$ 733,544
Employee Benefits	238,120	286,121	286,121	327,853
Supplies	28,980	29,170	22,070	29,170
Other Services and Charges	301,031	383,928	378,128	506,029
Maintenance	409,899	328,650	328,650	348,312
Operations Subtotal	1,596,135	1,704,539	1,608,569	1,944,908
Capital Outlay	45,000	99,950	19,950	348,000
DEPARTMENTAL TOTAL:	\$ 1,641,135	\$ 1,804,489	\$ 1,628,519	\$ 2,292,908
PERSONNEL				
Exempt	1	1	1	1
Non-Exempt	30	30	30	33
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	31	31	31	34

MISSION STATEMENT

The brush collection crews mission is to professionally, reliably, efficiently and effectively collect all yard debris from every residence and business in the city. These crews' concurrent-and most important-mission is to render such services to all customers with a genuine smile and an eager -to-help disposition.

MAJOR FY 05-06 GOALS:

- 1.) Establish a more effective preventive maintenance schedule to minimize vehicle and equipment costs.
- 2.) Improve educational efforts on proper placement of brush disposal to minimize accidental damage to gas and water meters as well as property damage.
- 3.) Implement a productive and efficient way of measuring the department's performance.
- 4.) Plan and implement routes that will address city growth.

CITY OF McALLEN, TEXAS

DEPARTMENT: BRUSH COLLECTION

FUND: SANITATION

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	31	31	31	34
Number of Brush collection crews	11	11	11	12
Department expenditures	\$ 1,641,135	\$ 1,804,489	\$ 1,628,519	\$ 2,292,908
<i>Outputs:</i>				
Total customer accounts/service points	31,947	32,600	31,947	32,758
Number of Brush collection routes/zones	4	4	4	4
Total Brush curbside collection recycled (cubic yards)	200,000	288,000	225,000	225,000
Total mixed brush / bulky waste collected - tonnage	4,543	5,000	5,000	5,100
Number of "Missed Service" calls	75	70	70	71
<i>Effectiveness Measures:</i>				
Total brush recycled - cubic yards	200,000	288,000	225,000	225,000
Cost avoidance of brush recycling	\$ 544,032	\$ 652,838	\$ 652,838	\$ 510,030
"Missed Service" calls per 1000 accounts	3.14	3.00	3.00	4.00
<i>Efficiency Measures:</i>				
Brush (cu yd) collected per crew per week	420	504	504	514
Brush zones completed	48	48	48	49
Number of city brush pick-ups per month	1 per month	1 per month	1 per month	1 per month

CITY OF McALLEN, TEXAS

DEPARTMENT: RECYCLING

FUND: SANITATION

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 429,418	\$ 552,237	\$ 552,237	\$ 545,509
Employee Benefits	147,381	185,977	185,977	194,512
Supplies	28,003	34,566	38,566	30,566
Other Services and Charges	85,402	120,685	120,685	135,685
Maintenance	121,433	119,600	119,600	122,650
Operations Subtotal	811,637	1,013,065	1,017,065	1,028,922
Capital Outlay	82,681	275,034	254,423	466,600
DEPARTMENTAL TOTAL:	\$ 894,318	\$ 1,288,099	\$ 1,271,488	\$ 1,495,522
PERSONNEL				
Exempt	2	2	2	2
Non-Exempt	12	15	15	15
Part-Time	9	11	11	11
Civil Service	-	-	-	-
DEPARTMENT TOTAL	23	28	28	28

MISSION STATEMENT

We are dedicated to the furtherance of ensuring an environmentally sustainable community, contributing to the preservation of recycling to ensure a promising tomorrow.

MAJOR FY 05-06 GOALS:

- 1.) Increase Commercial/Business/Office Participants by 12% (50 customers).
- 2.) Increase sales by 10%.
- 3.) Increase tonnage by 20%.

CITY OF McALLEN, TEXAS

DEPARTMENT: RECYCLING

FUND: SANITATION

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	14	17	17	17
Department expenditures	\$ 894,318	\$ 1,288,099	\$ 1,271,488	\$ 1,495,522
<i>Outputs:</i>				
Total residential accounts/service points	28,010	28,790	28,790	29,366
Total business / school service points	1,200	1,300	1,300	1,326
Total solid waste recycled - tons	5,000	5,500	5,500	5,610
Total curb side collections - tons	2,200	2,500	2,500	2,550
Total drop-off collections - tons	700	800	800	816
Total business / school collections - tons	2,100	2,200	2,200	2,244
Recycling sales revenue	\$384,633	\$350,000	\$400,000	\$400,000
<i>Effectiveness Measures:</i>				
Cost avoidance - Recyclables diverted from landfill	\$ 249,644	\$ 310,163	\$ 310,163	\$ 316,348
Percent of recyclables from solid waste collections - all recycling	45%	48%	48%	49%
<i>Efficiency Measures:</i>				
Recycling tonnage collected per crew per week	6.66	6.02	6.02	6.12
Pounds (lbs) of waste recycled per household per year	220	230	230	235
Recyclable processing cost per ton	\$ 119.53	\$ 105.10	\$ 105.10	\$ 107.00

CITY OF McALLEN, TEXAS

DEPARTMENT: ADMINISTRATION

FUND: SANITATION

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 195,361	\$ 212,616	\$ 215,556	\$ 311,533
Employee Benefits	61,160	65,897	65,897	101,242
Supplies	15,286	15,750	14,850	15,750
Other Services and Charges	568,665	631,359	615,989	617,027
Maintenance	15,544	19,315	17,500	18,268
Operations Subtotal	856,016	944,937	929,792	1,063,820
Capital Outlay	-	12,625	12,625	22,700
Operations & Capital Outlay Total	856,016	957,562	942,417	1,086,520
Non-Departmental				
Employee Benefits	-	-	-	-
Insurance	104,898	104,898	104,898	104,898
TOTAL EXPENDITURES	\$ 960,914	\$ 1,062,460	\$ 1,047,315	\$ 1,191,418
PERSONNEL				
Exempt	2	2	2	4
Non-Exempt	5	5	5	6
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	7	7	7	10

MISSION STATEMENT

This department is used to account for the overhead and management expenses accounted for include: Management Charges, Professional Fees and Auditing Fees. Facilities Administration provides support for the divisions of Public Works. Tasks include preparation of correspondence, work order control, customer service, maintenance of a large filing system, monitoring budgets, preparing payroll records and all the administrative duties required to support an approximate 200-strong work force.

MAJOR FY 05-06 GOALS:

- 1.) Increase the level of security in the Public Works premises with automation and a security camera upgrade.
- 2.) Re-organize and reclassify job duties to provide control and oversight of the administration functions.
- 3.) Implement billing system for roll-off accounts using the "H T E" Account Receivable program.
- 4.) Improve level of customer service rendered to all who live and work in our community.

CITY OF McALLEN, TEXAS

DEPARTMENT: ADMINISTRATION

FUND: SANITATION

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	7	7	7	10
Department expenditures	\$ 960,914	\$ 1,062,460	\$ 1,047,315	\$ 1,191,418
Total Revenues Managed	\$ 10,366,079	\$ 10,166,735	\$ 10,681,550	\$ 11,182,234
Total Expenditures Managed	\$ 9,690,176	\$ 11,597,771	\$ 10,896,789	\$ 12,309,408
Number of all accounts	29,900	32,600	33,193	34,014
<i>Outputs:</i>				
Number of radio calls per day	85	85	85	87
Number of phone inquires / requests per day	61	61	61	62
<i>Effectiveness Measures:</i>				
Number of request for service per year	14,300	14,300	14,300	14,586
<i>Efficiency Measures:</i>				
Expenditure dollars managed per full time employee	\$ 1,384,311	\$ 1,386,059	\$ 1,304,261	\$ 1,386,059
Number of requests for service per full time employee per weekday	24	24	24	26
Number of radio calls per full time employee per day	12	12	12	14
Acc/Department - Residential	26,300	28,400	28,850	29,625
Acc/Department - Commercial	3,600	4,200	4,343	4,391

City of McAllen, Texas
Sanitation Depreciation
Working Capital Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ 1,097,349	\$ 948,249	\$ 1,170,887	\$ 1,864,084
<u>Revenues:</u>				
Rental Income	625,900	980,035	980,035	1,505,444
Interest Earned	17,140	-	21,969	-
Total Revenues	643,040	980,035	1,002,004	1,505,444
Total Revenues and Transfers	643,040	980,035	1,002,004	1,505,444
TOTAL RESOURCES	\$ 1,740,389	\$ 1,928,284	\$ 2,172,891	\$ 3,369,528
APPROPRIATIONS				
<u>Capital Outlay:</u>	569,502	\$ 904,000	\$ 308,807	\$ 1,976,482
TOTAL APPROPRIATIONS	569,502	904,000	308,807	1,976,482
Other Items affecting working capital	-	-	-	-
ENDING WORKING CAPITAL	\$ 1,170,887	\$ 1,024,284	\$ 1,864,084	\$ 1,393,046

PALM VIEW GOLF COURSE FUND

The Palm View Golf Course Fund is used to account for the revenues and expenses of operating a complete 18 hole municipal golf course. The operation of the course is primarily financed by user charges.

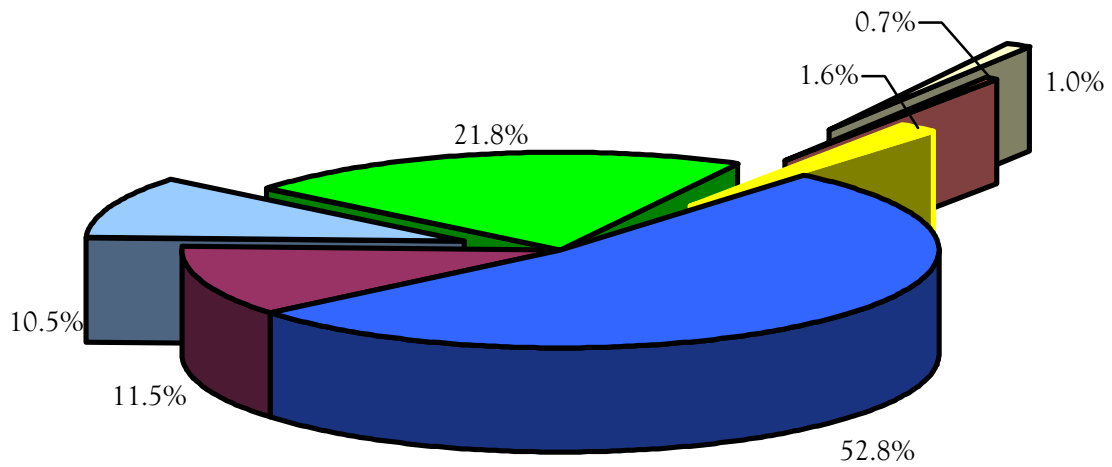


CITY of McALLEN, TEXAS

City of McAllen, Texas
Palm View Golf Course Fund
Working Capital Summary

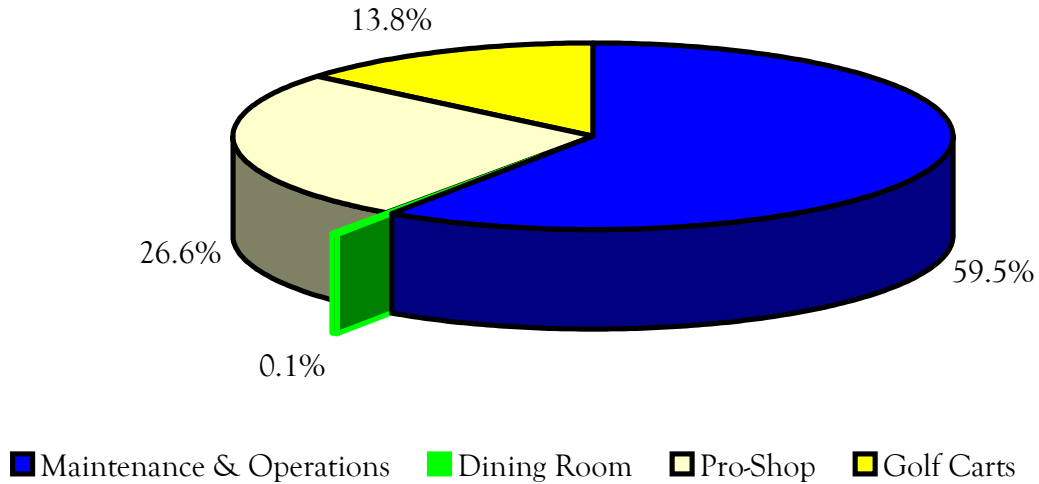
	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ 350,717	\$287,538	\$ 363,473	\$ 223,509
<u>Revenues:</u>				
Green Fees	580,855	622,779	619,969	620,010
Annual Membership	133,395	115,650	135,309	135,000
Driving Range Fees	56,921	128,432	70,693	122,960
Trail fees	14,473	14,180	11,500	12,278
Handicap Carts	890	965	855	800
Rental	6,000	6,000	6,000	6,000
Cart Rental	256,357	255,448	252,730	255,589
Pull Cart Rentals	630	608	602	602
Other Financial Resources	-	12,000	13,301	12,000
Interest Earned	6,873	6,000	8,934	8,000
Miscellaneous	12,357	-	-	-
Total Revenues	<u>1,068,751</u>	<u>1,162,062</u>	<u>1,119,893</u>	<u>1,173,239</u>
Total Revenues and Transfers	<u>1,068,751</u>	<u>1,162,062</u>	<u>1,119,893</u>	<u>1,173,239</u>
TOTAL RESOURCES	<u>\$ 1,419,468</u>	<u>\$ 1,449,600</u>	<u>\$ 1,483,366</u>	<u>\$ 1,396,748</u>
APPROPRIATIONS				
<u>Expenses:</u>				
Maintenance & Operations	\$ 498,452	\$ 652,441	\$ 640,738	\$ 716,939
Dining Room	945	1,500	2,357	1,500
Pro-Shop	285,417	363,378	332,533	331,874
Golf Carts	67,966	145,280	94,879	152,676
Liability Insurance	23,776	26,150	26,150	26,150
Capital Outlay	-	75,000	70,000	20,000
Total Operating Expenses	<u>876,556</u>	<u>1,263,749</u>	<u>1,166,657</u>	<u>1,249,139</u>
Transfer-Out Golf Course Depr. Fund	<u>93,200</u>	<u>93,200</u>	<u>93,200</u>	<u>43,200</u>
TOTAL APPROPRIATIONS	<u>969,756</u>	<u>1,356,949</u>	<u>1,259,857</u>	<u>1,292,339</u>
Other Items Affecting Working Capital	<u>(86,239)</u>	<u>-</u>	<u>-</u>	<u>-</u>
ENDING WORKING CAPITAL	<u>\$ 363,473</u>	<u>\$ 92,651</u>	<u>\$ 223,509</u>	<u>\$ 104,409</u>

CITY OF McALLEN, TEXAS
PALM VIEW GOLF COURSE FUND REVENUES
By Source
\$1,173,239

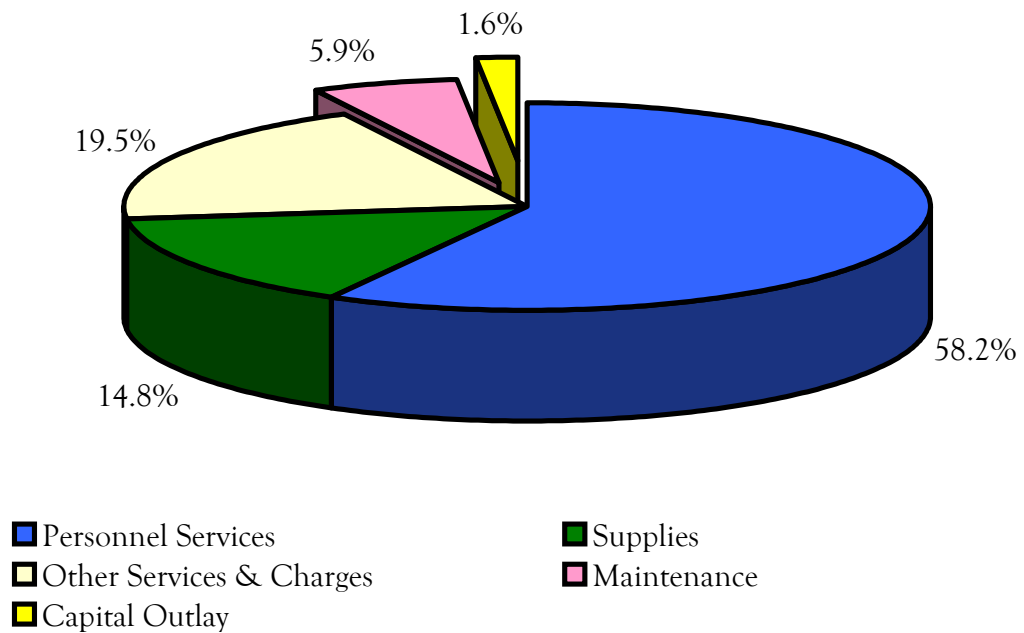


■ Green Fees ■ Membership ■ Driving Range Fee ■ Cart Rentals ■ Trail Fees ■ Interest ■ Other

CITY OF McALLEN, TEXAS
PALM VIEW GOLF COURSE APPROPRIATION
 By Division
 \$1,249,139



PALM VIEW GOLF COURSE APPROPRIATIONS
 By Expense Group
 \$1,249,139



City of McAllen, Texas
Palm View Golf Course Fund
Expense Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Maintenance & Operations	\$ 522,228	\$ 733,591	\$ 716,888	\$ 743,089
Dining Room	945	1,500	2,357	1,500
Pro-Shop	285,417	363,378	332,533	331,874
Golf Carts	67,966	165,280	114,879	172,676
TOTAL	\$ 876,556	\$ 1,263,749	\$ 1,166,657	\$ 1,249,139
<u>BY EXPENSE GROUP</u>				
Expenses:				
Personnel Services				
Salaries and Wages	\$ 475,341	\$ 581,345	\$ 525,807	\$ 551,441
Employee Benefits	155,539	183,569	183,569	175,342
Supplies	93,504	122,036	111,399	185,202
Other Services and Charges	93,361	133,889	112,090	143,012
Maint. and Repair Services	58,811	67,910	63,792	74,142
Extraordinary-Loan Payback	-	100,000	100,000	100,000
TOTAL OPERATING EXPENSES	876,556	1,188,749	1,096,657	1,229,139
Capital Outlay	-	75,000	70,000	20,000
TOTAL EXPENDITURES	\$ 876,556	\$ 1,263,749	\$ 1,166,657	\$ 1,249,139
<u>PERSONNEL</u>				
Maintenance & Operations	12	12	12	12
Pro-Shop	5	6	7	5
Golf Carts	7	6	6	6
TOTAL PERSONNEL	24	24	25	23

CITY OF McALLEN, TEXAS

DEPARTMENT: MAINTENANCE & OPERATION

FUND: GOLF COURSE

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 256,760	\$ 281,067	\$ 279,047	\$ 281,047
Employee Benefits	79,016	83,327	83,327	81,966
Supplies	77,013	86,853	86,814	148,969
Other Services and Charges	38,987	50,384	41,040	50,820
Maintenance	46,676	50,810	50,510	54,137
Operations Subtotal	498,452	552,441	540,738	616,939
Capital Outlay	-	55,000	50,000	-
Operations & Capital Outlay Total	498,452	607,441	590,738	616,939
Extraordinary-Loan Payback	-	100,000	100,000	100,000
Non-Departmental				
Employee Benefits				
Insurance	23,776	26,150	26,150	26,150
TOTAL EXPENDITURES	\$ 522,228	\$ 733,591	\$ 716,888	\$ 743,089
PERSONNEL				
Exempt	2	2	2	2
Non-Exempt	7	7	7	7
Part-Time	3	3	3	3
Civil Service	-	-	-	-
DEPARTMENT TOTAL	12	12	12	12

MISSION STATEMENT

To provide the public with a positive golfing experience and a high quality golf course in sound playing and ergonomic conditions.

MAJOR FY 05-06 GOALS:

- 1.) Implement the proposed drainage, irrigation and bunker renovation improvements as outlined in the Decision Packages.
- 2.) Reconstruct/repair the existing bridge at the Pilot Channel that golfers currently cross to play the 15th hole.
- 3.) Strive to continue improving the ergonomic and playing conditions of the golf course.
- 4.) Increase the number of licensed chemical applicators on staff to a total number of two (2).
- 5.) Increase the efficiency and productivity of the routine Maintenance Program.

CITY OF McALLEN, TEXAS

DEPARTMENT: MAINTENANCE & OPERATION

FUND: GOLF COURSE

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	9	9	9	9
Department expenditures	\$ 522,228	\$ 733,591	\$ 716,888	\$ 743,089
<i>Outputs:</i>				
Maintenance program	1	1	1	1
Full service golf facility in acres	170	170	170	170
419 Bermuda grass fairways	18	18	18	18
Tiff dwarf Bermuda grass greens	20	20	20	20
419 Bermuda grass tees	68	68	68	68
Short game practice areas	1	1	1	1
Roughs	18	18	18	18
<i>Effectiveness Measures:</i>				
Weekly number of employees for fairways	2	2	2	2
Weekly number of employees for greens	2	2	2	2
Weekly number of employees for tees	2	2	2	2
Weekly number of employees for shortgame area	1	1	1	1
Weekly number of employees for roughs	2	2	2	2
<i>Efficiency Measures:</i>				
Weekly man hours for fairways	36	36	30	30
Weekly man hours for greens	35	35	35	35
Weekly man hours for tees	36	36	40	40
Weekly man hours for shortgame practice area	5	5	4	4
Weekly man hours for roughs	64	64	56	56

CITY OF McALLEN, TEXAS

DEPARTMENT: DINING ROOM

FUND: GOLF COURSE

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ -	\$ -	\$ -	\$ -
Employee Benefits	-	-	-	-
Supplies	-	-	-	-
Other Services and Charges	-	-	-	-
Maintenance	945	1,500	2,357	1,500
Operations Subtotal	945	1,500	2,357	1,500
Capital Outlay	-	-	-	-
DEPARTMENTAL TOTAL:	\$ 945	\$ 1,500	\$ 2,357	\$ 1,500
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	-	-	-	-
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	-	-	-	-

MISSION STATEMENT

The Dining Room is currently leased to Annette Marie, L.L.C. Under the direction of the Director of Golf, it's primary goal is to compliment the operation of the golf course by providing the public prompt service and quality short order food orders. City of McAllen does not purchase or manage any inventories nor does it have any employees.

CITY OF McALLEN, TEXAS

DEPARTMENT: PRO SHOP

FUND: GOLF COURSE

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 174,369	\$ 219,541	\$ 194,469	\$ 189,658
Employee Benefits	42,875	59,189	59,189	52,148
Supplies	9,735	16,613	11,700	16,613
Other Services and Charges	54,374	62,035	61,425	67,455
Maintenance	4,064	6,000	5,750	6,000
Operations Subtotal	285,417	363,378	332,533	331,874
Capital Outlay	-	-	-	-
DEPARTMENTAL TOTAL:	\$ 285,417	\$ 363,378	\$ 332,533	\$ 331,874
PERSONNEL				
Exempt	3	4	4	3
Non-Exempt	-	1	1	1
Part-Time	2	1	2	1
Civil Service	-	-	-	-
DEPARTMENT TOTAL	5	6	7	5

MISSION STATEMENT

To provide the highest level of customer service by operating the golf course with fiscal efficiency and presenting the public with a full service golf shop and professional golf knowledge and expertise.

MAJOR FY 05-06 GOALS:

- 1.) Continue making the annual payment towards the loan received for the 1999 reconstruction project.
- 2.) Maintain revenues and rounds played in the top 25% of municipal golf course in the State of Texas.
- 3.) Sustain or increase the number of tournaments held annually by different customer groups.
- 4.) Continue to present the public with a high quality golf course at the lowest possible price.

CITY OF McALLEN, TEXAS

DEPARTMENT: PRO SHOP

FUND: GOLF COURSE

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	3	5	5	4
Department expenditures	\$ 285,417	\$ 363,378	\$ 332,533	\$ 331,874
<i>Outputs:</i>				
Standard Operating Procedures	1	1	1	1
Marketing and advertising plans	1	1	1	1
Total number of rounds	43,952	43,551	43,102	43,357
Number of twilight rounds	4,087	4,395	4,373	4,373
Number of sundowners rounds	922	1,000	920	920
Number of tournament rounds	3,755	3,050	3,527	3,755
<i>Effectiveness Measures:</i>				
Total number of rounds revenue	\$ 713,628	\$ 738,429	\$ 755,278	\$ 755,000
Twilight round revenue	\$ 70,501	\$ 75,064	\$ 87,123	\$ 80,125
Sundowner round revenue	\$ 8,529	\$ 9,399	\$ 9,000	\$ 9,000
Tournament round revenue	\$ 73,810	\$ 57,000	\$ 78,521	\$ 75,000
<i>Efficiency Measures:</i>				
Average revenue per round	\$ 16	\$ 18	\$ 18	\$ 18
Average revenue per twilight round	\$ 17	\$ 18	\$ 19	\$ 19
Average revenue per sundowner round	\$ 9	\$ 10	\$ 10	\$ 10
Average revenue per tournament round	\$ 20	\$ 19	\$ 22	\$ 22

CITY OF McALLEN, TEXAS

DEPARTMENT: GOLF CARTS

FUND: GOLF COURSE

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 44,212	\$ 80,737	\$ 52,291	\$ 80,736
Employee Benefits	9,872	14,903	14,903	15,078
Supplies	6,756	18,570	12,885	19,620
Other Services and Charges	-	21,470	9,625	24,737
Maintenance	7,126	9,600	5,175	12,505
Operations Subtotal	67,966	145,280	94,879	152,676
Capital Outlay	-	20,000	20,000	20,000
DEPARTMENTAL TOTAL:	\$ 67,966	\$ 165,280	\$ 114,879	\$ 172,676
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	1	1	1	1
Part-Time	6	5	5	5
Civil Service	-	-	-	-
DEPARTMENT TOTAL	7	6	6	6

MISSION STATEMENT

To provide the public with golf carts in ultimate working and aesthetic conditions, prompt and efficient customer service and driving range facility that allows for an enjoyable practice experiences.

MAJOR FY 05-06 GOALS:

- 1.) Continue to implement efficient preventive maintenance practices for proper cart fleet operation.
- 2.) Minimize the down time on cart fleet to better service tournaments and special events.
- 3.) Continue to improve the operation of the night driving range.
- 4.) Prepare cart fleet for 2007 total replacement and resale project.

CITY OF McALLEN, TEXAS

DEPARTMENT: GOLF CARTS

FUND: GOLF COURSE

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	1	1	1	1
Department expenditures	\$ 67,966	\$ 165,280	\$ 114,879	\$ 172,676
Golf cart fleet	70	70	70	70
<i>Outputs:</i>				
Annual number of cart rentals	32,284	32,500	31,966	32,298
Annual number of driving range ball rentals (baskets)	16,269	26,550	14,128	26,550
Weekly golf cart maintenance program	1	1	1	1
Average hours per week of operation for driving range & cart rental	12	12	12	12
<i>Effectiveness Measures:</i>				
Annual revenue for cart rentals	\$ 256,358	\$ 255,448	\$ 252,730	\$ 255,589
Annual revenue for driving range ball rental	\$ 56,921	\$ 128,432	\$ 52,424	\$ 122,960
Annual cart fleet operating cost	\$ 62,966	\$ 81,000	\$ 79,476	\$ 88,214
Annual driving range operating cost	\$ 5,000	\$ 62,707	\$ 30,000	\$ 65,295
<i>Efficiency Measures:</i>				
Revenue per cart rental	\$ 8	\$ 8	\$ 8	\$ 8
Revenue per driving range basket rental	\$ 3.00	\$ 4.30	\$ 4.00	\$ 4.00
Average hours per week of operation the driving range & cart rental	12	12	12	12
Daily average number of operating carts	68	69	69	69

City of McAllen, Texas
Palm View Golf Course Depreciation Fund
Working Capital Summary

	Actual 03-04	Adj.Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ -	\$ 83,000	\$ 83,000	\$ 177,451
<u>Revenues:</u>				
Rental Income	-	-	-	-
Interest Earned	-	1,251	1,251	-
Total Revenues	-	1,251	1,251	-
Operating Transfer-In	83,000	93,200	93,200	43,200
Total Revenues and Transfers	83,000	94,451	94,451	43,200
TOTAL RESOURCES	<u>\$ 83,000</u>	<u>\$ 177,451</u>	<u>\$ 177,451</u>	<u>\$ 220,651</u>
APPROPRIATIONS				
<u>Capital Outlay:</u>	-	\$ -	\$ -	\$ 28,000
TOTAL APPROPRIATIONS	-	-	-	28,000
ENDING WORKING CAPITAL	<u>\$ 83,000</u>	<u>\$ 177,451</u>	<u>\$ 177,451</u>	<u>\$ 192,651</u>

McALLEN INTERNATIONAL CIVIC CENTER FUND

The Civic Center Fund is used to account for revenues and expenses of a convention and cultural center which provides a wide variety of entertainment including performances by ballet and musical groups or which a significant portion is financed through user charges.

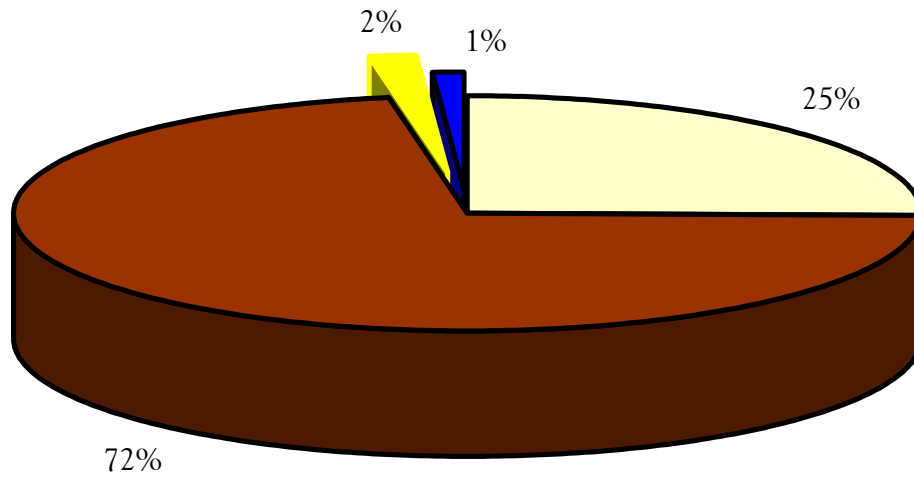


CITY of McALLEN, TEXAS

City of McAllen, Texas
McAllen International Civic Center Fund
Working Capital Summary

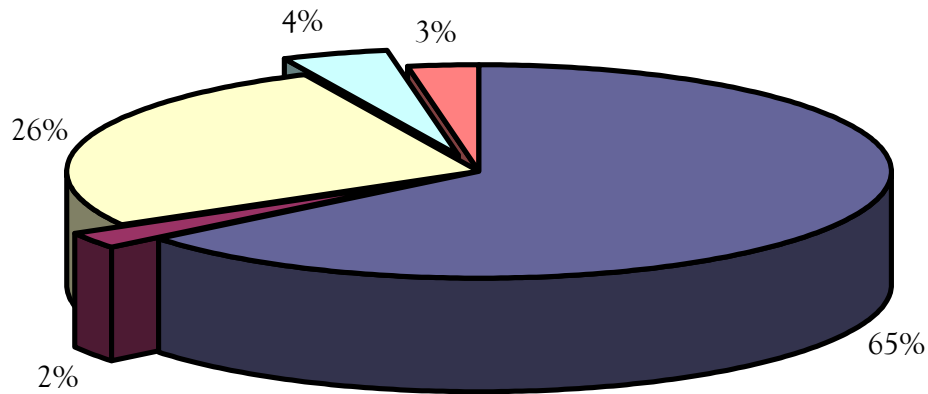
	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ 1,909,912	\$ 1,913,060	\$ 2,060,400	\$ 136,741
<u>Revenues:</u>				
User Fees-Rentals	267,544	300,000	256,133	335,000
Concession-Food and Drinks	11,892	10,000	11,472	11,000
Concession-Other	10,012	9,600	10,600	11,000
Interest Earned	37,042	-	25,000	-
Miscellaneous	14,010	6,000	27,694	15,000
Total Revenues	340,500	325,600	330,899	372,000
Transfer-in - Hotel Tax Fund	888,833	926,817	926,817	954,733
Total Revenues and Transfers-In	1,229,333	1,252,417	1,257,716	1,326,733
TOTAL RESOURCES	\$ 3,139,245	\$ 3,165,477	\$ 3,318,116	\$ 1,463,474
APPROPRIATIONS				
<u>Operating Expenses:</u>				
Maintenance & Operations	\$ 946,708	\$ 1,204,511	\$ 1,203,706	\$ 1,375,767
Liability Insurance	43,374	47,707	47,707	47,707
Capital Outlay	92,449	107,740	113,811	40,000
Total Operations	1,082,531	1,359,958	1,365,224	1,463,474
Transfer-out - Civic Center Expansion	-	1,816,151	1,816,151	-
TOTAL APPROPRIATIONS	\$ 1,082,531	\$ 3,176,109	\$ 3,181,375	\$ 1,463,474
Other Items Affecting Working Capital	3,686	-	-	-
ENDING WORKING CAPITAL	\$ 2,060,400	\$ (10,632)	\$ 136,741	\$ -

CITY OF McALLEN, TEXAS
CIVIC CENTER FUND REVENUES
\$1,326,733



■ Rentals ■ Hotel Tax ■ Concessions ■ Miscellaneous

CIVIC CENTER FUND APPROPRIATIONS
By Category
\$1,463,474



■ Personnel Services ■ Supplies ■ Other Services & Charges ■ Maintenance ■ Capital Outlay

City of McAllen, Texas
McAllen International Civic Center Fund
Expense Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Maintenance & Operations	\$ 1,082,531	\$ 1,359,958	\$ 1,365,224	\$ 1,463,474
TOTAL	<u>\$ 1,082,531</u>	<u>\$ 1,359,958</u>	<u>\$ 1,365,224</u>	<u>\$ 1,463,474</u>
 <u>BY EXPENSE GROUP</u>				
Expenses:				
Personnel Services				
Salaries and Wages	\$ 446,956	\$ 612,785	\$ 604,547	\$ 671,164
Employee Benefits	166,823	239,268	236,891	269,915
Supplies	30,623	30,300	34,281	36,300
Other Services and Charges	294,279	318,760	325,089	386,339
Maint. and Repair Services	<u>51,401</u>	<u>51,105</u>	<u>50,605</u>	<u>59,756</u>
TOTAL OPERATING EXPENSES	<u>990,082</u>	<u>1,252,218</u>	<u>1,251,413</u>	<u>1,423,474</u>
Capital Outlay	<u>92,449</u>	<u>107,740</u>	<u>113,811</u>	<u>40,000</u>
TOTAL EXPENDITURES	<u><u>\$ 1,082,531</u></u>	<u><u>\$ 1,359,958</u></u>	<u><u>\$ 1,365,224</u></u>	<u><u>\$ 1,463,474</u></u>
 <u>PERSONNEL</u>				
Maintenance & Operations	<u>18</u>	<u>24</u>	<u>24</u>	<u>25</u>

CITY OF McALLEN, TEXAS

DEPARTMENT: MAINTENANCE & OPERATIONS

FUND: CIVIC CENTER

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 446,956	\$ 612,785	\$ 604,547	\$ 671,164
Employee Benefits	123,449	191,561	189,184	222,208
Supplies	30,623	30,300	34,281	36,300
Other Services and Charges	294,279	318,760	325,089	386,339
Maintenance	51,401	51,105	50,605	59,756
Operations Subtotal	946,708	1,204,511	1,203,706	1,375,767
Capital Outlay	92,449	107,740	113,811	40,000
Operations & Capital Outlay Total	1,039,157	1,312,251	1,317,517	1,415,767
Non-Departmental				
Employee Benefits	-	-	-	-
Insurance	43,374	47,707	47,707	47,707
TOTAL EXPENDITURES	\$ 1,082,531	\$ 1,359,958	\$ 1,365,224	\$ 1,463,474
PERSONNEL				
Exempt	4	6	6	7
Non-Exempt	11	15	15	15
Part-Time	3	3	3	3
Civil Service	-	-	-	-
DEPARTMENT TOTAL	18	24	24	25

MISSION STATEMENT

To successfully develop a host a variety of events that will serve the citizens of the City of McAllen needs through education, cultural, business and entertainment activities and at all times providing the best customer service.

MAJOR FY 05-06 GOALS:

- 1.) Develop and implement Customer Service training for all convention center staff.
- 2.) Implement an aggressive advertising and promotion program for the new Center.
- 3.) Develop ten (10) new "partnerships" with organizers to develop and host events.
- 4.) Increase the booking in the existing facilities by 10 %.
- 5.) Increase total revenue by 15 %
- 6.) Recruiting Convention Center Hotel Developer for City-designated site.
- 7.) Begin the planning for the new Performing Arts building at the New Convention Center site.
- 8.) Continuing construction on the McAllen Convention Center, scheduled for opening in Spring 2007 with site improvements scheduled for completion during FY 2005-06 and bookings of conventions to begin for 2007.

CITY OF McALLEN, TEXAS

DEPARTMENT: MAINTENANCE & OPERATIONS

FUND: CIVIC CENTER

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	15	21	21	22
Department expenditures	\$ 1,082,531	\$ 1,359,958	\$ 1,365,224	\$ 1,463,474
<i>Outputs:</i>				
Number of Auditorium events	157	185	182	200
Number of Convention Hall events	137	170	188	190
Number of Tourist Center events	128	130	140	145
Total number of events worked	422	485	510	535
<i>Effectiveness Measures:</i>				
Total event hours				
Room rental revenue	\$ 267,544	\$ 300,000	\$ 256,133	\$ 335,000
Concession revenue	\$ 21,904	\$ 19,600	\$ 22,072	\$ 22,000
Total generated revenue	\$ 289,448	\$ 319,600	\$ 278,205	\$ 357,000
Ratio of costs to revenue	3.7:1	4.5:1	4.9:1	4:1
<i>Efficiency Measures:</i>				
Average man-hours spent per event	6 hrs.	6 hr. 43 min.	7 hrs	7 hrs
Average cost of an event	\$1,350	\$ 2,825	\$ 1,500	\$ 1,500
Average income per rental	\$ 702	\$ 659	\$ 767	\$ 767

McALLEN INTERNATIONAL AIRPORT FUND

The Airport Fund is used to account for the operational activities of the City's Airport.



CITY of McALLEN, TEXAS

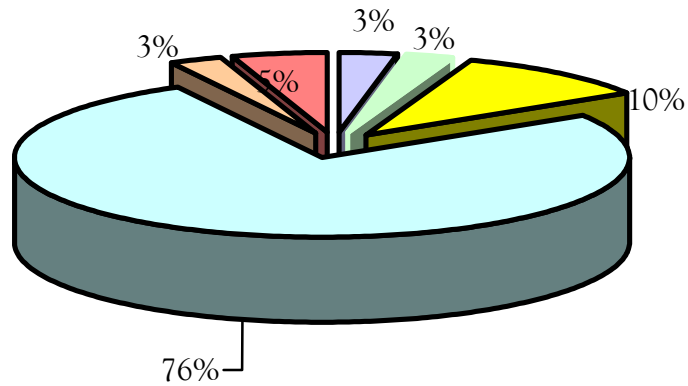
City of McAllen, Texas
McAllen International Airport Fund
Working Capital Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ 227,845	\$ 535,851	\$ 655,688	\$ 139,889
<u>Revenues:</u>				
Aeronautical Operating				
Landing Fees	316,658	428,450	372,600	388,288
Terminal area rental/charges	608,706	923,940	818,838	851,582
Boarding Bridge Fees	-	378,000	45,177	54,124
FBO Revenue: Contract/Sp	-	105,608	105,364	105,608
Cargo / Hangars Rental	162,103	100,000	160,592	160,592
Fuel Sales (net profit/loss)	22,819	91,750	92,484	92,484
Miscellaneous	-	2,100	-	-
Other (Security reimb.)	159,498	168,000	-	-
Subtotal - Aeronautical	1,269,784	2,197,848	1,595,055	1,652,678
Non-Aeronautical Operating				
Land and non terminal facilities	169,720	60,450	57,792	59,525
Terminal - Food and Beverages	-	38,400	54,000	55,620
Terminal - Retail stores	42,962	45,000	56,792	56,792
Terminal - Other	84,043	111,852	52,500	93,701
Rental Cars	891,463	1,049,120	1,246,349	1,271,275
Parking	-	300,000	-	300,000
Miscellaneous	44,056	2,400	120,506	39,005
Subtotal -Non Aeronautical	1,232,244	1,607,222	1,587,939	1,875,918
Non-Operating Revenues				
Interest Earned	5,447	-	5,246	3,000
Grant Reimbursement	679,130	1,854,535	1,994,534	189,334
Total Revenues	3,186,605	5,659,605	5,182,774	3,720,930
Operating Transfers In:				
General Fund	870,404	-	-	-
Capital Improvement Fund	310,309	-	-	-
Total Revenues and Transfers	4,367,318	5,659,605	5,182,774	3,720,930
TOTAL RESOURCES	\$ 4,595,163	\$ 6,195,456	\$ 5,838,462	\$ 3,860,819
APPROPRIATIONS				
<u>Operating Expenses:</u>				
Airport	\$ 2,012,904	\$ 2,091,270	\$ 2,098,415	\$ 2,250,293
Liability Insurance	94,039	103,439	110,825	103,439
Capital Outlay	821,367	2,296,994	2,337,073	81,800
Total Operations	2,928,310	4,491,703	4,546,313	2,435,532
Operating Transfers Out - General Fund	1,071,810	1,071,810	1,071,810	1,103,965
Operating Transfers Out - Capital Improvements	-	214,465	80,450	171,062
Operating Transfers Out - Debt Service	4,065,989	-	-	-
TOTAL APPROPRIATIONS	8,066,109	5,777,978	5,698,573	3,710,559
ENDING WORKING CAPITAL	\$ (3,470,946)	\$ 417,478	\$ 139,889	\$ 150,260
Reclass Due to Debt Service Fund as Advance	4,065,989	-	-	-
Other Items Affecting Working Capital	60,645	-	-	-
ENDING WORKING CAPITAL	\$ 655,688	\$ 417,478	\$ 139,889	\$ 150,260

CITY OF McALLEN, TEXAS

AIRPORT FUND REVENUES

\$3,720,930

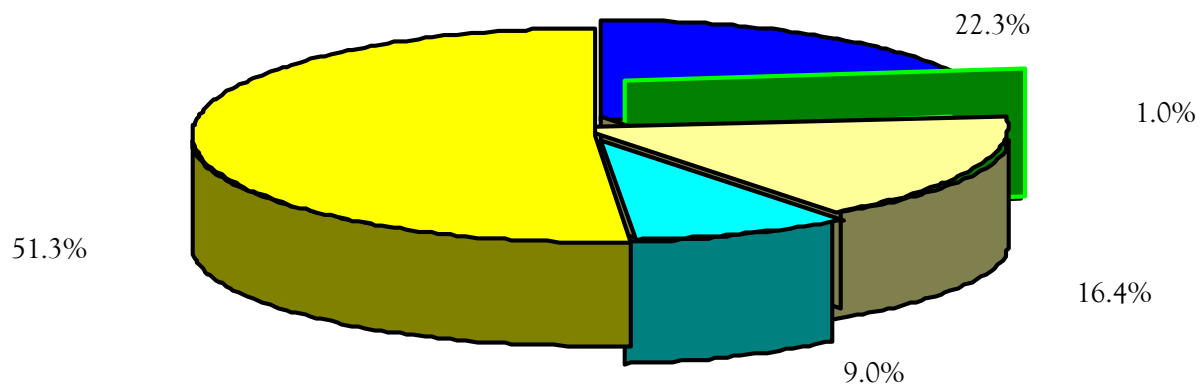


■ Concessions ■ Other ■ Landing Fees ■ Lease/Rentals ■ Miscellaneous ■ Grant Reimbursement

AIRPORT FUND APPROPRIATIONS

By Category

\$2,435,532



■ Personnel Services ■ Supplies ■ Other Services & Charges ■ Maintenance ■ Capital Outlay

City of McAllen, Texas
McAllen International Airport Fund
Expense Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Airport	\$ 2,147,671	\$ 2,431,109	\$ 2,540,489	\$ 2,435,532
TOTAL	<u>\$ 2,147,671</u>	<u>\$ 2,431,109</u>	<u>\$ 2,540,489</u>	<u>\$ 2,435,532</u>
 <u>BY EXPENSE GROUP</u>				
Expenses:				
Personnel Services				
Salaries and Wages	\$ 605,523	\$ 684,539	\$ 674,735	\$ 699,965
Employee Benefits	284,298	329,324	336,710	345,964
Supplies	31,788	43,722	44,366	43,722
Other Services and Charges	720,189	734,624	755,171	822,706
Maint. and Repair Services	465,145	402,500	398,258	441,375
TOTAL OPERATING EXPENSES	<u>2,106,943</u>	<u>2,194,709</u>	<u>2,209,240</u>	<u>2,353,732</u>
Capital Outlay	40,728	236,400	331,249	81,800
TOTAL EXPENDITURES	<u><u>\$ 2,147,671</u></u>	<u><u>\$ 2,431,109</u></u>	<u><u>\$ 2,540,489</u></u>	<u><u>\$ 2,435,532</u></u>
 <u>PERSONNEL</u>				
Airport	<u>23</u>	<u>25</u>	<u>25</u>	<u>25</u>

CITY OF McALLEN, TEXAS

DEPARTMENT: AIRPORT

FUND:McALLEN INTERNATIONAL AIRPORT

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 605,523	\$ 684,539	\$ 674,735	\$ 699,965
Employee Benefits	190,259	225,885	225,885	242,525
Supplies	31,788	43,722	44,366	43,722
Other Services and Charges	720,189	734,624	755,171	822,706
Maintenance	465,145	402,500	398,258	441,375
Operations Subtotal	2,012,904	2,091,270	2,098,415	2,250,293
Capital Outlay	40,728	236,400	331,249	81,800
Operations & Capital Outlay Total	2,053,632	2,327,670	2,429,664	2,332,093
Non-Departmental				
Employee Benefits	-	-	-	-
Insurance	94,039	103,439	110,825	103,439
TOTAL EXPENDITURES	\$ 2,147,671	\$ 2,431,109	\$ 2,540,489	\$ 2,435,532
PERSONNEL				
Exempt	3	3	3	4
Non-Exempt	20	22	22	21
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	23	25	25	25

MISSION STATEMENT

To foster an aviation environment that promotes air carrier, general aviation and air cargo services in an economically viable, safe, secure, convenient and competitive manner for the residents of the Rio Grande Valley and our international customers.

MAJOR FY 05-06 GOALS:

- 1.) Complete construction of Runway 18/36 and evaluation of the airfield lighting circuits.
- 2.) Complete Phase 2 of parking light improvement.
- 3.) Begin construction of Taxiway C, Custom Ramp, and Joint Seal of Air Carrier Ramp Rehabilitation Projects.
- 4.) Complete terminal expansion assessment study.
- 5.) Continuing to market McAllen-Miller International Airport for additional flights to Mexico and Orlando, Florida.
- 6.) Beginning the design process with TxDOT relating to the Federal Highway Bill earmarked for the relocation of 10th Street (SH336) due to the need to extend the airport runway.

CITY OF McALLEN, TEXAS

DEPARTMENT: AIRPORT

FUND:McALLEN INTERNATIONAL AIRPORT

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	23	25	25	25
Department expenditures	\$ 2,147,671	\$ 2,431,109	\$ 2,540,489	\$ 2,435,532
Enplaned passengers	311,736	305,450	342,909	349,904
Operating revenues	\$ 2,801,719	\$ 2,796,389	\$ 3,236,822	\$ 3,646,181
<i>Outputs:</i>				
Total airline operations	7,320	6,601	7,400	7,400
Total general aviation operations	55,135	56,950	56,900	57,013
<i>Effectiveness Measures:</i>				
Percent of change in enplaned passengers	12%	2.5%	10%	2.5%
<i>Efficiency Measures:</i>				
Airline cost per enplaned passenger	\$ 12.12	\$ 7.67	\$ 7.67	\$ 6.71
Airport operating revenue per enplaned passengers	\$ 8.99	\$ 9.15	\$ 9.43	\$ 10.42

McALLEN EXPRESS TRANSIT FUND

The McAllen Express Transit Fund is used to account for revenues and expenses for the bus terminal located in Downtown McAllen.



CITY of McALLEN, TEXAS

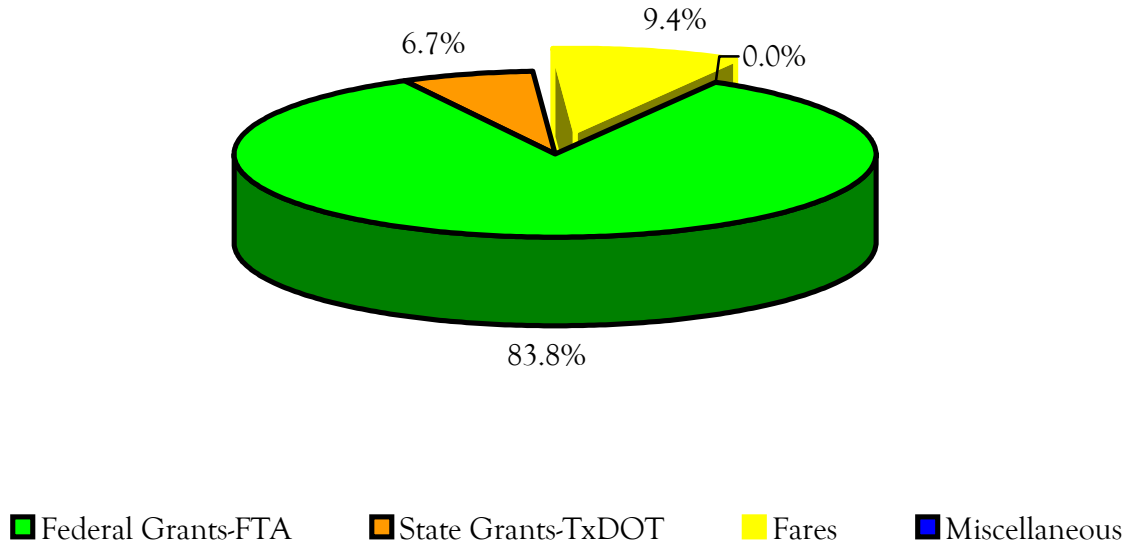
City of McAllen, Texas
McAllen Express Transit Fund
Working Capital Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ -	\$ -	\$ -	\$ 32,571
Revenues:				
Federal Grants / FTA	-	111,965	18,800	1,776,471
State Grants / TXDOT	-	140,000	60,000	142,243
Fares	-	195,610	162,850	200,000
Misc / Cash Over/Short	-	-	(5)	
Contributions / Acquired Assets - external	-	-	847,896	-
Total Revenues	-	447,575	1,089,541	2,118,714
Transfer-In- General Fund	-	-	-	-
Transfer-In- Development Corp	-	272,205	452,205	800,394
Total Transfers-In and Revenues	-	719,780	1,541,746	2,919,108
TOTAL RESOURCES	\$ -	\$ 719,780	\$ 1,541,746	\$ 2,951,679
APPROPRIATIONS				
Operating Expenses:				
Administration	\$ -	\$ 642,953	\$ 637,779	\$ 809,520
Liability Insurance	-	-	-	18,626
Capital Outlay	-	23,500	23,500	2,108,089
TOTAL APPROPRIATIONS	-	666,453	661,279	2,936,235
Other Items Affecting Working Capital	-	-	(847,896)	-
ENDING WORKING CAPITAL	\$ -	\$ 53,327	\$ 32,571	\$ 15,444

CITY OF McALLEN, TEXAS

McALLEN EXPRESS TRANSIT FUND REVENUES

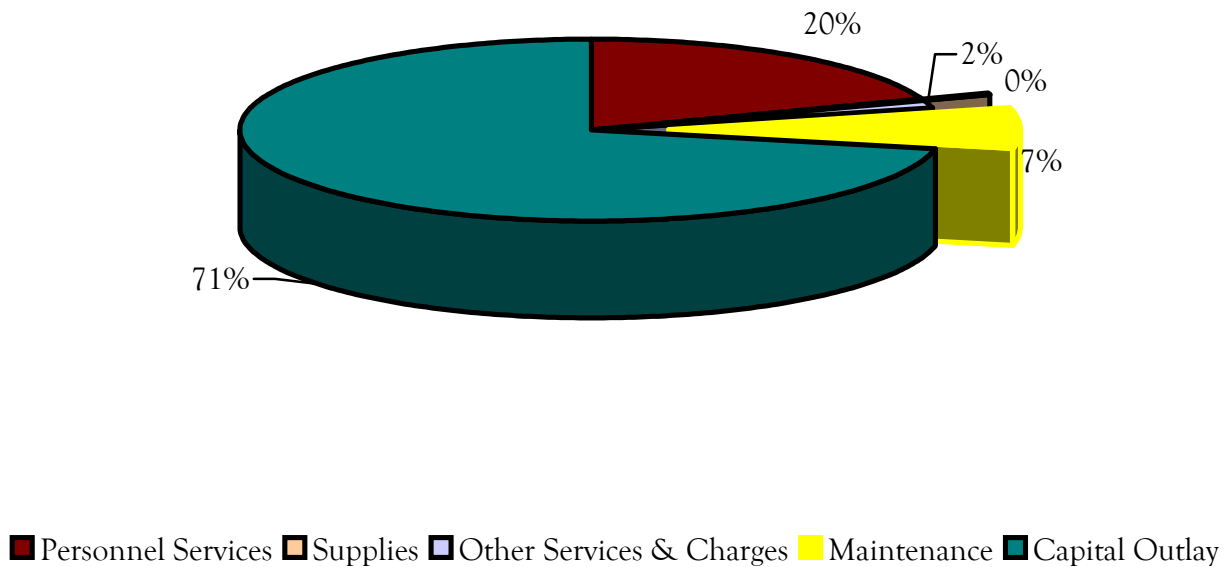
\$2,118,714



McALLEN EXPRESS TRANSIT FUND APPROPRIATIONS

By Category

\$2,936,235



City of McAllen, Texas
McAllen Express Transit Fund
Expense Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Administration	\$ -	\$ 666,453	\$ 661,279	\$ 2,936,235
TOTAL	<u>\$ -</u>	<u>\$ 666,453</u>	<u>\$ 661,279</u>	<u>\$ 2,936,235</u>
<u>BY EXPENSE GROUP</u>				
Expenses:				
Personnel Services				
Salaries and Wages	\$ -	\$ 332,316	\$ 352,560	\$ 435,499
Employee Benefits	-	117,313	117,313	137,110
Supplies	-	5,263	4,745	4,785
Other Services and Charges	-	44,511	17,540	45,216
Maint. and Repair Services	-	143,550	145,621	205,536
TOTAL OPERATING EXPENSES	<u>-</u>	<u>642,953</u>	<u>637,779</u>	<u>828,146</u>
Capital Outlay	-	23,500	23,500	2,108,089
TOTAL EXPENDITURES	<u><u>\$ -</u></u>	<u><u>\$ 666,453</u></u>	<u><u>\$ 661,279</u></u>	<u><u>\$ 2,936,235</u></u>
<u>PERSONNEL</u>				
Administration	<u>-</u>	<u>21</u>	<u>22</u>	<u>22</u>

CITY OF McALLEN, TEXAS

DEPARTMENT: ADMINISTRATION

FUND: McALLEN EXPRESS TRANSIT

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ -	\$ 332,316	\$ 352,560	\$ 435,499
Employee Benefits	-	117,313	117,313	137,110
Supplies	-	5,263	4,745	4,785
Other Services and Charges	-	44,511	17,540	26,590
Maintenance	-	143,550	145,621	205,536
Operations Subtotal	-	642,953	637,779	809,520
Capital Outlay	-	23,500	23,500	2,108,089
Operations & Capital Outlay Totals	-	666,453	661,279	2,917,609
Non-Departmental				
Employee Benefits	-	-	-	-
Insurance	-	-	-	18,626
TOTAL EXPENDITURES	\$ -	\$ 666,453	\$ 661,279	\$ 2,936,235
PERSONNEL				
Exempt	-	1	1	1
Non-Exempt	-	18	19	19
Part-Time	-	2	2	2
Civil Service	-	-	-	-
DEPARTMENT TOTAL	-	21	22	22

MISSION STATEMENT

To provide safe, reliable and cost effective public transportation.

MAJOR FY 05-06 GOALS:

- 1.) Decrease cost per passenger and cost per hour.
- 2.) Increase grant funding.
- 3.) Complete capital projects which will increase fleet size, increase service, and improve transit equipment and furniture (i.e. bus shelters, benches, and bus stop signage).

CITY OF McALLEN, TEXAS

DEPARTMENT: ADMINISTRATION

FUND: McALLEN EXPRESS TRANSIT

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Inputs:				
Total number of full time employees	-	21	22	22
Department expenditures	\$ -	\$ 666,453	\$ 661,279	\$ 2,939,235
<i>McAllen Express Fixed Route</i>				
Total Expenditures	\$ -	\$ -	\$ -	\$ 1,072,699
<i>McAllen Express Paratransit Service</i>				
Total Expenditures	\$ -	\$ -	\$ -	\$ 119,189
Outputs:				
<i>McAllen Express Fixed Route</i>				
Number of passengers / ridership	-	349,537	364,990	375,940
Number of miles	-	508,589	272,538	280,714
Total operating revenue hours	-	37,437	23,640	24,349
Total fare revenue	-	\$ 185,906	\$ 170,544	\$ 175,660
<i>McAllen Express Paratransit Service</i>				
Number of passengers / ridership	-	9,728	8,424	8,677
Number of miles	-	19,016	41,942	43,200
Total operating revenue hours	-	3,760	2,514	2,589
Total fare revenue	\$ -	\$ 2,707	\$ 2,628	\$ 2,707
Effectiveness Measures:				
<i>McAllen Express Fixed Route</i>				
Percent of change in cost per passenger	-	100.00%	-1.61%	0.00%
Percent of change in cost per hour	-	100.00%	8.72%	0.00%
<i>McAllen Express Paratransit Service</i>				
Percent of change in cost per passenger	-	100.00%	-5.69%	0.00%
Percent of change in cost per hour	-	100.00%	50.31%	0.00%
Efficiency Measures:				
<i>McAllen Express Fixed Route</i>				
Number of passengers per mile	-	1.46	1.00	1.00
Number of passengers per hour	-	9.34	15.00	15.00
Cost per hour	\$ -	\$ 27.16	\$ 44.05	\$ 44.05
Cost per passenger	\$ -	\$ 2.91	\$ 2.85	\$ 2.85
Fare revenue per passenger	\$ -	\$ 0.53	\$ 0.47	\$ 0.47
Fare box recovery rate	0.00%	19.27%	16.38%	16.38%
<i>McAllen Express Paratransit Service</i>				
Number of passengers per mile	-	1	-	-
Number of passengers per hour	-	3	3	3
Cost per hour	\$ -	\$ 25.61	\$ 46.03	\$ 46.03
Cost per passenger	\$ -	\$ 9.90	\$ 13.74	\$ 13.74
Fare revenue per passenger	\$ -	\$ 0.28	\$ 0.31	\$ 0.31
Fare box recovery rate	0.00%	2.81%	2.27%	2.27%

BUS TERMINAL FUND

The Bus Terminal Fund is used to account for revenues and expenses for the bus terminal located in Downtown McAllen.



CITY of McALLEN, TEXAS

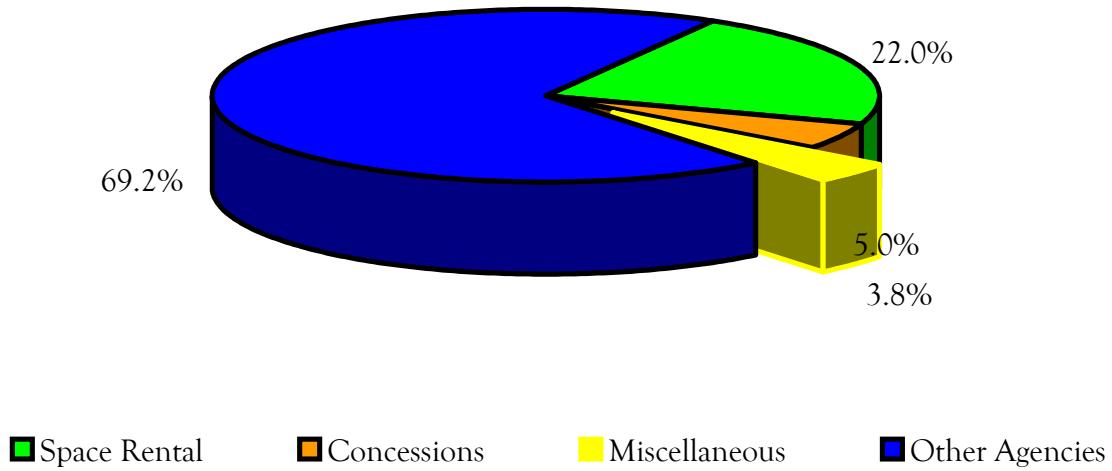
City of McAllen, Texas
Bus Terminal Fund
Working Capital Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ 73,001	\$ 42,001	\$ 75,524	\$ 75,524
<u>Revenues:</u>				
Space Rental	223,363	229,502	229,502	234,420
Concessions	44,007	45,000	45,000	47,250
Concessions - Other	-	6,000	4,500	6,000
Other Agencies	-	-	127,035	737,920
Commission-telephone	4,859	10,000	10,000	10,200
Other	8,800	-	31,724	30,000
Interest Earned	677	-	3,231	-
Total Revenues	281,706	290,502	450,992	1,065,790
Transfer-In- General Fund	256,802	294,221	-	-
Transfer-In- Development Corp	242,201	-	154,296	314,485
Total Transfers-In and Revenues	780,709	584,724	605,288	1,380,275
TOTAL RESOURCES	\$ 853,710	\$ 626,725	\$ 680,812	\$ 1,455,799
APPROPRIATIONS				
<u>Operating Expenses:</u>				
Administration	\$ 531,670	\$ 542,122	\$ 586,288	\$ 595,375
Liability Insurance	-	-	-	-
Capital Outlay	248,800	19,000	19,000	784,900
TOTAL APPROPRIATIONS	780,470	561,122	605,288	1,380,275
Other Items Affecting Working Capital	2,284	-	-	-
ENDING WORKING CAPITAL	\$ 75,524	\$ 65,602	\$ 75,524	\$ 75,524

CITY OF McALLEN, TEXAS

BUS TERMINAL FUND REVENUES

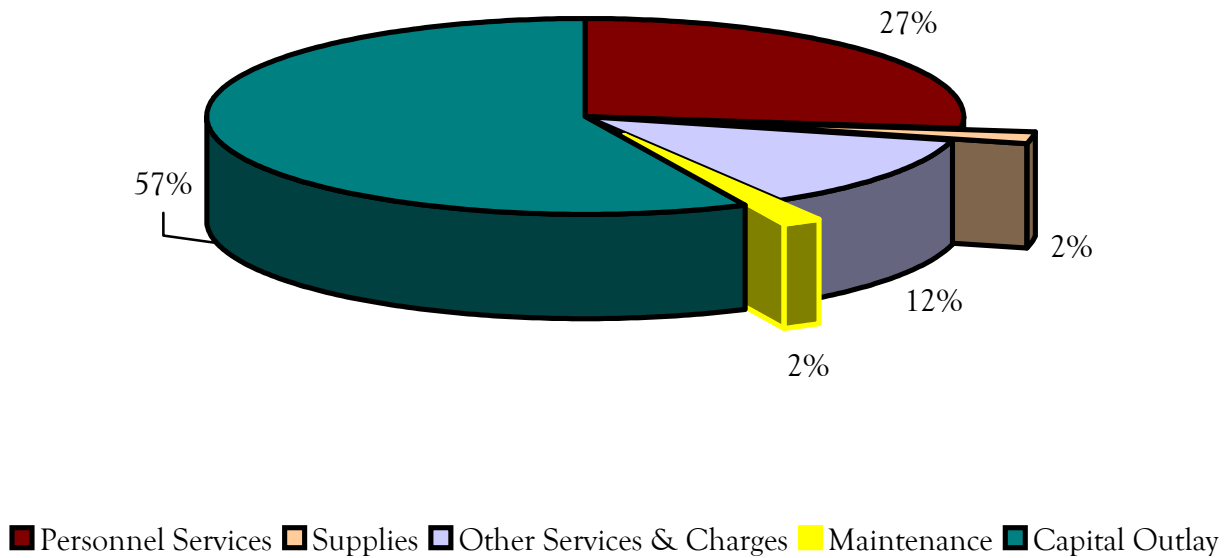
\$1,065,790



BUS TERMINAL FUND APPROPRIATIONS

By Category

\$1,380,275



City of McAllen, Texas
McAllen International Civic Center Fund
Expense Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Maintenance & Operations	\$ 1,082,531	\$ 1,359,958	\$ 1,365,224	\$ 1,463,474
TOTAL	<u>\$ 1,082,531</u>	<u>\$ 1,359,958</u>	<u>\$ 1,365,224</u>	<u>\$ 1,463,474</u>
 <u>BY EXPENSE GROUP</u>				
Expenses:				
Personnel Services				
Salaries and Wages	\$ 446,956	\$ 612,785	\$ 604,547	\$ 671,164
Employee Benefits	166,823	239,268	236,891	269,915
Supplies	30,623	30,300	34,281	36,300
Other Services and Charges	294,279	318,760	325,089	386,339
Maint. and Repair Services	51,401	51,105	50,605	59,756
TOTAL OPERATING EXPENSES	<u>990,082</u>	<u>1,252,218</u>	<u>1,251,413</u>	<u>1,423,474</u>
Capital Outlay	<u>92,449</u>	<u>107,740</u>	<u>113,811</u>	<u>40,000</u>
TOTAL EXPENDITURES	<u><u>\$ 1,082,531</u></u>	<u><u>\$ 1,359,958</u></u>	<u><u>\$ 1,365,224</u></u>	<u><u>\$ 1,463,474</u></u>
 <u>PERSONNEL</u>				
Maintenance & Operations	<u>18</u>	<u>24</u>	<u>24</u>	<u>25</u>

CITY OF McALLEN, TEXAS

DEPARTMENT: ADMINISTRATION

FUND: BUS TERMINAL

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 225,923	\$ 242,242	\$ 274,606	\$ 274,606
Employee Benefits	78,342	89,450	89,450	96,329
Supplies	26,978	28,680	28,881	28,680
Other Services and Charges	154,440	159,234	169,258	171,627
Maintenance	45,987	22,516	24,093	24,133
Operations Subtotal	531,670	542,122	586,288	595,375
Capital Outlay	248,800	19,000	19,000	784,900
Operations & Capital Outlay Totals	780,470	561,122	605,288	1,380,275
Non-Departmental				
Employee Benefits	-	-	-	-
Insurance	-	-	-	-
TOTAL EXPENDITURES	\$ 780,470	\$ 561,122	\$ 605,288	\$ 1,380,275
PERSONNEL				
Exempt	2	2	2	2
Non-Exempt	8	9	9	9
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	10	11	11	11

MISSION STATEMENT

To operate a clean, safe, and cost effective public transit facility.

MAJOR FY 05-06 GOALS:

- 1.) Maximize the rental revenue recovery rate by identifying new sources of revenue such as advertising, and to identify grant funding available to offset a portion of the City's operating subsidy.
- 2.) Decrease the cost per visitor and the operating cost per square foot.
- 3.) Develop and complete facility enhancement projects such as re-painting the interior of the facility, adding a pedestrian walkway and canopies.
- 4.) Complete a preventive maintenance plan for the daily up-keep of the facility.
- 5.) Constuction of new covered entrance and enhance passenger amenities at McAllen Bus Terminal.
- 6.) Bidding and receiving replacement transit bus system buses.

CITY OF McALLEN, TEXAS

DEPARTMENT: ADMINISTRATION

FUND: BUS TERMINAL

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Workload Measures:</i>				
Total number of full time employees	10	11	11	11
Number of People Departing	421,929	443,025	443,025	451,886
Number of Visitors	3,238,168	3,335,313	3,335,313	3,402,019
Number of Operating Hours	8,760	8,760	8,760	8,760
Rental Revenue	\$ 281,029	\$ 290,802	\$ 290,802	\$ 298,470
Total Expenditures	\$ 780,470	\$ 561,122	\$ 605,288	\$ 1,380,275
Total Square Footage	98,362	98,362	98,362	98,362
<i>Efficiency Measures:</i>				
Number of People Departing/Hour	48	51	51	52
Cost per Visitor	\$ 4.15	\$ 5.94	\$ 5.51	\$ 2.46
Operating Cost/Square Foot	\$ 7.93	\$ 5.70	\$ 6.15	\$ 14.03
Rental Revenue Recovery Rate	54.62%	51.83%	51.83%	50.00%
<i>Effectiveness Measures:</i>				
Percent of change in departures per hour	n/a	4.76%	4.76%	1.96%
Percent of change in cost per visitor	n/a	30.20%	24.70%	-123.56%
Percent of change in cost per square foot	n/a	-39.09%	-28.94%	56.15%

McALLEN INTERNATIONAL TOLL BRIDGE FUND

The Bridge Fund is used to account for revenues and expenses for the International Toll Bridge located between Hidalgo, Texas and Reynosa, Mexico.



CITY of McALLEN, TEXAS

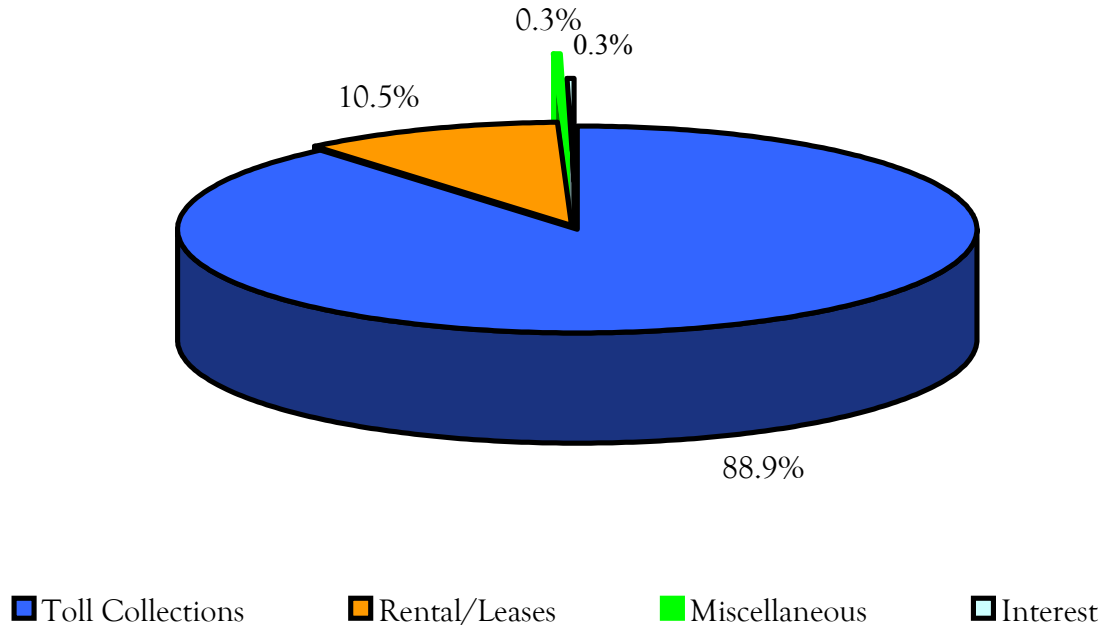
City of McAllen, Texas
McAllen International Toll Bridge Fund
Working Capital Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ 940,785	\$ 599,905	\$ 952,422	\$ 952,422
<u>Revenues:</u>				
Highway s & Sts Toll Bridge	10,219,289	9,900,000	11,101,054	11,404,706
UETA Turnstile	3,938	6,000	2,000	6,000
Rents & Royalties	1,282,133	1,378,627	1,328,467	1,345,794
Miscellaneous	21,024	9,800	73,330	39,800
Interest Earned	57,960	35,000	60,000	37,000
Total Revenues	11,584,344	11,329,427	12,564,851	12,833,300
Total Revenues and Transfers	11,584,344	11,329,427	12,564,851	12,833,300
TOTAL RESOURCES	\$ 12,525,129	\$ 11,929,332	\$ 13,517,273	\$ 13,785,722
APPROPRIATIONS				
<u>Operating Expenses:</u>				
Operations	\$ 1,318,741	\$ 1,438,518	\$ 1,429,694	\$ 1,506,926
Administration	482,580	452,853	460,503	444,661
Liability Insurance	45,793	50,368	50,368	50,368
Capital Outlay	46,990	498,650	510,650	435,000
Total Operations	1,894,104	2,440,389	2,451,215	2,436,955
Transfer out - Debt Service	281,553	282,778	282,778	283,553
City of McAllen-General Fund	6,040,940	5,589,657	5,768,229	6,472,186
City of Hidalgo	3,398,029	3,156,683	3,244,629	3,640,606
Anzalduas Fund	-	-	818,000	-
TOTAL APPROPRIATIONS	11,614,626	11,469,507	12,564,851	12,833,300
Other Items Affecting Working Capital	41,939	-	-	-
ENDING WORKING CAPITAL	\$ 952,442	\$ 459,825	\$ 952,422	\$ 952,422

CITY OF McALLEN, TEXAS

INTERNATIONAL TOLL BRIDGE FUND REVENUES

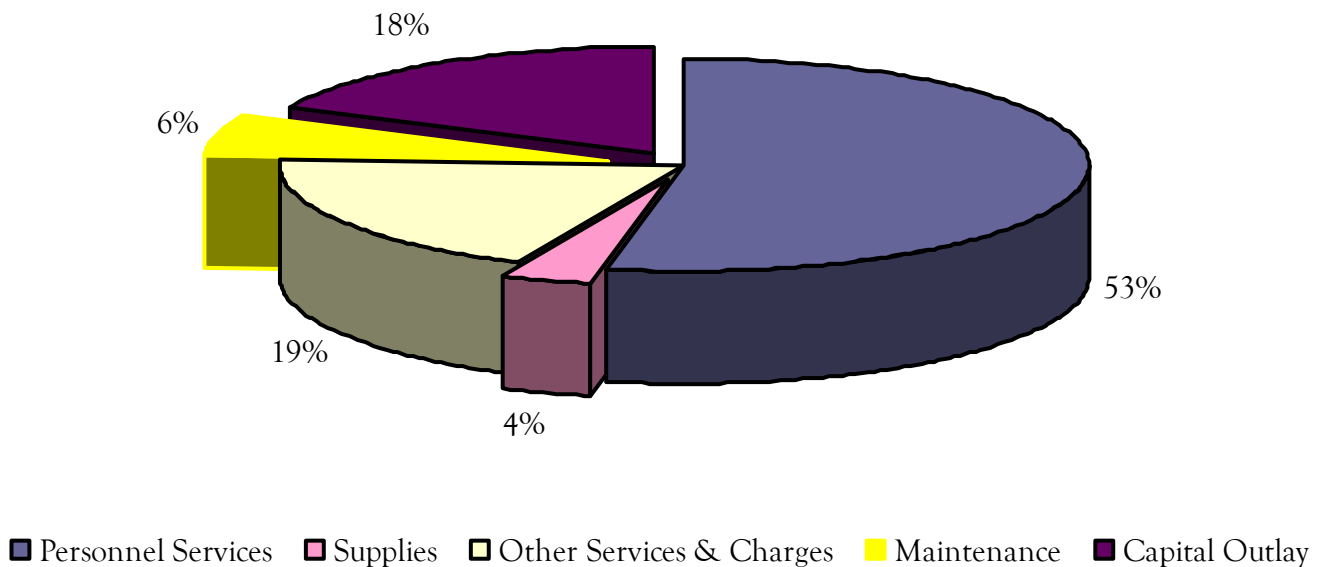
\$12,833,300



INTERNATIONAL TOLL BRIDGE FUND APPROPRIATIONS

By Category

\$2,436,955



City of McAllen, Texas
McAllen International Toll Bridge Fund
Expense Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Operations	\$ 1,318,741	\$ 1,438,518	\$ 1,429,694	\$ 1,506,926
Administration	575,363	1,001,871	1,021,521	930,029
TOTAL	\$ 1,894,104	\$ 2,440,389	\$ 2,451,215	\$ 2,436,955
<u>BY EXPENSE GROUP</u>				
Expenses:				
Personnel Services				
Salaries and Wages	\$ 875,732	\$ 935,836	\$ 894,299	\$ 946,324
Employee Benefits	320,384	335,614	335,614	344,001
Supplies	83,422	84,800	84,800	89,800
Other Services and Charges	451,942	472,037	477,400	468,015
Maint. and Repair Services	115,634	113,452	148,452	153,815
TOTAL OPERATING EXPENSES	1,847,114	1,941,739	1,940,565	2,001,955
Capital Outlay	46,990	498,650	510,650	435,000
TOTAL EXPENDITURES	\$ 1,894,104	\$ 2,440,389	\$ 2,451,215	\$ 2,436,955
<u>PERSONNEL</u>				
Operations	40	40	40	40
Administration	3	3	3	3
TOTAL PERSONNEL	43	43	43	43

CITY OF McALLEN, TEXAS

DEPARTMENT: OPERATIONS

FUND: BRIDGE

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 757,551	\$ 821,457	\$ 777,920	\$ 824,143
Employee Benefits	232,161	253,774	253,774	262,868
Supplies	59,243	55,000	55,000	65,000
Other Services and Charges	158,373	198,287	198,000	204,915
Maintenance	111,413	110,000	145,000	150,000
Operations Subtotal	1,318,741	1,438,518	1,429,694	1,506,926
Capital Outlay	-	-	-	-
TOTAL EXPENDITURES	\$ 1,318,741	\$ 1,438,518	\$ 1,429,694	\$ 1,506,926
PERSONNEL				
Exempt	-	-	-	-
Non-Exempt	37	37	37	37
Part-Time	3	3	3	3
Civil Service	-	-	-	-
DEPARTMENT TOTAL	40	40	40	40

MISSION STATEMENT

The Bridge Operations Department is responsible for toll collections and automobile and pedestrians traffic counts. It is also responsible for maintaining all the facilities at the Bridge.

MAJOR FY 05-06 GOALS:

- 1.) Insure that all internal controls are strictly adhered to and that all monies collected are properly accounted for and deposited
- 2.) Toll system to be properly maintained at all times and upgraded as needed.
- 3.) Keep Bridge Board and City Manager informed of significant developments at Hidalgo POE and Anzalduas on a timely basis.
- 4.) Work with architects and engineers to complete design and construction of southbound improvements by end of 2005.
- 5.) Work with U.S. Customs and Border Protection to implement a Designated Commuter Lane by end of 2005.
- 6.) Work with Mexican authorities and Mexican proponents of Anzalduas Bridge to obtain Mexican Diplomat Note by end of December 2005.
- 7.) Obtain approval from U.S. State Department and the relevant agencies on proposed amended Anzalduas permit for inclusion of commercial cargo.
- 8.) Get all information for Bridge Packets into City Manager's office by Thursday noon before each Monday Meeting.
- 9.) Complete Revenue Bond Sale for Anzalduas Bridge Construction.
- 10.) Begin the construction of Anzalduas International Bridge.
- 11.) Develop a marketing plan for the McAllen-Hidalgo-Reynosa International Bridge to provide better customer service.

CITY OF McALLEN, TEXAS

DEPARTMENT: OPERATIONS

FUND: BRIDGE

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	37	37	37	37
Department expenditures	\$ 1,318,741	\$ 1,438,518	\$ 1,429,694	\$ 1,506,926
Number of full time - Collectors	23	23	23	23
Number of full time - Cashiers	4	4	4	4
Number of full time - Maintenance	3	3	10	10
<i>Outputs:</i>				
Southbound vehicular crossings	5,510,765	6,278,787	5,510,765	5,395,487
Southbound pedestrians crossings	1,383,498	1,340,465	1,383,498	1,300,000
Total southbound crossings	6,894,263	7,619,252	6,894,263	6,695,487
<i>Effectiveness Measures:</i>				
Total toll revenues	\$ 10,223,227	\$ 9,706,000	\$ 11,103,054	\$ 11,410,706
Expenditure to revenue ratio	\$1:\$7.75	\$1/\$6.75	\$1/\$7.77	\$1/\$7.57
<i>Efficiency Measures:</i>				
Crossings processed per collector	299,751	331,272	299,751	291,108
Cost per crossing	0.19	0.23	0.21	0.23

CITY OF McALLEN, TEXAS

DEPARTMENT: ADMINISTRATION

FUND: BRIDGE

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 118,181	\$ 114,379	\$ 116,379	\$ 122,181
Employee Benefits	42,430	31,472	31,472	30,765
Supplies	24,179	29,800	29,800	24,800
Other Services and Charges	293,569	273,750	279,400	263,100
Maintenance	4,221	3,452	3,452	3,815
Operations Subtotal	482,580	452,853	460,503	444,661
Capital Outlay	46,990	498,650	510,650	435,000
Operations & Capital Outlay Total	529,570	951,503	971,153	879,661
Non-Departmental				
Employee Benefits	-	-	-	-
Insurance	45,793	50,368	50,368	50,368
TOTAL EXPENDITURES	\$ 575,363	\$ 1,001,871	\$ 1,021,521	\$ 930,029
PERSONNEL				
Exempt	2	2	2	2
Non-Exempt	1	1	1	1
Part-Time	-	-	-	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	3	3	3	3

MISSION STATEMENT

The McAllen-Hidalgo International Bridge strives to create value for it's customers and communities by becoming the standard of excellence in the International Toll Bridge industry and by providing a safe and efficient bridge crossing. We intend to grow in scale and scope by developing our services and facilities and serving our commercial customers, commuters, tourists, and government agencies. The Bridge Board and management envisions expanding our facility and constructing a new international crossing and pursuing other evolving opportunities.

MAJOR FY 05-06 GOALS:

- 1.) Insure that all internal controls are strictly adhered to and that all monies collected are properly accounted for and deposited.
- 2.) Toll system to be properly maintained at all times and upgraded as needed.
- 3.) Keep Bridge Board and City Manager informed of significant developments at Hidalgo POE and Anzalduas on a timely basis
- 4.) Work with architects and engineers to complete design and construction of southbound improvements by end of 2005.
- 5.) Work with U.S. Customs and Border Protection to implement a Designated Commuter Lane by end of 2005.
- 6.) Work with Mexican authorities and Mexican proponents of Anzalduas Bridge to obtain Mexican Diplomat Note by end of December 2005.
- 7.) Obtain approval from U.S. State Department and the relevant agencies on proposed amended Anzalduas permit for inclusion of commercial cargo.
- 8.) Get all information for Bridge Packets into City Manager's office by Thursday noon before each Monday Meeting.
- 9.) Complete Revenue Bond Sale for Anzalduas Bridge Construction.

CITY OF McALLEN
ENTERPRISE FUNDS CAPITAL OUTLAY LISTING
FISCAL YEAR 2005 - 2006

DEPARTMENT NAME	DESCRIPTION	N R	QTY APPROVED	APPROVED CAPITAL OUTLAY
WATER FUND (400)				
WATER PLANT	LASER JET PRINTER	N	1	\$ 2,000
	PLASMA CUTTER	N	1	2,500
	TOOL SET FOR UNIT 223	N	1	1,500
	STOVE	N	1	500
	COMMERCIAL LAWNMOWER	N	1	500
	TV/VCR	N	1	500
	PH METER	N	1	2,000
	FURNITURE	N	1	1,500
	CABINETS FOR NEW PLANT	N	1	600
DEPT TOTAL				11,600
TRANS & DISTRIBUTION	2 WAY RADIOS WITH CHARGERS	N	5	6,000
	CUT OFF SAWS	N	2	1,600
	TOOL BOXES AND ACCESSORIES	N	10	8,500
DEPT TOTAL				16,100
METER READERS	WORK BENCH	R	1	360
	COMPUTER	N	1	1,800
	STORAGE SUPPLY CABINET	N	1	280
	LOCKERS	N	6	1,050
	CREDENZA	N	1	350
	DESK	N	1	600
	DESKS	N	6	2,400
	CHAIRS	N	7	700
	METAL DETECTOR	R	1	1,000
	5-DRAWER FILING CABINET	N	2	660
	5- DRAWER LATERAL FILING CABINET	N	1	800
	GUEST CHAIRS	N	2	200
	RADIO FOR NEW POSITION	N	1	1,000
DEPT TOTAL				11,200
UTILITY BILLING	COMPUTER	N	1	1,800
	CREDENZA FOR SUPERINTENDENT	N	1	765
	WORKSTATIONS	N	7	8,400
	LATERAL FILING CABINETS	N	3	2,535
	GUEST CHAIR	N	2	200
	CHAIRS	N	3	300
	BOOK SHELVES	N	2	200
DEPT TOTAL				14,200
CUSTOMER RELATIONS	COMPUTER	N	2	3,600
	OCR READERS	N	5	7,500
	SECRETARY CHAIRS	N	4	800
DEPT TOTAL				11,900

CITY OF McALLEN
ENTERPRISE FUNDS CAPITAL OUTLAY LISTING
FISCAL YEAR 2005 - 2006

DEPARTMENT NAME	DESCRIPTION	N R	QTY APPROVED	APPROVED CAPITAL OUTLAY
ADMINISTRATION	DESK	N	2	2,000
	DESK	N	1	1,500
	DEPT TOTAL			3,500
	<i>TOTAL WATER FUND</i>			68,500
	WATER DEPRECIATION FUND (410)			
WATER PLANTS	UNIT 223-1	N	1	20,000
	OVERHEAD DOOR	R	1	3,000
	H.S. PUMPS MOTOR #6	N	1	50,000
	ACTUATORS	N	1	16,000
	30" METER	N	1	15,000
	DRAIN VALVES FOR CLARIFIERS 1 & 2 WITH			
	ACTUATORS	N	2	15,000
	INFLUENT VALVES WITH ACTUATORS	N	1	15,000
	DEPT TOTAL			134,000
TRANSPORTATION & DISTRIBUTION	1 1/2 TON TRUCK (UNIT 226)	R	1	22,000
	1 1/2 DUMP TRUCK (UNIT 237)	R	1	35,000
	1 1/2 DUMP TRUCK (UNIT 204)	R	1	35,000
	1 1/2 DUMP TRUCK (UNIT 263)	R	1	35,000
	1 1/2 DUMP TRUCK (UNIT 228)	R	1	35,000
	AIR COMPRESSOR	N	1	25,000
	GAS MECHANICAL TAMPERS	N	2	7,000
	4" TRASH PUMPS	N	2	7,000
	PIERCING TOOL	N	1	7,500
	ASSORTED METER BOXES	N	300	12,600
	ASSORTED FITTINGS AND CUT-OFFS	N	800	16,000
	6" WATER METER	N	1	4,000
	4" WATER METERS	N	2	6,400
	2" WATER METERS	N	200	47,000
	1 1/2 " WATER METERS	N	100	18,500
	1" WATER METERS	N	400	26,000
	3/4" WATER METERS	N	3,000	105,000
	TRAVELING WATER METERS	N	20	20,000
	BACKFLOWS FOR TRAVELING METERS	N	20	5,000
	FIRE HYDRANTS	N	30	30,000
	DEPT TOTAL			499,000
METER READERS	3/4 TON DODGE TRUCK	R	1	15,500
	METER READING HANDLE DEVICES WITH SOFTWARE	R	1	40,000
	ICE MACHINE	R	1	2,800
	DEPT TOTAL			58,300
UTILITY BILLING	LASER PRINTER	R	1	5,150
	DEPT TOTAL			5,150
	<i>TOTAL WATER DEPRECIATION FUND</i>			696,450

CITY OF McALLEN
ENTERPRISE FUNDS CAPITAL OUTLAY LISTING
FISCAL YEAR 2005 - 2006

DEPARTMENT NAME	DESCRIPTION	N R	QTY APPROVED	APPROVED CAPITAL OUTLAY
SEWER FUND (450)				
WASTEWATER COLLECTION	LAWN MOWER	N	4	1,200
	WEED EATERS	N	4	600
	2500 PSI FLUSH HOSES	N	4	10,000
	CONFINED SPACE BLOWERS	N	2	1,600
	PRESSURE NOZZLES FOR FLUSH TRUCKS	N	8	2,400
	.5 HP 2" SUMP PUMPS	N	4	3,200
	DIGITAL CAMERA	N	1	400
	GAS MONITOR	N	1	2,200
DEPT TOTAL				21,600
WASTEWATER TREATMT PLANTS	HAND HELD SAMPLER	N	1	1,000
	PORTABLE CHLORINE CHLORIMETER	N	1	600
	SEALED GEL BATTERY	N	4	800
	3 INCH TRASH PUMP	N	1	1,000
	POLYMER FEED PUMP	N	2	2,000
	WEED TRIMMER	N	2	600
	CL2 METER	N	1	500
	CENTERIFUGE	N	1	1,000
	DO METER	N	1	1,200
	5 HP MOTOR/FOR GRIT PUMP	N	1	1,000
	PH METER	N	1	750
DEPT TOTAL				10,450
ADMINISTRATION	DESK	N	1	1,000
	COMPUTER	N	1	2,100
DEPT TOTAL				3,100
TOTAL SEWER FUND				35,150
SEWER DEPRECIATION FUND (460)				
WASTEWATER COLLECTION	COMBINATION CATCH BASIS VACUUM UNIT	N	1	219,793
	3/4 TON, STD CAB, L/B 2WD	N	2	26,000
	6" CROWN PUMPS	N	2	12,000
	4" SUB PUMPS	N	4	20,000
	4" CROWN PUMPS	N	4	16,000
	6" CENTRIFUGAL PUMPS	N	2	20,000
	3" ABS PUMPS	N	2	18,000
	6" CENTRIFUGAL PUMPS	N	1	18,000
	8" PORTABLE PUMP	N	1	40,000
	PORTABLE GENERATOR	N	1	3,500
	5 HP PUMP	N	1	4,700
	3 HP PUMP	N	1	7,800
	40 HP PUMP	N	1	25,000
	21.5 HP SUBMERSIBLE PUMP	N	1	13,000
DEPT TOTAL				443,793

CITY OF McALLEN
ENTERPRISE FUNDS CAPITAL OUTLAY LISTING
FISCAL YEAR 2005 - 2006

DEPARTMENT NAME	DESCRIPTION	N R	QTY APPROVED	APPROVED CAPITAL OUTLAY
WASTEWATER TREATMENT PLANTS	UNIT 281-2 1997 CHEVY LUMINA	R	1	16,000
	NORTH - GRIT PUMPS	N	2	7,600
	NORTH - R A S PUMPS	N	4	45,000
	SOUTH - NORTH - CLARIFIER CENTER GEAR & MOTOR	N	1	40,000
	SOUTH - DUAL GAS DETECTOR	N	1	3,000
	SOUTH - DRY PIT SUBMERSIBLE PUMP	N	2	37,000
	SOUTH & NORTH WATER RE-USE PUMPS	N	4	6,000
	NORTH - D.O. SENSORS	N	4	3,600
	SOUTH & NORTH 1000 FT ROLL OF CABLE	N	2	7,000
	PRETREATMENT - AUTOMATIC SAMPLER	N	1	4,000
DEPT TOTAL				<u>169,200</u>
	COUNTRY CLUB LIFT STATION	N	1	1,128,510
	8TH & QUINCE LIFT STATION	N	1	<u>748,000</u>
TOTAL SEWER DEPRECIATION FUND				<u><u>2,489,503</u></u>
SANITATION FUND (500)				
COMPOSTING	WATER WAGON	N	1	50,000
	4 X 4 PICKUP	N	1	20,000
	GENERATOR	N	1	10,000
	TWO-WAY RADIO	N	2	4,000
	PHASE II COMPOSTING	N	1	434,519
DEPT TOTAL				<u>518,519</u>
RESIDENTIAL	AUTOMATED TRUCK	N	1	182,000
	COMPUTER EQUIPMENT FOR DIVISION	N	1	3,000
	LITTER CONTAINERS	N	V	75,000
	DOWNTOWN REFUSE CONTAINERS	N	V	90,000
DEPT TOTAL				<u>350,000</u>
COMMERCIAL BOX	GRINDERS	N	8	1,600
	DRILL PRESS	N	1	600
	TOLL BOXES	N	1	1,300
	COMPUTERS	N	2	3,000
	DIFFERENT SIZE DUMPSTERS 2,4,6, 8 YARDS	N	V	146,400
DEPT. TOTAL				<u>152,900</u>
BRUSH COLLECTION	TRUCK	N	1	60,000
	BRUSH LOADER	N	1	120,000
	CHIPPER	N	1	40,000
	ROLL OFF TRAILER	N	2	80,000
	COMPUTER	N	2	3,000
	ROLL OFF CONTAINERS	N	V	45,000
DEPT. TOTAL				<u>348,000</u>

CITY OF McALLEN
ENTERPRISE FUNDS CAPITAL OUTLAY LISTING
FISCAL YEAR 2005 - 2006

DEPARTMENT NAME	DESCRIPTION	N R	QTY APPROVED	APPROVED CAPITAL OUTLAY
RECYCLING	FILING CABINET	N	1	600
	PC COMPUTER WITH SOFTWARE	N	2	4,000
	BALER	N	1	300,000
	SWEEPER	N	1	5,000
	4 CUBIC YARD CARDBOARD DUMPSTERS	N	100	55,000
	60/90 GALLON RECYCLING CONTAINERS	N	1,500	90,000
	ROLL OFF CONTAINERS	N	3	12,000
	DEPT. TOTAL			<u>466,600</u>
ADMINISTRATION	FILING CABINETS	N	1	1,600
	OFFICE CHAIRS	N	1	1,400
	RECEPTIONIST DESK FOR ADMINISTRATIVE ASST.	N	1	1,750
	WORK STATIONS FOR CLERKS	N	5	7,500
	NON CAPITALIZED	N	1	10,450
	DEPT. TOTAL			<u>22,700</u>
	<i>TOTAL SANITATION FUND</i>			<u><u>1,858,719</u></u>
	SANITATION DEPRECIATION FUND (502)			
RESIDENTIAL	AUTOMATED REFUSE TRUCK	R	2	364,000
	AUTOMATED REFUSE TRUCK - ROLL OVER	N	1	162,531
	AUTOMATED REFUSE TRUCK - ROLL OVER	N	1	162,531
	DEPT TOTAL			<u>689,062</u>
COMMERCIAL	1998 ROLL OFF TRUCK	R	2	120,000
	1993 WELDING TRUCK	R	1	120,000
	1998 SEDAN	R	1	25,000
	FRONT LOADER REFUSE TRUCK	R	2	364,000
	DEPT. TOTAL			<u>629,000</u>
BRUSH	1990 GRAPPLE TRUCK	R	1	120,000
	1997 BRUSH LOADER	R	1	75,000
	OPEN TOP BRUSH TRUCK	R	3	180,000
	GRAPPLE TRUCK - ROLL OVER	R	1	120,000
	DEPT TOTAL			<u>495,000</u>
RECYCLING	SIDE LOADER - ROLL OVER	R	1	163,420
	DEPT. TOTAL			<u>163,420</u>
	<i>TOTAL SANITATION DEPRECIATION FUND</i>			<u><u>1,976,482</u></u>
	PALM VIEW GOLF COURSE (520)			
GOLF CARTS & DRIVING RANGE	TRACTOR - ROLL OVER	N	1	20,000
	DEPT. TOTAL			<u>20,000</u>
	<i>TOTAL PALM VIEW GOLF COURSE</i>			<u>20,000</u>

<p align="center">CITY OF McALLEN ENTERPRISE FUNDS CAPITAL OUTLAY LISTING FISCAL YEAR 2005 - 2006</p>

DEPARTMENT NAME	DESCRIPTION	N R	QTY APPROVED	APPROVED CAPITAL OUTLAY
GOLF COURSE DEPRECIATION FUND (522)				
	ROTARY MOWER	N	1	19,000
	UTILITY VEHICLE	N	1	9,000
	<i>TOTAL GOLF COURSE DEPRECIATION</i>			<u>28,000</u>
CIVIC CENTER FUND (540)				
MAINT & OPERATION	EQUIPMENT	N	1	35,500
	COMPUTER HARDWARE	N	1	1,500
	COMPUTER SOFTWARE	N	1	3,000
	<i>TOTAL CIVIC CENTER</i>			<u>40,000</u>
McALLEN INT'L AIRPORT FUND (550)				
AIRPORT	PARKING LOT BOLLARDS FOR 2 OUTSIDE SIDEWALKS	N	1	40,000
	REPLACE BENCHES IN FRONT OF TERMINAL	R	1	20,000
	PASSENGER VAN	N	1	20,000
	COMPUTER	N	1	1,800
	<i>TOTAL McALLEN INT'L AIRPORT</i>			<u>81,800</u>
MCALLEN EXPRESS TRANSIT FUND (556)				
ADMINISTRATION	BUS BAYS	N	1	200,000
	BUS WASH FACILITIES	N	1	300,000
	BUS SHELTERS, BENCHES, SIGNS AND TRASH CANS	N	V	134,000
	VEHICLES	N	13	1,149,000
	OFFICE FURNITURE/EQUIPMENT	N	1	12,489
	SECURITY CAMERA SYSTEM	N	V	300,000
	COMPUTER SOFTWARE	N	1	12,600
	<i>TOTAL MCALLEN EXPRENSSS TRANSIT</i>			<u>2,108,089</u>
TRANSIT SYSTEM FUND (558)				
ADMINISTRATION	REMODELING TWO OFFICES	R	2	50,000
	EXPAND LOADING AREA AND PEDESTRIAN			
	CANOPIES	N	V	700,000
	VEHICLES	N	1	14,000
	EQUIPMENT	N	1	15,000
	COMPUTER HARDWARE	N	1	5,500
	COMPUTER SOFTWARE	N	1	400
	<i>TOTAL TRANSIT SYSTEM</i>			<u>784,900</u>

CITY OF McALLEN
ENTERPRISE FUNDS CAPITAL OUTLAY LISTING
FISCAL YEAR 2005 - 2006

DEPARTMENT NAME	DESCRIPTION	N R	QTY APPROVED	APPROVED CAPITAL OUTLAY
MCALLEN INT'L TOLL BRIDGE FUND (560)				
ADMINISTRATION	NORTHBOUND PEDS. CANOPY	N	1	150,000
	BUILDING & STRUCTURES	N	1	125,000
	OFFICE FURNITURE/FIXTURES	N	1	5,000
	PODIUM	N	1	2,500
	MEXICAN COIN SORTER	N	1	5,000
	BUILDING & STRUCTURES	N	1	7,500
	PICK UP TRUCK	N	1	20,000
	FENCING	N	1	100,000
	COMPUTER HARDWARE	N	1	20,000
	TOTAL MCALLEN INT'L TOLL BRIDGE			435,000
ENTERPRISE FUNDS GRAND TOTAL				\$ 10,622,593

INTERNAL SERVICE FUNDS

The **Inter – Department Service Fund** was established to finance and account for services, materials, and supplies furnished to the various departments for the City, and on a limited basis, to other local governmental agencies. These services are provided on a cost reimbursement basis.

This section also includes the working capital summary for **General Depreciation Fund**, which was established for the sole purpose of replacing fixed assets of the General Fund. Funding has been provided by a rental charge to the appropriate department in the General Fund.

The **General Insurance and Workmen’s Compensation Fund** was established to account for all expenses related to workmen’s compensation claims and general liability insurance. Primary funding sources are transfers in from General Fund and Enterprise Funds.

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



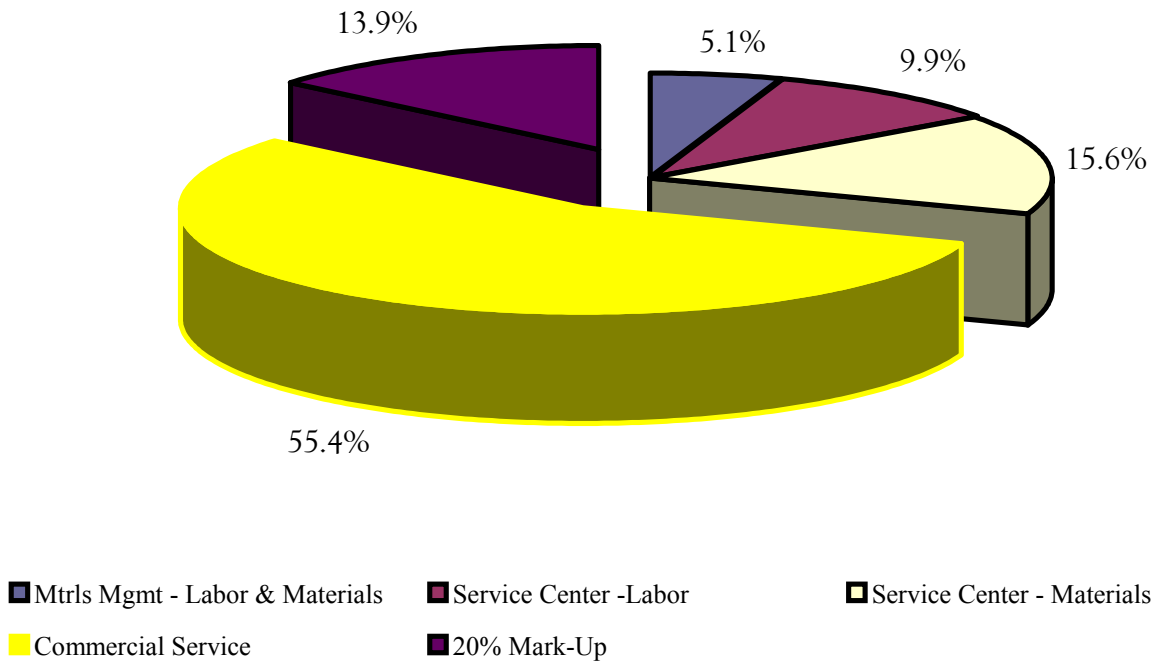
City of McAllen, Texas
Inter-Departmental Service Fund
Working Capital Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ 507,950	\$ 514,477	\$ 612,907	\$ 605,503
<u>Revenues:</u>				
Service Center-Labor and Overhead	232,154	240,000	241,000	250,000
Service Center-Materials	435,578	390,000	392,000	395,000
Service Center-Commercial Services	1,064,553	1,062,242	1,404,012	1,400,000
Service Center-20% Mark-Up	300,033	290,448	350,000	350,000
Mtrls Mgmt.-Labor and Overhead	129,292	120,000	135,000	130,000
Fuel	31,299	-	19,369	-
Interest Earned	2,119	-	-	-
Total Revenues	2,195,028	2,102,690	2,541,381	2,525,000
TOTAL RESOURCES	\$ 2,702,978	\$ 2,617,167	\$ 3,154,288	\$ 3,130,503
APPROPRIATIONS				
<u>Expenses:</u>				
Service Center	\$ 1,953,151	\$ 2,126,460	\$ 2,332,420	\$ 2,222,573
Materials Management	120,100	128,304	129,162	128,459
Insurance Liability & Workmen's Comp.	11,362	12,493	12,493	12,493
Capital Outlay	1,949	75,600	74,710	35,500
TOTAL APPROPRIATIONS	2,086,562	2,342,857	2,548,785	2,399,025
Other Items Affecting Working Capital	(3,509)	-	-	-
ENDING WORKING CAPITAL	\$ 612,907	\$ 274,310	\$ 605,503	\$ 731,478

CITY OF McALLEN, TEXAS

INTER-DEPARTMENTAL SERVICE FUND REVENUES

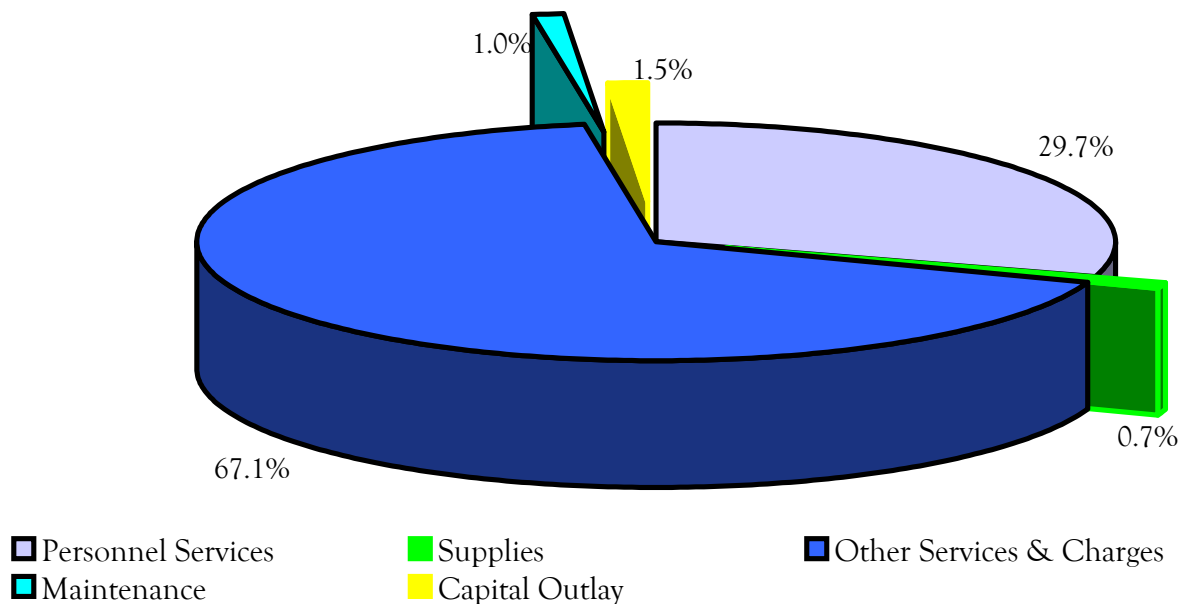
\$2,525,000



INTER-DEPARTMENTAL SERVICE FUND APPROPRIATIONS

By Category

\$2,399,025



City of McAllen, Texas
Inter-Departmental Service Fund
Expense Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Service Center	\$ 1,966,462	\$ 2,214,553	\$ 2,419,623	\$ 2,270,566
Materials Management	120,100	128,304	129,162	128,459
TOTAL	\$ 2,086,562	\$ 2,342,857	\$ 2,548,785	\$ 2,399,025
<u>BY EXPENSE GROUP</u>				
Expenses:				
Personnel Services				
Salaries and Wages	\$ 413,957	\$ 453,855	\$ 456,733	\$ 527,203
Employee Benefits	151,934	167,904	168,917	186,078
Supplies	8,519	10,514	11,481	17,614
Other Services and Charges	1,488,642	1,604,000	1,802,100	1,608,800
Maint. and Repair Services	21,561	30,984	34,844	23,830
TOTAL OPERATING EXPENSES	2,084,613	2,267,257	2,474,075	2,363,525
Capital Outlay	1,949	75,600	74,710	35,500
TOTAL EXPENDITURES	\$ 2,086,562	\$ 2,342,857	\$ 2,548,785	\$ 2,399,025
<u>PERSONNEL</u>				
Service Center	15	21	#REF!	20
Materials Management	4	4	#REF!	4
TOTAL PERSONNEL	19	25	#REF!	24

CITY OF McALLEN, TEXAS

DEPARTMENT: SERVICE CENTER

FUND: INTER-DEPT.

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 332,191	\$ 365,975	\$ 368,975	\$ 439,317
Employee Benefits	107,305	119,831	119,831	136,992
Supplies	6,995	8,814	9,614	15,914
Other Services and Charges	1,486,755	1,603,500	1,801,700	1,608,300
Maintenance	19,905	28,340	32,300	22,050
Operations Subtotal	1,953,151	2,126,460	2,332,420	2,222,573
Capital Outlay	1,949	75,600	74,710	35,500
Operations and Capital Outlay Totals	1,955,100	2,202,060	2,407,130	2,258,073
Non-Departmental				
Employee Benefits	-	-	-	-
Insurance	11,362	12,493	12,493	12,493
DEPARTMENTAL TOTAL:	\$ 1,966,462	\$ 2,214,553	\$ 2,419,623	\$ 2,270,566
PERSONNEL				
Exempt	2	1	2	2
Non-Exempt	13	18	14	14
Part-Time	-	2	#REF!	4
Civil Service	-	-	#REF!	-
DEPARTMENT TOTAL	15	21	#REF!	20

MISSION STATEMENT

The Service Center provides preventative and responsive maintenance service on all 750+ vehicles in the City fleet. The Service Center also receives and processes new fleet inventory to ensure proper specifications are met prior to use by City Departments. Lastly, Service Center maintains the City's fuel supply and fuel management system to provide readily available product and accountability for use.

MAJOR FY 05-06 GOALS:

- 1.) Begin an aggressive preventative maintenance program for all city units including education and proper vehicle use.
- 2.) Start a student auto mechanic internship program with South Texas College.
- 3.) Decrease fleet to mechanic ratio by 10%, thus increasing service turnaround.
- 4.) Increase the scope of services performed at the Service Center to decrease sublet billable hours and parts in order to produce savings to City departments.
- 5.) Increase in-house billable hours by 5% vs. private sector to realize savings to departments.
- 6.) Build specifications for OEM and after-market products purchased to ensure quality products are used that provide overall cost savings and decrease the number of maintenance returns.

CITY OF McALLEN, TEXAS

DEPARTMENT: SERVICE CENTER

FUND: INTER-DEPT.

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	15	19	16	16
Department expenditures	\$ 1,966,462	\$ 2,214,553	\$ 2,419,623	\$ 2,270,566
Number of mechanics	9	9	10	12
<i>Outputs:</i>				
In house labor	\$ 232,154	\$ 240,000	\$ 241,000	\$ 250,000
In house parts	\$ 435,578	\$ 390,000	\$ 392,000	\$ 395,000
Commercial parts & labor	\$ 1,064,553	\$ 1,062,242	\$ 1,404,012	\$ 1,400,000
20% mark up	\$ 300,033	\$ 290,448	\$ 350,000	\$ 350,000
Number of State Inspections on City fleet units conducted	429	365	406	440
City fleet units serviced	800	800	800	800
Number of departments serviced	58	58	58	58
Number of purchase order processed	1,819	1,500	1,381	1,400
Field purchase orders processed	2,199	2,122	3,541	3,800
Job orders performed	9,224	10,000	10,194	10,400
Jobs completed	12,417	12,000	13,433	14,000
<i>Effectiveness Measures:</i>				
Fleet units in operation	97%	97%	95%	95%
Number of vehicles per employee	53	80	80	66
<i>Efficiency Measures:</i>				
Number of jobs completed per mechanic	1,379	1,628	1,343	1,166
Savings on billable hours (in-house -vs- private sector)	\$ 242,250	\$ 296,000	\$ 254,970	\$ 270,000
Cost per mechanic hour billed	30	30	30	30

CITY OF McALLEN, TEXAS

DEPARTMENT: MATERIALS MANAGEMENT

FUND: INTER-DEPT.

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 81,766	\$ 87,880	\$ 87,758	\$ 87,886
Employee Benefits	33,267	35,580	36,593	36,593
Supplies	1,524	1,700	1,867	1,700
Other Services and Charges	1,887	500	400	500
Maintenance	1,656	2,644	2,544	1,780
Operations Subtotal	120,100	128,304	129,162	128,459
Capital Outlay	-	-	-	-
Operations and Capital Outlay Totals	120,100	128,304	129,162	128,459
DEPARTMENTAL TOTAL:	\$ 120,100	\$ 128,304	\$ 129,162	\$ 128,459
PERSONNEL				
Exempt	1	1	1	1
Non-Exempt	3	3	3	3
Part-Time	-	-	#REF!	-
Civil Service	-	-	#REF!	-
DEPARTMENT TOTAL	4	4	#REF!	4

MISSION STATEMENT

This Department is responsible for maintaining inventory control, ordering supplies and issuing supplies to all the departments within the city.

MAJOR FY 05-06 GOALS:

- 1.) Maintain proper documentation on all purchases for restocking purposes and the issuances of same.
- 2.) Coordination with the Service Department on updating automotive parts.
- 3.) Strengthen the coordination of stock with the department.
- 4.) Continue to maintain a safe work environment by adhering to safe work practices.

CITY OF McALLEN, TEXAS

DEPARTMENT: MATERIALS MANAGEMENT

FUND: INTER-DEPT.

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	4	4	4	4
Department expenditures	\$ 120,100	\$ 128,304	\$ 129,162	\$ 128,459
Number of departments	57	57	57	57
<i>Outputs:</i>				
Number of issue slips	9,716	9,058	10,000	9,900
Number of transactions	28,127	26,094	28,625	28,400
Total yearly sales	\$ 937,316	\$ 868,735	\$ 871,000	\$ 900,000
<i>Effectiveness Measures:</i>				
Total year purchases - "Receipts"	\$ 827,069	\$ 791,262	\$ 850,216	\$ 838,600
<i>Efficiency Measures:</i>				
Number of issuances per employee	2,429	2,264	2,500	2,500
Number of transactions per employee	7,031	6,500	7,156	7,100
Number of sales (dollar) per employee	\$ 234,329	\$ 217,183	\$ 250,000	\$ 242,200

**City of McAllen, Texas
General Depreciation Fund
Working Capital Summary**

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ 3,861,803	\$ 3,652,832	\$ 3,555,878	\$ 4,305,377
<u>Revenues:</u>				
Rentals - General Fund	1,801,038	2,015,787	2,015,787	2,756,144
Other	(8,975)	-	(137,154)	-
Interest Earned	56,144	-	70,276	-
Total Revenue	<u>1,848,207</u>	<u>2,015,787</u>	<u>1,948,909</u>	<u>2,756,144</u>
Total Revenues and Transfers	<u>1,848,207</u>	<u>2,015,787</u>	<u>1,948,909</u>	<u>2,756,144</u>
TOTAL RESOURCES	<u>\$ 5,710,010</u>	<u>\$ 5,668,619</u>	<u>\$ 5,504,787</u>	<u>\$ 7,061,521</u>
APPROPRIATIONS				
<u>Capital Outlay for General Fund:</u>				
Vehicles	\$ 2,114,424	\$ 1,660,365	\$ 1,199,410	\$ 3,549,000
Equipment	<u>48,683</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL APPROPRIATIONS	<u>2,163,107</u>	<u>1,660,365</u>	<u>1,199,410</u>	<u>3,549,000</u>
Other Items Affecting Working Capital	<u>8,974</u>	<u>-</u>	<u>-</u>	<u>-</u>
ENDING WORKING CAPITAL	<u><u>\$ 3,555,878</u></u>	<u><u>\$ 4,008,254</u></u>	<u><u>\$ 4,305,377</u></u>	<u><u>\$ 3,512,521</u></u>

**City of McAllen, Texas
Health Insurance Fund
Working Capital Summary**

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING				
WORKING CAPITAL	\$ 1,947,238	\$ 1,812,326	\$ 2,428,360	\$ 1,730,940
<u>Revenues:</u>				
Contributions:				
General Fund	3,196,300	3,523,543	3,311,418	3,311,418
Water Fund	311,190	343,424	328,042	328,042
Sewer Fund	209,772	132,833	211,532	211,532
Sanitation Fund	286,442	319,294	289,494	289,494
Golf Course Fund	45,158	62,377	46,568	46,568
Civic Center Fund	42,556	46,968	46,686	46,686
Airport Fund	68,195	88,600	66,692	66,692
McAllen ExpressTransit Fund	-	-	22,404	22,404
Transit System Fund	31,692	32,001	28,660	28,660
Toll Bridge Fund	118,041	123,916	127,312	127,312
Anzalduas Bridge Fund	1,656	-	1,814	1,814
Internal Service Fund	55,265	71,047	53,214	53,214
Health Ins. Administion	3,011	6,243	3,010	3,010
General Insurance Fund	9,462	11,707	7,696	7,976
Life Insurance Fund (all funds)	103,132	120,000	120,000	95,148
Employees	953,253	1,460,422	1,013,368	1,013,368
Other Agencies	526,516	371,573	527,260	527,260
Other	175,032	-	165,000	175,000
Interest Earned	60,284	-	-	-
Total Revenues	<u>6,196,957</u>	<u>6,713,948</u>	<u>6,370,170</u>	<u>6,355,598</u>
TOTAL RESOURCES	<u>\$ 8,144,195</u>	<u>\$ 8,526,274</u>	<u>\$ 8,798,530</u>	<u>\$ 8,086,538</u>
APPROPRIATIONS				
<u>Operating Expenses:</u>				
Health Administration	\$ 78,328	\$ 112,974	\$ 112,975	\$ 122,554
Admin Cost	560,318	843,961	792,069	843,961
Life Insurance Premiums	122,438	120,000	120,000	120,000
Health Claims	<u>4,954,751</u>	<u>5,292,621</u>	<u>6,042,546</u>	<u>5,292,621</u>
TOTAL APPROPRIATIONS	<u>5,715,835</u>	<u>6,369,556</u>	<u>7,067,590</u>	<u>6,379,136</u>
ENDING WORKING CAPITAL	<u><u>\$ 2,428,358</u></u>	<u><u>\$ 2,156,718</u></u>	<u><u>\$ 1,730,940</u></u>	<u><u>\$ 1,707,402</u></u>

City of McAllen, Texas
Health Insurance Fund
Expense Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Administration	\$ 78,328	\$ 112,974	\$ 112,975	\$ 122,554
TOTAL	<u>\$ 78,328</u>	<u>\$ 112,974</u>	<u>\$ 112,975</u>	<u>\$ 122,554</u>
<u>BY EXPENSE GROUP</u>				
Expenses:				
Personnel Services				
Salaries and Wages	\$ 59,189	\$ 69,117	\$ 69,118	\$ 80,047
Employee Benefits	12,238	13,457	13,457	23,507
Supplies	3,007	1,500	1,500	2,500
Other Services and Charges	2,327	17,500	17,500	16,500
Maint. and Repair Services	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
TOTAL OPERATING EXPENSES	<u>76,761</u>	<u>101,574</u>	<u>101,575</u>	<u>122,554</u>
Capital Outlay	<u>1,567</u>	<u>11,400</u>	<u>11,400</u>	<u>-</u>
TOTAL EXPENDITURES	<u><u>\$ 78,328</u></u>	<u><u>\$ 112,974</u></u>	<u><u>\$ 112,975</u></u>	<u><u>\$ 122,554</u></u>
<u>PERSONNEL</u>				
Administration	<u>2</u>	<u>3</u>	<u>3</u>	<u>3</u>
TOTAL PERSONNEL	<u><u>2</u></u>	<u><u>3</u></u>	<u><u>3</u></u>	<u><u>3</u></u>

CITY OF McALLEN, TEXAS

DEPARTMENT: ADMINISTRATION

FUND: HEALTH INSURANCE

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 59,189	\$ 69,117	\$ 69,118	\$ 80,047
Employee Benefits	12,238	13,457	13,457	23,507
Supplies	3,007	1,500	1,500	2,500
Other Services and Charges	2,327	17,500	17,500	16,500
Maintenance	-	-	-	-
Operations Subtotal	76,761	101,574	101,575	122,554
Capital Outlay	1,567	11,400	11,400	-
Operations and Capital Outlay Totals	78,328	112,974	112,975	122,554
DEPARTMENT TOTAL	\$ 78,328	\$ 112,974	\$ 112,975	\$ 122,554
PERSONNEL				
Exempt	1	1	1	1
Non-Exempt	1	1	1	2
Part-Time	-	1	1	-
Civil Service	-	-	-	-
DEPARTMENT TOTAL	2	3	3	3

MISSION STATEMENT

To raise employee awareness, prevention of disease and the maintenance of health and quality of life.

MAJOR FY 05-06 GOALS:

- 1.) Reduce utilization by recommending employees to seek specific health programs and services designed to reduce health risks.
- 2.) Focus on the employee: reintroduce the employees into minimizing healthcare cost and promote cost-conscious decision making.
- 3.) Continue with the New Employee Orientations and Employee Networking Liaison Meetings by enhancing the training materials health awareness and employee development.
- 4.) Continue with Annual Health Screenings and wellness fairs and programs.
- 5.) Provide employees with health information that includes wellness solutions, prevention, screening and education services.
- 6.) Provide employees with a personal health risk analysis. All employees can participate in a HRA and receive a personalized health analysis with interpretations and trends. Employees will have an opportunity to identify, address and eliminate health risks before they result in costly healthcare claims.
- 7.) Consider revising the health plan design through cost-shifting to the employees by raising the annual deductibles, co-payments and increase employee contribution premium amounts.

CITY OF McALLEN, TEXAS

DEPARTMENT: ADMINISTRATION

FUND: HEALTH INSURANCE

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	2	2	2	3
Department expenditures	\$ 78,328	\$ 112,974	\$ 112,975	\$ 122,554
Medical benefits (number of full time employees)	n/a	1,417	1,465	1,500
Total cost of medical claims	n/a	\$ 5,821,883	\$ 4,305,471	4,823,473
Total administration cost	n/a	\$ 928,357	\$ 679,551	770,000
Total cost of prescriptions	n/a	\$ 620,809	\$ 532,600	575,000
Dental benefits - number of employees	n/a	688	626	600
Total cost of premiums	n/a	\$ 288,090	\$ 303,469	300,000
Vision benefits - number of employees	n/a	329	293	250
Total cost of premiums	n/a	\$ 40,788	\$ 47,610	50,000
Supplemental benefits - number of employees	n/a	425	365	300
Total cost of premiums	n/a	\$ 170,866	\$ 158,576	150,000
Unum benefits - number of employees	n/a	1,389	1,452	1,500
Unum cost of premiums	n/a	\$ 99,924	\$ 95,127	97,000
Unum benefits supplemental - number of employees	n/a	427	439	400
Unum cost of premiums	n/a	\$ 89,952	\$ 91,858	90,000
MetLife benefits - number of benefits	n/a	191	162	162
MetLife cost of premiums	n/a	\$ 17,614	\$ 14,544	14,544
<i>Outputs:</i>				
Number of medical claims processed	n/a	300	335	335
Number of vision claims processed	n/a	120	100	100
Number of dental claims processed	n/a	60	75	75
Number of prescription claims	n/a	60	50	50
<i>Effectiveness Measures:</i>				
Percent of employee feedback relating to employee benefits	n/a	50%	50%	50%
Percent of communication relating insurances effectiveness	n/a	50%	50%	50%
Percent of employees attending health fairs	n/a	15%	15%	15%
Percent of pending claims resolved	n/a	90%	90%	90%
Percent of walk-ins related to employee's benefits	n/a	25%	25%	25%
Percent of telephone calls in relation to employees	n/a	15%	15%	15%
Percent of daily paperwork processed	n/a	45%	45%	45%
Percent of filing enrollments and other insurance	n/a	15%	15%	15%

PERFORMANCE MEASURES

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<i>Efficiency Measures:</i>				
Average cost of medical claims per employee	n/a	\$ 95	\$ 95	150
Average cost of prescription claims per employee	n/a	\$ 50	\$ 50	30
Number of employee health claims handled per full time employee	n/a	150	200	200
Number of employee dental claims handled per full time employee	n/a	60	75	75
Number of employee vision claims handled per full time employee	n/a	30	50	50
Number of employee supplemental claims handled per full time employee	n/a	30	50	50

City of McAllen, Texas
General Insurance & Workmen's
Compensation Fund
Working Capital Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
RESOURCES				
BEGINNING WORKING CAPITAL	\$ 4,458,726	\$ 5,256,669	\$ 4,965,303	\$ 6,339,440
Revenues:				
Fund Contributions: Gen Insurance	3,618,462	3,987,167	4,149,257	1,677,716
Fund Contributions: Wkrs Comp	-	-	-	2,478,582
Other Sources	262,242	141,940	86,231	141,940
Interest Earned	111,400	-	103,849	-
Total Revenues	3,992,104	4,129,107	4,339,337	4,298,238
TOTAL RESOURCES	<u>\$ 8,450,830</u>	<u>\$ 9,385,776</u>	<u>\$ 9,304,640</u>	<u>\$ 10,637,678</u>
APPROPRIATIONS				
Operating Expenses:				
Administration	\$ 166,777	\$ 194,275	\$ 194,275	\$ 177,481
Insurance	968,655	890,590	890,590	1,610,525
Claims	2,318,363	1,678,582	1,847,335	2,478,582
Professional Fees	32,969	33,000	33,000	67,191
TOTAL APPROPRIATIONS	<u>3,486,764</u>	<u>2,796,447</u>	<u>2,965,200</u>	<u>4,333,779</u>
Other Items Affecting Working Capital	<u>1,237</u>	<u>-</u>	<u>-</u>	<u>-</u>
ENDING WORKING CAPITAL	<u>\$ 4,965,303</u>	<u>\$ 6,589,329</u>	<u>\$ 6,339,440</u>	<u>\$ 6,303,899</u>

City of McAllen, Texas
General Insurance & Workmen's
Compensation Fund
Expense Summary

	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
<u>BY DEPARTMENT</u>				
Administration	\$ 166,777	\$ 194,275	\$ 194,275	\$ 177,481
TOTAL	<u>\$ 166,777</u>	<u>\$ 194,275</u>	<u>\$ 194,275</u>	<u>\$ 177,481</u>
<u>BY EXPENSE GROUP</u>				
Expenses:				
Personnel Services				
Salaries and Wages	\$ 103,402	\$ 133,029	\$ 133,029	\$ 120,356
Employee Benefits	25,262	33,312	33,312	30,806
Supplies	2,972	3,500	3,500	3,500
Other Services and Charges	18,478	20,874	20,874	20,874
Maint. and Repair Services	268	1,760	1,760	1,945
TOTAL OPERATING EXPENSES	<u>150,382</u>	<u>192,475</u>	<u>192,475</u>	<u>177,481</u>
Capital Outlay	<u>16,395</u>	<u>1,800</u>	<u>1,800</u>	<u>-</u>
TOTAL EXPENDITURES	<u>\$ 166,777</u>	<u>\$ 194,275</u>	<u>\$ 194,275</u>	<u>\$ 177,481</u>
<u>PERSONNEL</u>				
Administration	<u>3</u>	<u>4</u>	<u>4</u>	<u>4</u>
TOTAL PERSONNEL	<u>3</u>	<u>4</u>	<u>4</u>	<u>4</u>

CITY OF McALLEN, TEXAS

**FUND: GENERAL INSURANCE &
WORKERS COMPENSATION**

DEPARTMENT: ADMINISTRATION

EXPENDITURES	Actual 03-04	Adj. Budget 04-05	Estimated 04-05	Budget 05-06
Personnel Services				
Salaries and Wages	\$ 103,402	\$ 133,029	\$ 133,029	\$ 120,356
Employee Benefits	25,262	33,312	33,312	30,806
Supplies	2,972	3,500	3,500	3,500
Other Services and Charges	18,478	20,874	20,874	20,874
Maintenance	268	1,760	1,760	1,945
Operations Subtotal	150,382	192,475	192,475	177,481
Capital Outlay	16,395	1,800	1,800	-
Operations and Capital Outlay Totals	166,777	194,275	194,275	177,481
DEPARTMENT TOTAL	\$ 166,777	\$ 194,275	\$ 194,275	\$ 177,481
PERSONNEL				
Exempt	1	1	1	1
Non-Exempt	2	2	2	2
Part-Time	-	1	1	1
Civil Service	-	-	-	-
DEPARTMENT TOTAL	3	4	4	4

MISSION STATEMENT

The Risk Management Department provides service to other city departments that enables them to fulfill their mission to the citizens of McAllen. Additionally, the Risk Management Department maintains on-going programs that reduce the city's exposure to accidents that result in physical and financial loss.

MAJOR FY 05-06 GOALS:

1. Implement a Workers' Compensation training program for all departments.
2. Go paperless with workers' compensation, liability and subrogation files.
3. Continue providing Safety training.
4. Continue to minimize property, workers' compensation, general liability loss exposures.
5. Keep Lock-out Tag-out procedures in place.

CITY OF McALLEN, TEXAS

DEPARTMENT: ADMINISTRATION

FUND: GENERAL INSURANCE &
WORKERS COMPENSATION

PERFORMANCE MEASURES

	Actual 03-04	Budget 04-05	Estimated 04-05	Budget 05-06
<i>Inputs:</i>				
Total number of full time employees	3	3	3	3
Department expenditures	\$ 166,777	\$ 194,275	\$ 194,275	\$ 177,481
Amount spend workers compensation claims	\$ 1,500,000	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000
<i>Outputs:</i>				
Number of workers compensation claims to Crawford & Company processed	227	250	255	255
Number of liability claims to TML Insurance processed	120	120	122	122
Number of subrogation claims processed	48	35	50	50
Number of employees receiving safety training	1,400	1,400	1,428	1,450
Number of motor vehicle accident subrogation reports to the city commission provided	3	3	3	3
Number of motor vehicle accident liability reports to the city commission provided	3	3	3	3
Number of workers compensation reports to the city commission provided	12	12	12	12
Number of workers compensation analysis reports to various departments provided	36	36	36	36
Number of workers compensation hearings	6	6	6	6
Number of employee random drug testing provided	3	3	3	3
Number of mediations attended	4	4	4	4
<i>Effectiveness Measures:</i>				
Percentage of reported work related injuries that lost time (8 days or more)	30%	28%	31%	31%
<i>Efficiency Measures:</i>				
Average cost of workers compensation claims per injured employee	\$ 6,607	\$ 5,000	\$ 6,862	\$ 6,862

CITY of McALLEN
INTERNAL SERVICE FUNDS CAPITAL OUTLAY LISTING
FISCAL YEAR 2005 - 2006

DEPARTMENT NAME	DESCRIPTION	N R	QTY APPROVED	APPROVED CAPITAL OUTLAY
FLEET/MAT MGMT FUND (670)				
SERVICE CENTER	1500 PICK UP	N	1	\$ 15,000
	OFFICE CHAIRS	N	6	1,500
	RADIOS	N	4	5,000
	BRAKE LATHE	N	1	4,500
	FLOOR SCRUBBER	N	1	9,500
	<i>TOTAL FLEET/MAT MGMT</i>			<u>35,500</u>
GENERAL DEPRECIATION FUND (678)				
PLANNING	PICK UP TRUCK	R	1	\$ 17,000
POLICE	VEHICLES LOST TO ACCIDENTS	R	3	63,000
"	VEHICLES	R	21	441,000
"	IMPALA'S	R	13	165,000
"	TAHOE'S	R	5	135,000
"	MINI VAN'S	R	2	32,000
"	MOTORCYCLE	R	1	15,000
ANIMAL CONTROL	PICK UP	R	1	22,000
FIRE	PUMPER TRUCK	R	1	375,000
"	AERIAL TRUCK	R	1	600,000
TRAFFIC OPERATIONS	TRUCKS	R	2	84,000
DOWNTOWN SERVICES	COMPACT CAR	R	1	12,000
"	MID SIZE CAR	R	1	13,000
INSPECTIONS	GM PICK UP 'S	R	3	51,000
ENGINEERING	3/4 TON SIERRA	R	1	25,000
"	4X4 SUBURBAN	R	1	30,000
STREET MAINTENANCE	SWEEPER	R	1	35,000
"	PATCHING TRUCK	R	1	100,000
"	14 CY DUMP TRUCK	R	2	170,000
"	FUEL TRUCK	R	1	100,000
"	FORD TRACTOR	R	1	48,000
"	BATWING MOWER	R	1	14,000
DRAINAGE	60 HP TRACTOR	R	1	35,000
"	1 TON DUMP TRUCK	R	1	38,000
"	500 GAL VACTOR TRUCK	R	1	190,000
"	PICK UP	R	1	30,000
"	4K GAL WATER TANK	R	1	20,000
"	94 OMEGA CHERRY PICKER	R	1	200,000
"	SIDE BOOM MOWER	R	1	70,000
"	CASE DOZER	R	1	220,000

Note: N=New R=Replacement

<p align="center">CITY of McALLEN</p> <p align="center">INTERNAL SERVICE FUNDS CAPITAL OUTLAY LISTING</p> <p align="center">FISCAL YEAR 2005 - 2006</p>

DEPARTMENT NAME	DESCRIPTION	N R	QTY APPROVED	APPROVED CAPITAL OUTLAY
PARKS	BUCKET TRUCK	R	1	50,000
"	5 GANG REEL MOWERS	R	2	40,000
"	SPRAY RIG W/BOOM COVER	R	1	25,000
	50-60 HP TRACTOR'S	R	2	44,000
	90 HP TRACTOR	R	1	40,000
<i>TOTAL GENERAL DEPRECIATION FUND</i>				<u>\$ 3,549,000</u>
INTERNAL SERVICE FUNDS GRAND TOTAL				<u>\$ 3,584,500</u>

SUPPLEMENTAL INFORMATION



CITY of McALLEN, TEXAS

City of McAllen
Budget-Related Policies and Procedures

The City of McAllen's policies and procedures have been developed to provide a sound financial management foundation upon which decisions shall be made that result in the effective management of its resources and provide reasonable assurance as to its long-term financial stability.

Budget Policies

Annual Budget

An annual budget shall be prepared in accordance with State law, applicable Charter requirements, as well as meet the reporting requirements of the Government Finance Officer Association's Distinguished Budget Presentation Award Program.

Designated Budget Officer

The City Manager, designated as the City's Budget Officer, is primarily responsible for the development of the annual budget to be submitted to the City Commission for approval and adoption. The Finance Director and the Senior Budget Analyst assist in its preparation. A Budget Committee, which includes the Deputy City Manager and the Finance Director serve in an advisory capacity to the City Manager. The Utility Manager is primarily responsible for the development of the McAllen Public Utilities (MPU) annual budget that is submitted to the McAllen Public Utilities Board of Trustees for approval and adoption, which is then incorporated into the Citywide budget for City Commission approval. The Utility Accountant assists in its preparation.

Funds Included in the Annual Budget

The budget shall include all of the City's governmental, with the exception of the Miscellaneous Grants Fund and all proprietary funds as well.

Basis of Accounting

The legal basis of accounting for budgetary purposes within the governmental funds, consistent with generally accepted accounting principles, is the modified accrual basis. The proprietary funds are budgeted, using the accrual basis of accounting with the exceptions that capital outlay and principal payments on debt are reported as expenses and no provision is made for depreciation.

Balanced Budget Required

The City Manager, acting in the capacity of Budget Officer, is required to submit a balanced budget. A balanced budget is one in which total financial resources available, including prior year's ending financial resources plus projected resources, are equal to or greater than the budgeted expenditures/expenses. The City will avoid budgetary practices that raise the level of current expenditures/expenses to the point that future years' operations are placed in jeopardy.

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City of McAllen
Budget-Related Policies and Procedures

Estimating Revenues and Factors Affecting Budgeted Expenditures/Expenses

The budget shall be developed on a conservative basis. Budgeted revenues are to be estimated, using a reasonable and objective basis, deferring to conservatism. In the development of budgeted expenditures/expenses, estimating the factors that determine their outcome will be estimated with conservative overtones.

The Budget Process – Original Budget

The budget process for developing, adopting, and implementing the budget includes the following:

At the inception of the budget process, a budget calendar is prepared, which presents, in chronological order, specific events that take place during the process as well as the timing of each. The budget calendar for this year's process immediately follows this discussion of policies and procedures.

During April and May of each year, department heads prepare departmental/fund budget requests for which those departments/funds for which each is responsible. During the month of June the City Manager holds budget hearings with the department heads. Following the budget hearings with the department heads, the City Manager makes any changes to the department heads' requests, which he deems appropriate. The result is the City Manager's recommended budget. During the mid-to-latter part of July, the City Manager presents his recommended budget to the City Commission in budget workshops. As a result of the City Commission's comments during these workshops, changes are made to the City Manager's recommended budget. The budget reflecting these changes is the proposed budget. The MPU process is similar to the City's, whereby the Utility Manager presents a recommended budget to the MPU Board of Trustees.

Prior to August 1st of each year, the City Manager is required to submit to the City Commission a recommended budget for the fiscal year beginning on the following October 1st.

The target due date for submitting the proposed budget, resulting from budget workshop hearings with the City Commission and MPUB, shall be no later than six weeks before the end of the fiscal year. The final budget, which is to be considered for adoption, shall be submitted no later than one week before the end of the fiscal year.

Prior to October 1st, the budget is legally enacted by the City Commission through passage of an ordinance.

The budget will be implemented on October 1st. The Ordinance approving and adopting the budget appropriates spending limits at the departmental level.

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City of McAllen
Budget-Related Policies and Procedures

Availability of Proposed Budget to the Public and Public Hearings

The Budget Officer shall file his recommended, adjusted, and final proposed budgets with the City Secretary on the same dates that each is targeted or required to be submitted to the City Commission. The proposed budget shall be available for inspection by any taxpayer.

Prior to adopting the budget and tax rate, including the levy, the City Commission shall hold a public hearing according to the dates established in the budget calendar. The City Commission shall provide for public notice of the date, time, and location of the hearing.

The Budget Process – Amended Budget

Any change to the original budget, which will exceed the appropriated amount at the department level, requires City Commission approval and a supplemental appropriation ordinance, which amends the original budget. Supplemental appropriations are called budget adjustments.

The City Manager is authorized to approve budget adjustments between line items in a department within the same fund. Budget adjustments may not be made between different departments. Budget adjustments between line items within a department requires only the department director's signature; unless, the adjustment is for the purchase of capital outlay, which was not included in the budget. Any adjustment for the purchase of capital outlay requires City Manager approval.

Monitoring Compliance with Budget

Reports comparing actual revenues and expenditures/expenses to budgeted amounts will be prepared and carefully monitored monthly in order to determine whether estimated revenues are performing at or above levels budgeted and to ascertain that expenditures/expenses are in compliance with the legally-adopted budget appropriation.

Encumbrances and Uncompleted projects

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 utilized as an extension of formal budgetary integration in governmental funds. Although appropriations lapse at year-end for annually budgeted funds, the City honors encumbrances outstanding at year-end. Since these commitments will be honored during the subsequent year, outstanding encumbrances at year-end should be included, by the department directors, in the subsequent year's budget.

City of McAllen
Budget-Related Policies and Procedures

Financial Policies

Use of Unpredictable Revenues

Revenues, specifically oil and gas royalties, which are considered to be unpredictable, shall not be used to finance current operations or for budget balancing purposes, but rather for non-recurring expenditures, such as capital projects—except in circumstances in which revenues for a given year under perform budgeted estimates and/or fund balance is insufficient to meet the Minimum Fund Balance policy. In such a case, this policy can be suspended for only one year at a time by a majority vote of the City Commission. This sunset provision for the exception will expire at the end of each fiscal year affected.

Minimum Fund Balance

The General Fund shall maintain a minimum fund balance of 140 days of operating expenditures.

Minimum Working Capital Balances

The Water and Sewer Funds, individually, shall maintain a minimum working capital balance of 120 days of operating expenses. The Bridge Fund shall maintain a minimum working capital balance of 90 days of operating expenses.

Management Fee to Enterprise Funds

Each enterprise fund as well as the Development Corp pays a management fee to the General Fund an amount as set by the budget. This charge shall be construed as a payment for general administrative overhead, including management, accounting, legal, data processing, and personnel services.

Depreciation (Replacement) Funds

The Water Fund sets aside funds equal to 35% of actual depreciation in a separate fund for the replacement of capital plant, buildings, infrastructure, and equipment. The Sewer Funds in like manner sets aside 50% for the same purposes.

The General Depreciation Fund and Sanitation Depreciation Fund, which were established by transfers from the General Fund and Sanitation Fund, respectively, are used to acquire/replace rolling stock for the General Fund and the Sanitation Fund, respectively. These funds are replenished to provide for future replacements by charging a rental charge to the benefited fund equal to cost plus 10% for anticipated inflation over the estimated useful life of each asset. The City Commission would like to extend this policy to all other enterprise funds as the cash flow from operations permits. All other funds will allocate sufficient funding in their operating budgets for adequate maintenance and replacement of capital plant, buildings, infrastructure, and equipment.

City of McAllen
Budget-Related Policies and Procedures

Priority in Applying Restricted vs Unrestricted Resources

When an expense is incurred for purposes for which both restricted and unrestricted net assets are available, the City typically first applies restricted resources, as appropriate opportunities arise, but reserves the right to selectively defer the use thereof to a future project or replacement equipment acquisition.

Debt Management Policies

Financing Capital Projects

The City will limit long-term debt to only those capital projects that cannot be financed from current revenues.

Debt Term Limitation

The City will not issue long-term debt for a period longer than the estimated useful life of the capital project.

Use of Long-Term Debt for Maintenance & Operating Costs Prohibited

The City will not use long-term debt to finance recurring maintenance and operating cost.

Compliance with Bond Indentures

The City will strictly comply with all bond ordinance requirements, including the following:

Revenue Bond Reserve Fund

The City shall be in strict compliance with the requirements of any bond ordinance that calls for a reserve fund.

Revenue Bond Sinking Fund

The City shall be in strict compliance with the requirements of bond ordinances that call for the establishment and maintenance of a bond sinking fund. Monthly payments shall be made to this account, in the manner prescribed, in order to have sufficient balances in such fund to meet semi-annual principal and/or interest payments.

General Obligation Bond Sinking Fund (Debt Service Fund)

The City shall be in strict compliance with the requirements of any and all ordinances that call a general obligation bond sinking fund. Property taxes shall be deposited daily to this account, as received. An adequate balance will be maintained to meet semi-annual principal and/or interest payments.

CITY OF McALLEN, TEXAS

BUDGET PLANNING CALENDAR

2005 CALENDAR

January

JANUARY						
S	M	T	W	T	F	S
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30	31					

1 Property Tax Assessment Date

February and April

Establish the departmental budget requests deadline and schedule budget hearings with department heads..

March

1 Start updating budget forms-packets

April

25 Communicate the budget instructions, requests deadline and departmental budget hearings

25 Distribute department budget request forms

26 Prepare preliminary revenue estimates.
Assist departments in completing Budget request forms

May

12 Mailing of notices of appraised value to property owners/taxpayers

20 Revise revenue estimates and organize information for the Budget Review committee.

20 Completed budget forms due back to Finance

June

1 Deadline for taxpayers to protest values to ARB

1 Deadline for governing body to challenge values by category

July

5-14 Budget committee reviews departmental budget with department heads.

28 File proposed budget with the City Clerk's office for public inspection

1-30 Staff reviews and recompiles budget information after department head meetings with City Manager

25 Deadline from chief appraiser to certify rolls to taxing units

August

5 Calculation of effective and rollback tax rates
Review Utility Budget with Utility Board

6 Present manager budget recommendation to City Commission

15 Certification of anticipated collection rate

24 Budget Workshop w/ City Commission

31 Budget Wrap-Up Workshop w/ City Commission

JULY

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AUGUST

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SEPTEMBER

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OCTOBER

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NOVEMBER

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DECEMBER

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CITY OF McALLEN, TEXAS

BUDGET PLANNING CALENDAR

2005 CALENDAR

JANUARY						
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FEBRUARY						
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MARCH						
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APRIL						
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MAY						
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JUNE						
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August & September

Property tax hearings as required by law, if proposed tax rate will exceed the rollback rate or 100 percent of the effective tax rate (whichever is lower), take record vote and schedule public hearing.

August

18 1. 72 hour notice for meeting.

22 2. Meeting of City Commission to discuss tax rate; if proposed rate exceeds the "Notice and hearing limit rate", take record vote, and comply with the following schedule:

28 3. "Notice of Public Hearing on Tax Increase" (1st quarter-page notice) published at least 7 days before public hearing.

September

1 4. 72 hours notice for public hearing (open meeting notice)

12 5. Public Hearing; schedule and announce meeting to adopt tax rate 3-14 days from this date

19 6. "Notice of Vote On Tax Rate" (2nd quarter-page notice) published before meeting to adopt tax rate

22 7. 72 hour notice for meeting at which City Commission will adopt tax rate

Hearing on the budget

Notice of "Public Hearing" shall be published not earlier than the 30th or later than the 10th day before the date of the hearing.

26 Joint City Commission and Public Utility Board meeting for public hearing and adoption of Budget and Tax Rate

26 File budget ordinance with City Secretary's Office

When Budget is amended

City Commission shall file a copy of its order or resolution amending the budget with the City Secretary's Office

JULY						
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AUGUST						
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SEPTEMBER						
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OCTOBER						
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NOVEMBER						
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DECEMBER						
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24	25	26	27	28	29	30
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McAllen Area ECONOMIC PULSE

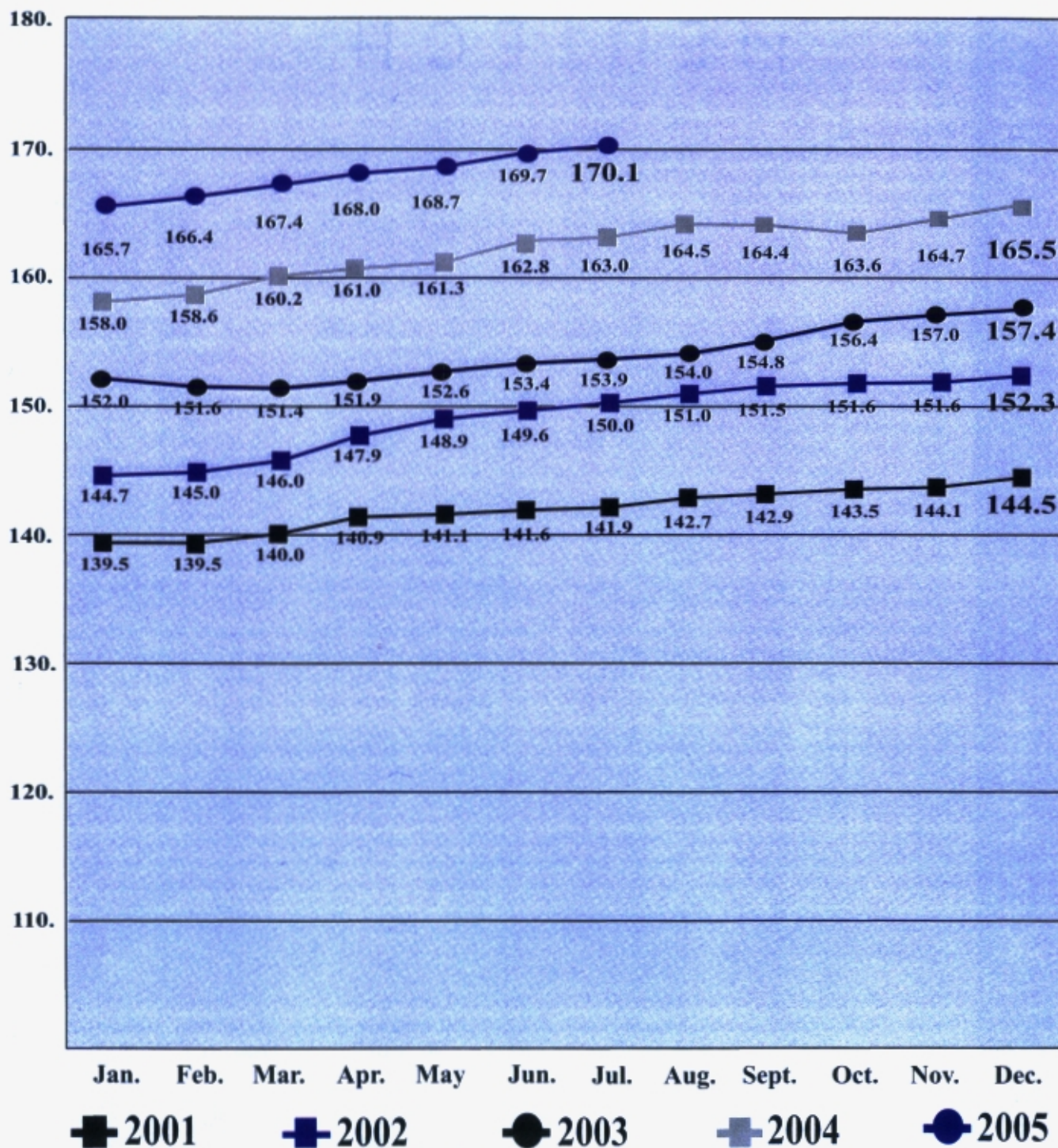
McAllen • Mission • Edinburg • Pharr

July - 2005 Economic Pulse

The McAllen Chamber of Commerce Economic Index

INDEX (Base=100 Jan 1996)

The economic indicators on pg. 2 are used to formulate the overall economic pulse.



ECONOMIC INDICATORS	THIS YEAR July 2005	LAST YEAR July 2004	% CHANGE 07/04 - 07/05
Retail Sales (000's - Month in 1995\$)	\$228,297	\$225,575	1.2%
Retail Sales (000's - Year)	\$1,773,459	\$1,688,815	5.0%
Motor Vehicle Tax Receipts (Month)	\$72,698	\$75,062	-3.1%
Motor Vehicle Tax Receipts (Year)	\$544,267	\$542,964	0.2%
Lodging Tax Receipts (Year)	\$1,793,555	\$1,800,208	-0.4%
Airline Boardings (Month)	34,700	30,355	14.3%
Airline Boardings (Year)	216,565	187,858	15.3%
Value All Construction Permits (Month)	\$41,984,358	\$49,271,862	-14.8%
Value All Construction Permits (Year)	\$407,654,202	\$333,352,108	22.3%
New Home Permits (Month)	264	225	17.3%
New Home Permits (Year)	2,095	1,982	5.7%
Home Sales (Month)	195	193	1.0%
Home Sales (Year)	1,240	1,216	2.0%
Average Home Sale Price (Month)	\$124,736	\$111,808	11.6%
Average Home Sale Price (Year)	\$115,096	\$106,726	7.8%
Hidalgo Bridge Crossings (Month)	562,883	598,259	-5.9%
Hidalgo Bridge Crossings (Year)	3,946,482	4,002,396	-1.4%
Peso Exchange Rate (Month)	\$10.80	\$11.75	-8.1%
Employment			
Wage & Salary Employment (Month)	186,300	177,900	4.7%
Wage & Salary Employment (YTD Avg)	190,700	183,100	4.2%
Unemployment Rate (Month)	7.7	9.4	N/A
Unemployment Rate (YTD Average)	8.4	9.5	N/A
INDEX (Base=100 Jan 1996)	170.1	163.0	4.4%
In January 2004 the Texas Comptroller's Office began tracking "Manifestos" -- requests for sales tax refunds on items purchased by Mexican citizens or for export into Mexico.			
	Export Sales per Manifestos	Total Retail Sales	Export Sales of Total Sales
July 2005	\$21,149	\$291,043	7.3%
Year-to-date	\$146,325	\$2,240,903	6.5%

The July 2005 McAllen Economic Index surpassed 170 for the first time ever at 170.1, up from the June index of 169.7, and up 4.4% from the July 2004 index of 163.0. The McAllen metro area general economy continues to benefit from both strong and stable growth; other Texas metro areas -- though rarely -- may occasionally post stronger growth rates for short periods of time, but only McAllen can claim both strength and stability (meaning the absence of economic contraction) over the last 10 years.

Metro level economic growth is best measured by the concurrent, substantive trends in consumer activity and employment. Growth, according to these measures, is readily apparent in the McAllen area; inflation-adjusted retail sales are up 5% for the year-to-date (and though the July sales total is only 1.2% higher than July of last year, this is of little concern unless slow growth rates are a longer term trend), and consistent job growth in McAllen continues to set the pace in Texas AT 4.7% year-over-year growth.

Auto sales in the metro area continue to be on pace with year-ago numbers. Big ticket purchases tend to be more cyclical in terms of strong growth periods because they need to be replaced less often; even so, the numbers are strong, and the next strong growth period is likely not so far off.

Building activity continues to offer considerable stimulus to the metro economy; the value of projects permitted thus far in '05 is over 22% ahead of last year's total through July. Homebuilding appears to be gaining steam as well -- the number of permits for new homes in July is 17% higher than July of last year, pushing the year-to-date total some 5.7% higher than a year ago.

The number of existing homes sold is only slightly ahead of last year's total through July, but that total was, in turn, well over 20% higher than the prior year, so the numbers are strong. Prices have increased at a more rapid clip, as is the case all across Texas and the US (for metro areas, anyway), and the dollar volume of activity has impressively increased yet again in 2005.

The peso-dollar exchange rate has become slightly more favorable to economic activity in McAllen over the last 12 months; border crossings at the Hidalgo bridge have essentially flattened, though at a fairly high level in the last two years or so. Still, border activity has yet to achieve pre 9/11/2001 levels.

Strikingly, however, airline enplanements in McAllen have returned to -- and surpassed -- pre-9/11/2001 levels, likely the only regional airport in Texas that can make that claim.

AN ORDINANCE ADOPTING THE BUDGET OF THE CITY OF McALLEN FOR THE FISCAL YEAR BEGINNING OCTOBER 1, 2005 AND ENDING SEPTEMBER 30, 2006, IN ACCORDANCE WITH THE ORDINANCES OF THE CITY OF McALLEN; PROVIDING FOR PUBLICATION; PROVIDING FOR A REPEALER; AND ORDAINING OTHER PROVISIONS RELATED TO THE SUBJECT MATTER HEREOF.

WHEREAS, the City Manager has filed the proposed budget with the City Secretary on July 27, 2005; and

WHEREAS, notice of the public hearing on the proposed budget was given and a public hearing was held on September 12, 2005 at which time all interested citizens were given an opportunity to participate in the hearing.

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

(a) SECTION I: The Budget Estimate of revenues for the City of McAllen and the expenses of conducting the affairs thereof for the ensuing fiscal year beginning October 1, 2005, and ending September 30, 2006, as submitted by the City Manager of the City of McAllen to the City Secretary on July 27, 2005 and as amended hereunder, be, and the same is in all things, adopted and approved as the budget estimate of all of the current revenues and expenses for the fiscal year beginning the 1st day of October, 2005 and ending the 30th day of September, 2006.

SECTION II: The amount of ad valorem taxes and revenue from other sources, as estimated by the City Manager, is hereby appropriated out of the following funds: General, Capital Projects, Sanitation, Airport, Toll Bridge, Anzalduas Bridge, Golf Course, Civic Center, Civic Center Expansion, Internal Services, Employee Health Benefits, Development Corporation, General Insurance and Workers' Compensation, Water and Sewer, and Debt Service, for the payment of

operating expenses and capital outlay of the City Government, including the operation of the aforementioned funds of the city, respectively. A copy of the Budget Summary indicating such revenues and appropriating their expenditure is attached hereto and made a part hereof for all purposes as Exhibit "A".

The adoption of this Ordinance specifically amends the proposed Budget as filed with the city Secretary, as required by the law, and the Board of Commissioners hereby finds such amendments to be in the interest of the taxpayers of McAllen, Texas.

SECTION III: All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION IV: This Ordinance shall be and remain in full force and effect from and after its passage by the Board of Commissioners and execution by the Mayor.

SECTION V: The City Secretary is hereby authorized and directed to cause the caption of this ordinance to be published in a newspaper having general circulation in McAllen, Hidalgo County, Texas in accordance with the Code of Ordinances of the City of McAllen, Section 2-56 **Publication of Ordinances**, but it shall not be published in the Code of Ordinances of the City of McAllen as it is not amendatory thereof; however, it shall be cited in the appropriate appendix of the Code of Ordinances. A true copy of the approved budget shall be filed with the City Secretary and in the office of the Hidalgo County Clerk.

SECTION VI: If any part or parts of this Ordinance are found to be invalid or unconstitutional by a court having competent jurisdiction, then such invalidity or unconstitutionality shall not affect the remaining parts hereof and such remaining parts shall remain in full force and effect, and to that extent this Ordinance is considered severable.

CONSIDERED, PASSED and APPROVED this 26th day of September, 2005, at a regular meeting of the Board of Commissioners of the City of McAllen at which a quorum was present and

which was held in accordance with Chapter 551 of the Texas Government Code and Chapter 102 of the Texas Local Government Code.

SIGNED this 26th day of September, 2005.

CITY OF MCALLEN, TEXAS

By: Richard F. Cortez
Richard F. Cortez, Mayor

ATTEST:

By: Annette Villarreal
Annette Villarreal, City Secretary

APPROVED AS TO FORM:

By: James E. Darling
James E. Darling, City Attorney

AN ORDINANCE ADOPTING THE TAX RATE AND LEVYING AD VALOREM TAXES FOR THE CITY OF McALLEN, TEXAS, FOR THE FISCAL YEAR ENDING SEPTEMBER 30, 2006 AND THE TAX YEAR 2005 IN CONFORMITY WITH THE CHARTER PROVISIONS AND ORDINANCES OF THE CITY AND THE PROPERTY TAX CODE OF THE STATE OF TEXAS; PROVIDING FOR A REPEALER; PROVIDING FOR PUBLICATION; AND ORDAINING OTHER PROVISIONS RELATED TO THE SUBJECT MATTER HEREOF.

WHEREAS, Section 26.05 Texas Tax Code provides for the procedures for adoption of the annual ad valorem tax rate for municipalities; and

WHEREAS, the vote on the tax rate must be a record vote as reflected hereunder and such vote was separate from the vote of the Board of Commissioners adopting the budget as required by law; and

WHEREAS, a motion being first made as follows: "I move that property taxes be increased by the adoption of a tax rate of \$0.421300", and upon vote of the Board of Commissioners as follows:

	<u>Aye</u>	<u>Nay</u>
Mayor Richard Cortez,	<u>X</u>	<u> </u>
Mayor Pro Tem Jan Klinck,	<u>X</u>	<u> </u>
Commissioner Scott Crane	<u>X</u>	<u> </u>
Commissioner Marcus Barrera	<u>X</u>	<u> </u>
Commissioner Hilda Salinas	<u>X</u>	<u> </u>
Commissioner Aida Ramirez	<u>X</u>	<u> </u>
Commissioner John Ingram	<u>X</u>	<u> </u>

WHEREAS, THIS TAX RATE WILL RAISE MORE TAXES FOR MAINTENANCE AND OPERATIONS THAN LAST YEAR'S TAX RATE; and

WHEREAS, THE TAX RATE WILL RAISE TAXES FOR MAINTENANCE AND OPERATIONS ON A \$100,000 HOME BY APPROXIMATELY \$(*DEPENDS ON THE AMOUNT OF INCREASE IN VALUATION AS ACTUAL TAX RATE FOR 2005 IS THE SAME AS 2004 ACTUAL TAX RATE).

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS
OF THE CITY OF McAllen, TEXAS, THAT:**

SECTION I: There shall be and is hereby levied for the fiscal year ending September 30, 2006, and the Tax year 2005, upon the assessed taxable value of all property of every description subject to taxation within the city of McAllen, Texas, on the 1st day of January A.D. 2005, the following tax rates, to-wit:

(a) An ad valorem tax to be computed at the rate of \$0.421300 per \$100.00 of the assessed taxable value thereof estimated in lawful currency of the United State of America for the purpose of paying the general expense of the City Government for the period ending September 30, 2006, as provided in the appropriation ordinance adopted by the Board of Commissioners of McAllen, Texas, and when collected such monies are to be deposited in the fund known as the "General Fund" and disbursed for the purpose stated in said ordinance.

(b) An ad valorem tax to be computed at the rate of \$0.000000 per \$100.00 of the assessed taxable value thereof estimated in lawful currency of the United States of America for the purpose of paying the interest and principal on the several outstanding bond issues of the City of McAllen, Texas, such levy being in conformity with the requirement of the levy of taxes heretofore made by ordinance and orders of the Board of Commissioners of the said city of McAllen relating to such bonded indebtedness.

SECTION II: All ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION III: This Ordinance shall be and remain in full force and effect from and after its passage by the Board of Commissioners and execution thereof by the Mayor.

SECTION IV: The City Secretary is hereby authorized and directed to cause the caption of this ordinance to be published in a newspaper having general circulation in McAllen, Hidalgo County, Texas in accordance with the Code of Ordinances of the City of McAllen, Section 2-56 **Publication of Ordinances.**, but it shall not be published in the Code of Ordinances of the City of McAllen as it is not amendatory thereof; however, it shall be cited in the appropriate appendix of the Code of Ordinances.

SECTION V: If any part or parts of this Ordinance are found to be invalid or unconstitutional by a court having competent jurisdiction, then such invalidity or unconstitutionality shall not affect the remaining parts hereof and such remaining parts shall remain in full force and effect, and to that extent this Ordinance is considered severable.

CONSIDERED, PASSED and APPROVED this 26th day of September, 2005, at a regular meeting of the Board of Commissioners of the City of McAllen at which a quorum was present and which was held in accordance with Chapter 551 of the Texas Government Code and Chapter 26 of the Texas Tax Code.

SIGNED this 3rd day of ^{October}~~September~~ 2005. ^{AMV}

CITY OF MCALLEN

By: Richard Cortez
Richard Cortez, Mayor

ATTEST:

By: Annette Villarreal
Annette Villarreal, City Secretary

APPROVED AS TO FORM:

By: James E. Darling
James E. Darling, City Attorney

CITY OF McALLEN, TEXAS
DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS

Fiscal Year	Population	Per Capita Income	Median Age	Percentage HS Graduate	School Enrollment	Percentage Of Unemployment
1995	98,300	12,989	30.0	59.52	21,853	10.14
1996	101,612	13,531	30.2	59.85	21,717	10.87
1997	102,156	14,087	30.5	60.18	21,697	9.92
1998	104,958	14,649	30.7	60.51	21,469	9.68
1999	109,298	15,201	31.0	60.84	21,501	8.26
2000	112,390	15,749	31.0	61.17	21,720	7.77
2001	116,793	15,674	30.0	57.90	22,370	13.0
2002	114,424	16,477	30.9	66.70	23,360	8.41
2003	118,073	Not Available	30.0	75.50	23,304	9.4
2004	121,700 (a)	Not Available (b)	Not Available (c)	78.40 (c)	23,326 (d)	7.5 (e)

Information provided by:

- (a) U.S. Bureau of Census, 1970, 1980 & 1990 Decennial Census & Series P-26 Intercensal Estimates & Local Estimates.
- (b) U.S. Bureau of Census, 1970, 1980 & 1990 Decennial Census & Series P-26 & Local Estimates.
- (c) U.S. Bureau of Census, 1970, 1980 & 1990 Decennial Census & Local Estimates.
- (d) McAllen Independent School District
- (e) Texas Employment Commission

CITY OF McALLEN, TEXAS
MISCELLANEOUS STATISTICAL DATA

Date of Incorporation:	February 20, 1911
Date of Adoption of City Charter:	January 31, 1927
Form of Government	Home Rule
Area:	
Square miles	48.1
Acres (estimated)	30,782
Miles of Streets:	
Paved within City limits - City maintained	626
Paved within City limits - State maintained	76
Miles of Sewer:	
Storm	233
Sanitary	455
Building Permits:	
Permits issued	1,772
Estimated cost	\$234,799,141
Fire Protection:	
Number of stations	6
Number of employees - Paid firemen - full time	136
- Civilian	9
Police Protection:	
Number of stations	1
Number of substations	7
Number of employees - Commissioned	258
- Civilian	132
Recreation:	
Developed parks (acres)	551
Undeveloped (acres)	106
Number of municipal golf links (18-hole course)	1
Number of municipal swimming pools	4
Lighted tennis courts	25
Lighted baseball diamonds/athletic fields	17

**CITY OF McALLEN, TEXAS
MISCELLANEOUS STATISTICAL DATA**

Education

(City of McAllen within the McAllen Independent
School District)

Number of teachers	1,620
Number of registered students	23,326

Total Number of City Employees (Including part-time employees):	1,548
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Hospitals:

Number of hospitals	4
Number of hospital beds	1,054
Number of convalescent homes	6

Growth Statistics

Population (U.S. Census)	Number	Percent Increase
1940	11,877	N/A
1950	20,067	68.9
1960	32,728	63.1
1970	37,636	15.0
1980	65,480	73.9
1990	87,040	32.4
1990	87,040	32.4
1997 (Estimate)	99,458	2.4
1998 (Estimate)	101,802	2.4
1999 (Estimate)	105,694	3.8
2000 (Estimate)	107,936	2.1
2001 (Estimate)	111,806	3.6
2002 (Estimate)	114,424	2.3
2003 (Estimate)	118,073	3.1
2004 (Estimate)	121,700	3.1

**CITY OF McALLEN, TEXAS
MISCELLANEOUS STATISTICAL DATA**

	2000	2001	2002	2003	2004
Acres in City	29,830	29,931	30,281	30,528	30,782
% Change	0.43	0.34	1.17	0.82	0.83
Miles of Street in City	511	518	586	589	626
% Change	6.02	1.37	13.13	0.51	6.28
Miles in Sanitary Sewer	412 **	421	421	445	455
% Change	12.26	2.18	-0.02	5.72	2.25
Miles of Water Lines	557 *	569 *	580 *	630	630
% Change	3.34	2.15	1.99	8.56	0.00
Building Permits	1,719	1,693	1,821	1,753	1,772
% Change (Decrease)	-1.72	-1.51	7.56	(3.73)	1.08
Number of City Employees	1,266	1,366	1,459	1,472	1,548
% Change (Decrease)	1.04	7.90	6.81	0.89	5.16
Population	107,936	111,806	114,424	118,073	121,700
% Change	2.12	3.59	2.34	3.19	3.07

*According to Geographical Information System figure is accurate.

** Alton Interceptor added to System this year

***Seasonal employees were reflected in 1997.

WATER ENTERPRISE FUND

Class of Customer	Number	Gallons
Residential	30,772	3,617,080,450
Commercial	5,357	2,477,996,860
Industrial	170	420,008,800
Number of gallons shown to have passed through the master meters at the City's plants #1 and #2 during the period		7,095,801,000
Number of gallons billed		(6,557,080,710)
Water used in fire hydrant testing, etc.		<u>(49,000,000)</u>
Estimated number of gallons unaccounted due to breaks, leaks		489,720,290

**CITY OF McALLEN, TEXAS
MISCELLANEOUS STATISTICAL DATA**

WATER ENTERPRISE FUND, cont'd.

The rate charged for water furnished and consumed under the standard water rate schedule by Section 106-82 of the City Ordinance, amended October 10, 2000 to all classes of customers is as follows:

Meter Size	(1) Minimum Gallons	(2) Minimum Rate
N/A	N/A	3.50

- 1.) \$1.30 per 1,000 gallon for consumption.
- 2.) Water rates outside City limits are as set forth above plus an additional fifty (50) percent of total water bill.

The following miscellaneous statistical data is presented for the last ten fiscal years:

	Rainfall (Inches)	Number Of Water	Customers Sewer
1995	17.38	26,338	24,054
1996	10.19	27,526	24,774
1997	22.61	28,413	25,465
1998	24.81	29,472	26,332
1999	19.14	30,665	27,366
2000	12.91	31,404	27,954
2001	22.38	32,580	28,971
2002	13.78	34,103	30,398
2003	27.02	34,936	30,907
2004	25.12	36,299	32,370

**CITY OF McALLEN, TEXAS
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
LAST TEN FISCAL YEARS**

Fiscal Year	General Government	Public Safety	Highways and Streets	Health and Welfare
1995	\$ 9,897,220	\$ 17,741,703	\$ 4,822,096	\$ 2,370,804
1996	9,885,777	17,760,771	4,683,754	2,373,580
1997	10,635,243	19,122,718	6,361,800	4,320,957
1998	14,098,227	21,942,042	8,962,063	1,417,396
1999	12,955,202	24,076,366	10,257,885	3,456,136
2000	13,305,402	27,209,400	7,572,045	6,336,776
2001	14,091,828	35,741,264	7,166,954	5,108,889
2002	14,005,890	36,354,451	10,449,379	5,160,801
2003	14,152,828	38,314,366	17,238,974	5,424,268
2004	\$ 15,573,246	\$ 37,466,003	\$ 21,599,260	\$ 5,710,156

(1) Includes General Fund, Special Revenue, Debt Service, and Capital Projects

(2) Various general obligation bond issues were paid off.

(3) Classification of "capital outlay" to recommended functions.

**CITY OF McALLEN, TEXAS
GENERAL GOVERNMENTAL EXPENDITURES BY FUNCTION (1)
LAST TEN FISCAL YEARS**

Culture Recreation	Debt Service	Capital Expenditures	Total
\$ 4,935,038	\$ 5,276,683	\$ 10,252,068	\$ 55,295,612
5,362,978	4,744,195	3,612,503	48,423,558
7,195,028	4,171,622	3,827,383	55,634,751
7,284,569	4,812,084	4,808,267	63,324,648
10,295,971	4,933,390	7,718,349	73,693,299
14,827,494	4,603,992	6,277,115	80,132,224
9,900,452	4,550,666	2,974,890	79,534,943
10,886,344	4,484,168	- (3)	81,341,033
11,534,272	(2) 27,079,026	- (3)	113,743,734
\$ 17,059,656	\$ 6,229,546	\$ - (3)	103,637,867

**CITY OF McALLEN, TEXAS
GENERAL REVENUE BY SOURCE (1)
LAST TEN FISCAL YEARS**

Fiscal Year	Taxes	Licenses and Permits	Inter- Governmental Revenue
1995	\$ 38,119,763	\$ 457,721	\$ 8,866,999
1996	39,207,403	529,305	4,794,584
1997	41,743,546	623,967	7,543,118
1998	50,780,347	653,378	3,288,526
1999	54,079,288	787,681	5,144,308
2000	58,426,137	792,954	5,938,509
2001	63,041,158	824,608	8,576,131
2002	65,760,216	872,751	5,954,380
2003	69,506,277	1,434,515	5,504,875
2004	\$ 75,683,872	\$ 1,401,360	\$ 8,279,063

(1) Includes General Fund, Special Revenue, Debt Service, and Capital Projects

**CITY OF McALLEN, TEXAS
GENERAL REVENUE BY SOURCE (1)
LAST TEN FISCAL YEARS**

Charges For Service	Fines and Forfeits	Other Revenue	Total
\$ 1,965,581	\$ 1,563,815	\$ 2,698,307	\$ 53,672,186
2,024,662	1,500,881	2,927,102	50,983,937
2,236,958	1,853,300	3,388,327	57,389,216
2,206,588	2,147,815	5,316,461	64,393,115
2,354,420	2,385,269	8,034,430	72,785,396
2,486,082	2,379,275	10,992,444	81,015,401
2,699,727	2,338,137	22,107,142	99,586,903
2,830,128	2,070,902	8,878,043	86,366,420
2,991,704	2,179,769	16,125,134	97,742,274
\$ 3,403,159	\$ 2,344,084	\$ 10,955,512	\$ 102,067,050

**CITY OF McALLEN, TEXAS
TAX REVENUE BY SOURCE (1)
LAST TEN FISCAL YEARS**

Fiscal Year	Total Taxes	General Property Taxes	General Sales Taxes	Business Gross Receipts Taxes	Other Taxes
1995	\$ 38,119,763	\$ 13,218,931	\$ 19,510,185	\$ 3,694,727	\$ 1,695,920
1996	39,207,403	13,974,474	19,500,910	3,947,409	1,784,610
1997	41,743,546	14,487,566	20,731,293	4,523,927	2,000,760
1998	50,780,347	14,869,275	29,437,107	4,164,736	2,309,229
1999	54,079,288	15,548,987	31,542,351	4,599,979	2,387,971
2000	58,426,137	16,141,020	35,369,124	4,359,640	2,556,353
2001	63,041,158	16,961,501	37,038,847	6,128,118	2,912,692
2002	65,760,216	18,173,534	39,248,332	5,496,448	2,841,902
2003	69,506,277	19,666,020	41,575,736	5,456,944	2,807,577
2004	\$ 75,683,872	\$ 21,194,607	\$ 45,601,935	\$ 5,776,414	\$ 3,110,916

(1) Includes General Fund, Special Revenue, and Debt Service

**CITY OF McALLEN, TEXAS
PRINCIPAL TAXPAYERS
YEAR ENDED SEPTEMBER 30, 2004**

	Taxpayer	Assessed Valuation	Percentage of Total Assessed Valuation
1.	Universal Health Services	\$ 58,833,621	1.26%
2.	Simon Property Group #2	45,244,729	0.97%
3.	Wal-Mart Stores Inc.	39,205,774	0.84%
4.	HCA Health Services of TX	38,122,784	0.82%
5.	AEP Texas Central Co.	31,180,520	0.67%
6.	Southwestern Bell	23,696,332	0.51%
7.	Sprint Spectrum	22,512,850	0.48%
8.	Texas State Bank	21,772,562	0.47%
9.	Fina Oil & Chemical Co.	20,493,800	0.44%
10.	May Department Stores Co.	<u>19,383,279</u>	<u>0.42%</u>
		<u>\$ 320,446,251</u>	6.88%

Data source:

City of McAllen-Tax Office

**CITY OF McALLEN, TEXAS
ASSESSED AND ESTIMATED ACTUAL VALUE
OF ALL TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Fiscal Year Ended	Tax Roll Year	Real Property		Personal Property	
		Assessed Value	Estimated Actual Value	Assessed Value	Estimated Actual Value
1995	1994	\$ 2,271,111,346	\$ 2,271,111,346	\$ 463,967,423	\$ 463,967,423
1996	1995	2,461,842,249	2,461,842,249	491,972,835	491,972,835
1997	1996	2,559,229,055	2,559,229,055	473,632,414	473,632,414
1998	1997	2,651,336,502	2,651,336,502	499,716,933	499,716,933
1999	1998	2,848,373,856	2,848,373,856	522,773,667	522,773,667
2000	1999	2,972,096,712	2,972,096,712	511,207,036	511,207,036
2001	2000	3,179,391,812	3,179,391,812	606,318,130	606,318,130
2002	2001	3,396,215,579	3,396,215,579	680,969,015	680,969,015
2003	2002	3,550,376,990	3,550,376,990	720,876,637	720,876,637
2004	2003	\$ 3,735,594,383	\$ 3,735,594,383	\$ 797,078,428	\$ 797,078,428

**CITY OF McALLEN, TEXAS
ASSESSED AND ESTIMATED ACTUAL VALUE
OF ALL TAXABLE PROPERTY
LAST TEN FISCAL YEARS**

Minerals		Total		Percentage Assessed to Full Value
Assessed Value	Estimated Value	Assessed Value	Estimated Value	
\$ 65,642,850	\$ 65,642,850	\$ 2,800,721,619	\$ 2,800,721,619	100%
68,982,530	68,982,530	3,022,797,614	3,022,797,614	100
72,830,712	72,830,712	3,105,692,181	3,105,692,181	100
72,920,305	72,920,305	3,227,248,695	3,227,248,635	100
89,185,630	89,185,630	3,460,333,153	3,460,333,153	100
78,880,150	78,880,150	3,562,183,898	3,562,183,898	100
87,629,700	87,629,700	3,873,339,642	3,873,339,642	100
128,330,930	128,330,930	4,205,515,524	4,205,515,524	100
124,871,890	124,871,890	4,396,125,517	4,396,125,517	100
\$ 124,225,970	\$ 124,225,970	\$ 4,656,898,781	\$ 4,656,898,781	100%

**CITY OF McALLEN, TEXAS
PROPERTY TAX LEVIES AND ALLOCATION THEREOF
LAST TEN FISCAL YEARS**

Valuations				
Fiscal Year Ended	Real Property	Personal Property	Minerals	Total
1995	\$ 2,271,111,346	\$ 463,967,423	\$ 65,642,850	\$ 2,800,721,619
1996	2,461,842,249	491,972,835	68,982,530	3,022,797,614
1997	2,559,229,055	473,632,414	72,830,712	3,105,692,181
1998	2,651,336,502	499,716,933	72,920,305	3,227,248,695
1999	2,848,373,856	522,773,667	89,185,630	3,460,333,153
2000	2,972,096,712	511,207,036	78,880,150	3,562,183,898
2001	3,179,391,812	606,318,130	87,629,700	3,873,339,642
2002	3,396,215,579	680,969,015	128,330,930	4,205,515,524
2003	3,550,376,990	720,876,637	124,871,890	4,396,125,517
2004	\$ 3,735,594,383	\$ 797,078,428	\$ 124,225,970	\$ 4,656,898,781

**CITY OF McALLEN, TEXAS
PROPERTY TAX LEVIES AND ALLOCATION THEREOF
LAST TEN FISCAL YEARS**

Tax Rate	Total Tax Levy	Taxes Levied For (PER \$100/ASSESSED VALUATION)			
		General Fund		Debt Service Fund	
		Rate	Amount	Rate	Amount
\$ 0.47	\$ 13,073,769	\$ 0.29	\$ 8,068,879	\$ 0.18	\$ 5,004,890
0.45	13,699,320	0.29	8,617,997	0.16	5,081,323
0.45	14,074,997	0.31	9,643,174	0.14	4,431,823
0.42	13,596,399	0.31	10,161,670	0.11	3,434,729
0.42	14,578,384	0.33	11,529,415	0.09	3,048,969
0.42	15,007,481	0.35	12,422,048	0.07	2,585,433
0.42	16,318,380	0.35	13,507,110	0.07	2,811,270
0.42	17,717,837	0.36	15,213,915	0.06	2,503,922
0.42	18,520,877	0.36	16,077,950	0.06	2,442,927
\$ 0.42	\$ 19,619,514	\$ 0.39	\$ 18,317,771	\$ 0.03	\$ 1,301,743

**CITY OF McALLEN, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Year		Total Tax Levy	Amount of Current Taxes Collected	Percent of Current Taxes Collected (2)
1995		\$ 13,073,769	\$ 12,390,992	94.78%
1996		13,699,320	12,809,555	93.51
1997	(1)	14,074,997	13,219,050	93.92
1998	(1)	13,596,399	13,221,561	97.47
1999	(1)	14,578,384	13,788,245	94.58
2000	(1)	15,007,481	14,532,402	96.83
2001	(1)	16,318,380	15,292,313	93.71
2002		17,717,837	16,377,568	92.44
2003		18,520,877	17,598,726	95.02
2004		\$ 19,619,514	\$ 19,170,840	97.71%

(1) Does not include the assesement or the collections of the Downtown Improvement District.

(2) Based upon original levy.

**CITY OF McALLEN, TEXAS
PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

Amount of Delinquent Taxes Collected	Total Collections For Year	Percent of Total Tax Collections To Tax Levy	Accumulated Delinquent Taxes	Percent of Delinquent Taxes to Current Levy
\$ 431,201	\$ 12,822,193	98.08%	\$ 2,481,704	18.98%
576,480	13,386,035	97.71	1,905,260	13.91
576,224	13,795,274	98.01	2,127,248	15.11
801,014	14,052,925	103.36	3,137,613	23.08
862,896	14,651,141	100.50	2,989,246	20.50
744,599	15,277,001	101.80	2,941,441	19.25
773,767	16,066,080	98.45	3,327,918	20.39
988,191	17,365,759	98.01	3,641,520	20.55
1,161,120	18,759,846	101.29	3,565,070	19.25
\$ 1,061,566	\$ 20,232,406	103.12%	\$ 3,483,424	17.75%

**CITY OF McALLEN, TEXAS
RATIO OF NET GENERAL BONDED DEBT OF ASSESSED VALUE
AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

Year	Population	Assessed Value	Gross Bonded Debt
1995	\$ 94,834	\$ 2,800,721,619	\$ 26,565,000
1996	97,166	3,022,797,614	23,245,000
1997	99,458	3,105,692,181	20,350,000
1998	101,802	3,227,248,695	17,980,000
1999	105,694	3,460,333,153	15,930,000
2000	107,936	3,562,183,898	14,195,000
2001	111,806	3,873,339,642	12,405,000
2002	114,424	4,205,515,524	10,565,000
2003	118,073	4,396,125,517	5,890,000
2004	121,700	\$ 4,656,898,781	\$ -

**CITY OF McALLEN, TEXAS
RATIO OF NET GENERAL BONDED DEBT TO ASSESSED VALUE
AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL YEARS**

Available Debt Service Funds	Net Bonded Debt	Net Bonded Debt	
		Ratio to Assessed Value	Per Capita
\$ 1,419,002	\$ 25,145,998	0.90	265
1,743,569	21,501,431	0.71	221
2,080,583	18,269,417	0.59	184
2,355,129	15,624,871	0.48	153
2,620,993	13,309,007	0.38	126
2,916,190	11,278,810	0.32	104
3,175,516	9,229,484	0.24	83
3,304,666	7,260,334	0.17	63
4,872,102	1,017,898	0.02	9
\$ -	\$ -	N/A	N/A

**CITY OF McALLEN, TEXAS
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AND PROPERTY TAX RATES OF OVERLAPPING ENTITIES
LAST TEN FISCAL YEARS**

Taxing Body	Net Bonded Debt	Debt As of	Percent Overlapping	Amount Overlapping
Hidalgo County	\$ 98,806,472	12/33/2003	100.00%	\$ 98,806,472
Hidalgo I.S.D.	23,970,000	08/31/03	0.45%	107,865
Edinburg I.S.D.	110,459,457	08/31/03	0.21%	231,964
McAllen I.S.D.	37,735,938	08/31/04	94.04%	35,486,876
P.S.J.A. I.S.D.	103,756,000	08/31/03	4.59%	4,762,400
Sharyland I.S.D.	<u>36,120,413</u>	08/31/04	4.68%	<u>1,690,435</u>
Total gross overlapping debt	410,848,280			141,086,012
City of McAllen	<u>-</u>	09/30/04	100.00%	<u>-</u>
Total direct and overlapping debt	<u><u>\$ 410,848,280</u></u>			<u><u>\$ 141,086,012</u></u>

Source: Local Taxing Entities

**CITY OF McALLEN, TEXAS
COMPUTATION OF DIRECT AND OVERLAPPING DEBT
AND PROPERTY TAX RATES OF OVERLAPPING ENTITIES
LAST TEN FISCAL YEARS**

1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
\$ 0.41	\$0.46	\$ 0.46	\$ 0.44	\$ 0.44	\$ 0.50	\$ 0.52	\$ 0.52	\$ 0.59	\$ 0.59
1.39	1.42	1.54	1.57	1.57	1.57	1.57	1.57	1.57	1.59
1.35	1.35	1.39	1.47	1.55	1.55	1.55	1.41	1.55	1.59
1.35	1.35	1.45	1.45	1.53	1.53	1.58	1.54	1.54	1.54
1.43	1.43	1.50	1.57	1.59	1.59	1.63	1.62	1.62	1.61
1.37	1.37	1.41	1.41	1.46	1.46	1.54	1.54	1.54	1.54
0.43	0.48	0.47	0.45	0.42	0.42	0.42	0.42	0.42	0.42

All figures above are based on \$100/valuation.

Tax rates are rounded off to nearest hundredths.

CITY OF McALLEN
RATIO OF ANNUAL DEBT SERVICE EXPENDITURES FOR
GENERAL BONDED DEBT TO TOTAL GENERAL GOVERNMENTAL FUNDS EXPEDITURES
LAST TEN FISCAL YEARS

Fiscal Year	Debt Service On General Bonded Debt	Total General Governmental Funds Expenditures (1)	Ratio of Debt Service to Total General Governmental Funds Expenditures (Percent)
1995	\$ 5,276,683	\$ 55,295,612	9.54%
1996	4,744,195	48,423,558	9.80%
1997	4,171,622	55,634,751	7.50%
1998	3,514,144	63,324,648	5.55%
1999	3,051,522	73,693,299	4.14%
2000	2,617,581	80,132,224	3.27%
2001	2,563,832	79,534,943	3.22%
2002	2,499,873	81,341,033	3.07%
2003	27,079,026 (2)	113,743,734	23.81%
2004	\$ 6,229,546	\$ 103,637,867	6.01%

(1) Includes General Fund, Special Revenue, Debt Service Funds, and Capital Projects Funds.

(2) High amount attributable to principal retirement of four general obligation issues: 1976; 1980; 1986; and 1988

**CITY OF McALLEN, TEXAS
COMPUTATION OF LEGAL DEBT MARGIN
SEPTEMBER 30, 2004**

Assessed valuation 2003 tax roll for fiscal year 2004	\$ 4,656,898,781
Debt limit - Texas statutes do not prescribe a debt limit; however, by custom, a practical economic debt limit of 5% of the assessed valuation is used.	<u>5%</u>
	<u>232,844,939</u>
Total bonded debt	-
Deduct amount available in debt service fund	<u>-</u>
Applicable debt	<u>-</u>
Economic debt margin	<u><u>\$ 232,844,939</u></u>

**CITY OF McALLEN, TEXAS
REVENUE BOND COVERAGE
WATER AND SEWER BONDS
LAST TEN FISCAL YEARS**

WATER FUND:

Fiscal Year	Gross Revenue	Direct Operating Expenses	Net Revenue Available For Debt Service (1)	Debt Service Requirements	Coverage
1995	\$ 7,469,824	\$ 4,511,409	\$ 2,958,415	\$ 268,294	11.03
1996	7,839,961	5,112,150	2,727,811	289,373	9.43
1997	7,914,855	5,093,106	2,821,749	474,163	5.95
1998	8,680,396	5,198,677	3,481,719	773,323	4.50
1999	9,103,734	5,814,544	3,289,190	1,003,568	3.28
2000	11,546,355	5,935,842	5,610,513	909,148	6.17
2001	13,620,766	6,101,989	7,518,777	2,238,273	3.36
2002	13,595,999	6,782,989	6,813,010	2,195,221	3.10
2003	13,306,102	6,937,001	6,369,101	2,077,274	3.07
2004	\$ 13,363,195	\$ 7,620,642	\$ 5,742,553	\$ 1,483,797	3.87

SEWER FUND:

Fiscal Year	Gross Revenue	Direct Operating Expenses	Net Revenue Available For Debt Service (1)	Debt Service Requirements	Coverage
1995	(2)				
1996	(2)				
1997	\$ 4,613,288	\$ 3,531,387	\$ 1,968,970	\$ 199,747	9.86
1998	6,656,018	3,850,196	2,805,822	542,675	5.17
1999	7,241,418	4,135,347	3,106,071	678,594	4.58
2000	7,899,827	4,310,674	3,589,153	880,030	4.08
2001	8,919,843	4,428,743	4,491,100	1,377,089	3.26
2002	9,731,320	4,634,025	5,097,295	1,438,373	3.54
2003	9,494,989	4,722,740	4,772,249	1,567,067	3.05
2004	\$ 9,980,780	\$ 5,105,759	\$ 4,875,021	\$ 2,160,542	2.26

(1) Net revenue available for debt service is calculated as follows: Gross Revenue - Direct Operating Expenses + Depreciation Expenses.

(2) The 1980 Bond Issue was retired during the fiscal year; therefore, related information is not disclosed for the Sewer Fund.

**CITY OF McALLEN, TEXAS
PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN FISCAL YEARS**

Fiscal Year	Property Value (1)	Construction	Bank Deposits
1995	\$ 2,800,721,619	\$ 111,415,940	\$ 1,642,722,869
1996	3,022,797,614	113,913,538	1,751,980,171
1997	3,105,692,181	156,002,158	1,968,314,027
1998	3,227,248,695	120,730,784	2,170,976,920
1999	3,460,333,153	179,214,512	2,305,422,150
2000	3,562,183,898	175,175,927	2,365,939,001
2001	3,873,339,642	202,898,831	2,572,993,861
2002	4,205,515,524	198,946,076	3,200,745,877
2003	4,396,125,517	206,076,304	3,530,580,885
2004	\$ 4,656,898,781 (a)	\$ 234,799,141 (b)	\$ 3,495,881,842 (c)

(1) Includes only taxable property.

Information provided by:

- (a) City of McAllen Tax Department for current year. Previous year information, was provided by the McAllen Independent School District- Tax Office
- (b) City of McAllen Inspection Department
- (c) McAllen Chamber of Commerce

BUDGET GLOSSARY

Ad Valorem Tax A tax which is levied in proportion to the value of the property against which it is levied. This commonly referred to as a property tax.

Appraised Value To make as estimate of value for the purpose of taxation. (Property values are established by the Hidalgo County Appraisal District).

Appropriation Authorization granted by a legislative body to make expenditures and to incur obligations. The appropriation contains specific limitations as to the amount purpose, and time when it may be expended.

Appropriation Ordinance The office enactment, by the City Commission, to legally authorize City Staff to obligate and expend resources.

Assessed Value The total taxable value placed on real estate and other property as a basis for levying taxes.

Bond A written promise to pay a sum of money on a specific date(s) at a specific interest rate. The interest payments and the repayment of the principal are detailed in a bond ordinance.

Budget A plan of financial operations embodying an estimate of proposed expenditures for a given period and the proposed means of financing them.

Budget Calendar The schedule of key dates which the City follows in the preparation and adoption of the budget.

Budget Document The instrument used by

the budget-making authority to present a comprehensive financial plan of operations to the City Commission.

Budget Message A general discussion of the proposed budget as presented in writing by the budget making authority to the legislative body.

Capital Projects Fund A fund created to account for financial resources to be used for the acquisition or the construction of major capital facilities or equipment.

Capital Outlay Expenditures resulting in the acquisition or addition to fixed assets.

City Commission The Mayor and six Commissioners collectively acting as the legislative and policy making body of the City.

Civil Service Personnel All certified police officers and fire fighters.

Current Taxes Taxes levied and due within one year.

Debt Service Payment of interest and principal to holders of a government's debt instruments.

Debt Service Fund A fund established to account for the accumulation of resources for, and the payment of, long-term debt principal and interest.

Delinquent Taxes Taxes that remains unpaid, after the date on which a penalty for non-payment is attached. (example: tax statements are mailed out in October and become delinquent if unpaid by January 31.)

BUDGET GLOSSARY

Department A functional and administrative entity created to carry out specified public services.

Distinguished Budget A voluntary program administered by the Government Finance Officers

Presentation Program Association to encourage governments to publish efficiently organized and easily readable budget documents and to provide peer recognition and technical assistance to the fiscal officers preparing them.

Encumbrance The commitment of appropriated funds to purchase an item or service. To encumber funds means to set aside or commit funds for a future expenditure.

Estimated Revenue The amount of projected revenues to be collected during the fiscal year.

Expenditures Decrease in net financial resources for the purpose of acquiring an asset, service, or settling a loss.

Expenses Decrease in net total assets. Charges incurred, whether paid or unpaid, for operation, maintenance, interest, and other charges, which are presumed to benefit the current fiscal period.

Fiscal Year The twelve month financial period to which the annual operating budget applies. The fiscal year used by the City of McAllen begins October 1st and ends September 30th.

Fixed Assets Long term assets, which are intended to continue to be held or used, such as land, building, machinery, or equipment.

Franchise Fee A fee paid by public service utilities for use of public property in providing their services to the citizens of the community.

Function Classification of expenditures according to the principal purposes for which the expenditures are made.

Fund An accounting entity which a self-balancing set of accounts that record financial transactions for specific activities or government function.

Fund Balance A term used to express the equity (assets minus liabilities) of governmental funds and trust funds.

Generally Accepted Uniform minimum standards/guidelines for financial accounting and reporting which provide a standard by which to measure financial presentations. They govern the form and content of the basic financial statements of an entity.

General Obligation Bonds Bonds that finance a variety of public projects, which pledge the full faith and credit of the City.

Intergovernmental Revenue Revenue collected by one government and distributed to another level of government(s).

Inter-Fund Transfers Legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended; i.e. transfers from the General Fund to Special Revenue Fund or Capital Projects

BUDGET GLOSSARY

Fund.

Maintenance All materials or contract expenditures covering repair and upkeep of City Buildings, machinery and equipment, systems, and land.

Modified Accrual Accounting A basis of accounting in which revenues are recognized in the accounting period when they become available and measurable. Expenditures are recognized in the accounting period in which the fund liability is incurred.

MSA Metropolitan Statistical Area

NAFTA North America Free Trade Agreement.

Objective A simply stated measurable statement of aim or expected accomplishment within the fiscal year. A good statement of objective should imply a specific standard for performance for a given program.

Operating Budget Plans of current expenditures and the proposed means of financing them. The use of an annual operating budget is usually required by law to control government spending.

Operating Costs Outlays for such current period items as expendable supplies, contractual services, and utilities.

Operating Transfers Legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended; transfers from the General Fund to a Special Revenue or Capital Projects Fund.

Ordinance A formal legislative enactment by

the governing board of a municipality.

Revenue raising measures, such as the imposition of taxes, special assessments and service charges, universally require ordinances. Ordinances and other legislation are not passed until the plans for and costs of endorsements are known.

Other Services and Charges The cost related to services performed for the City by individuals, business or utilities.

Performance Indicator Variables which measure the success of a department in meeting goals and objectives and/or the workload and performance of the department.

Personnel Services The costs associated with compensating employees for their labor. This includes salaries and fringe benefits.

Retained Earnings An equity account reflecting the accumulated earnings of an enterprise or internal service fund.

Revenue Additions to the City's financial assets such as taxes or grants which do not, in themselves, increase the City's liabilities, provided there is no corresponding decrease in assets or increase in other liabilities.

Revenue Bonds Bonds whose principal and interest are payable exclusively from a revenue source pledged as the payment source before issuance.

Tax Base The total value of all real and personal property in the City as of January 1st of each year, as certified by the Hidalgo County Appraisal District. The tax base represents net value after all exemptions.

BUDGET GLOSSARY

Tax Levy The result product of the tax rate per one hundred dollars multiplied by the tax base.

Tax Rate The amount of tax stated in terms of a unit of the tax base; for example, the City of McAllen expresses the tax in terms of dollars per hundred of assessed valuation.

Working Capital The excess of current asset over current liabilities.