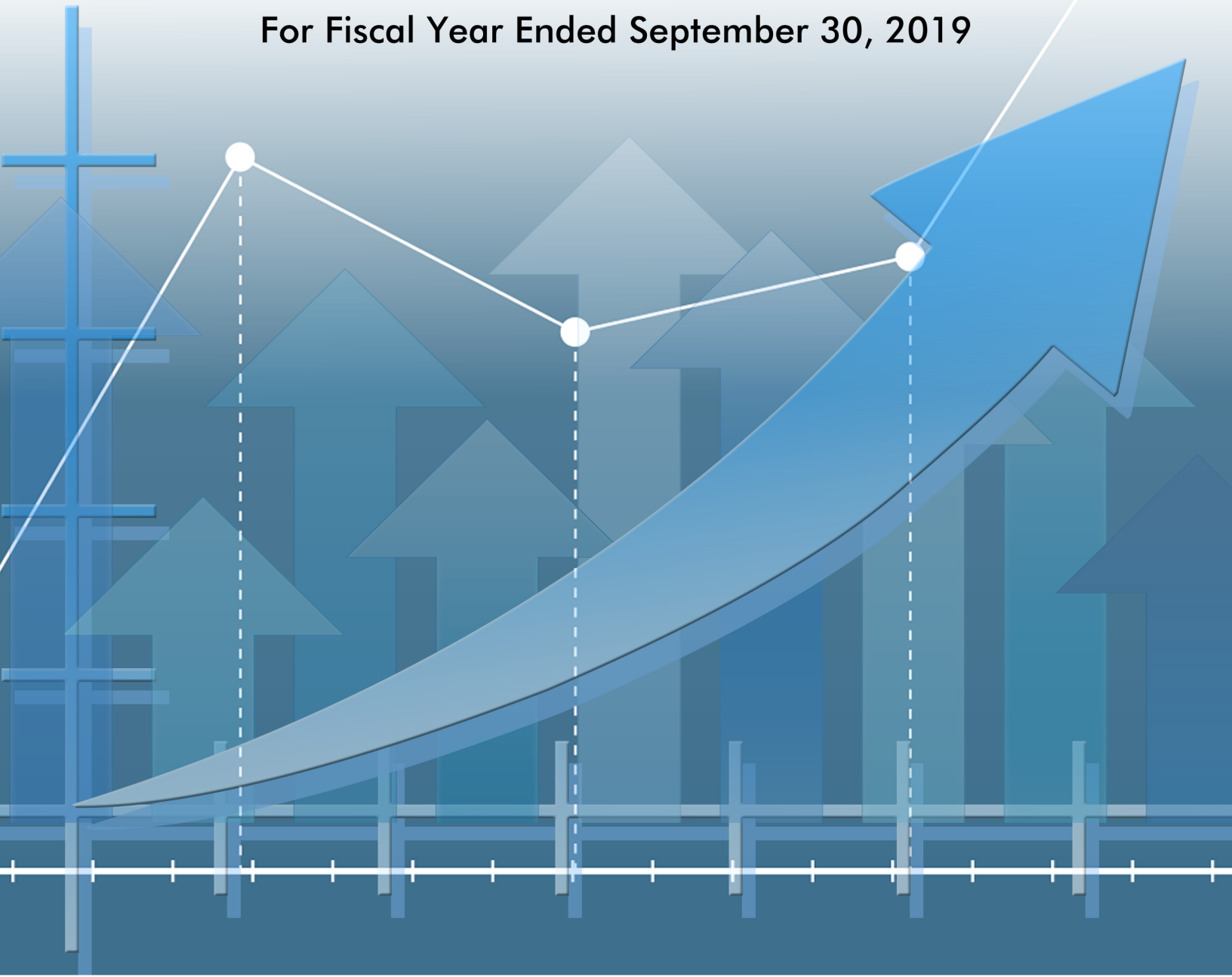




CITY OF LAREDO, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For Fiscal Year Ended September 30, 2019



CITY OF LAREDO, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED
SEPTEMBER 30, 2019

PREPARED BY:
CITY OF LAREDO
FINANCIAL SERVICES DEPARTMENT
ACCOUNTING DIVISION

INTRODUCTION SECTION

CITY OF LAREDO, TEXAS
COMPREHENSIVE ANNUAL FINANCIAL REPORT
For Fiscal Year Ended
September 30, 2019

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March 13, 2020

To the Honorable Mayor, Members of the Governing Council, and Citizens of the City of Laredo.

We are pleased to submit the Comprehensive Annual Financial Report of the City of Laredo, Texas for the fiscal year ending September 30, 2019. Responsibility for both the accuracy of the data and the completeness and fairness of the presentation, including all disclosures, rests with the City. To the best of our knowledge and belief, the enclosed data is accurate in all material aspects and is reported in a manner designed to present fairly the financial position and results of operations of the various funds of the City. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

This report consists of management's representations concerning the finances of the City of Laredo. Consequently, management assumes full responsibility for the completeness and reliability of all of the information presented in this report. To provide a reasonable basis for making these representations, management has established a comprehensive internal control framework that is design both to protect the government's assets from loss, theft, or misuse and to compile sufficient reliable information for the preparation of the City of Laredo's financial statements in conformity with GAAP (Generally Accepted Accounting Principles). Because the cost of internal controls should not outweigh the benefits, the City of Laredo's comprehensive framework of internal controls has been design to provide reasonable rather than absolute assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Canales, Garza, & Baum Co., P.L.L.C., a firm of licensed certified public accountants, have audited the City of Laredo's financial statements. The goal of the independent audit was to provide reasonable assurance that the financial statements of the City of Laredo for the fiscal year ended September 30, 2019, are

free of material misstatement. The independent audit involved examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates made by management; and evaluating the overall financial statement presentation. The independent auditors concluded, based upon the audit, that there was a reasonable basis for rendering an unmodified opinion that the City of Laredo's financial statements for the fiscal year ended September 30, 2019 are presented in conformity with GAAP. The independent auditor's report is presented as the first component of the financial section of this report.

In addition, the City has an Internal Audit Division. The division is under the City Manager but reports directly to the Mayor and City Council. Its primary responsibility is to measure and evaluate the City's accounting and operational controls. This division was directly establish to ensure that the City's assets are safeguarded and to provide reasonable assurance of proper accounting and operational activities to our public.

The independent audit of the financial statements of the City of Laredo was part of a broader, federally mandated "Single Audit" designed to meet the special needs of federal and state granting agencies. The standards governing Single Audit engagements require the independent auditor to report not only on the fair presentation of the financial statements, but also on the audited government's internal controls and compliance with legal requirements, with special emphasis on internal controls and legal requirements involving the administration of federal awards. These reports are available in the Single Audit Section of this report.

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

Profile of the Government

The City of Laredo incorporated in 1755. It is located on the north bank of the historical Rio Grande River. Laredo is unique because it is the only City to operate international bridges between two Mexican states. The City owns, maintains and operates four-border crossing, three with Nuevo Laredo, Mexico and one with Colombia, Mexico. Laredo is at the center of the primary trade route. It is the only border city strategically positioned at the convergence of all land transportation systems between Canada, the United States and Mexico. The City of Laredo is the largest city in the County of Webb with an estimated population of 257,156 in 2017, according to the U.S. Census estimates.

The City of Laredo is empowered to levy a property tax on both real and personal properties located within its boundaries. It also is empowered by state statute to extend its corporate limits by annexation, which occurs periodically when deemed appropriate by the City Council.

The City of Laredo operates under the council-manager form of government. The policy-making and legislative authority are vested to the City Council consisting of the Mayor and eight Council members. The governing council is responsible, among other things for passing ordinances, adopting budgets, appointing committees, and the hiring of the City Manager. The City Manager is responsible for carrying out the policies and ordinances of the City Council, for overseeing the day-to-day operations of the government, and for appointing the directors of the various departments. The council is elected on a non-partisan basis. Council members may serve up to two (2) four (4) year terms. The mayor is elected to serve a four-year term with a limit of two (2) terms. All council members are elected by district. The mayor is elected at large.

The City of Laredo provides a full range of municipal services including police and fire protection, parks, recreational and cultural activities, libraries, recycling services, public health and social services, municipal housing, animal care facility, public improvements, public bus transportation, water and wastewater services, sanitation services, four international bridges, an international airport, planning and zoning, and general administrative services. As such, these activities are reflected in the financial statements along with the capital project funds, debt service fund, internal service funds, and fiduciary funds. These financial statements were prepared in accordance with GAAP for local governments as prescribed by the Government Accounting Standards Board (GASB).

The financial statements include component units of the City of Laredo. Component units are units that are legally separate organizations. The City and our elected officials are financially accountable for these component units. The City's component unit entities include:

- Laredo Transit Management, Inc.
- Laredo Convention and Visitor's Bureau
- Laredo Fire Fighters' Retirement System
- Laredo Public Facilities Corporation - La Terraza, LLC
- Sames Auto Arena
- Max Mandel Municipal Golf Course
- Tax Increment Reinvestment Zone Number One

All these entities are explained in more detail on note #1 of the Notes to the Basic Financial Statements portion of the CAFR.

The annual budget serves as the foundation for the City of Laredo's financial planning and control. The City Manager presents a proposed balanced budget to the City Council for review through council workshops. The council is required to hold public hearings on the proposed budget and to adopt a final budget by no later than September 30, the close of the City of Laredo's fiscal year. The appropriated budget is prepared by fund, function (e.g., public safety), and department (e.g. police). Department Directors may make transfers of appropriations within a department through an insufficient appropriation notice that is reviewed by the Budget, Finance and City Manager's Office depending on the dollar value. Transfers of appropriations between funds require the special approval of the City Council. Budget-to-actual comparisons are provided in these reports for each individual governmental fund for which an appropriated annual budget has been adopted. For the General Fund, this comparison is presented as part of the basic financial statements for the governmental funds.

For governmental funds, other than the General Fund, with appropriated annual budgets, this comparison is presented in the non-major governmental fund subsection of this report. Also included in the governmental fund subsection are project-length budget-to-actual comparisons for each governmental fund for which a project-length budget has been adopted (i.e., the special revenue and enterprise funds).

Factors Affecting Financial Condition

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

Local economy: Laredo is strategically positioned with a large transportation and warehousing industry. Trade between the United States and México is a vital part of our economy and continues to prosper. The Port of Laredo is the #1 inland port in the United States and the #2 port in the nation just behind Port of Los Angeles California. We have four (4) international bridges; two of which are commercial crossings and have over 2.33 million trucks crossing annually. The Laredo Customs District trades over \$326.87 billion imports and exports annually. Based on trade statistics by World City Magazine, Laredo set trade records for ninth consecutive year. Laredo's trade increased 7.75% for 2018. Laredo remains the third largest U.S. Customs District in the country and the number one inland port. Only Los Angeles and New York, (both water ports) are above the Laredo Customs District.

We continue to host producers of goods from Mexico, Central and South America in order to bring additional commerce to our City and establish a stronger economic growth. We have established strong business alliances with the Mexican Ports of

Lazaro Cardenas and Manzanillo. The ports are using Laredo as the main port to import products into the United States. During the workweek, more than 8,937 trucks cross daily into Laredo. On rail, more than 1,100 rail cars pass through Laredo daily, making it one of the top railroad interchanges in the U.S. and the busiest on the Southern Border. Mexico, China, Malaysia, Thailand and France are Laredo's top importers / exporters.

Top imports totaled \$192.84 billion that crossed through Laredo were:

- Motor vehicle parts
- Motor vehicles for transporting people
- Commercial vehicles
- Cell phones and related equipment
- Tractors
- Computers
- Insulated wire and cable
- Seats, excluding barber and dental
- Motor Vehicle Engines
- Refrigerators and freezers

Top exports totaled \$134.03 billion that crossed through Laredo were:

- Motor vehicle parts
- Gasoline, other fuels
- Diesel engines
- Petroleum gases and other hydrocarbons
- Cell phones and related equipment
- Computer chips
- Electrical supplies and apparatus
- Engine parts
- Plastics
- Taps and valves for pipes and tanks.

In addition, the City's economic growth in international trade has been enhanced by other projects such as the Cold Storage Facilities build in our international commercial bridges and Federal Inspection Station (FIS) at the Laredo International Airport. The cold storage facilities have expedited the import of fruit and vegetables as well as the flowers from Central and South America. The FIS at the Laredo International Airport allows Mexican Customs to pre-clear American goods imported into Mexico. This is the only international inspection in the United States. The purpose is to reduce delivery times and cost into a Mexican bonded facility. Various Mexican airports located throughout Mexico are approved to participate in this program as well as major automotive companies such as General Motors, Chrysler and Honda de Mexico.

In addition to the FIS at the airport, the Laredo International Airport is rank 6th among all cargo airports in Texas and 41st in the nation. In 2019, the airport facility handled approximately 531.44 million pounds of cargo in landed weight.

Locally, investors continue to be very interested in Laredo and its market, especially in retail. Laredo continues to be the home of one of the Wal-Mart store with the highest sales per square foot. National retail stores continue to operate or relocate to Laredo while others have expanded their operations in Laredo.

Financial Policies

The City Charter of the City of Laredo requires the submission of an annual operating balance budget and a capital program. The operating budget requires an annual review and analysis of all revenues and expenditures. It outlines the proposed financial goals and objectives for the ensuing fiscal year. Policies requires that the General Fund must maintained a 15% of total appropriated operating expenses as fund balance. Texas statues requires that City's total tax supported debt shall not exceed 10% of the total assessed valuations and the City complies with this requirement. As of September 30 2019, to City's tax supported debt was \$154.84 million. The City is complying with the requirement of the Public Funds Investment Act. The City's investment portfolio as of September 30, 2019 was \$418.04 million. The main objectives of the City's investment policy are the preservation and safety of principal, liquidity and yield. The capital program is a five-year program that lists all capital improvements, which are propose to be undertaken during the next five fiscal years. It serves as a guide for future planning. The program is revised and updated, on a yearly basis, to reflect the needs and priorities of the City. Cost estimates, methods of financing and recommended time schedules are included as part of the five-year plan. Below is a summary of the Capital Improvement Program.

Capital Improvement Program						
2020-2024						
Amounts are in thousand						
	2020	2021	2022	2023	2024	Total
General Government	\$ 20,818	\$ 4,000	\$ 4,000	\$ 4,000	\$ -	\$ 32,818
Health & Welfare	4,187	1,590	-	-	-	5,777
Public Safety	18,509	3,854	8,556	-	-	30,919
Public Works	36,986	37,866	13,148	529,562	16,287	633,849
Utilities	108,045	24,869	24,646	29,655	35,627	222,842
Cultural & Recreational	14,057	4,355	500	500	-	19,412
Transportation	66,109	91,887	80,507	10,089	8,652	257,244
	\$268,711	\$168,421	\$131,357	\$573,806	\$ 60,566	\$ 1,202,861

MAJOR INITIATIVES

For the Year 2018-2019

The City staff, following the directives of the City Council and the City Manager, have addressed and completed a large number of projects during the year. The projects adopted by City Council annually through a five-year Capital Improvement Plan. These projects reflect the City's commitment to building a better Laredo and provide its citizens with a better quality of life, economic prosperity and safety.

- Completion of improvements to streets, including curb and gutter and other improvements at a cost of \$13.17 million during this fiscal year.
- Drainage improvements projects completed during the current year totaled \$3.3 million
- Infrastructure projects at a cost of \$15.53 million were completed during the fiscal year 2019. Among the completed projects includes downtown parking lots, sidewalks, airport runway, taxiways and apron improvements. Other projects included are parks improvements, traffic signal improvements and street lighting improvements in the downtown area.
- Building improvement for \$2.35 million were completed during the year. The expansion of the Utilities System Administration Building at a cost of \$1.55 million.
- Improvements to the utilities system water and sewer lines at a cost of \$6.95 million.
- Acquisition of machinery and equipment including vehicles and equipment for all City departments total \$18.44 million.
- Land at a cost of \$3.15 million was acquired during the fiscal year for City's noise abatement project as well as for other proprietary funds.

Future Major Initiatives

Projects that have been initiated or will be undertaken during the next fiscal year include:

- The Utilities Department has various water and sewer capital improvement projects planned for FY 2020 and consists of the following:

- The Manadas Creek Sewer Plant at an estimated cost of \$52,000,000 funded by Texas Water Development Board thru a revenue bond at very favorable interest rates.
- Water rights acquisition of \$1.2 million that will supplement our inventory of water rights.
- Street Resurfacing / Paving Program at an estimated cost of \$4 million.
- Other projects for the Waterworks System include infrastructure improvements of \$20 million for line replacement program, booster station improvements, water tank improvements and water plan expansion.
- Booster Station and Plant Pump Replacement project for the Waterworks System at a projected cost of \$10 million.
- Sewer System infrastructure improvements projects at an estimated cost of \$20 will be funded with revenue bond. Improvements include sewer line replacement, Chacon Creek interceptor, Zacate Creek sewer gravity line, lift stations improvements and other projects.
- Other City Wide Projects include:
 - Building improvements at an estimated cost of \$3.3 million.
 - Equipment and machinery for various department for \$9.6 million.
 - Rehabilitation of streets project at an estimated cost of \$4 million.
 - The construction / improvements of parks, streets, sidewalks, drainage, traffic signals, street signalization and street lighting at an estimated cost of \$14.35 million.
 - Acquisition of land for a new landfill at an estimated cost of \$ 24,000,000.
 - In order improve operational efficiencies of the World Trade Bridge, the City along with Texas Department of Transportation (TXDOT) and donation of land from the federal government are relocating the Free and Secure Trade lanes. This will provide direct access from the bridge span to the inspection facilities and onto the various trucking routes. The project is estimated at \$10.3 million funded by Coordinated Border Infrastructure Grant of \$8 million by TXDOT and \$2.3 from the City of Laredo Bridge Fund.

- The City of Laredo continues to work and coordinate projects with the Laredo Metropolitan Planning Organization to alleviate transportation issues for the benefit of the citizens of Laredo. Projects include the following:
 - An interchange at IH35 and U.S.59/I-69 West. The first phase of this project has been completed. Other phases of the project are expected to be let out next year. An INFRA Grant formerly Fastlane Grant application was resubmitted on behalf of the City, TXDOT, Webb County and the Regional Mobility Authority requesting \$78 million in federal funds, \$30 million from TXDOT and \$22 million from local agencies including the City of Laredo.
 - The construction of a \$46 million road called Hachar-Reuthinger Road, which will connect FM 1472 and IH35 for the critical movement of trucks in West Laredo. Phase I is at a cost of \$24.14 million and Phase II at an estimated cost of \$22 million. TXDOT, Webb County and the City of Laredo will be providing funding for this project.
- The Texas Department of Transportation and the City of Laredo are working jointly on projects along Loop 20, they include:
 - The widening of the Loop 20 bridge over the Kansas City Southern (KCS) rail tracks, a \$9.1 million project was completed in 2019. Phase II of the project was also completed at an estimated cost of \$15.4 million. The project included additional frontage road over the KCS Bridge and the adjoining overpass with an estimated project cost of \$15.4 million.

Awards and Acknowledgements

The City has received the Government Finance Officers Association of the United States and Canada (GFOA) award a Certificate of Achievement for Excellence in Financial Reporting for thirty years. In order to be awarded a Certificate of Achievement, the government must publish an easily readable and efficiently organized comprehensive annual financial report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

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

In addition, the government also received the GFOA's Distinguished Budget Presentation Award for its twenty-fifth consecutive year. In order to qualify for the Distinguished Budget Presentation Award, the government's budget document was

judged proficient in several categories, including as a policy document, a financial plan, an operations guide, and a communications device.

The preparation of this report would not have been possible without the efficient and dedicated services of the entire staff of the Finance Department. We would like to express our appreciation to all members of the department who assisted and contributed to the preparation of this report.

In closing, please accept our sincere gratitude to the Mayor and City Council for their unfailing support in maintaining the highest standards of professionalism in the management of the City of Laredo's finances.

Respectfully,



Robert A. Eads
City Manager



Government Finance Officers Association

**Certificate of
Achievement
for Excellence
in Financial
Reporting**

Presented to

**City of Laredo
Texas**

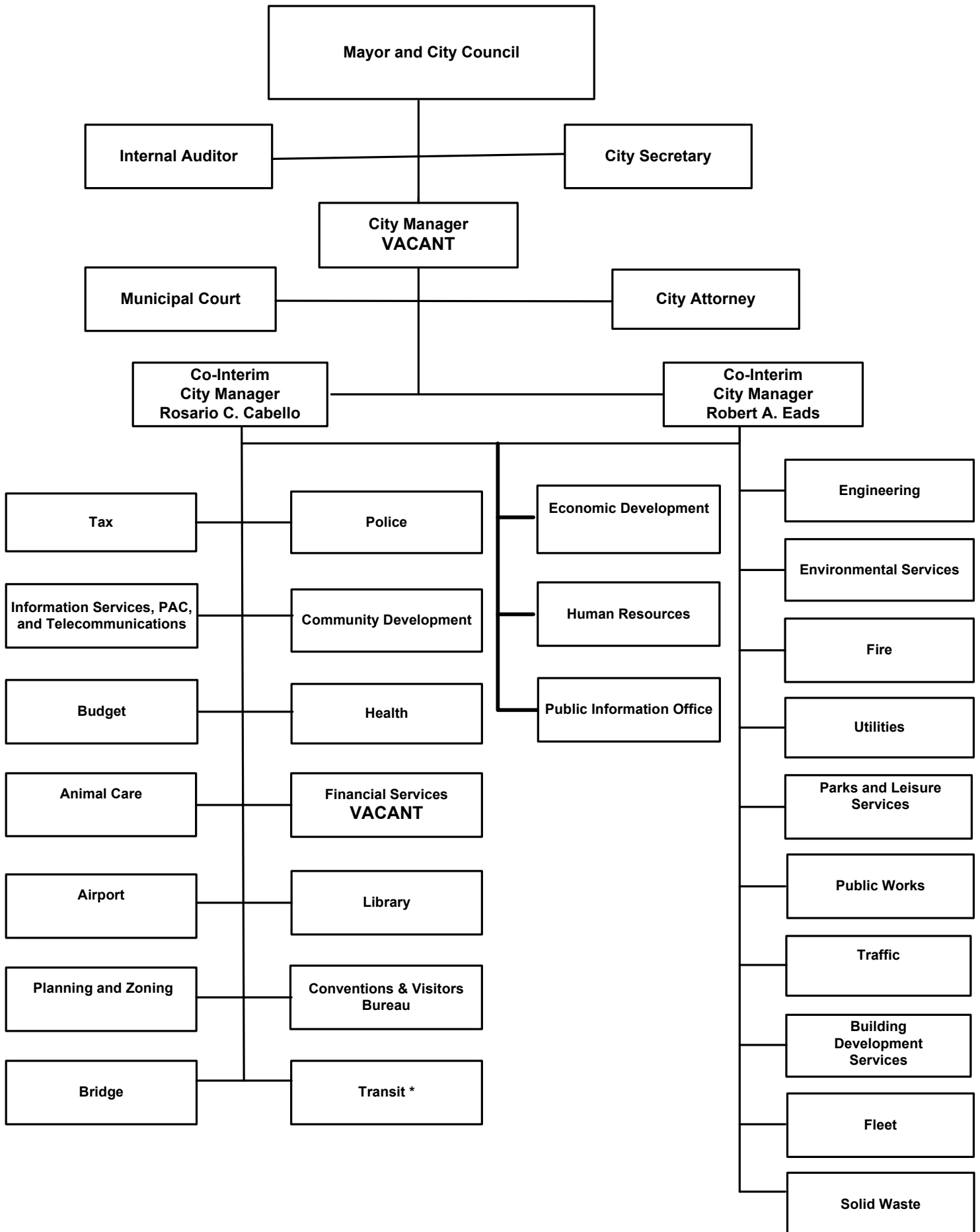
For its Comprehensive Annual
Financial Report
for the Fiscal Year Ended

September 30, 2018

Christopher P. Morrell

Executive Director/CEO

CITY OF LAREDO, TEXAS



* Contracted Services

**CITY OF LAREDO, TEXAS
ADMINISTRATIVE OFFICIALS**

CITY COUNCIL

Pedro I. Saenz, Jr., Mayor

COUNCIL MEMBER	DISTRICT	COUNCIL MEMBER	DISTRICT
Rodolfo Gonzalez, Jr.	I	Nelly Vielma	V
Vidal Rodriguez	II	Dr. Marte A. Martinez	VI
Mercurio Martinez, III	III	George J. Altgelt	VII
Alberto Torres, Jr. Mayor Pro Tempore	IV	Roberto Balli	VIII

CITY STAFF

Robert A. Eads, Interim Co-City Manager

Rosario C. Cabello, Interim Co-City Manager

Jose F. Castillo, Assistant Finance Director

Kristina Laurel Hale, City Attorney

FINANCIAL SECTION

Aaron Canales, CPA
Juan José Garza, CPA
J. Clayton Baum, CPA (Ret.)
Guadalupe Garcia-Wright, CPA



INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of the City Council
City of Laredo, Texas

Report on the Financials Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Laredo, Texas, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Laredo, Texas basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Laredo, Texas, as of September 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof, and the budgetary comparison for the general fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

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

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the City of Laredo, Texas' basic financial statements. The introductory section, the combining and individual nonmajor fund financial statements and schedules, and the statistical section are presented for purposes of additional analysis and are not a required part of the basic financial statements. The schedules of expenditures of federal and state awards are presented for purposes of additional analysis as required by Title 2 U.S. *Code of Federal regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* and the *State of Texas Single Audit Circular*, and is also not a required part of the basic financial statements.

The combining and individual nonmajor fund financial statements and schedules and the schedule of expenditures of federal and state awards are the responsibility of management and were derived from and relate directly to the underlying accounting and other records used to prepare the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual nonmajor fund financial statements and schedules and the schedules of expenditures

of federal and state awards are fairly stated in all material respects in relation to the basic financial statements as a whole.

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

Texas Water Code, Chapter 16, Section 16.356(a) Compliance

In connection with our audit, nothing came to our attention that caused us to believe that the City of Laredo, Texas failed to comply with the provisions of the Texas Water Code, Chapter 16, Section 16.356(a) insofar as they relate to accounting matters. However, our audit was not directed toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City of Laredo, Texas noncompliance with the above referenced provisions insofar as they relate to accounting matters.

Restricted Use Relating to the Other Matter Texas Water Code, Chapter 16, Section 16.356(a) Compliance

The communication related to compliance with the aforementioned provision described in the Other Matters paragraph relating to Texas Water Code, Chapter 16, Section 16.356(a) Compliance is intended solely for the information and use of the Mayor, City Council and management of the City of Laredo, Texas and the Texas Water Development Board and is not intended to be and should not be used by anyone other than those specified parties.

Report on Other Legal and Regulatory Requirements - Texas Water Code, Chapter 16, Section 16.356(a) Compliance

The City of Laredo, Texas did not use any revenue received from fees collected from a water supply or sewer service constructed in whole or in part from funds from the economically distressed areas program account for purposes other than utility purposes as stated on Texas Water Code, Chapter 16, Section 16.356(a) and as communicated in the Other Matters paragraph.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated March 13, 2020, on our consideration of the City of Laredo, Texas' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Laredo, Texas' internal control over financial reporting and compliance.

Canales, Garza & Baum, PLLC

Laredo, Texas
March 13, 2020

MANAGEMENT'S DISCUSSION AND ANALYSIS (UNAUDITED)

The City of Laredo's Management's Discussion and Analysis is designed to (a) assist the reader in focusing on significant financial issues, (b) provide an overview of the City's financial activity, (c) identify changes in the City's financial position (its ability to address the next and subsequent years' challenges), (d) identify any material deviations from the financial plan (the approved budget), and (e) identify individual fund issues or concerns.

This section of the City of Laredo's annual financial report presents our discussion and analysis of the City's financial performance during the fiscal year that ended September 30, 2019. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of the City exceeded its liabilities and deferred inflows by \$723.45 million (net position) which represent an increase of \$6.28 million from the previous year. The negative ending balance of \$210.51 million in unrestricted net position is the result of the recognition of Net Pension Liability of \$282.38 million and Net Pension Obligation - OPEB of \$214.883 million. The unrestricted net position would under normal circumstances, be used to meet the government's ongoing obligations to citizens and creditors.
- The City's governmental activities reported a combined ending net position of \$340.81 million. This represents an increase of \$18.04 million. The business type activities reported a combined ending net position of \$382.64 million, representing an increase of \$24.70 million. These are the results of the operating of the City for the fiscal year.
- The City's governmental funds reported a combined ending fund balances of \$201.5 million, an increase of \$16.42 million compared to the fiscal year 2018 ending fund balance. The total fund balances consist of \$96.72 million restricted, \$41.98 million is committed, \$54.64 million is assigned, \$199,470 is nonspendable and \$7.96 million is an unassigned deficit.
- At the end of the current fiscal year, total fund balance for the General Fund of \$47.97 million represented 25.76% of General Fund expenditures net of capital outlay.
- During the fiscal year, the City issued \$23.69 million in long-term debt. Long-term liabilities related to bond issuance net of current year principal payments decreased by \$23.88 million.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts - management's discussion and analysis (this section), the basic financial statements, required supplemental information, and an option section that presents combining statements for non-major Governmental Funds and Internal Service Funds. The basic financial statements include two different formats in viewing the information.

- The first two statements are Government-wide financial statements that provide both long-term and short-term information about the City's overall financial status.
- The remaining statements are fund financial statements that focus on individual parts of the City Government, reporting the City's operations in more detail than the Governmental-wide statements.
- The Governmental funds tell how general government services such as public safety were financed in the short term as well as what remains for future spending.
- Proprietary fund statements offer short and long-term financial information about the activities the government operates like a business, such as the Bridge, Transit, and Water and Sewer funds.

- Fiduciary fund statements provide information about the financial relationships as an example, the retirement plan for the City's employees in which the City acts solely as a trustee or agent for the benefit of others, to whom the resources mentioned above, belong.

Figure A-1

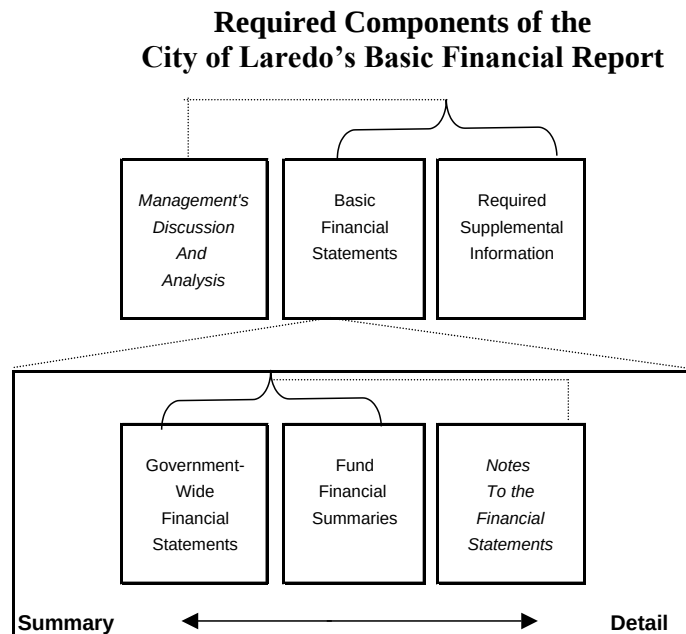
FUND FINANCIAL STATEMENTS

	Government – Wide Statements	Governmental Funds	Proprietary Funds	Fiduciary Funds
Scope	• Statement of net position • Statement of activities	• Balance sheet • Statement of Revenues and Expenditures, and changes in fund balances	• Statement of net position • Statement of Revenues, expenses, and changes in net position • Statement of Cash Flows	• Statement of fiduciary net position • Statement of changes in fiduciary net position
Accounting basis and measurement focus	Accrual accounting and economic resources focus	Modified accrual accounting and current financial resources focus	Accrual accounting and economic resources focus	Accrual accounting and economic resources focus
Type of asset/liability information	All assets and liabilities, both financial and capital, and short-term and long-term	Only assets expected to be used up and liabilities that come due during the year or soon thereafter; no capital assets included	All assets and liabilities, both financial and capital and short-term and long-term	All assets and liabilities, both short-term and long-term the City's funds do not currently contain capital assets, although they can.
Type of inflow/outflow information	All revenues and expenses during the year, regardless of when cash is received or paid.	Revenues for which cash is received during or soon after the year; expenditures when goods and services have been received and payment is due during the year or soon thereafter	All revenues and expenses during the year; regardless of when cash is received or paid	All revenues and expenses during the year, regardless of when cash is received or paid

Figure A-1 summarizes the major features of the City's financial statements, including the portion of the City government they cover and the types of information they contain. The remainder of this overview section of management's discussion and analysis explains the structure and contents of each of the financial statements.

The financial statements also include notes that explain some of the information in the financial statements and provide data that are more detailed. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. Figure A-2 shows how the required parts of this annual report are arranged and related to one another. In addition these required elements, we have included a section with combining statements that provide details about our non-major Governmental Funds and Internal Service Funds, each of which are added together and presented in single columns in the basic financial statements.

Figure A-2



Government-wide Statements

The *Government-wide statements* are design to provide readers with a broad overview of the City of Laredo's finances, in a manner similar to a private-sector business.

The *Statement of Net Positon* presents information on all of the City's assets and liabilities, with the difference between the two reported as *net positon*. Overtime, increases and decreases in net position may serve as a useful indicator of the City's financial health or position.

- Increases or decreases in the City's net position are indicators of whether its financial health is improving or deteriorating, respectively.
- To assess the overall health of the City consideration to non-financial factors such as changes in the City's property tax base and the condition of the City's roads.

The Government-wide financial statements of the City are divided into three activities:

- Government activities- Most of the City's basic services are included here, such as the police, fire, parks, public works, health, library departments, and general administration. Sales taxes and property taxes, charges for services, and the state and federal grants finance most of these activities.
- Business-type activities – The City charges fees to customers to help it cover its cost of certain services it provides. The City's Utilities System operations and Bridge toll revenues are included here.
- Blended Component units – The City includes six other entities in its report. These entities are Laredo Municipal Transit System, Laredo Convention and Visitors' Bureau, Laredo Firefighters' Retirement System, Laredo Public Facilities Corporation-La Terraza, LLC, Sames Auto Arena and the Max Mandel

Municipal Golf Course. Although legally separate, these “component units” are important because the City is financially accountable for them.

Fund Financial Statements

The fund financial statements provide detailed information about the City’s most significant funds – not the City as a whole. Funds are group by related accounts that the City uses to keep track of the specific sources of funding and spending for particular purposes.

- Some funds are required by State law and by bond covenants.
- The City Council has established other funds to account for particular purposes or projects and or to show that it is properly using certain revenue sources.

The City has three kinds of funds:

- *Governmental funds* – Most of the City’s basic services are included in Governmental funds, which focus on (1) how cash and other financial assets that can readily be converted to cash flow in and out and (2) the balances left at year-end that are available for spending. Consequently, the Governmental Fund Statements provide a detailed short-term view that helps you determine whether there are more or fewer financial resources that can be use in the near future to finance the City’s programs. Because this information does not encompass the additional long-term focus of the Government-wide Statements, we provide additional information at the bottom of the Governmental Funds Statements, or on the subsequent page, that explains the relationship (or differences) between them.
- *Proprietary funds* – Services for which the City charges customers a fee are generally reported in proprietary funds. Proprietary funds, like the Government-wide Statements, provide both long-term and short-term financial information. These funds are generally used to account for services for which the City charges customers either outside customers or internal cost centers of the City.
 - Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its Municipal Transit System, Bridge System, Municipal Housing, Waterworks, Sewer, and Solid Waste Funds.
 - Internal service funds are an accounting devise used to accumulate and allocate costs internally among the City’s various functions. The City uses its internal service funds to account for its Risk Management, Health & Benefits, Fleet and Information Technology Funds.
- *Fiduciary funds* – The City is the trustee, or fiduciary, for its employee’s pension plans. It is also responsible for other assets that – because of a trust arrangement can be used only for the trust beneficiaries. The City is responsible for ensuring that the assets reported in these funds are used for their intended purposes. All of the City’s fiduciary activities are reported in a separate statement of fiduciary net position and a statement of changes in fiduciary net position. We exclude these activities from the City’s Government-wide financial statements because the City cannot use these assets to finance operations.

Notes to the Financial Statements - The Notes provide additional information that is essential to a full understanding of the data provided in the Government-wide and Fund Financial Statements. The notes to the financial statements follow the basic financial statements.

Required Supplemental Information – In addition to the basic financial statements and accompanying notes, the CAFR also presents certain required supplemental information. These schedules include a budgetary comparison and information concerning the City’s funding of its pension obligations and other postemployment benefits.

Other Information – Following the required supplemental information are additional schedules such as the combining statements referred to above in connection with non-major governmental funds, internal service funds and fiduciary funds and schedules of expenditures for capital projects.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

Net Position. The City’s combined net position totaled \$723.45 million as of September 30, 2019. The net position of the City is further breakdown between the governmental net position of \$340.81 million and the business-type net position is \$382.64 million. This analysis focuses on the net position (Table A-1) and changes in general revenues (Table A-2) and significant expenses of the City’s governmental and business-type activities.

The largest portion of the City’s net position reflects its investment in capital assets (e.g., land, building, equipment, improvements, construction in progress and infrastructure), less any debt used to acquire those assets. The City uses these capital assets to provide service to citizens; consequently, these assets are not available for future spending. Although the City’s investment in capital assets are reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Table A-1

City of Laredo’s Net Position September 30, 2019 and 2018

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Current and other assets	\$ 269,433,328	\$ 250,026,500	\$ 167,820,397	\$ 223,260,161	\$ 437,253,725	\$ 473,286,661
Capital assets	720,290,352	719,686,113	727,533,308	668,926,620	1,447,823,660	1,388,612,733
Total Assets	989,723,680	969,712,613	895,353,705	892,186,781	1,885,077,385	1,861,899,394
Deferred Outflows of Resources	121,875,043	33,437,518	25,923,020	20,876,386	147,798,063	54,313,904
Total assets and deferred outflows of resources	1,111,598,723	1,003,150,131	921,276,725	913,063,167	2,032,875,448	1,916,213,298
Current liabilities	51,060,531	50,132,363	42,827,190	43,675,123	93,887,721	93,807,486
Non-current liabilities	690,465,196	592,981,677	495,568,427	507,440,782	1,186,033,623	1,100,422,459
Total Liabilities	741,525,727	643,114,040	538,395,617	551,115,905	1,279,921,344	1,194,229,945
Deferred inflows of resources	29,260,569	37,263,160	238,881	4,008,357	29,499,450	41,271,517
Total liabilities and deferred inflows of resources	770,786,296	680,377,200	538,634,498	555,124,262	1,309,420,794	1,235,501,462
Net Position:						
Net investments in capital assets	539,561,284	524,030,871	285,312,722	276,944,333	824,874,006	800,975,204
Restricted	51,542,494	45,893,175	57,543,482	58,736,604	109,085,976	104,629,779
Unrestricted	(250,291,351)	(247,151,115)	39,786,023	22,257,968	(210,505,328)	(224,893,147)
Total net position	\$ 340,812,427	\$ 322,772,931	\$ 382,642,227	\$ 357,938,905	\$ 723,454,654	\$ 680,711,836

A portion of the City's net position or \$109.09 million represents resources that are subject to external restrictions on how they may be used. The City of Laredo has sufficient funds to meet requirements for cash outlays in the next fiscal year and has the financial capacity to meet its long-term obligations in the years to come. The City's policy has been to make reasonable and continuous efforts to fund all long-term liabilities. The City's restricted net position increased by 4.26% over the prior year.

Generally, the net position generated by governmental activities are either externally restricted or invested in capital assets. Unrestricted governmental activities net position increased by \$3.14 million to a negative balance of \$250.29 million for the year. The negative balance is due to the recognition of a liability of \$448.13 million for the net pension liability and net pension obligation for OPEB.

Unrestricted net position in the business-type activities reflect an increase of \$17.53 million to a positive balance of \$39.79 million as of September 30, 2019.

The table below provides a summary of the City's operations for the year ended September 30, 2019. Governmental activities increased the City's net position by \$28.87 million before a decrease for Prior Period Adjustment of \$59.94 million, while Business-Type activities increased by \$29.67 million. The City's Net Position increased by \$9.61 million. Total revenues realized by the City total \$504.91 million for the year. (See Table A-2). The largest revenue category was charges for services, which are comprised for the most part of administrative fees from all departments, bridge tolls and utility charges.

Total operating cost of all programs increased by \$30.32 million from the prior year to \$476.70 million. The most significant governmental expense for the City was in providing public safety, public works repairs and improvements and cultural and recreational activities. These expenses were offset by revenues collected by a variety of sources such as property taxes, fines, and forfeitures. The most significant portion of the public safety expenditures is personnel expenditures. The cost of personnel for the Police Department is \$70.92 million and Fire Department at a cost of \$51.28 million. Police and Fire personnel cost includes salaries, wages, overtime and benefits.

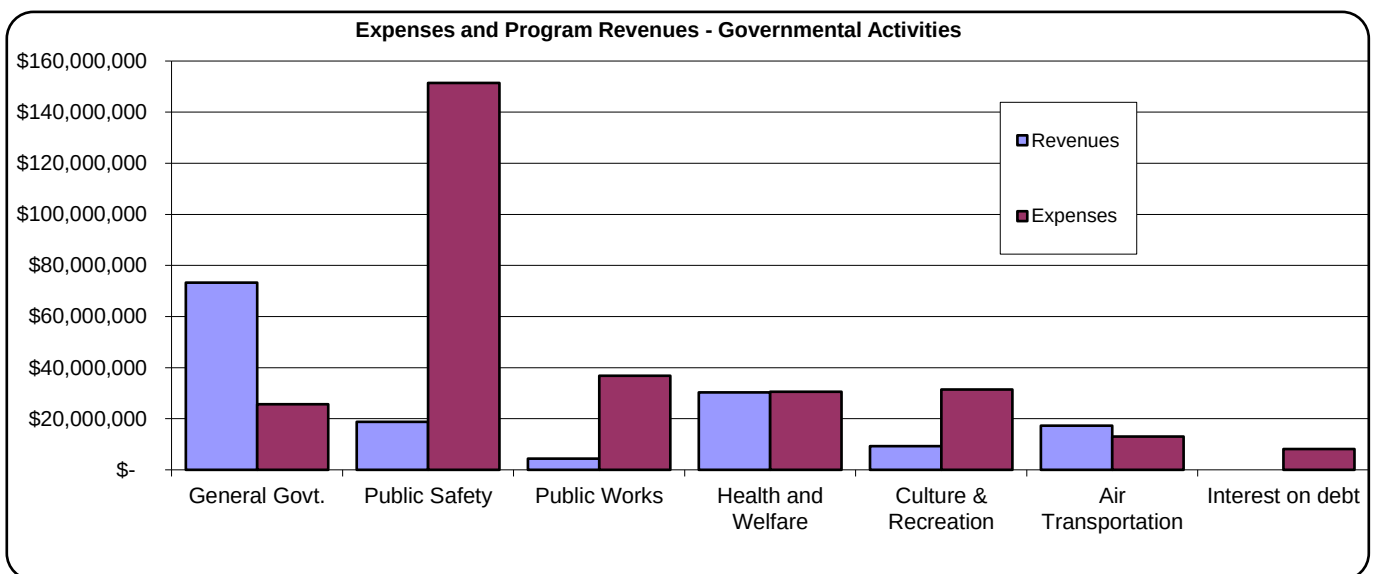
Table A-2

**City of Laredo's Changes in Net Position
September 30, 2019 and 2018**

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Revenues:						
Program revenues:						
Charges for services	\$ 102,347,283	\$ 99,634,877	\$189,237,660	\$ 183,617,223	\$ 291,584,943	\$ 283,252,100
Operating grants and contributions	26,580,666	24,927,052	4,662,582	4,064,792	31,243,248	28,991,844
Capital grants and contributions	24,528,293	26,064,998	6,986,253	12,507,179	31,514,546	38,572,177
General revenues:						
Sales tax	44,029,435	41,486,935	8,325,191	8,025,224	52,354,626	49,512,159
Property taxes	90,664,882	85,015,620	-	-	90,664,882	85,015,620
Other taxes	12,989,647	12,881,956	-	-	12,989,647	12,881,956
Other	3,718,063	2,390,291	5,369,642	4,292,728	9,087,705	6,683,019
Total revenue	<u>\$ 304,858,269</u>	<u>\$ 292,401,729</u>	<u>\$214,581,328</u>	<u>\$ 212,507,146</u>	<u>\$ 519,439,597</u>	<u>\$ 504,908,875</u>

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
Expenses:						
General Government	\$ 25,667,856	\$ 14,669,141	\$ -	\$ -	\$ 25,667,856	\$ 14,669,141
Public Safety	151,438,541	144,679,796	-	-	151,438,541	144,679,796
Public Works	36,761,439	36,856,653	-	-	36,761,439	36,856,653
Health & Welfare	30,536,437	28,247,621	-	-	30,536,437	28,247,621
Culture & Recreation	31,467,862	30,060,439	-	-	31,467,862	30,060,439
Air Transportation	13,047,872	12,447,560	-	-	13,047,872	12,447,560
Interest & Other long - term debt	8,172,026	8,654,373	-	-	8,172,026	8,654,373
Transit System	-	-	18,725,118	18,223,323	18,725,118	18,223,323
Bridge System	-	-	55,390,372	52,412,200	55,390,372	52,412,200
Solid Waste	-	-	22,619,900	20,165,585	22,619,900	20,165,585
Water System	-	-	48,166,777	46,668,068	48,166,777	46,668,068
Sewer System	-	-	33,202,551	31,729,952	33,202,551	31,729,952
Municipal Housing	-	-	1,500,028	1,560,349	1,500,028	1,560,349
Other Business -Types	-	-	-	-	-	-
Total expenses	297,092,033	275,615,583	179,604,746	170,759,477	476,696,779	446,375,060
Inc (dec) in net position before transfers	7,766,236	16,786,146	34,976,582	41,747,669	42,742,818	58,533,815
Transfers	10,273,260	12,081,986	(10,273,260)	(12,081,986)	-	-
Change in Net Position	18,039,496	28,868,132	24,703,322	29,665,683	42,742,818	58,533,815
Net position, beginning	322,772,931	353,841,348	357,938,905	328,273,222	680,711,836	682,114,570
Prior Period Adj.	-	(59,936,549)	-	-	-	(59,936,549)
Net position, ending	\$ 340,812,427	\$ 322,772,931	\$ 382,642,227	\$ 357,938,905	\$ 723,454,654	\$ 680,711,836

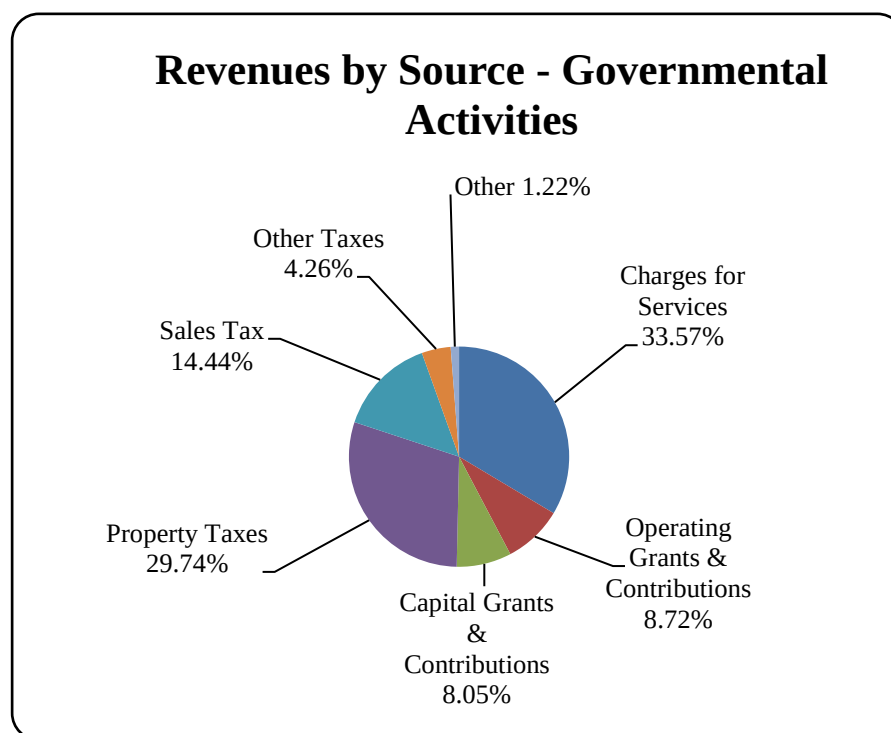
Graph 1



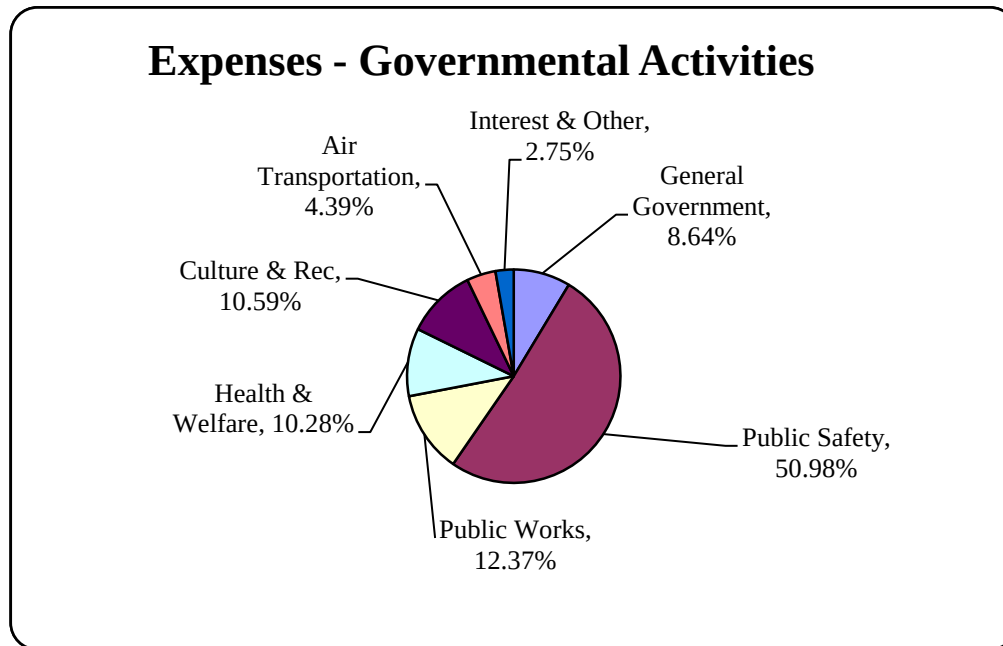
Graph 1 represents the cost of each of the City's seven largest programs as well as each of the programs revenue. The net cost is the financial burden that was placed on the City's taxpayers by each of these functions.

- The cost of all Governmental activities this year was \$297.09 million.
- The amount that our citizens paid for these activities through City taxes and revenues such as interest earnings, franchise fees, and unrestricted grants was \$304.86 million.
- General Government expenses (support services) comprised approximately 8.64% of the total expenses in Fiscal Year 2019; this represents an increase of 74.98% or \$11 million from prior year.
- Expenses for Public Safety represent 50.97% of total expenditures with an increase of 4.67% or \$6.76 million as compared to the prior year.
- Public Works expenses represent 12.37% of total expenditures and a decrease of \$95,214 thousand or a decrease of 0.26% as compared to the prior year.
- Health and Welfare expenses represent 10.28% of total expenditures with an increase of \$2.29 million or 10.28% as compared to the prior year.
- Cultural & Recreational expenses represent 10.59% of the total expenditures with an increase of \$1.41 million or 4.68% as compared to prior year.
- Air Transportation and Other expenditures represent 7.14% of total expenditures with an increase of \$117,965 thousand or 0.56% from prior year.
- Business-Type Activities transferred to Governmental Activities a total of \$10.27 million; a decrease of \$1.81 million from prior year.
- Overall, there was an increase in the net position of \$42.74 million. There was an increase of \$18.04 million in the governmental activities and an increase of \$24.70 million in the business type activities.
- Governmental Activity revenues were generated by charges for services 33.57%, property taxes 29.74%, sales tax and other taxes 18.70% and Capital and Operating Grants generated 16.77% (see Graph 2).

Graph 2



Graph 3



Business-type Activities

Revenues of the City's business-type activities were \$214.58 million for the fiscal year ending September 30, 2019, an increase of \$2.07 million from prior year. Charges for Services increased by \$5.62 million; Operating Grants and Contributions increased by \$598 thousand; Capital Grants and Contributions decreased by \$5.52 million; while all other revenues increased by \$1.38 million. Expenses for the City's business-type activities were \$179.60 million for the year, representing an increase of \$8.85 million from the prior fiscal year. (Refer to Table A-2). The areas where these increases and decreases occurred are as follows:

- Waterworks System expenses increased by \$1.5 million. Operating expenses increased by \$938 million and non-operating expenses increased decreased by \$562 thousand.
- Sewer System expenses increased by \$1.47 million. Operating expenses decreased by \$994 thousand and non-operating expenses increased by \$476 thousand.
- Bridge System expenses increased by \$2.98 million; operating expenses increased by \$1.85 million and non-operating expenses decreased by \$1.13 million.
- Other business-type activities increased by \$2.9 million in operating expenses for the Transit System, Solid Waste System and Municipal Housing Funds.

FINANCIAL ANALYSIS OF THE CITY'S FUNDS

As noted earlier, the City of Laredo uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The focus of the City of Laredo is to provide information on near term inflows (current resources) outflows, and balances of available resources. Such information is useful in assessing the City of Laredo's financial requirements. In particular, unassigned fund balances may serve as a useful measure of the Government's net resources available for spending at the end of the fiscal year.

As the City completed the year, its governmental funds reported a combined fund balance of \$201.5 million. The fund balance is categorized as follows: \$199 thousand for non-spendable funds which are used for inventory items and an endowment fund; \$96.72 million which are restricted for debt and grants; \$41.98 million are committed for specific purposes as it relates to reserves, public safety, etc.; \$54.64 million are assigned for a specific use for Governmental Funds other than General Fund and \$7.96 million in unassigned.

The General Fund is the chief operating fund of the City of Laredo. At the end of the current fiscal year, fund balance of the General Fund was \$47.97 million of which \$33.4 million is committed, and \$13.54 million is unassigned, \$1.01 million is restricted and \$16 thousand is non-spendable. As a measure of the General Fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenses. The ratio of total fund balance to operating expenses (total expenses less capital outlay) is 25.76%. The unassigned fund balance in General Fund represents 28.23% of the total fund balance category.

During the current fiscal year, the City's General Fund balance increased by \$1.12 million as compared to prior year. The City was able to match its revenues to its expenditures while using a conservative spending approach. Some of the key factors are as follows:

- As compared to prior year, property tax revenues increased by \$3.70 million. Assessed valuations increased by \$826.57 million from prior year. The City's tax rate decrease to \$0.634 from \$0.637 per \$100-dollar valuation.
- Other tax revenues reflect an increase of \$1.52 million. Sales tax increased \$1.43 million as compared to prior years.
- Charges for Services increased by \$1.08 million as compared to prior year due to administrative fee charges to various funds but mainly the Bridge System which increased by \$1.3 million.
- General Fund expenses increased by \$3.67 million from prior year. While most of the departments remained stable, growth (increases) occurred in categories such as Public Safety by \$3.7; General Government by \$1.6 million; Health and Welfare by \$273 thousand; and Cultural and Recreational by \$862 thousand. Capital Outlay decreased by \$3.06 million. The major increase for public safety was in personnel expenses by \$3.85 million. This was due to contractual obligations with public safety personnel such as Fire and Police.

The Debt Service Fund has a total fund balance of \$6.3 million, all of which is reserved for the payment of debt. The fund balance increased by \$852 thousand.

Proprietary funds. The City of Laredo's proprietary funds provide the same type of information found in the Government-wide Financial Statements, but in more detail.

Net position of the Business – Type Activities at the end of the year totaled \$382.64 million. The total net position increased by \$24.7 million as compared to prior year. The largest area of change was in the Waterworks System, with an increase of \$8.59 million, the Bridge System with an increase of \$5.47 million, the Sewer System increased by \$6.28 million and other enterprise funds increased by \$4.36 million.

General Fund Budgetary Highlights

Overall, the City has not only maintained at least a 15% fund balance as required by City Charter, but has also been able to maintain a rate to 25.16% of operating expenditures (excluding capital outlay) in FY 2019. Fund balance for General Fund increased by \$1.12 million while expenditures increased by \$3.67 million. General Fund experienced an overall increase of 2.07% in revenues. Property Tax revenues increased by \$3.7 million or 5.60% and Charges for Services increased by \$1.08 million or 2.04%. The City has been able to sustain its strong economic condition.

Original Budget vs. Final Amended Budget:

Revenues and Other Financing Sources:

- The General Fund revenue and other financing sources increase by \$314 thousand for additional revenues appropriated during the year for reimbursement received.

Expenditures and Other Financing Uses:

- General Fund expenditures and other financing uses budget was amended by a net increase of \$314 thousand. The operating budget for various departments were increased.

Amended Budget as compared to Actual Revenues and other Sources:

Revenues and Other Financing Sources:

- The actual revenues reflect an overall favorable variance of \$6.19 million as compared to the amended budget. This variance had various attributes:
 - Revenues exceeded projections in the following areas: Property taxes by \$590 thousand; Sales and Use Tax \$511,861 thousand; Charges for Services by \$905 thousand; Fines \$182 thousand; Interest, and other revenues by \$898 thousand. Revenues that experience a shortfall of estimated revenues include; License and Permits \$1.79 million and Intergovernmental Revenues of \$831 thousand.
 - Contribution and Donations exceeded projection by \$12.6 million. The variance was due to recognizing the value of donations related to infrastructure assets by developers.
 - Transfers In or other financing sources of \$6.75 million did not materialize during the year.

Expenditures and Other Financing Uses:

- Expenditures and Other Financing Uses reflect a negative variance of \$6.59 million when comparing the amended budget to the actual expenditures. A large portion of this unfavorable variance was due to capital outlay of \$12.90 million.
 - General Government realized savings of \$1.31 million from various areas including Municipal Court, Building Inspections, City Attorney's Office, Planning Zoning and Drafting & Surveying.
 - Public Safety exceeded the budget by 84,634 thousand. The Fire Department exceeded budget by \$726 thousand while the Police Department had savings of \$45,448 thousand. The Traffic Department realized savings of 596 thousand.
 - Cultural and Recreation realized savings of \$424 thousand from various divisions from the Parks and Recreation divisions and the Public Library.
 - All other departments of General Fund played a proactive role in limiting and restricting expenses and ensuring that the City's fund balance remained strong and healthy.

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

The City of Laredo's investment in capital assets for its Governmental and Business-Type activities as of September 30, 2019 was \$1.45 billion (net of accumulated depreciation). The City's net investment in capital assets increased by \$63.69 million for the current fiscal year. Additions, to capital assets such as land, infrastructure, buildings, equipment and construction in progress for the year totaled \$36.86 million for governmental activities and \$26.83 million for business type activities. Deletions or disposition of capital assets were immaterial for the year. (Table A-3) Additional information about the City's Capital Assets is presented in Note 8 to the financial statements.

Table A-3
City of Laredo – Capital Assets

	Governmental		Business-Type		Total	
	Activities		Activities			
	2019	2018	2019	2018	2019	2018
Land	\$ 103,013,432	\$ 99,979,314	\$ 41,403,338	\$ 41,391,489	\$ 144,416,770	\$ 141,370,803
Buildings	224,988,490	223,243,913	335,702,995	332,321,765	560,691,485	555,565,678
Machinery & Equipment	149,987,324	145,603,484	104,527,755	98,751,089	254,515,079	244,354,573
Water Rights	-	-	51,800,919	51,800,919	51,800,919	51,800,919
Improve'ts other than Bldg	799,164,860	771,110,450	507,373,857	495,164,171	1,306,538,717	1,266,274,621
Construction in Progress	6,436,468	6,797,737	37,833,041	32,381,901	44,269,509	39,179,638
Total	<u>\$ 1,283,590,574</u>	<u>\$ 1,246,734,898</u>	<u>\$ 1,078,641,905</u>	<u>\$ 1,051,811,334</u>	<u>\$ 2,362,232,479</u>	<u>\$ 2,298,546,232</u>

Major capital asset acquisitions during the current fiscal year included the following:

Governmental

- Various land acquisitions totaling \$3.03 million. Land acquisition of \$810 thousand for airport improvements and noise abatement program and \$2.346 million various parks and drainage improvements projects.
- Assets for the Building category increased by \$1.74 million for Fire Station Building Improvements, Health Department Clinic and the Animal Care Facility.
- Infrastructure Improvements increased by \$28.05 million for various projects including Airport improvements of \$8.86 million; Parks improvements \$2.7 million; Street Improvements of \$7.84 million; and drainage improvements of \$8.32 million;
- Machinery, equipment, vehicles and heavy equipment acquired during the fiscal year amounted to \$4.38 million for all departments within the City.
- Construction in Progress decreased by \$361 thousand for various projects initiated and completed during the year.

Proprietary

- Improvements other than building increased by \$12.21 million, which include Water (\$6.47 million), Sewer (\$5.72 million) in plant improvements, collections and distribution systems.
- Construction in progress increased by \$5.45 million. The majority of the increases were in the Waterworks System (\$1.27 million) and Sewer System (\$4.5 million).
- Machinery, equipment, vehicle and heavy equipment acquired during the fiscal year amounted to \$5.78 million.
- Building improvements increased \$3.38 million. The majority of the increases were in the Sewer System with \$3.3 million of building improvements.

The Governmental activities consist of improvements to and / or construction of the City's streets, parks and recreational facilities, police substations, fire protection facility, and airport improvements. Contractual Obligation, Certificate of Obligation bonds and grant awards are the primary financing mechanism for these capital improvements.

The Business Type activities consist of improvements to and/or construction of water and wastewater systems and international bridge improvements. These projects are primarily funded by the transfer of enterprise revenues and the issuance of debt i.e.: Revenue Bonds.

Long-term Debt

At year-end, the City had \$1.23 billion in outstanding bonds and other long-term debt representing a net increase of \$83.81 million over last year. Net Pension Liability and net other net pension obligations increased by \$105 million. (See Table A-4). The Governmental Activities recorded a net increase of \$98.02 million while the Business Type Activities recorded a decrease of \$6.98 million. Detailed information about the City's long-term liabilities is presented in Note 11 and 12 of the financial statements.

New debt issues for Governmental activities were \$15.065 million in certificates of obligation bonds and contractual obligations. Business Type activities issued \$8.625 million in contractual obligation bonds during fiscal year 2019. General obligation bonds were for a refunding issue of \$59.31 million. The issuance of \$23.69 million long-term debt is to finance the acquisition of equipment and vehicles for various city departments and various infrastructure projects.

Bond Ratings

The City's most recent general obligation bond ratings are the following:
 Standard & Poor's AA
 Moody's Aa2
 Fitch AA

Table A-4
City of Laredo's Outstanding Debt

	Governmental Activities		Business-Type Activities		Total	
	2019	2018	2019	2018	2019	2018
General obligation bonds	\$ 104,039,404	\$ 113,559,150	\$ 90,672,905	\$ 94,628,943	\$ 194,712,309	\$ 208,188,093
Certificates of obligation	94,286,968	85,450,142	28,380,377	27,880,255	122,667,345	113,330,397
Revenue bonds	21,688,625	24,444,531	337,231,009	353,405,017	358,919,634	377,849,548
Capital lease obligations	5,033,709	6,294,819	-	-	5,033,709	6,294,819
Compensated Absences	38,463,649	36,382,565	2,332,529	2,376,824	40,796,178	38,759,389
Notes payable	-	-	1,480,535	1,033,558	1,480,535	1,033,558
Landfill Post Closure	-	-	12,203,578	11,546,534	12,203,578	11,546,534
Net Pension Ob. - OPEB	214,884,360	165,831,405	-	-	214,884,360	165,831,405
Net Pension Liability	233,245,893	184,273,905	49,137,705	42,161,969	282,383,598	226,435,874
Total	<u>\$ 711,642,608</u>	<u>\$ 616,236,517</u>	<u>\$ 521,438,638</u>	<u>\$ 533,033,100</u>	<u>\$ 1,233,081,246</u>	<u>\$ 1,149,269,617</u>

Economic Factors and Next Year's Budgets and Rates

The fiscal year 2020 budget reflect the shared commitment held by City Management and City Council to meet Laredo's current needs and provide a strong foundation for its future growth and development in a manner that is fiscally responsible and transparent. The adopted budget further incorporates initiatives centered on building pride in our community through the beautification and protection of our environment.

General Fund revenues and expenditures for FY 2020 are estimated to be \$206.71 million an increase of \$6.68 million or 3.34% over the prior year's original budget for each revenues and expenditures. The City's unemployment rate decreased from 3.6% to 3.4% as of September 30, 2019. This average, places it below the State of Texas average of 3.5%. Building permit revenues, sales tax revenues, property taxes and bridge toll revenues are areas, which we use to measure the local economy. These areas are showing slight growth of \$8.53 million or 4.12% and are good indicators of the local state of the economy.

The FY 2020 consolidated budget for revenue reflects an appropriation of \$713.91 million. This represents an increase of \$35.68 million or 5.26% over the FY 2019 Original Budget. The property tax rate for FY 2020 is 0.6340 per \$100 valuation. Assessed valuations for FY 2020 are \$14.69 billion, which represents an increase of 3.84% over prior year with an estimated levy of \$93.13 million. Of the 0.6340 tax rate, 77.13% or 0.489 cents are utilized for General Fund activities, the remaining 22.87% or 0.145 cents are designated for Debt Service. The General Fund's portion of property tax revenue for FY 2020 is projected to be \$68.647 million. Sales tax revenues for the General Fund for FY 2019 are budgeted to be \$35.02 million, an increase of \$892.8 thousand or 2.620% as compared to prior year's budgeted amounts.

City Council approved a cost of living increases of 2.5% for all civilian personnel beginning October 1, 2019 at an estimated cost of \$4.74 million The merit increase program was suspended for fiscal year 2020. The budget includes a 2.5% salary increase for the police officers at an estimated cost of \$2.43 million. The FY 2020 budget includes 3,045 full time equivalent positions with an estimated cost of \$232.97 million.

Additionally, in order to increase moral, achieve competitive pay and to invest in City employees, City Council approved an increase to the minimum wage from \$100.00 to \$12.00 an hour for all current and new employees. The financial impact on the budget is estimated to be \$1,473,473.

Requests for Information

This financial report is design to provide our citizens, taxpayers, customers, investors, and creditors with a general overview of the City's finances and to demonstrate the City's accountability for the money it receives. Questions concerning any of the information provided in this report or request for additional financial information should be addressed to the Office of the Finance Director, 1110 Houston Street, Laredo, Texas, 78040.

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BASIC FINANCIAL STATEMENTS

CITY OF LAREDO, TEXAS
STATEMENT OF NET POSITION
September 30, 2019

	Primary Government		
	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets:			
Cash and Cash Equivalents: (Note 4)			
Cash	\$ 608,264	\$ 32,600	\$ 640,864
Equity in Investment Pool	1,901,310	1,380,964	3,282,274
Investments (Note 5)	220,372,083	141,011,154	361,383,237
Receivable, net of allowances: (Note 6)			
Accrued Interest	2,014,701	1,631,281	3,645,982
Property Taxes, Penalty and Interest	7,957,923	-	7,957,923
Hotel-Motel Tax, Penalty and Interest	431,997	-	431,997
Accounts	17,133,372	13,691,605	30,824,977
Notes	16,713,558	13,382	16,726,940
Paving Assessments	3,705	-	3,705
Internal Balances (Note 13)	(7,211,770)	7,211,770	-
Due From Other Governments	8,324,749	-	8,324,749
Inventory, at cost	869,425	2,847,641	3,717,066
Prepaid Items	314,011	-	314,011
Total Current Assets	269,433,328	167,820,397	437,253,725
Noncurrent Assets:			
Restricted Assets: (Note 7)			
Investments (Note 5)	-	54,936,423	54,936,423
Accrued Interest (Note 6)	-	556,121	556,121
Notes Receivable (Note 6)	-	34	34
Due From Other Governments	-	1,396,743	1,396,743
Capital Assets: (Note 8)			
Nondepreciable Assets:			
Land and Improvements	103,013,432	93,204,257	196,217,689
Construction in Progress	6,436,468	37,833,041	44,269,509
Depreciable Assets:			
Buildings	224,988,490	335,702,995	560,691,485
Machinery and Equipment	149,987,324	104,527,755	254,515,079
Infrastructure	799,164,860	507,373,857	1,306,538,717
Accumulated Depreciation	(563,300,222)	(408,111,907)	(971,412,129)
Unamortized Bond Issuance Cost	-	113,989	113,989
Total Non Current Assets	720,290,352	727,533,308	1,447,823,660
TOTAL ASSETS	989,723,680	895,353,705	1,885,077,385
Deferred Outflows of Resources (Note 1)	121,875,043	25,923,020	147,798,063
TOTAL ASSETS AND DEFERRRED OUTFLOWS OF RESOURCES	\$ 1,111,598,723	\$ 921,276,725	\$ 2,032,875,448

(Continued)

CITY OF LAREDO, TEXAS
STATEMENT OF NET POSITION
September 30, 2019

(Continued)

	Primary Government		
	Governmental	Business-type	Total
	Activities	Activities	
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 8,897,774	\$ 3,836,275	\$ 12,734,049
Claims and Judgments Payable (Note 18)	4,985,286	-	4,985,286
Retainage Payable	788,898	1,514,597	2,303,495
Accrued Wages and Employee Benefits	4,173,561	1,019,096	5,192,657
Accrued Interest Payable	1,067,177	1,455,143	2,522,320
Compensated Absences (Note 11 & 12)	3,069,399	815,863	3,885,262
Contracts Payable	1,678,438	358,587	2,037,025
Customer and Tenant Deposits	224,076	6,126,508	6,350,584
Due To Other Governments	14,332	-	14,332
Due to Developers	1,975,224	-	1,975,224
Unearned Revenue	6,078,353	2,646,773	8,725,126
General Obligation Bonds (Note 11 & 12)	9,981,678	4,608,321	14,589,999
Certificates of Obligation (Note 11 & 12)	4,277,973	5,727,027	10,005,000
Revenue Bond Payable (Note 11 & 12)	2,560,000	14,719,000	17,279,000
Capital Lease Obligation (Note 11)	1,288,362	-	1,288,362
Total Current Liabilities	<u>51,060,531</u>	<u>42,827,190</u>	<u>93,887,721</u>
Noncurrent Liabilities:			
Noncurrent portion of long term liabilities:			
General Obligation Bonds (Note 11 & 12)	94,057,726	86,064,584	180,122,310
Certificates of Obligation (Note 11 & 12)	90,008,995	22,653,350	112,662,345
Revenue Bonds Payable (Note 11 & 12)	19,128,625	322,512,009	341,640,634
Notes Payable (Note 12)	-	1,480,535	1,480,535
Capital Lease Obligations (Note 11)	3,745,347	-	3,745,347
Compensated Absences (Note 11 & 12)	35,394,250	1,516,666	36,910,916
Net Pension Obligations - OPEB (Note 11)	214,884,360	-	214,884,360
Net Pension Liability (Note 9)	233,245,893	49,137,705	282,383,598
Landfill Closure & Postclosure Costs (Note 12)	-	12,203,578	12,203,578
Total Noncurrent Liabilities	<u>690,465,196</u>	<u>495,568,427</u>	<u>1,186,033,623</u>
TOTAL LIABILITIES	<u>741,525,727</u>	<u>538,395,617</u>	<u>1,279,921,344</u>
Deferred Inflows of Resources (Note 1)	<u>29,260,569</u>	<u>238,881</u>	<u>29,499,450</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>770,786,296</u>	<u>538,634,498</u>	<u>1,309,420,794</u>
NET POSITION			
Net Investments in Capital Assets	539,561,284	285,312,722	824,874,006
Restricted for:			
Debt Service	7,767,480	25,416,880	33,184,360
Capital Projects	43,591,805	-	43,591,805
Improvements	-	32,126,602	32,126,602
Nonexpendable	183,209	-	183,209
Unrestricted	(250,291,351)	39,786,023	(210,505,328)
TOTAL NET POSITION	<u>\$ 340,812,427</u>	<u>\$ 382,642,227</u>	<u>\$ 723,454,654</u>

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

CITY OF LAREDO, TEXAS
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2019

	Program Revenues				Net (Expense) Revenue and Changes in Net Assets		
		Charges for	Operating	Capital	Primary Government		
Expenses		Services	Grants and	Grants and	Governmental	Business-Type	Total
			Contributions	Contributions	Activities	Activities	
Functions/Programs							
Primary Government:							
Governmental Activities:							
General Government	\$	25,667,856	59,445,108	960,583	12,832,039	47,569,874	47,569,874
Public Safety		151,438,541	9,328,993	9,505,520	-	(132,604,028)	(132,604,028)
Public Works		36,761,439	2,609,379	5,303	1,827,334	(32,319,423)	(32,319,423)
Health and Welfare		30,536,437	14,987,044	14,918,997	456,993	(173,403)	(173,403)
Culture and Recreation		31,467,862	7,999,264	191,725	1,084,655	(22,192,218)	(22,192,218)
Air Transportation		13,047,872	7,977,495	998,538	8,327,272	4,255,433	4,255,433
Interest and Other on Long-Term Debt		8,172,026	-	-	-	(8,172,026)	(8,172,026)
Total Governmental Activities		297,092,033	102,347,283	26,580,666	24,528,293	(143,635,791)	(143,635,791)
Business-Type Activities:							
Transit System		18,725,118	4,506,637	4,662,582	375,114	-	(9,180,785)
Bridge System		55,390,372	71,088,270	-	-	15,697,898	15,697,898
Waterworks System		48,166,777	51,743,367	-	3,279,282	6,855,872	6,855,872
Sewer System		33,202,551	34,431,352	-	3,331,857	4,560,658	4,560,658
Solid Waste Management System		22,619,900	25,861,286	-	-	3,241,386	3,241,386
Municipal Housing		1,500,028	1,606,748	-	-	106,720	106,720
Total Business-Type Activities		179,604,746	189,237,660	4,662,582	6,986,253	21,281,749	21,281,749
Total Primary Government	\$	476,696,779	291,584,943	31,243,248	31,514,546	(143,635,791)	(122,354,042)
General Revenues:							
Property Taxes					90,664,882	-	90,664,882
Sales Tax					44,029,435	8,325,191	52,354,626
Franchise Fees					8,181,895	-	8,181,895
Hotel Motel Tax					4,207,723	-	4,207,723
Alcoholic Beverage Tax					600,029	-	600,029
Unrestricted investment earnings					3,539,327	5,248,416	8,787,743
Gain on sale of capital assets					178,736	121,226	299,962
Transfers (Note 14)					10,273,260	(10,273,260)	-
Total general revenues and transfers					161,675,287	3,421,573	165,096,860
Change in net position					18,039,496	24,703,322	42,742,818
Net position-beginning					322,772,931	357,938,905	680,711,836
Net position-ending	\$				340,812,427	382,642,227	723,454,654

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

**CITY OF LAREDO, TEXAS
BALANCE SHEET
GOVERNMENTAL FUNDS
September 30, 2019**

	GENERAL	DEBT SERVICE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS				
Cash and Cash Equivalents:				
Cash	\$ 25,098	-	582,766	607,864
Equity in Investment Pool	549,638	65,469	1,136,956	1,752,063
Investments (Note 5)	51,344,081	6,131,263	148,942,319	206,417,663
Receivable, net of allowances:				
Accrued Interest (Note 6)	529,486	63,229	1,278,081	1,870,796
Taxes, Penalty and Interest (Note 6)	6,767,122	1,134,564	34,478	7,936,164
Accounts (Note 6)	5,888,594	-	1,647,410	7,536,004
Notes (Note 6)	-	-	16,713,558	16,713,558
Paving Assessments (Note 6)	-	3,705	-	3,705
Due from Other Funds	452,991	-	101,373	554,364
Due from Other Governments	170,894	-	8,153,855	8,324,749
Inventory, at cost	16,261	-	133,209	149,470
TOTAL ASSETS	65,744,165	7,398,230	178,724,005	251,866,400
LIABILITIES AND FUND BALANCES				
LIABILITIES				
Accounts Payable	2,950,975	309	3,991,159	6,942,443
Retainage Payable	-	-	788,898	788,898
Accrued Wages and Employee Benefits	3,382,843	-	659,729	4,042,572
Contracts Payable	-	-	1,678,438	1,678,438
Customer and Tenant Deposits	2,320	-	221,756	224,076
Due to Other Funds	-	-	447,885	447,885
Due to Other Governments	7,520	-	6,812	14,332
Due to Developers	-	-	1,975,224	1,975,224
Deferred Revenues	436,308	-	5,642,044	6,078,352
TOTAL LIABILITIES	6,779,966	309	15,411,945	22,192,220
Deferred Inflows of Resources	10,992,686	1,138,689	16,047,582	28,178,957
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	17,772,652	1,138,998	31,459,527	50,371,177
FUND BALANCES (Note 23)				
Nonspendable	16,261	-	183,209	199,470
Restricted	1,014,431	6,259,232	89,443,056	96,716,719
Committed	33,695,644	-	8,584,545	42,280,189
Assigned	-	-	54,642,463	54,642,463
Unassigned (Deficit)	13,245,177	-	(5,588,795)	7,656,382
TOTAL FUND BALANCES	47,971,513	6,259,232	147,264,478	201,495,223
TOTAL LIABILITIES AND FUND BALANCES	\$ 65,744,165	7,398,230	178,724,005	

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

Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	716,288,991
Revenues not available to pay for current-period expenditures and, therefore, reported as deferred inflows of resources-unavailable revenue	38,164,920
Internal service funds are used by management to charge the costs of fleet management, risk management, and health benefits to individual funds. The assets and liabilities of the internal service funds are included in the governmental activities in the statement of net assets.	3,444,996
Deferred outflows of resources related to pension, OPEB, and loss/gain on bond refunding	121,875,043
Deferred inflows of resources related to pension, OPEB, and loss/gain on bond refunding	(29,260,569)
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore, are not reported in the funds. (Note 2)	(711,196,177)
Net position of governmental activities	\$ 340,812,427

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

CITY OF LAREDO, TEXAS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
For the Year Ended September 30, 2019

	<u>GENERAL</u>	<u>DEBT SERVICE</u>	<u>OTHER GOVERNMENTAL FUNDS</u>	<u>TOTAL GOVERNMENTAL FUNDS</u>
REVENUES:				
Taxes:				
Property	\$ 69,675,668	20,230,745	339,723	90,246,136
Sales	34,643,906	-	8,660,976	43,304,882
Bingo Tax	63,966	-	-	63,966
Alcoholic Beverage	586,935	-	-	586,935
Hotel Motel	-	-	4,253,004	4,253,004
Franchise Fees	8,172,967	-	-	8,172,967
Licenses and Permits	9,134,491	-	763,877	9,898,368
Intergovernmental Revenues	753,196	-	37,593,388	38,346,584
Charges for Services	54,076,842	-	13,552,643	67,629,485
Fines	4,371,107	-	526,570	4,897,677
Fees and Collections	1,428,232	-	3,240,406	4,668,638
Rents	-	-	8,835,254	8,835,254
Interest and Other	2,838,418	235,478	3,602,887	6,676,783
Miscellaneous	429,126	171,667	1,653,412	2,254,205
Contributions & Donations	12,849,708	-	453,638	13,303,346
Reimbursements	-	12,614	1,990,130	2,002,744
TOTAL REVENUES	199,024,562	20,650,504	85,465,908	305,140,974
EXPENDITURES:				
Current:				
General Government	26,743,956	37,079	603,119	27,384,154
Public Safety	130,331,120	-	12,861,957	143,193,077
Public Works	6,650,578	-	2,264,896	8,915,474
Health and Welfare	2,950,907	-	25,928,433	28,879,340
Cultural and Recreational	18,465,044	-	12,329,328	30,794,372
Air Transportation Services	-	-	7,125,984	7,125,984
Capital Outlay	13,403,097	-	27,745,981	41,149,078
Debt Service:				
Bond Costs	-	-	229,028	229,028
Principal Retirement	806,618	17,536,937	118,200	18,461,755
Interest and Fiscal Expenditures	283,117	8,998,291	18,280	9,299,688
TOTAL EXPENDITURES	199,634,437	26,572,307	89,225,206	315,431,950
Excess (Deficiency) of Revenues Over (Under) Expenditures	(609,875)	(5,921,803)	(3,759,298)	(10,290,976)
OTHER FINANCING SOURCES (USES):				
Transfers In	7,403,616	6,774,258	23,052,038	37,229,912
Issuance of Debt (Note 11)	-	-	15,065,000	15,065,000
Bond Premium (Note 11)	-	-	1,198,228	1,198,228
Transfers Out	(5,771,252)	-	(21,185,399)	(26,956,651)
Sale of Assets	102,050	-	76,686	178,736
TOTAL OTHER FINANCING SOURCES (USES)	1,734,414	6,774,258	18,206,553	26,715,225
Net Change in Fund Balances	1,124,539	852,455	14,447,255	16,424,249
Fund Balances-Beginning	46,846,974	5,406,777	132,817,223	185,070,974
FUND BALANCES-ENDING	\$ 47,971,513	6,259,232	147,264,478	201,495,223

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

CITY OF LAREDO, TEXAS
RECONCILIATION OF THE STATEMENT OF REVENUES,
EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS
TO THE STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2019

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

Net change in fund balances-total governmental funds	\$ 16,424,249
Governmental funds report capital outlays as expenditures. However in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period. (Note 2)	846,421
Revenues in the statement of activities that do not provide current financial resources are not reported as revenues in the funds.	(629,991)
The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (Note 2)	2,204,527
Accrued interest expense recorded for entity-wide statements.	1,971,370
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	(3,929,683)
Internal service funds are used by management to charge the costs of fleet management, risk management, and health and benefits to individual funds.	
The net revenue of certain activities of internal service funds is reported with governmental activities.	1,152,603
Change in net position of governmental activities	\$ <u>18,039,496</u>

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

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CITY OF LAREDO, TEXAS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended September 30, 2019

	<u>Budgeted Amounts</u>				<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Budget</u>	<u>Positive</u>
					<u>Basis</u>	<u>(Negative)</u>
REVENUES:						
Taxes						
Property Taxes	\$ 67,422,780	67,422,780	68,012,706	-	68,012,706	589,926
Penalty and Interest	1,671,728	1,671,728	1,662,962	-	1,662,962	(8,766)
Alcoholic Beverage	532,080	532,080	586,935	-	586,935	54,855
Bingo Tax	69,577	69,577	63,966	-	63,966	(5,611)
Sales and Use	34,132,045	34,132,045	34,643,906	-	34,643,906	511,861
Franchise Fees	8,216,700	8,216,700	8,172,967	-	8,172,967	(43,733)
Licenses and Permits	10,924,019	10,924,019	9,134,491	-	9,134,491	(1,789,528)
Intergovernmental Revenues	1,270,500	1,584,620	753,196	-	753,196	(831,424)
Charges for Services	53,171,868	53,171,868	54,076,842	-	54,076,842	904,974
Fines	4,189,050	4,189,050	4,371,107	-	4,371,107	182,057
Fees and Collections	1,550,183	1,550,183	1,428,232	-	1,428,232	(121,951)
Interest and Other	2,148,938	2,148,938	2,838,418	-	2,838,418	689,480
Miscellaneous	220,884	220,884	429,126	-	429,126	208,242
Contributions and Donations	251,505	251,505	12,849,708	-	12,849,708	12,598,203
TOTAL REVENUES	185,771,857	186,085,977	199,024,562	-	199,024,562	12,938,585
EXPENDITURES:						
General Government						
Mayor and City Council	975,545	975,545	825,240	48,754	873,994	101,551
City Manager	1,157,527	1,229,716	2,205,387	11,095	2,216,482	(986,766)
Internal Audit	430,192	430,192	350,691	20	350,711	79,481
Council Support	448,839	462,139	372,618	8,557	381,175	80,964
Communications	920,661	918,888	790,815	9,922	800,737	118,151
City Hall Maintenance	508,215	508,215	503,854	36,549	540,403	(32,188)
City Hall Annex II	128,561	128,561	103,484	9,801	113,285	15,276
Budget	461,147	466,122	353,858	1,848	355,706	110,416
Municipal Court	1,708,046	1,812,529	1,953,910	67,431	2,021,341	(208,812)
Building Inspections	1,751,694	1,761,558	1,596,193	16,191	1,612,384	149,174
Development Review Engineering	552,609	530,822	358,038	80	358,118	172,704
Code Enforcement	283,930	273,901	264,148	2,243	266,391	7,510
Public Right of Way	248,327	241,328	213,568	80	213,648	27,680
Geographic Information Systems	212,584	199,461	140,730	-	140,730	58,731
City Attorney	1,275,632	1,275,632	1,062,292	3,792	1,066,084	209,548
City Secretary	467,988	474,628	460,590	10,485	471,075	3,553
Elections	9,290	55,567	50,013	-	50,013	5,554
Tax Office	1,393,610	1,413,159	1,379,947	26,095	1,406,042	7,117
Accounting	1,146,643	1,179,075	1,088,680	3,711	1,092,391	86,684
Purchasing	506,907	518,241	498,518	363	498,881	19,360
Payroll	270,209	282,094	277,638	3,506	281,144	950
Accounts Payable	391,099	393,902	401,759	328	402,087	(8,185)
Personnel and Civil Service	642,896	642,936	623,689	1,278	624,967	17,969
Training	326,691	326,651	337,167	406	337,573	(10,922)
Municipal Civil Service	2,197	2,197	1,115	455	1,570	627
Planning	940,865	940,865	630,814	34,438	665,252	275,613
Section 112	1,201,397	1,201,397	329,125	37,762	366,887	834,510
Engineering	689,085	713,768	869,384	467	869,851	(156,083)
Drafting & Surveying	1,132,958	1,124,158	1,025,061	710	1,025,771	98,387
Construction & Inspections	636,257	620,374	641,228	56	641,284	(20,910)
311 Program	360,730	362,503	339,292	6,587	345,879	16,624
Center for Non-Profit	79,194	79,333	67,213	228	67,441	11,892
Real Estate	212,852	212,852	149,626	1,381	151,007	61,845
Economic Development	217,782	217,782	56,561	-	56,561	161,221
Public Safety						
Police	5,108,384	5,085,076	5,327,204	119,659	5,446,863	(361,787)
Records/Property	1,581,000	1,588,124	1,749,468	-	1,749,468	(161,344)
Autotheft Grant Match	760,748	761,080	875,642	-	875,642	(114,562)
Detective	7,799,107	7,797,575	7,853,127	49,037	7,902,164	(104,589)
Narcotics/Pipeline/K-9	3,275,116	3,278,182	2,737,659	4,385	2,742,044	536,138
911 Communications	3,297,726	3,611,339	2,886,654	53	2,886,707	724,632
Criminal Int. Acquisition	1,165,130	1,176,205	1,786,662	2,129	1,788,791	(612,586)
Patrols	49,689,465	50,004,624	49,104,034	761,044	49,865,078	139,546
Fire	39,785,713	39,826,731	40,302,262	55,036	40,357,298	(530,567)
Fire - EMS Division	7,465,329	7,490,400	7,618,252	38,762	7,657,014	(166,614)
Fire - EMS Trauma (Webb Co.)	4,000	5,164	5,163	-	5,163	1
Fire Civilians	1,010,741	999,741	990,997	1,655	992,652	7,089
Fire - Prevention & Arson	2,046,404	2,041,874	2,028,340	734	2,029,074	12,800
Fire Airport	1,237,782	1,237,782	1,262,223	25,023	1,287,246	(49,464)
Fire - Training (In House)	1,145,541	1,130,409	1,109,809	21,922	1,131,731	(1,322)
Fire Emergency Management	27,550	27,550	25,597	89	25,686	1,864
Traffic	2,965,793	2,995,863	2,650,401	57,763	2,708,164	287,699
Street Lighting	\$ 2,360,082	2,341,082	2,017,626	15,024	2,032,650	308,432

(Continued)

CITY OF LAREDO, TEXAS
GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN
FUND BALANCES - BUDGET AND ACTUAL
Year Ended September 30, 2019

	Budgeted Amounts		Actual	Adjustments	Actual Budget Basis	Variance Positive (Negative)
	Original	Final				
Public Works						
Administration	\$ 901,405	923,455	867,685	9,709	877,394	46,061
Street Maintenance	1,117,703	926,553	788,433	117	788,550	138,003
Street Construction	1,262,711	1,362,211	1,155,668	19,942	1,175,610	186,601
Street Cleaning	1,757,576	1,810,676	1,586,689	4,470	1,591,159	219,517
Building Rehabilitation	980,969	934,300	811,082	7,985	819,067	115,233
Warehouse	162,658	177,008	169,153	4,345	173,498	3,510
Special Construction Projects	1,018,622	1,018,622	1,271,868	-	1,271,868	(253,246)
Health and Welfare						
Third-Party Funding	416,064	423,014	415,006	8,320	423,326	(312)
Animal Care	2,697,793	2,737,793	2,295,090	108,582	2,403,672	334,121
Non CDBG Code Enforcement	238,457	285,523	240,811	1,838	242,649	42,874
Cultural and Recreational						
Parks	397,579	398,967	442,025	1,688	443,713	(44,746)
Maintenance	6,539,798	6,541,604	6,355,019	424,786	6,779,805	(238,201)
Construction	1,262,553	1,262,553	1,034,242	18,276	1,052,518	210,035
Horticulture/Forestry	324,691	342,691	323,881	59,355	383,236	(40,545)
Aquatics	1,974,188	1,931,688	1,761,353	112,361	1,873,714	57,974
Recreation Centers	4,904,238	4,816,609	4,263,516	196,410	4,459,926	356,683
Cemetery	403,156	452,850	430,993	53,104	484,097	(31,247)
Library	4,232,309	4,201,374	3,854,015	193,391	4,047,406	153,968
Other	11,837,731	10,683,746	6,421,710	902,468	7,324,178	3,359,568
Capital Outlay	175,000	626,962	13,403,097	121,459	13,524,556	(12,897,594)
Debt Service:						
Principal Retirement	788,384	788,384	806,618	-	806,618	(18,234)
Interest and Fiscal Expenditures	279,700	279,700	283,117	-	283,117	(3,417)
TOTAL EXPENDITURES	196,091,055	196,301,175	199,634,437	3,745,540	203,379,977	(7,078,802)
Excess (Deficiency) of Revenues Over Expenditures	(10,319,198)	(10,215,198)	(609,875)	(3,745,540)	(4,355,415)	5,859,783
OTHER FINANCING SOURCES (USES):						
Transfers In:						
Hotel Motel Fund	160,818	160,818	125,768	-	125,768	(35,050)
Capital Improvements Fund	13,939,425	13,939,425	7,277,848	-	7,277,848	(6,661,577)
Transfers Out:						
Auto Theft Task Force	(421,720)	(421,720)	(369,345)	-	(369,345)	52,375
Health Fund	(3,049,462)	(3,049,462)	(3,049,462)	-	(3,049,462)	-
Special Police Program	(1,262,910)	(1,262,910)	(925,987)	-	(925,987)	336,923
Special Fire Grants	(435,310)	(439,310)	(437,787)	-	(437,787)	1,523
Max Mandel Golf Course	(568,713)	(668,713)	(634,335)	-	(634,335)	34,378
El Metro Operations	(175,200)	(175,200)	(125,000)	-	(125,000)	50,200
Transit System	(240,800)	(240,800)	(229,336)	-	(229,336)	11,464
Sale of Assets	156,835	156,835	102,050	-	102,050	(54,785)
TOTAL OTHER FINANCING SOURCES (USES)	8,102,963	7,998,963	1,734,414	-	1,734,414	(6,264,549)
Net Change in Fund Balance	(2,216,235)	(2,216,235)	1,124,539	(3,745,540)	(2,621,001)	(404,766)
Fund Balances at Beginning of Year	46,755,887	46,846,974	46,846,974	(4,938)	46,842,036	(4,938)
FUND BALANCES AT END OF YEAR	\$ 44,539,652	44,630,739	47,971,513	(3,750,478)	44,221,035	(409,704)

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

CITY OF LAREDO, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2019

	BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS			
	BRIDGE SYSTEM	WATERWORKS SYSTEM	SEWER SYSTEM	SOLID WASTE MANAGEMENT
ASSETS				
Current Assets:				
Cash and Cash Equivalents: (Note 4)				
Cash	\$ 19,150	2,500	600	3,050
Equity in Investment Pool	88,785	555,229	389,019	302,780
Investments (Note 5)	7,816,721	53,493,236	43,042,054	32,438,682
Receivable:				
Accrued Interest (Note 6)	85,462	535,043	374,806	592,446
Accounts (Note 6)	-	6,606,691	5,318,382	1,736,902
Notes (Note 6)	-	1,208	12,174	-
Prepaid Items	-	-	-	-
Due from Other Funds	-	4,090,301	289,183	497,452
Inventory, at Cost	-	2,236,355	362,946	3,452
Total Current Assets	8,010,118	67,520,563	49,789,164	35,574,764
Noncurrent Assets:				
Restricted Assets:				
Investments (Note 5)	4,009,342	17,208,062	25,132,971	8,586,048
Accrued Interest Receivable (Note 6)	97,120	245,587	213,414	-
Notes Receivable (Note 6)	-	34	-	-
Due from Other Funds	-	-	2,240	-
Due from Other Governments	-	1,396,743	-	-
Total Restricted Assets (Note 7)	4,106,462	18,850,426	25,348,625	8,586,048
Capital Assets: (Note 8)				
Transportation Vehicles and Equipment	18,334,205	12,295,038	15,185,117	35,577,851
Buildings	33,435,915	185,954,205	96,734,124	1,349,108
Improvements	78,686,663	238,117,115	166,303,200	13,228,133
Land and Improvements	11,265,265	56,596,726	9,749,688	624,668
Land Easements	-	4,024,225	1,038,012	-
Construction in Progress	-	5,503,407	29,396,361	-
Less Accumulated Depreciation	(62,340,872)	(171,710,361)	(115,575,411)	(24,789,943)
Total Capital Assets (net of accumulated depreciation)	79,381,176	330,780,355	202,831,091	25,989,817
Other Assets:				
Unamortized Bond Issuance Costs	113,989	-	-	-
Total Noncurrent Assets	83,601,627	349,630,781	228,179,716	34,575,865
TOTAL ASSETS	91,611,745	417,151,344	277,968,880	70,150,629
Deferred Outflows of Resources	3,291,082	15,038,560	3,870,420	2,670,292
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 94,902,827	432,189,904	281,839,300	72,820,921

(Continued)

BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS

<u>OTHER ENTERPRISE FUNDS</u>	<u>TOTALS</u>	<u>INTERNAL SERVICE FUNDS</u>
7,300	32,600	400
45,151	1,380,964	149,247
4,220,461	141,011,154	13,954,420
43,524	1,631,281	143,905
29,630	13,691,605	65,160
-	13,382	-
-	-	314,011
440,563	5,317,499	802,063
244,888	2,847,641	719,955
<u>5,031,517</u>	<u>165,926,126</u>	<u>16,149,161</u>
-	54,936,423	-
-	556,121	-
-	34	-
-	2,240	-
-	1,396,743	-
<u>-</u>	<u>56,891,561</u>	<u>-</u>
23,135,544	104,527,755	11,885,741
18,229,643	335,702,995	420,680
11,038,746	507,373,857	195,906
9,905,673	88,142,020	-
-	5,062,237	-
2,933,273	37,833,041	-
(33,695,320)	(408,111,907)	(8,500,966)
<u>31,547,559</u>	<u>670,529,998</u>	<u>4,001,361</u>
-	113,989	-
<u>31,547,559</u>	<u>727,535,548</u>	<u>4,001,361</u>
36,579,076	893,461,674	20,150,522
1,052,666	25,923,020	-
<u>37,631,742</u>	<u>919,384,694</u>	<u>20,150,522</u>
		(Continued)

CITY OF LAREDO, TEXAS
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
September 30, 2019

(Continued)

BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS

	BRIDGE SYSTEM	WATERWORKS SYSTEM	SEWER SYSTEM	SOLID WASTE MANAGEMENT
LIABILITIES				
Current Liabilities:				
Accounts Payable	\$ 271,641	1,250,727	739,542	805,677
Retainage Payable	-	259,416	1,255,181	-
Contracts Payable	-	82,318	276,269	-
Due to Other Funds (Note 13)	-	4,090,301	291,423	497,452
Accrued Interest	-	871,084	450,956	117,772
Accrued Wages & Employee Benefits	170,545	292,343	131,268	184,716
Claims and Judgments Payable	-	-	-	-
Compensated Absences	193,289	197,098	95,926	160,497
Capital Lease Obligation	-	-	-	-
Customer Deposits	8,000	6,009,603	-	-
Unearned Revenue	1,336,071	1,268,625	29,192	1,285
General Obligation Bonds (Note 12)	-	1,405,133	2,042,837	745,943
Certificates of Obligation (Note 12)	-	1,048,494	286,506	3,592,027
Revenue Bonds Payable (Note 12)	4,620,000	5,397,368	4,701,632	-
Total Current Liabilities	6,599,546	22,172,510	10,300,732	6,105,369
Noncurrent Liabilities:				
General Obligation Bonds (Note 12)	-	61,624,350	17,913,789	4,749,513
Certificates of Obligation (Note 12)	-	6,812,287	1,833,790	13,367,082
Revenue Bonds Payable (Note 12)	33,169,747	157,998,596	131,343,666	-
Notes Payable (Note 12)	-	1,480,535	-	-
Due to Other Funds (Note 13)	-	-	-	-
Capital Lease Obligations	-	-	-	-
Closure and Postclosure Cost (Note 12)	-	-	-	12,203,578
Net Pension Liability	12,778,028	16,629,168	6,746,885	10,277,639
Compensated Absences	373,300	403,749	195,407	400,646
Total Noncurrent Liabilities	46,321,075	244,948,685	158,033,537	40,998,458
TOTAL LIABILITIES	52,920,621	267,121,195	168,334,269	47,103,827
Deferred Inflows of Resources	-	-	-	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	52,920,621	267,121,195	168,334,269	47,103,827
NET POSITION				
Net Investment in Capital Assets	42,867,229	126,328,538	78,914,674	8,411,614
Restricted for Debt Service	3,233,396	12,098,738	10,084,746	-
Restricted for Improvements	-	18,462,294	13,664,308	-
Unrestricted (Deficit)	(4,118,419)	8,179,139	10,841,303	17,305,480
TOTAL NET POSITION	\$ 41,982,206	165,068,709	113,505,031	25,717,094

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

Net position of business-type activities

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

(Continued)

BUSINESS-TYPE ACTIVITIES-ENTERPRISE FUNDS

OTHER ENTERPRISE FUNDS	TOTALS	ADJUSTED TOTALS	INTERNAL SERVICE FUNDS
768,688	3,836,275	3,836,275	1,955,331
-	1,514,597	1,514,597	-
-	358,587	358,587	-
-	4,879,176	4,879,176	-
15,331	1,455,143	1,455,143	-
240,224	1,019,096	1,019,096	130,989
-	-	-	4,985,286
169,053	815,863	815,863	127,282
-	-	-	802,063
108,905	6,126,508	6,126,508	-
11,600	2,646,773	2,646,773	-
414,408	4,608,321	4,608,321	-
800,000	5,727,027	5,727,027	-
-	14,719,000	14,719,000	-
2,528,209	47,706,366	47,706,366	8,000,951
1,776,932	86,064,584	86,064,584	-
640,191	22,653,350	22,653,350	-
-	322,512,009	322,512,009	-
-	1,480,535	1,480,535	-
440,563	440,563	440,563	802,063
-	-	-	818,024
-	12,203,578	12,203,578	-
2,705,985	49,137,705	49,137,705	-
143,564	1,516,666	1,516,666	231,895
5,707,235	496,008,990	496,008,990	1,851,982
8,235,444	543,715,356	543,715,356	9,852,933
238,881	238,881	238,881	-
8,474,325	543,954,237	543,954,237	9,852,933
28,790,667	285,312,722	285,312,722	2,381,274
-	25,416,880	25,416,880	-
-	32,126,602	32,126,602	-
366,750	32,574,253	39,786,023	7,916,315
29,157,417	375,430,457	382,642,227	10,297,589
	7,211,770		
\$	382,642,227		

CITY OF LAREDO, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
Year ended September 30, 2019

	BUSINESS TYPE ACTIVITIES- ENTERPRISE FUNDS		
	BRIDGE SYSTEM	WATERWORKS SYSTEM	SEWER SYSTEM
OPERATING REVENUES:			
Charges for Services	\$ -	41,236,282	33,384,360
Rental of Facilities	185,258	-	-
Toll Receipts	69,812,527	-	-
Miscellaneous	697,089	6,441,697	450,068
TOTAL OPERATING REVENUES	70,694,874	47,677,979	33,834,428
OPERATING EXPENSES:			
Costs of Services	-	-	-
Personnel Services	7,621,078	10,164,018	5,226,008
Materials and Supplies	429,494	5,077,540	1,367,039
Contractual Services	41,054,422	10,530,193	12,740,123
Other	77,083	152,525	132,359
Total Operating Expenses Before Depreciation	49,182,077	25,924,276	19,465,529
Depreciation Expense (Note 8)	3,251,967	11,515,586	8,041,944
TOTAL OPERATING EXPENSES	52,434,044	37,439,862	27,507,473
Operating Income (Loss)	18,260,830	10,238,117	6,326,955
NON-OPERATING REVENUES (EXPENSES):			
Intergovernmental	-	-	-
Sales Tax	-	-	-
Interest Earnings	303,656	1,087,037	822,361
Interest Earnings - Restricted	143,710	674,984	956,436
Discount Earnings	3	24,676	12,382
Miscellaneous	268	16,534	61,361
Closure/Post Closure	-	-	-
Water Availability Fees	-	2,890,919	-
Gain (Loss) on Sale of Assets	2,925	60,636	(1,311)
Interest Expense	(1,722,062)	(9,072,147)	(5,014,523)
Federal Operating Grant	-	-	-
Gain (Loss) on Advance Refunding	(183,129)	(734,199)	(338,998)
Water Rights Acq./Water Conservation	-	(31,022)	-
Other Non-Operating Expenses	-	(253,740)	(95,442)
Fiscal Agent Fees	(5,150)	(7,975)	(7,000)
Bond Issuance Cost/Premiums Amortized	393,128	1,157,935	535,563
Amortized Bond Premiums	-	-	-
State Operating Grant	-	-	-
Construction	(1,110,989)	(744,625)	(313,274)
TOTAL NON-OPERATING REVENUES (EXPENSES)	(2,177,640)	(4,930,987)	(3,382,445)

(Continued)

**BUSINESS TYPE ACTIVITIES-
ENTERPRISE FUNDS**

SOLID WASTE MANAGEMENT	OTHER ENTERPRISE FUNDS	TOTALS	INTERNAL SERVICE FUNDS
25,393,506	3,954,559	103,968,707	52,757,926
6,967	1,978,720	2,170,945	75
-	-	69,812,527	-
330	140,291	7,729,475	2,265,619
25,400,803	6,073,570	183,681,654	55,023,620
-	-	-	41,853,642
7,599,744	12,080,600	42,691,448	5,965,868
1,877,323	2,454,415	11,205,811	449,519
7,198,923	2,861,889	74,385,550	4,651,420
134,799	85,139	581,905	10,013
16,810,789	17,482,043	128,864,714	52,930,462
4,247,951	2,552,861	29,610,309	596,512
21,058,740	20,034,904	158,475,023	53,526,974
4,342,063	(13,961,334)	25,206,631	1,496,646
-	-	-	-
-	8,325,191	8,325,191	-
652,303	61,291	2,926,648	232,015
425,443	-	2,200,573	-
9,258	137	46,456	11,277
563	11,140	89,866	-
(657,044)	-	(657,044)	-
-	-	2,890,919	-
58,061	915	121,226	(8,085)
(990,786)	(67,620)	(16,867,138)	(47,889)
-	3,466,384	3,466,384	-
(99,869)	(47,289)	(1,403,484)	-
-	-	(31,022)	-
(720)	(88,552)	(438,454)	-
(3,692)	(1,042)	(24,859)	-
-	28,675	2,115,301	-
459,920	-	459,920	-
-	671,023	671,023	-
-	-	(2,168,888)	-
(146,563)	12,360,253	1,722,618	187,318

(Continued)

CITY OF LAREDO, TEXAS
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
PROPRIETARY FUNDS
Year ended September 30, 2019

(Continued)

	BUSINESS TYPE ACTIVITIES- ENTERPRISE FUNDS		
	BRIDGE SYSTEM	WATERWORKS SYSTEM	SEWER SYSTEM
Income Before Contributions and Transfers	16,083,190	5,307,130	2,944,510
Capital Contributions-Intergovernmental	-	-	-
Capital Contributions-Other	-	-	-
Capital Contributions-Developers	-	3,279,282	3,331,857
Transfers In	-	-	-
Transfers Out	(10,616,012)	-	-
Change in Net Position	5,467,178	8,586,412	6,276,367
Total Net Position-Beginning	36,515,028	156,482,297	107,228,664
Total Net Position-Ending	\$ 41,982,206	165,068,709	113,505,031

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

Change in net position of business-type activities

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

(Continued)

**BUSINESS TYPE ACTIVITIES-
ENTERPRISE FUNDS**

SOLID WASTE MANAGEMENT	OTHER ENTERPRISE FUNDS	TOTALS	INTERNAL SERVICE FUNDS
4,195,500	(1,601,081)	26,929,249	1,683,964
-	375,114	375,114	-
-	525,175	525,175	-
-	-	6,611,139	-
-	354,336	354,336	399,973
-	(11,584)	(10,627,596)	(399,973)
4,195,500	(358,040)	24,167,417	1,683,964
21,521,594	29,515,457		8,613,625
25,717,094	29,157,417		10,297,589
		535,905	
		\$ 24,703,322	

CITY OF LAREDO, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year ended September 30, 2019

	BUSINESS-TYPE ACTIVITIES- ENTERPRISE FUNDS		
	BRIDGE SYSTEM	WATERWORKS SYSTEM	SEWER SYSTEM
CASH FLOW FROM OPERATING ACTIVITIES:			
Receipts from customers and users	\$ 70,674,722	46,824,659	33,054,295
Receipts from interfund services provided	-	735,558	609,975
Payments to suppliers	(3,128,426)	(11,961,446)	(12,426,870)
Payments to employees	(8,384,968)	(11,176,164)	(5,698,973)
Payments for interfund services used	(38,441,992)	(4,089,271)	(3,238,393)
Net cash provided (used) by operating activities	20,719,336	20,333,336	12,300,034
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfer to other funds	(10,616,012)	-	(12,049,285)
Transfer from other funds	-	-	12,049,285
Subsidy from federal and state grants	-	50,917	-
Sales Tax	-	-	-
Net cash provided (used) by noncapital and related financing activities	(10,616,012)	50,917	-
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Proceeds from capital debt	-	2,576,225	2,432,065
Subsidy from federal and state grants	-	-	1,850
Purchase of capital assets	-	-	-
Acquisition and construction of capital assets	(955,247)	(3,527,048)	(12,477,922)
Principal paid on capital debt	(5,065,000)	(7,743,088)	(6,733,007)
Interest paid on capital debt	(1,727,212)	(9,083,629)	(5,025,424)
Proceeds from sales of capital assets	2,925	39,480	3,245
Net cash provided (used) by capital and related financing activities	(7,744,534)	(17,738,060)	(21,799,193)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sales and maturities of investments	(2,666,660)	(3,911,112)	7,944,919
Interest and dividends received	358,092	1,478,041	1,674,934
Issuance of Notes Receivable	-	283	-
Net cash provided (used) by investing activities	(2,308,568)	(2,432,788)	9,619,853
Net increase (decrease) in cash and cash equivalents	50,222	213,405	120,694
Cash and cash equivalents, October 1	57,713	344,324	268,925
Cash and cash equivalents, September 30	\$ 107,935	557,729	389,619

(Continued)

**BUSINESS-TYPE ACTIVITIES-
ENTERPRISE FUNDS**

SOLID WASTE MANAGEMENT	OTHER ENTERPRISE FUNDS	TOTALS	INTERNAL SERVICE FUNDS
25,084,248	5,702,719	181,340,643	3,187,952
340,868	375,822	2,062,223	51,794,200
(4,208,164)	(4,889,679)	(36,614,585)	(45,713,880)
(8,237,486)	(12,299,915)	(45,797,506)	(5,937,134)
(5,072,895)	(489,279)	(51,331,830)	(1,336,196)
7,906,571	(11,600,332)	49,658,945	1,994,942
(6,540,817)	342,752	(28,863,362)	(399,973)
6,540,817	(1,136,152)	17,453,950	399,973
1,740	7,578,862	7,631,519	-
-	8,325,191	8,325,191	-
1,740	15,110,653	4,547,298	-
4,183,920	-	9,192,210	-
-	375,114	376,964	-
-	(18,345)	(18,345)	(366,947)
(7,113,535)	(444,006)	(24,517,758)	-
(5,479,794)	(639,507)	(25,660,396)	(786,414)
(1,001,904)	(74,231)	(16,912,400)	(47,889)
174,744	915	221,309	4,531
(9,236,569)	(800,060)	(57,318,416)	(1,196,719)
569,409	(2,705,350)	(768,794)	(942,509)
851,492	28,979	4,391,538	194,510
-	-	283	-
1,420,901	(2,676,371)	3,623,027	(747,999)
92,643	33,890	510,854	50,224
213,187	18,561	902,710	99,423
305,830	52,451	1,413,564	149,647

(Continued)

CITY OF LAREDO, TEXAS
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
Year ended September 30, 2019

(Continued)

	BUSINESS-TYPE ACTIVITIES- ENTERPRISE FUNDS		
	BRIDGE SYSTEM	WATERWORKS SYSTEM	SEWER SYSTEM
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income	\$ 18,260,830	10,238,117	6,326,955
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	3,251,967	11,515,586	8,041,944
(Increase) decrease in accounts receivable	445	(516,419)	(301,603)
Increase (decrease) in allowance for uncollectible accounts	-	149,781	131,380
(Increase) decrease in inventories	-	(73,844)	(202,085)
(Increase) decrease in prepaid items	-	-	-
Increase (decrease) in customer deposits	-	202,513	-
Increase (decrease) in accounts payable	(9,419)	(216,615)	(1,223,657)
Increase (decrease) in unearned revenues	(20,597)	46,363	65
Increase (decrease) in compensated absences payable	(58,391)	(28,215)	13,700
Increase (decrease) in deferred outflows-pension	(1,421,909)	(2,209,527)	(1,017,634)
Increase (decrease) in deferred inflows-pension	(961,353)	(1,318,371)	(667,908)
Increase (decrease) in net pension liability	1,652,107	2,469,006	1,171,123
Increase (decrease) in accrued wages and employee benefits	25,656	74,961	27,754
Increase (decrease) in claims & judgements payables	-	-	-
Total adjustments	2,458,506	10,095,219	5,973,079
Net cash provided (used) by operating activities	\$ 20,719,336	20,333,336	12,300,034
Noncash investing, capital, and financing activities:			
Bond issuance cost amortized	(183,129)	1,186,498	562,526
Contributions of capital assets from developers & others	-	3,279,282	3,331,857
Current landfill closure and postclosure cost	-	-	-
Sale of assets	(368,728)	21,156	(4,556)
Loss on advance refunding	393,128	(734,199)	(338,998)
Increase (Decrease) in accrued interest payable	-	11,482	3,901

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

(Continued)

BUSINESS-TYPE ACTIVITIES- ENTERPRISE FUNDS			
SOLID WASTE MANAGEMENT	OTHER ENTERPRISE FUNDS	TOTALS	INTERNAL SERVICE FUNDS
4,342,063	(13,961,334)	25,206,631	1,496,646
4,247,951	2,552,861	29,610,309	596,512
(110,033)	(15,082)	(942,692)	(41,467)
134,374	12,459	427,994	-
(2,348)	20,583	(257,694)	(175,378)
-	-	-	(64,250)
-	6,473	208,986	-
(67,666)	1,902	(1,515,455)	(288,445)
(28)	1,121	26,924	-
22,964	5,647	(44,295)	4,544
(1,464,473)	(336,575)	(6,450,118)	-
(848,937)	27,093	(3,769,476)	-
1,622,530	60,970	6,975,736	-
30,174	23,550	182,095	24,191
-	-	-	442,589
3,564,508	2,361,002	24,452,314	498,296
7,906,571	(11,600,332)	49,658,945	1,994,942
506,834	28,675	2,101,404	-
-	525,175	7,136,314	-
(657,044)	-	(657,044)	-
(116,683)	-	(468,811)	15,066
(99,869)	(47,289)	(827,227)	-
7,426	5,570	28,379	-

**CITY OF LAREDO, TEXAS
STATEMENT OF FIDUCIARY NET POSITION
FIDUCIARY FUNDS
SEPTEMBER 30, 2019**

	LAREDO FIREFIGHTERS RETIREMENT SYSTEM PENSION TRUST FUND	AGENCY FUNDS
ASSETS		
Cash and Cash Equivalents (Note 4)	\$ 365,919	-
Equity in Investment Pool (Note 4)	-	25,926
Accrued Interest Receivable (Note 6)	44,784	25,087
Investments, at Fair Market Value (Note 5)	-	2,432,717
Investment with Fiscal Agent, at Fair Market Value (Note 5):		
Money Market Funds	2,058,766	-
Private Equity	2,007,336	-
Domestic Corporate Bonds	31,718,420	-
Domestic Stocks	65,037,596	-
Foreign Stocks	57,879,331	-
Accounts Receivable (Note 6)	-	109,293
TOTAL ASSETS	<u>159,112,152</u>	<u>2,593,023</u>
LIABILITIES		
Accounts Payable	112,422	2,593,023
Accrued Wages and Employee Benefits	1,488	-
TOTAL LIABILITIES	<u>113,910</u>	<u>2,593,023</u>
NET POSITION RESTRICTED FOR PENSIONS	\$ <u>158,998,242</u>	<u>-</u>

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

CITY OF LAREDO, TEXAS
STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
FIDUCIARY FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	LAREDO FIREFIGHTERS RETIREMENT SYSTEM PENSION TRUST FUND	CITY ANNUITY PENSION TRUST FUND	PENSION (AND OTHER EMPLOYEE BENEFIT) TRUST FUNDS
ADDITIONS:			
Contributions:			
Employer Contributions	\$ 7,555,193	1,754,487	9,309,680
Plan Members	5,568,885	104,950	5,673,835
Other Contributions	-	8,269	8,269
Total Contributions	<u>13,124,078</u>	<u>1,867,706</u>	<u>14,991,784</u>
Investment Earnings:			
Interest Earnings and Dividends	2,556,843	-	2,556,843
Net Increase (decrease) in the Fair Value of Investments	(951,530)	-	(951,530)
Gains (Loss) on Sale of Investment	<u>1,054,791</u>	<u>-</u>	<u>1,054,791</u>
Total Investment Earnings	2,660,104	-	2,660,104
Less: Investment Expense	<u>(441,375)</u>	<u>-</u>	<u>(441,375)</u>
Net Investment Earnings	<u>2,218,729</u>	<u>-</u>	<u>2,218,729</u>
TOTAL ADDITIONS	<u>15,342,807</u>	<u>1,867,706</u>	<u>17,210,513</u>
DEDUCTIONS:			
Benefits	10,889,659	1,796,581	12,686,240
Administrative Expenses	<u>268,743</u>	<u>71,125</u>	<u>339,868</u>
TOTAL DEDUCTIONS	<u>11,158,402</u>	<u>1,867,706</u>	<u>13,026,108</u>
Change in Net Position	4,184,405	-	4,184,405
Net Position - Beginning	<u>154,813,837</u>	<u>-</u>	<u>154,813,837</u>
NET POSITION - ENDING	<u>\$ 158,998,242</u>	<u>-</u>	<u>158,998,242</u>

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

CITY OF LAREDO, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
September 30, 2019

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CITY OF LAREDO, TEXAS
NOTES TO THE BASIC FINANCIAL STATEMENTS
SEPTEMBER 30, 2019

The accounting methods and procedures adopted by the City of Laredo, Texas conform to general accepted accounting principles as applied to governmental entities. The following notes to the financial statements are an integral part of the City's Basic Financial Statements.

NOTE 1 – SIGNIFICANT ACCOUNTING POLICIES

A. Reporting Entity

The City of Laredo, Texas (the City) is a municipal corporation incorporated under Article XI, Section 5 of the Constitution of the State of Texas (Home Rule Amendment). The City operates under a Council-Manager form of government and provides a full range of municipal services as authorized by its charter. The services include public safety (police and fire), highways and streets, sanitation, health and social services, culture and recreation, public improvements, planning and zoning, and general administrative services. In addition, the City owns and operates certain major activities including an airport, a transit system, water and sewer utility system, a landfill, and a bridge system.

The City has defined its reporting entity in accordance with GASB 14, "The Financial Reporting Entity". In conformity with generally accepted accounting principles, the financial statements of the component units have been included in the financial reporting entity as blended components. The basis for blending the component units is discussed below:

For the *Laredo Convention and Visitor's Bureau*, *Laredo Transit Management, Inc.*, *Sames Auto Arena*, *Max Mandel Golf Course*, *Keep Laredo Beautiful*, and *Laredo Public Facilities Corporation-La Terraza, L.L.C.*, the component unit's governing body is substantively the same as the governing body of the primary government and there is either a financial benefit or burden relationship between the primary government and the component unit. In addition, the component unit's total debt outstanding is expected to be repaid entirely or almost entirely with the resources of the primary government. The City Council is the governing board for these component units. These entities are bound by the City's legal requirements and the City Council approves the budget, major contracts, surplus dispositions, and any fees or charges. Additionally, the City is legally responsible for debt and public service rendered within the City's boundaries.

For the *Laredo Firefighter's Retirement System*, the component unit provides services entirely, or almost entirely, to the primary government or otherwise exclusively, or almost exclusively, benefits the primary government even though it does not provide services directly to it. The Laredo Firefighters' Retirement System administers the retirement system for the City of Laredo Firefighters employees.

Laredo Transit Management, Inc. Under the authority of Revised Texas Civil Statutes, Article 118(z) on September 8, 1987, created Laredo Municipal Transit System, The Laredo Municipal Transit System and "Mass Transit Board". The Laredo Transit Management, Inc. reports to the Mass Transit Board. L.M.T.S. is commonly referred to as El Metro.

The primary function and purpose of Laredo Transit Management, Inc. is to operate, maintain, design, and construct a safe, reliable, cost effective and efficient public transportation system that will meet the changing needs of our community, while complying with applicable state and federal mandates, including the Texas Clean Air Act and the Americans with Disabilities Act.

Laredo Transit Management, Inc. provides both a fixed-route and Paratransit (El Lift) services within the city boundaries of Laredo. Currently, the fixed-route service is comprised of 22 bus routes. The fixed route bus service has a total of 35 buses operating during a regular workday, 30 buses on a Saturday and 18 buses on Sunday. The Laredo Transit Management, Inc. bus fleet consists of 47 buses and 1 rubber-tire trolley. The El Lift program has a total fleet of 21 Paratransit vans that are equipped with ADA bus lifts. Laredo Transit Management, Inc. is reported as an enterprise fund.

Laredo Convention and Visitors' Bureau The Laredo Convention and Visitors' Bureau was established in April 1993 to engage in visitor promotion and to solicit and service conventions and other related group businesses generating overnight stays in the City, thereby enhancing and developing the economy of the City. Laredo Convention and Visitors' Bureau operations are reported as special revenue funds.

Keep Laredo Beautiful – Keep Laredo Beautiful's mission is to empower the citizens of Laredo through education to take responsibility for enhancing their community and its environment through litter prevention, beautification, community improvement and minimization of the impact of solid waste. It is recognized by the Internal Revenue Service as a 501 (c)(3) charitable organization.

Laredo Public Facilities Corporation - La Terraza, LLC. The Laredo Public Facilities Corporation (LPFC) - La Terraza, LLC was organized exclusively for the purpose of assisting the City in financing, refinancing or provide public facilities. The LPFC has the power to finance the acquisition of City obligations issued or incurred in accordance with existing law, to provide for the acquisition, construction, rehabilitation, renovation, repair, equipping furnishing and placement in service of public facilities including multifamily housing facilities. The LPFC is the sole General Partner of the La Terraza at Lomas del Sur, Ltd. Partnership, which operates the La Terraza apartments. The apartments consist of a gated community composed of 128 units in eight (8) Residential Buildings, a Community Center, a Maintenance Building, a Swimming Pool, a Mail Kiosk, a Children's Playground, and some Picnic areas. Laredo Public Facilities Corporation is reported as a special revenue fund.

Sames Auto Arena. The Sames Auto Arena was established in September 2002 to provide entertainment for the entire family, such as concerts, rodeos, and basketball events, to name a few. The 178,000 square foot multi-purpose state of the art facility has a maximum 10,000 seating capacity and is managed by SMG. Sames Auto Arena is reported as a special revenue fund.

Max Mandel Golf Course. The Max Mandel Golf Course, a 270 acre signature golf course was built in 2012 to provide additional recreational activities for local and out of town golf enthusiasts. The 18 hole facility has a restaurant, club house, and pro shop. The course is open to the public 7 days a week and is managed by Landscapes Unlimited. Max Mandel is reported as a special revenue fund.

Laredo Firefighters' Retirement System The Laredo Firefighters' Retirement System was created under the authority of Article 6243e - Texas Local Firefighters' Retirement Act enacted by the Legislature of the State of Texas. The act established the membership, benefits, credits and administration of certain retirement systems for volunteer or paid firefighters. The Laredo Firefighters' Retirement System administers the retirement system for the City of Laredo Firefighters employees and is included in the financial statements of the City as a component unit. Complete financial statements of the component units can be obtained from the City of Laredo, Financial Services Department offices:

City of Laredo
Financial Services Department
P. O. Box 579
Laredo, TX 78042-0579

B. Basis of Accounting

The accounting and reporting policies of the City as reflected in the accompanying basic financial statements conform to generally accepted accounting principles (GAAP) for local governmental units as prescribed by the Governmental Accounting Standards Board and the American Institute of Certified Public Accountants. The following represent the more significant accounting policies and practices of the City.

Government Wide and Fund Financial Statements

The government-wide financial statements report information on all of the non-fiduciary activities of the primary government and its component units. The effect of inter-fund activity has been removed from these statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business activities. Business-type activities rely to an extent on fees and charges for support. The primary government is reported separately for certain legally separate component units for which the primary government is financially accountable.

Program Revenues and Direct Expenses - The Statement of Activities demonstrates the direct expenses of a given function or segments offset by program revenues. A direct expense is specifically associated with a service, program, or department and is clearly identifiable to a particular function. In the Statement of Activities, certain indirect expenses are reported in the program expenses. Program revenue derives directly from the program itself or from parties outside the reporting government's taxpayers or citizenry. Program revenues include charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given City function or segment. Program revenues also include grants and contributions that are limited to meeting the operational or capital requirements of a particular program. Taxes and other items not included among program revenue are reported as general revenue.

Fund Accounting

The accounts of the City are organized on the basis of funds, each of which is considered to be a separate accounting entity. The operations of each fund are accounted for with a separate set of self-

balancing accounts that comprise its assets, liabilities, fund equity, revenues and expenditures or expenses, as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purposes for which they are to be spent and the means by which spending activities are controlled. The City maintains the following fund types:

Governmental Funds

Governmental funds are those through which most governmental functions of the City are financed. The acquisition, use and balances of the City's expendable financial resources and the related current liabilities (except those, if any, which should be accounted for in proprietary funds) are accounted for through governmental funds. The measurement focus is upon determination of financial position and changes in financial position, rather than upon net income determination. The City maintains the following governmental fund types:

General Fund - The General Fund is the general operating fund of the City. It is used to account for and report all financial resources not accounted for and reported in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for and report the proceeds of specific revenue sources that are restricted or committed to expenditures for specific purposes other than debt service or capital projects. Proceeds of specific revenue sources established that one or more specific restricted or committed revenues should be the foundation for a special revenue fund.

The restricted or committed proceeds of specific revenue sources should be expected to continue to comprise a substantial portion of the inflows reported in the fund. Special revenue funds should not be used to account for resources held in trust for individuals, private organizations or other governments.

Debt Service Fund - The Debt Service Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

Capital Projects Funds - Capital Projects Funds are used to account for and report financial resources that are restricted, committed or assigned to expenditures for capital outlays, including the acquisition or construction of capital facilities and other capital assets. Capital projects funds exclude those types of capital-related outflows finance by proprietary funds or for assets that will be held in trust for individuals, private organizations or other governments.

Permanent Funds – Permanent funds are only used to account for and report resources that are restricted to the extent that only earnings and not principal may be used for purposes that support the reporting government's programs for the benefit of the government or its citizenry.

Proprietary Funds

Proprietary funds are used to account for the City's ongoing operations that are financed and operated in a manner similar to private business enterprises - where the determination of net income, financial position, and cash flows are necessary or useful for sound financial administration. Goods or services from such activities can be provided either to outside parties (enterprise funds) or to other departments or agencies primarily within the government (internal service funds).

Enterprise Funds - Enterprise Funds are used to account for operations that (1) are financed and operated in a manner similar to private business enterprises where the intent of the City Council is that the cost (expenses including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges or (2) where the City Council has decided that periodic determination of revenues earned, expenses incurred, and net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

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

Fiduciary Funds – These funds are used to account for assets held by the City in a trustee capacity or as an agent for individuals, private organizations, other governmental units, and other funds.

Trust Funds - These funds are accounted for in the same manner as proprietary funds with the measurement focus on determination of net income and capital maintenance. The City is custodian to funds contributed into the fund; funds are used toward annuity payments. The City has two trust funds: Firefighters Retirement System, and City Annuity.

Agency Fund - The Agency Fund is used to account for funds where the City's role is purely custodial. All assets reported in an agency fund are offset by a liability to the party on whose behalf they are held and do not involve measurement of results of operations. Currently, the City has three Agency fund: Payroll Clearing, Police Retirees Dependent's, and Fire Retirees Dependent's Fund

Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Economic resources measurement focus reports all inflows, outflows, and balances affecting or reflecting an entity's net position. Accrual basis accounting is the method that recognizes the financial effect of transactions, events, and inter-fund activities when they occur, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied while the organization recognizes grant revenue as soon as all eligibility requirements obligatory have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized when measurable and available. "Measurable" means that the amount of the transaction can be determined, and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The City considers property tax revenues to be available if they are collected within 60 days of the end of the current fiscal period. Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. An exception to this general rule is principal and interest on general long-term obligations, compensated absences, and claims and judgments which are recognized when due.

Property taxes, franchise taxes, licenses, and interest associated with the current fiscal period are all considered to be susceptible to accrual and are recognized as revenues of the current fiscal period.

Sales taxes collected and held by the state at year-end on behalf of the government are also recognized as revenue. All other revenue items are considered to be measurable and available when they are received.

The City reports the following as major governmental funds:

General Fund is the general operating fund of the City. It is used to account for and report all financial resources not accounted for and reported in another fund.

Debt Service Fund is used to account for and report financial resources that are restricted, committed or assigned to expenditure for principal and interest.

The City reports the following as major proprietary funds:

Bridge System Fund is used to account for toll proceeds from four international bridges and the related operations, maintenance, and debt service.

Water Works System Fund is used to account for the operations, maintenance, and debt service from three water treatment plants and seventeen booster stations and the related revenue received from 74,097 customers.

Sewer System Fund is used to account for the operations, maintenance, and debt service of the City's five sewage treatment plants and its related revenue received from 77,523 customers.

Solid Waste Fund is used to account for the landfill and recycling center operations and revenues collected from garbage collections, landfill fees, and Federal and State Mandate fees.

Additionally, government-wide reports for proprietary funds include the following fund type:

Internal Service Funds are used to provide fleet services to other funds, provide services associated with the City's partially self-funded health benefits program, provide services associated with the risk management for all city property including workman's compensation, and provide telecommunication services to all funds on a cost-reimbursement basis.

As a general rule, the effect of inter fund activity has been eliminated from the government-wide financial statements. Exceptions to this general rule are payments-in-lieu of taxes and other charges between the City's water and sewer functions and various other functions of government.

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

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

C. Budgets and Budgetary Accounting

The City adheres to the following procedures in establishing the operating budgets reflected in the basic financial statements:

(1) Sixty (60) days prior to the beginning of each fiscal year, the City Manager submits to the City Council a proposed budget for the fiscal year beginning October 1st. This budget is required to include expenditures by office, department, and agency and the means of financing them. Proposed short and long range capital expenditures and bonded debt requirements must also be included.

(2) Public hearings are conducted at which all interested parties may comment concerning the proposed budget.

(3) Council adopts the budget on or before the last day of the month of the fiscal year currently ending through passage of an appropriation ordinance and tax levy ordinance. If the City Council fails to adopt the budget at that time, the budget of the previous year is deemed to be adopted.

(4) Annual appropriated budgets are legally adopted for the General Fund, Special Revenue Funds, Capital Project Funds, Debt Service Fund, and Proprietary Funds. A comparison of budget to actual is presented in the Basic Financial Statements for the General Fund.

(5) The City Charter identifies various allowable amendments to the budget after adoption. Supplemental Appropriations are allowed if the City Manager certifies that there are, available for appropriation, revenues in excess of those estimated in the budget and Council by ordinance and after a formal inquiry has established a need for the supplemental appropriation. Emergency Appropriations are allowed to meet a public emergency affecting life, health, property, or the public peace of the City through an emergency ordinance if there are available un-appropriated revenues. Decreases in the amount of appropriations are allowed if revenues available are insufficient to meet the amount appropriated.

Transfer of Appropriations is allowed. Several supplementary appropriations were necessary during the year primarily to adjust the total budget for grants received from various federal and state agencies.

(6) The City Council approval is required in order to transfer un-appropriated balances from one department, office, or agency to another. The City Manager has the authority, without City Council approval, to transfer appropriation balances from an expenditure account to another within a department, office, or agency of the City. The reported budgetary data has been revised for amendments authorized during the year.

(7) Each appropriation, except those for capital expenditures, shall lapse at the close of the fiscal year to the extent it has not been expended or encumbered. Certain differences exist between the basis of accounting for budgetary purposes and that used for reporting in accordance with generally accepted accounting principles.

D. Encumbrances

Encumbrances represent commitments related to unperformed (executed) contracts for goods or services. Encumbrance accounting, under which purchase orders, contracts, and other commitments

for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is used in the governmental funds.

Encumbrances outstanding at year-end are reported as part of the committed fund balances since the commitments will be honored during the subsequent year and, accordingly, do not constitute expenditures or liabilities.

For budgetary purposes, appropriations lapse at year-end except for that portion related to encumbered amounts. For financial purposes, the original budget also includes actual appropriation amounts automatically carried over from prior years to cover prior-year encumbrances.

Please see Note 16 for significant encumbrances.

E. Equity in Investment Pool

Cash balances of all City funds (except for the Laredo Firefighters' Retirement System) are pooled and invested. The Equity in Investment Pool consists of cash in bank accounts, which are pooled and allocated to all funds. Investments purchased with pooled cash consisting of Investment Pools, U.S. Government obligations, U.S. Agency obligations, and Mortgage Backed Securities are recorded at fair value in accordance with GASB Statement 31 - Accounting and Financial Reporting for Certain Investments and for External Investment Pools and are classified as "Investments" in the accompanying combined balance sheet. Interest earned on investments purchased with pooled cash is allocated monthly to each participating fund based upon the fund's average month equity balance. Funds that incur a negative balance in equity in pooled investments are reclassified as Due to Other Funds in the financial statements and are not allocated any interest earnings or charged interest expense.

F. Investments

The City can legally invest in certificates of deposit, repurchase agreements, obligations of the U.S. Government and its Agencies or instrumentality and State obligations all of which are recorded at fair value in accordance with GASB Statement 72 – Fair Value Measurement and Application.

G. Inventories

Inventories are valued at cost, which approximates market, using the first-in first-out method, and the average cost method as appropriate. The costs of governmental fund-type inventories are recorded as expenditures when consumed rather than when purchased.

H. Restricted Assets

The International Toll Bridge System, Water System, and Sewer System revenue bond indentures require that, during the period the bonds are outstanding, the City must maintain certain separate accounts and funds to account for the proceeds from the issuance of the revenue bonds and the debt service deposits made from revenues. These restricted assets can be used only in accordance with the revenue bond indenture to pay the debt service payments on such bonds.

I. Property, Plant, Equipment, and Infrastructure

Property, plant, and equipment owned by the City are stated at historical cost. Maintenance and repairs are charged to operations as incurred, and improvements of \$5,000 or more, which extend the useful life of a capital asset, are capitalized. Currently, the City's policy has a threshold of \$5,000 for equipment and \$25,000 for infrastructure. The straight-line method is used to calculate the depreciation for all capital assets over the estimated useful life:

Utility Funds:	
Plant	50 years
Transmission and distribution system	25-50 years
Other machinery and equipment	1 - 25 years
All Other Funds:	
Buildings and improvements	45 years
Machinery and equipment	3 - 10 years
Vehicles	6 years
Streets	25 years
Bridges	25 years
Airport runways	25 years
Boat ramps	25 years
Storm Drainage	25 years
Landfill	25 years

The City's Infrastructure acquired prior to June 30, 1980, is included. When property, plant, and equipment are retired from service, or otherwise disposed of, a gain or loss on disposal of assets is recognized. In accordance with GASB Statement 72-Fair Value Measurement and Application, donated capital assets, donated works of arts, and capital assets received in a service concession agreement are reported at acquisition value.

J. Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets is the net of accumulated depreciation, reduced by the outstanding balances of any borrowing used for the acquisition, construction or improvements of those assets, and adding back unspent proceeds. Net position is reported as restricted when there are limitations forced on their use either through enabling legislations adopted by the City or through external restrictions imposed by creditors, grantors or regulations of other governments.

K. Deferred Inflows/Outflows of Resources

Deferred inflows of resources represent an acquisition of net position that applies to a future period(s) and so will not be recognized as an inflow or resources (revenue) until that time. Deferred outflows of resources represent a consumption of net position that applies to a future period(s) and so will not be recognized as an outflow of resources (expense/expenditure) until then.

The breakdowns of deferred inflows/outflows are as follows:

	Governmental Activities	Business Type Activities	Total
Deferred Outflows of Resources			
Deferred outflows from pension activities			
Difference in projected & actual earnings	\$ 34,867,837	\$ 681,651	\$ 35,549,488
Contributions after measurement date	23,568,451	8,988,734	32,557,185
Change in assumptions	16,503,226	-	16,503,226
Change in assumptions - OPEB	44,067,321	-	44,067,321
Unamortized advance refunding loss from bonds	2,868,208	16,252,635	19,120,843
Total Deferred Outflows of Resources	<u>\$ 121,875,043</u>	<u>\$ 25,923,020</u>	<u>\$ 147,798,063</u>
Deferred Inflows of Resources			
Deferred inflows from pension activities			
Difference in expected and actual experience	\$ 5,422,464	\$ 238,881	\$ 5,661,345
Difference in projected & actual earnings - OPEB	9,616,853	-	9,616,853
Change in assumptions-OPEB	12,435,823	-	12,435,823
Unamortized deferred gain on refunding bonds	1,785,429	-	1,785,429
Total Deferred Inflows of Resources	<u>\$ 29,260,569</u>	<u>\$ 238,881</u>	<u>\$ 29,499,450</u>

L. Long-Term Obligations

The City has issued combination tax and special revenue (water, sewer, paving assessments, hotel-motel, airport revenues, mass transit, parking system, and public property finance contractual obligations) certificates of obligation, which it intends to repay from a combination of revenues and property taxes. The City identifies the debt service requirements for all general obligation bonds and all combination tax and special revenue certificates of obligation and reduces the property tax levy by surplus revenues (if any) from the above-mentioned sources. GASB Statement 34 eliminates the presentation of the General Long Term Debt Account Group, but provides that these records to be maintained and incorporates the information into the Governmental column in the government-wide Statement of Net Position. General obligation and all combination tax and special revenue certificate of obligation debt is recorded exclusively in the General Long Term Debt, and it is counted towards the legal debt limit of the City.

Any proceeds from issuance of general obligation and combination certificates of obligation, which are used for construction of governmental and business type capital assets, are recorded as bond proceeds in the governmental funds and business type funds.

Revenue bonds, which have been issued to fund capital projects of business type and governmental type funds, are to be repaid from net revenues of the business type and governmental funds. Debt related to business type projects are recorded in the business type funds.

M. Compensated Absences

City employees are granted vacation and sick leave hours at varying rates based on the number of years employed. Employees are paid accumulated vacation hours up to a maximum of 480 hours upon termination or retirement. Sick leave hours are paid up to a maximum of 720 hours upon retirement.

Amounts of vested or accumulated vacation leave that are not expected to be liquidated with available financial resources are accounted as a general long-term debt for internal purposes only. Accumulated vacation leave of enterprise funds are recorded as an expense and liability of those funds as the benefits accrue to employees. No liability is recorded for non-vesting accumulating rights to receive sick pay benefits except as noted above.

N. Federal and State Grants and Entitlements

Grants and entitlements may be accounted for within any of the three fund types. The purpose and requirements of each grant or entitlement are carefully analyzed to determine the proper fund type in which to record the related transactions. Grants and entitlements received for purposes normally financed through a particular fund type may be accounted for in that fund type provided that applicable legal restrictions can be appropriately satisfied.

Capital grants restricted for capital acquisitions or construction projects are accounted for in the applicable Capital Project Funds. Revenues received for operating or for capital expenditure purposes of Enterprise Funds are recognized in the applicable Enterprise Fund.

In prior years, capital contributions, including capital grants received for capital purchases, were recorded as a direct addition to the contributed capital equity account for Proprietary Funds. Beginning in fiscal year 2001, GASB 33 requires contributions of capital grants to be recorded as revenue in the Statement of Revenue, Expense, and Changes for Fund Net Position for Proprietary Funds.

O. Interfund Transactions

Transactions between funds that would be treated as revenues, expenditures, or expenses if they involved organizations external to the governmental unit are accounted for as revenues, expenditures, or expenses in the funds involved.

Non-recurring or non-routine transfers of equity between funds are reported as additions to or deductions from the fund balance of governmental funds. All other legally authorized transfers are treated as transfers in the basic financial statements and are included in the results of operations of both governmental and proprietary funds.

P. Unamortized Bond Issuance Costs

Prepaid insurance related to the sale of revenue bonds are amortized over the life of the issue.

Q. Statement of Cash Flows

For purposes of the statements of cash flows, cash and cash equivalents include cash on hand, equity in the investment pool, and cash with fiscal agent. Governmental entities under GASB 9, as amended by GASB 34, paragraph 105, must use the direct method for Cash Flow presentation.

R. Fund Equity

The City adopted GASB Statement No. 54 “Fund Balance Reporting and Governmental Fund Type Definitions effective October 1, 2010. Fund balances are classified as nonspendable, restricted, committed, assigned or unassigned in governmental funds. Nonspendable fund balance cannot be spent because of legal or contractual requirements. Restricted fund balances have restrictions for specific purposes which are either imposed externally or by enabling legislation. Committed fund balances can only be used for specific purposes pursuant to constraints imposed by City Council through ordinance. Committed funds cannot be used for other purpose unless it is removed or changed in the same manner by City Council. Assigned fund balances are amounts that are constrained by the City’s intent to be used for a specific purpose, but are neither restricted nor committed. This intent shall be expressed by the City Council. The Assigned fund balance also includes residual positive fund balances that are neither Restricted nor Committed in all governmental funds with the exception of General Fund. Unassigned fund balances include residual positive balance within General Fund or may also include negative balances for any governmental fund type.

The City, as per City Charter of the City of Laredo, has set aside 15% of expenditures of the General Fund as a cash reserves or minimum fund balance. If at any time the reserves fall below this threshold, City management will develop a plan, approved by the City Council, to restore the fund balance reserves to 15% of expenditures.

Generally, the City would first use committed, followed by assigned before unassigned balances when expenditures are incurred for purposes for which more than one of the classification of fund balance is available.

Proprietary funds have three classifications of fund equity: 1) net investment in capital assets, net of related debt; 2) restricted net position; and 3) unrestricted net position.

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

A. Explanation of certain differences between the governmental fund balance sheet and the government-wide statement of net position

The governmental fund balance sheet includes reconciliation between fund balance-total governmental funds and net position-governmental activities as reported in the government-wide statement of net position. One element of that reconciliation explains that “long-term liabilities include bonds payable, which are not due and payable in the current period and therefore are not reported in the funds.”

The details of this \$711,196,177 difference are as follows:

Bonds, notes payable, and capital leases	\$ 223,428,619
Accrued interest	1,067,177
Compensated absences	38,463,649
Elimination of Interfund activity	106,479
Net Pension Liability	233,245,893
Net Pension Obligations-OPEB	<u>214,884,360</u>
Net adjustment to reduce <i>fund balance-total governmental funds</i> to arrive at <i>net position-governmental activities</i>	\$ <u><u>711,196,177</u></u>

B. Explanation of certain differences between governmental fund statement of revenues, expenditures, and changes in fund balances and the government-wide statements of activities

An element of the reconciliation states that “the issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities.” The details of this \$2,204,527 difference are as follows:

Debt issued:	
Bond & Capital lease proceeds	\$ (15,065,000)
Premiums	(1,198,228)
Repayments:	
Bond & Notes payments	17,995,221
Capital lease	<u>472,534</u>
Net adjustment to decrease <i>net changes in fund balances-total governmental funds</i> to arrive at <i>changes in net position of governmental activities</i>	\$ <u><u>2,204,527</u></u>

An element of the reconciliation states that for governmental funds, capital outlay should be reported as expenditures. In the statement of activities, “the cost of these assets is allocated over their estimated useful lives and reported as depreciation expense.” The amount of capital outlays exceeding depreciation in this fiscal year were \$846,421. The details of this are as follows:

Assets that were purchased and capitalized in the current year	\$ 41,149,078
Assets that were disposed during the current fiscal year	(271,477)
Current year depreciation	<u>(40,031,180)</u>
Amount by which capital outlays exceed depreciation	\$ <u><u>846,421</u></u>

NOTE 3 - FUND DEFICITS

The following is a list of the unassigned deficit fund balances in the Non-Major Governmental Funds: Block Grants \$1,771,987; Emergency Shelter \$289,014; Financial Task Force \$2,564; 911 Emergency Communications \$1,239,391; Health Fund \$1,639,288; Parks Capital Grants \$115,472; and Capital Grants \$442,420. Deficits are due to grant operations and will be recovered through grant reimbursements in the following year.

The following is a list of the unassigned deficit fund balances in the Non-Major Governmental Funds not operating as grants: Sames Auto Arena \$85,484 and Public Access \$3,175. Deficits are a result of operations. The deficit balances will be covered by revenues received next fiscal year from events.

NOTE 4 - CASH AND CASH EQUIVALENTS

The monetary assets of the City are held in various forms and accounts. These assets are described and presented in the basic financial statements in three groups. One group is described as Cash. This group is characterized as having high liquidity with little market risk and includes cash in bank accounts, petty cash and change funds. Another group is disclosed as Equity in Investment Pool and consists of cash in bank accounts. The third group of monetary assets is presented in the basic financial statements as "Investments". Cash balances of all City funds (except for the Laredo Firefighters Retirement System) are pooled and invested. All securities are reported at fair value in order to comply with GASB Statement 31 - *Accounting and Financial Reporting for External Investment Pools*. Investments with a remaining maturity at the time of purchase of one year or less are reported at amortized cost. The net decrease in the fair value of the securities was \$951,530 for the Laredo Firefighters Retirement System.

As of September 30, 2019, cash and cash equivalents consisted of the following:

Petty Cash and Change Fund	\$ 108,960
Cash with Fiscal Agent	897,823
Cash in Pooled Funds	<u>3,308,199</u>
	<u>\$ 4,314,982</u>

Custodial credit risk - deposits. In the case of deposits, this is the risk that in the event of a bank failure, the City's deposits may not be returned to it. The City's deposit policy is in compliance with Texas Government Code Chapter 2257 - "Collateral for Public Funds". All deposits were covered by federal depository insurance up to \$250,000 and collateralized with eligible securities in amounts of at least 102% of the book value of deposits. As of September 30, 2019, the book value of all the City's deposits was \$4,314,982. Deposits were properly secured during the fiscal year. Deposits were fully collateralized within one business day. All collateral securities were held by a third party in the City's name and were not exposed to custodial credit risk.

NOTE 5 - INVESTMENTS

The City, as per the "Public Funds Investment Act" of the State of Texas, is authorized to invest in obligations of the United States or its agencies and instrumentalities; direct obligations of the State

of Texas or its agencies and instrumentalities; other obligations which are unconditionally guaranteed by the State of Texas or United States; obligations of the States, agencies thereof, Counties, Cities, and other political subdivisions of any state having been rated as investment quality by a nationally recognized investment rating firm; Certificates of Deposits of state and national banks domiciled in Texas, guaranteed or insured by the Federal Depository Insurance or its successor; fully collateralized direct repurchase agreements with a defined termination date secured by obligations of the United States or its agencies; Banker's Acceptances that has a stated maturity of 270 days or less from the date of issuance; Commercial Paper that has a stated maturity of 270 days or less from date of issuance and rated not less than A-1 or P-1 or an equivalent rating; a no-load money market mutual fund that is registered with and regulated by the Securities and Exchange Commission, has a dollar-weighted average stated maturity of 90 days or fewer and includes in its investment objectives the maintenance of a stable net asset value of \$1 for each share; Investment Pools as long as the governing body of the City approved them by rule, order ordinance or resolution. The investments of the Pension Trust Fund, the Laredo Firefighters' Retirement System, are governed by the Texas Local Fire Fighters' Retirement Act, which established the System. The act authorizes additional investment types which include corporate bonds, common stock and mutual funds.

The investment and maturities at September 30, 2019 were as follows:

	<u>Fair Value</u>	<u>Allocation (2)</u>	<u>Rating (3)</u>	<u>WAM</u>
Short Term Money Market Accts (1) (4)	\$ 2,058,766	0.36%	N/A	N/A
Domestic Corporate Bonds (1)	31,718,420	5.49%	A	6.8-8.4 years
Private Equity (1)	2,007,336	0.35%	N/A	N/A
Foreign & Domestic Stocks (1)	122,916,927	21.29%	N/A	N/A
Managed Pools	418,752,378	72.52%	AAAm	.51years
Total Investments	<u>\$ 577,453,827</u>	<u>100%</u>		

(1) Investments of the Laredo Firefighters Retirement System.

(2) Allocation is based on fair value.

(3) Standard & Poors rating.

(4) Laredo Firefighters do not invest in individual Government securities. The following numbers are equal to a percentage of the mutual fund held: Dodge & Cox Income Fund 10.96%, DoubleLine Core Fixed Income 28.15%, & PIMPCO Real Return 64.93%.

Interest Rate Risk. Interest rate risk is the risk that the value of investments will decrease as a result of a rise in interest rates. The City's investment policy limits the maximum maturities exceeding two years to 25% of the total portfolio. The other 75% must, to the extent possible, be matched with projected cash flow requirements.

Credit Risk. Credit risk is the risk that the government will not be able to recover the value of its securities. As per the City's investment policy, all security dealers must be registered and certified with the Texas State Securities Board, National Association of Security Dealers, and Securities and Exchange Commission. It is the policy of the City to require full collateralization of all City funds on deposits with a depository bank. The City's policy states that all purchased securities shall be

held in safekeeping by either the City, the City's account in a third-party financial institution, or the City's safekeeping account at its designated depository bank.

The Laredo Firefighters' Retirement System, as per their investment policy, is allowed to invest in other types of investments such as mutual funds and common stock. As of September 30, 2019, the Laredo Firefighters Retirement System had the following Corporate Bonds subject to interest and credit risk: iShares U.S. Aggregate Bond Index Fund and PIMCO Real Return Fund.

Concentration of Credit Risk. Concentration of credit risk is the risk of loss attributed to the magnitude of a government's investment in a single issuer. As per the City's investment policy, no more than 50% of the City's total investment portfolio will be invested in a single security type, with the exception of U.S. Treasury securities. Of the City's total investments, 100% were invested in Local Government Investment Pools and Bank Certificates of Deposit. Of the Firefighters' Retirement System investments, 21% were invested in mutual funds and 79% in equities.

Custodial Credit Risk. For an investment security, custodial credit risk is the risk that in the event of a failure of the counterparty the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. As of September 30, 2019, the City had no repurchase agreements. The City's investment policy dictates that a third party financial institution, designated by the City, shall be the holder of the City's investment securities. The Firefighters' Retirement System investments are not exposed to custodial credit risk because all securities are held by the System's custodial bank in the System's name.

GASB Statement No. 72 requires investments to be measured at fair value. Fair value is defined as price that would be received when an asset is sold or paid to transfer a liability in an orderly transaction between market participants at the measurement date. This Statement established a hierarchy of inputs to measure the fair value that prioritizes the inputs into the following three categories:

Level 1 – Quoted prices for identical assets or liabilities in active markets that can be accessed at the measurement date.

Level 2 – Inputs that are observable (other than the quoted prices included in Level 1) either directly or indirectly for the asset or liability.

Level 3 – Unobservable inputs for the asset or liability.

The following table presents the city's investments measured at fair value on a recurring basis and the level of hierarchy used to measure the fair value:

	9/30/2019			
	Fair Value	Level 1	Level 2	Level 3
Investments by Fair Value Level				
Domestic Corporate Bonds	\$ 31,718,420	-	31,718,420	-
Domestic Stocks	65,037,596	65,037,596	-	-
Private Equity	2,007,336	2,007,336	-	-
Foreign Stocks	57,879,331	57,879,331	-	-
Money Market Accounts	2,058,766	2,058,767	-	-
Total Investments at Fair Value Level	158,701,449	126,983,030	31,718,420	-
Investments Measured at net Asset Value				
Managed Pool Accounts	60,664,773			
Money Market Accounts	74,553,509			
Certificate of Deposits	283,534,096			
Total Investments	\$ 577,453,827			

NOTE 6 - RECEIVABLES

The City's property tax is levied each October 1st on the assessed value listed on the tax roll as of the prior January 1st for all real and personal property located in the City. The City Charter stipulates that taxes shall become due on October 1st of the year of levy and shall be paid by the following January 31st. All real and personal property in the City on January 1st each year will be subject to lien from that date for taxes due thereon. The adjusted assessed value for the tax roll as of January 1, 2018, upon which the 2019 levy was based, was \$14,196,478,064.

The appraisal of property within the City is the responsibility of the Webb County Appraisal District. The Appraisal District is required under the Property Tax Code to assess all property within the Appraisal District on the basis of 100% of its market value. The value of property within the Appraisal District must be reviewed every three years; however, the City may, at its own expense, require more frequent reviews of appraised value. The Webb County Appraisal District has chosen to review the value of property every year. Under this legislation, the City continues to set tax rates on property within the City limits. However, if the effective tax rate exceeds the rate for the previous year by more than 8% qualified voters of the City may petition for an election to determine whether to limit the tax rate to no more than 8% above the effective tax rate of the previous year.

The City is permitted by Article II, Section 5 of the State of Texas Constitution to levy taxes up to \$2.50 per \$100 of assessed valuation for general governmental services; including the payment of principal and interest on general obligation long-term debt. Under the 1981 City Charter, the City's power of taxation is restricted to State statutes. The City Council has considered \$1.50 as the maximum tax per \$100 assessed valuation.

The tax rate to finance general governmental services including the payment and interest on long-term debt for the year ended September 30, 2019 was \$.634000 per \$100 of assessed valuation (\$.488732 for general government and \$.145268 for debt service). Thus, the City has a tax margin of approximately \$.866000 per \$100, and could levy approximately \$122,941,500 in additional taxes per year from the present assessed valuation of \$14,196,478,064 before the limit is reached. Because of limitations imposed by state law, cases in which accumulated taxes exceed property value, other problems in tax collection and because of the possible uncollectibility of certain other accounts receivable, allowances have been provided for uncollectible accounts resulting in only the net collectible amounts being reflected in the balance sheet.

The net receivables and allowances for uncollectible accounts for taxes and other receivables as of September 30, 2019 are reflected in the following table:

	Accounts	Property Taxes	Hotel/Motel Taxes	Notes	Accured Interest	Paving Assessment	Total Net Receivables
Governmental Activities	\$ 17,133,372	7,957,923	431,997	16,713,558	2,014,701	3,705	44,255,256
Business-Type Funds							
Bridge	\$ -	-	-	-	182,582	-	182,582
Waterworks System	6,606,691	-	-	1,242	780,630	-	7,388,563
Sewer System	5,318,382	-	-	12,174	588,220	-	5,918,776
Solid Waste	1,736,902	-	-	-	592,446	-	2,329,348
Other Enterprise Funds	29,630	-	-	-	43,524	-	73,154
Total Business Type Funds	\$ 13,691,605	-	-	13,416	2,187,402	-	15,892,423
Allowance for Uncollectible	\$ 63,261,258	62,135	11,970	1,378,888	-	143,225	64,857,476

NOTE 7 - RESTRICTED ASSETS FOR ENTERPRISE FUND TYPES

Certain proceeds of enterprise fund revenue bonds, as well as certain resources set aside for their repayment, are classified as restricted assets on the balance sheet because their use is limited by applicable bond covenants.

The "revenue bond retirement reserve" is used to report resources set aside to make up potential future deficiencies in the revenue bond current debt service account. The "revenue bond contingency" is used to report resources set aside to subsidize potential deficiencies from the enterprise fund's operation that could adversely affect debt service payments. The "construction account" is used to report those proceeds of bond issuance that are restricted for use in construction. The "water rights" account is used to report revenue received through water availability charges.

The following table summarizes restricted assets by purpose as of September 30, 2019:

	Other Enterprise Fund	Bridge System	Waterworks System	Sewer System	Solid Waste	Total
Revenue Bond Retirement Reserve \$	-	2,733,396	12,098,738	10,084,746	-	24,916,880
Revenue Bond Contingency	-	500,000	-	-	-	500,000
Construction Account	-	873,066	1,545,854	15,263,879	8,586,048	26,268,847
Water Rights	-	-	5,205,834	-	-	5,205,834
Total Restricted Assets	\$ -	4,106,462	18,850,426	25,348,625	8,586,048	56,891,561

NOTE 8 – CAPITAL ASSETS

Capital asset activity for the year ended September 30, 2019 was as follows:

A – Governmental Activities:

	Balance as of September 30, 2018	Additions	Deletions and Transfers	Balance as of September 30, 2019
Capital Assets, Not Being Depreciated:				
Land	\$ 99,979,314	3,143,452	(109,334)	103,013,432
Construction in Progress	6,797,737	1,012,368	(1,373,637)	6,436,468
Total Capital Assets, Not Being Depreciated	106,777,051	4,155,820	(1,482,971)	109,449,900
Capital Assets Being Depreciated:				
Buildings	223,243,913	583,180	1,161,398	224,988,491
Improvements Other Than Buildings	771,110,450	27,842,170	212,240	799,164,860
Machinery & Equipment	145,603,485	8,937,305	(4,553,467)	149,987,323
Total Assets Being Depreciated	1,139,957,848	37,362,655	(3,179,829)	1,174,140,674
Less Accumulated Depreciation For:				
Buildings	(67,521,460)	(5,414,820)	-	(72,936,280)
Improvements Other Than Buildings	(351,082,204)	(26,089,185)	-	(377,171,389)
Machinery & Equipment	(108,445,122)	(9,123,688)	4,376,257	(113,192,553)
Total Accumulated Depreciation	(527,048,786)	(40,627,693)	4,376,257	(563,300,222)
Total Capital Assets, Being Depreciated, Net	612,909,062	(3,265,038)	1,196,428	610,840,452
Governmental Activities Capital Assets, Net	\$ 719,686,113	890,782	(286,543)	720,290,352

B- Business Type Activities:

	Balance as of September 30, 2018	Additions	Deletions and Transfers	Balance as of September 30, 2019
Capital Assets, Not Being Depreciated:				
Land	\$ 41,391,489	11,849	-	41,403,338
Construction in Progress	32,381,901	14,738,412	(9,287,272)	37,833,041
Waterrights	51,800,919	-	-	51,800,919
Total Capital Assets, Not Being Depreciated	125,574,309	14,750,261	(9,287,272)	131,037,298
Capital Assets Being Depreciated:				
Buildings	332,321,766	-	3,381,229	335,702,995
Improvements Other Than Buildings	495,164,171	6,672,370	5,537,316	507,373,857
Machinery & Equipment	98,751,089	10,388,439	(4,611,773)	104,527,755
Total Assets Being Depreciated	926,237,026	17,060,809	4,306,772	947,604,607
Less Accumulated Depreciation For:				
Buildings	(60,564,125)	(7,298,916)	-	(67,863,041)
Improvements Other Than Buildings	(247,028,979)	(14,748,532)	-	(261,777,511)
Machinery & Equipment	(75,420,032)	(7,562,860)	4,511,538	(78,471,354)
Total Accumulated Depreciation	(383,013,136)	(29,610,308)	4,511,538	(408,111,906)
Total Capital Assets, Being Depreciated, Net	543,223,890	(12,549,499)	8,818,310	539,492,701
Business Type Activities Capital Assets, Net	\$ 668,798,199	2,200,762	(468,962)	670,529,999

Depreciation expense was charged to functions/program of the primary government as follows:

Government Activities:	
General Government	\$ 2,054,922
Public Health	1,742,241
Culture and Recreational	750,225
Public Works	27,922,631
Public Safety	1,583,420
Air Transportation	5,977,741
Capital assets held by the government's internal service funds are charged to the various functions based on their usage of the assets	596,513
Total depreciation expense-governmental activities	\$ 40,627,693

Business-Type Activities:		
Solid Waste Management	\$	4,247,951
Municipal Transit System		2,516,530
Bridge System		3,251,967
Waterworks System		11,515,585
Sewer System		8,041,944
Municipal Housing		36,331
Total depreciation expense-business-type activities	\$	<u>29,610,308</u>

NOTE 9 - RETIREMENT PLANS

Texas Municipal Retirement System (TMRS)

General Information

The City provides benefits for all of its full-time employees (except for firefighters) through a non-traditional, joint contributory, hybrid defined benefit plan in the state-wide Texas Municipal Retirement System (TMRS), one of 887 administered by TMRS, an agent multiple-employer public employee retirement system.

Benefits

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

Deposit Rate:	7%
Matching Ratio (City to Employee)	2 to 1
A member is vested after	5 years

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

Contributions

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

employee's contributions are made. The normal cost contribution rate is the actuarially determined percent of payroll necessary to satisfy the obligation of the City to each employee at the time his/her retirement becomes effective. The prior service contribution rate amortizes the unfunded (over-funded) actuarial liability (asset) over the remainder of the plan's 25-year amortization period. The entry age normal actuarial cost method is used for determining the City contribution rate. Both the employees and the City make contributions monthly. Since the City needs to know its contribution rate in advance for budgetary purposes, there is a one-year delay between the actuarial valuation that is the basis for the rate and the calendar year when the rate goes into effect. (i.e. December 31, 2015 valuation is effective for rates beginning January 2017).

As of actuarial valuation and measurement date of 12/31/18, membership data for the City's pension plan is as follows:

Number of:

Inactive employees or beneficiaries currently receiving benefits	979
Inactive employees entitled to but not yet receiving benefits	595
Active employees	<u>2,136</u>
Total	<u>3,710</u>

Actuarial Assumptions

Actuarial Cost Method -	Entry Age Normal
Amortization Method-	Level Percent of Payroll
Remaining Amortization Period-	25 Years – Closed Period
Asset Valuation Method-	10-year smoothed market
Investment Rate of Return-	6.75%
Projected Salary Increases	3.50% including inflation
Includes Inflation At	2.5%

The City of Laredo is one of 887 municipalities having the benefit plan administered by TMRS. Each of the 887 municipalities has an annual, individual actuarial valuation performed. All assumptions of the December 31, 2018 valuations are contained in the 2017 TMRS Comprehensive Annual Financial Report, a copy of which may be obtained by writing to P. O. Box 149153, Austin TX 78714-9153.

Net Pension Liability

Under GASB 68, the City is required to recognize specific pension amounts, which include Net Pension Liability (NPL), deferred outflows and inflows of resources, and pension expense. The Total Pension Liability (TPL) (present value of actuarially determined pension benefits) less the value of the assets available in the plan to pay the pension benefits (Fiduciary Net Position or FNP) results in the NPL; this NPL will appear on the City's Statement of Net Position. The City's NPL was measured as of December 31, 2018 and the TPL used to calculate the NPL was determined by an actuarial valuation as of that date.

Actuarial Valuation and Measurement Date, December 31, 2018

Total Pension Liability	\$660,146,822
Plan Fiduciary Net Position	<u>\$484,520,163</u>
Net Pension Liability	<u>\$175,626,659</u>

A schedule of Net Pension Liability, in addition to the information above, includes multi-year trend information (beginning with 2014) and is presented in the Required Supplementary Information section.

Schedule of Changes in Net Pension Liability

Changes in the City's Net Pension Liability and Related Ratios as of 12/31/18 are presented below:

Total pension liability

Service cost	\$ 18,935,093
Interest (on the Total Pension Liability)	41,776,661
Changes of benefit terms	-
Difference between expected and actual experience	408,431
Changes of assumptions	-
Benefit payments, including refunds of employee contributions	<u>(20,838,620)</u>
Net change in total pension liability	40,281,565
Total pension liability-beginning	<u>619,865,257</u>
Total pension liability-ending	<u>\$ 660,146,822</u>

Plan fiduciary net position

Contributions-employer	\$ 23,259,291
Contributions-employee	7,801,392
Net investment income	(14,669,500)
Benefit payments, including refunds of employee contributions	(20,838,620)
Administrative Expense	(283,249)
Other	<u>(14,799)</u>
Net change in plan fiduciary net position	(4,745,485)
Plan fiduciary net position-beginning	<u>489,265,648</u>
Plan fiduciary net position-ending	<u>\$ 484,520,163</u>

Net Change	45,027,050
Net pension liability-beginning	<u>130,599,609</u>
Net pension liability-ending	<u>\$ 175,626,659</u>

Pension Expense

Total Service Cost	\$ 18,935,093
Interest on the Total Pension Liability	41,776,661
Current Period Benefit Changes	-
Employee Contributions (Reduction of Expenses)	(7,801,392)
Projected Earnings on Plan Investments (Reduction of Expense)	(33,025,431)
Administrative Expense	283,249
Other Changes in Fiduciary Net Position	14,799
Recognition of Current Year Outflow (Inflow) of Resources-Liabilities	73,724
Recognition of Current Year Outflow (Inflow) of Resources-Assets	9,538,986
Amortization of Prior Year Outflow (Inflow) of Resources-Liabilities	(2,682,895)
Amortization of Prior Year Outflow (Inflow) of Resources-Assets	(73,030)
Total Pension Expense	\$ <u><u>27,039,764</u></u>

Schedule of Deferred Outflow and Inflows of Resources

	Recognition Period (or amortization yrs)	Total (Inflow) or Outflow of Resources	2018 Recognized in current pension expense	Deferred (Inflow)/Outflow in future expense
Due to Liabilities:				
Difference in expected and actual experience (actuarial (gains) or losses)	5.54	\$ 408,431	\$ 73,724	\$ 334,707
Difference in assumption change (actuarial (gains) or losses)	5.54	-	-	-
			\$ 73,724	\$ 334,707
Due to Assets:				
Difference in projected and actual earnings on pension plan investments (actuarial (gains) or losses)	5.00	47,694,931	9,538,986	\$ 38,155,945
Contributions after 12/31/18	0.00	18,982,051	-	18,982,051
			\$ 9,538,986	\$ 57,137,996
Total:			\$	\$ <u><u>57,472,703</u></u>

Deferred Outflows and Deferred Inflows of Resources, by year, to be recognized in future pension expense as follows:

	Net deferred outflows (inflows) of resource
2019 \$	6,010,088
2020	1,925,618
2021	3,086,422
2022	9,417,007
2023	39,811
Thereafter	-
Total \$	<u>20,478,946</u>

Discount Rate

The discount rate used to measure the Total Pension Liability was 6.750%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

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

The following presents the net pension liability of the City, calculated using the discount rate of **6.75%**, as well as what the City's net pension liability would be if it were calculated using a discount rate that is 1-percentage-point lower (5.75%) or 1-percentage-point higher (7.75%) than the current rate:

	1% Decrease 5.75%	Discount Rate 6.75%	1% Increase 7.75%
City's net pension liability \$	274,456,433	\$ 175,626,659	\$ 94,793,793

Laredo Firefighters' Retirement System

The Financial Statements are reported using the economic resources measurement focus and the accrual basis of accounting.

The Board of Trustees of the Laredo Firefighters Retirement System is the administrator of a single-employer defined benefit pension plan. The Laredo Firefighters Retirement System is considered

part of the City of Laredo financial reporting entity and is included in the City's financial reports as a pension trust fund.

The Laredo Firefighters Retirement System covers the firefighters in the Laredo Fire Department. The table below summarizes the membership of the System reflected in the actuarial valuation as of September 30, 2018, which is performed every two years. Subsequent biennial actuarial valuations will be as of September 30 in even-numbered years. Information from the latest valuation report dated September 30, 2018 is shown below.

	9/30/18
Retirees and beneficiaries currently receiving benefits	158
Inactive employees entitled to but not yet receiving benefits	0
Active employees	410
Total	<u>568</u>

The Laredo Firefighters Retirement System provides service retirement, death, disability, and withdrawal benefits. These benefits vest after 20 years of credited service. Employees may retire at age 50 with 20 years of service. As of the September 30, 2016 valuation date, the present plan provides a monthly normal service retirement benefit, payable in a Joint and Two-Thirds to Spouse form of annuity. The monthly benefit is equal to 3.03% of Final Average Monthly Salary for each year of service.

There is no provision for automatic postretirement benefit increases. The System has the authority to provide, and has periodically in the past provided for, ad hoc postretirement benefit increases. The Texas Local Fire Fighters' Retirement Act (TLFFRA) authorizes the benefit provisions of this plan. TLFFRA provides the authority and procedure to amend benefit provisions.

Contributions Required and Contributions Made

The contribution provisions of this plan are authorized by TLFFRA. TLFFRA provides the authority and procedure to change the amount of contributions determined as a percentage of pay by each firefighter and a percentage of payroll by the city. While the contribution requirements are not actuarially determined, state law requires that each plan of benefits adopted by the System must be approved by an eligible actuary. The actuary certifies that the contribution commitment by the firefighters and the City provides an adequate financing arrangement. Using the entry age actuarial cost method, the plan's normal cost contribution rate is determined as a percentage of payroll. The excess of the total contribution rate over the normal cost contributions rate is used to amortize the plan's unfunded actuarial accrued liability, and the number of years needed to amortize the plan's unfunded actuarial accrued liability is determined using an open, level percentage of payroll method.

The costs of administering the plan are financed from the trust. The funding policy of the Laredo Firefighters Retirement System requires contributions equal to 15% of pay by the firefighters. Currently, the City contributes 20.10% of pay for each active firefighter. The actuarial valuation

includes the assumption that the city contribution rate will be 20.10% over the UAAL amortization period.

Annual Pension Cost

For the fiscal year ending September 30, 2019, the City of Laredo's annual pension cost of \$12,543,028 for the Laredo Firefighters Retirement System was equal to the City's required and actual contributions during the year. While the required contributions were not actuarially determined but were a fixed percentage, the plan benefits which was most recently amended effective as of February 9, 2012 has been approved by the Board's actuary as having an adequate financing arrangement. For the year ending September 30, 2019 the city contribution rate was 20.10% of pay for all firefighters. The required contributions were reflected in the September 30, 2018 actuarial valuation.

The entry age actuarial cost method was used, with the normal cost calculated as a level percentage of payroll. The actuarial value is equal to the expected actuarial value of assets adjusted by 40% of the difference between the actual market value and the expected actuarial value. The actuarial value is not more than 110% or less than 90% of the actual market value of assets. The actuarial assumptions included an investment return assumption of 7.50% per year (net of expenses), projected salary increases averaging 2.75% per year as a general salary increase. An inflation assumption of 2.75% per year is included in the investment return and salary increase assumptions. The unfunded actuarial accrued liability (UAAL) is amortized with the excess of the total contribution rate over the normal cost rate. The number of years needed to amortize the UAAL is determined using an open, level percentage of payroll method; assuming that the payroll will increase 2.75% per year, and was 30 years as of September 30, 2018 actuarial valuation.

Schedule of Employer Contributions

Plan Year Ended	Annual Contribution As a Percentage of Payroll	Annual Required Contribution	Percentage of Required Contribution
9/30/2010	17.65%	4,616,573	100%
9/30/2011	17.90%	4,644,823	100%
9/30/2012	18.15%	5,311,893	100%
9/30/2013	18.40%	5,625,179	100%
9/30/2014	20.10%	6,044,620	100%
9/30/2015	20.10%	6,221,242	100%
9/30/2016	20.10%	6,801,034	100%
9/30/2017	20.10%	6,845,693	100%
9/30/2018	20.10%	7,264,588	100%
9/30/2019	20.10%	7,555,193	100%

A copy of the financial and pension plan report may be obtained by writing to: Laredo Firefighters Retirement System, 5219 Tesoro Plaza, Laredo, TX 78041.

Net Pension Liability

The System's net pension liability was measured as of September 30, 2018, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Total Pension Liability	\$259,783,415
Plan Fiduciary Net Position	<u>\$154,813,837</u>
Net Pension Liability	<u>\$104,969,578</u>

Schedule of Changes in Net Pension Liability

Changes in the System's Net Pension Liability and Related Ratios as of fiscal year ended 9/30/19 are presented below:

Total pension liability

Service cost	\$ 6,711,542
Interest (on the Total Pension Liability)	18,757,868
Changes of benefit terms	-
Difference between expected and actual experience	(5,966,888)
Changes of assumptions	14,786,931
Benefit payments, including refunds of employee contributions	<u>(10,471,721)</u>
Net change in total pension liability	23,817,732
Total pension liability-beginning	<u>235,965,683</u>
Total pension liability-ending	<u>\$ 259,783,415</u>

Plan fiduciary net position

Contributions-employer	\$ 7,264,588
Contributions-employee	5,416,147
Net investment income	10,891,487
Benefit payments, including refunds of employee contributions	(10,471,721)
Administrative Expense	(272,399)
Other	<u>2,461</u>
Net change in plan fiduciary net position	12,830,563
Plan fiduciary net position-beginning	<u>141,983,274</u>
Plan fiduciary net position-ending	<u>\$ 154,813,837</u>

Net Change	\$ 10,987,169
Net pension liability-beginning	<u>93,982,409</u>
Net pension liability-ending	<u>\$ 104,969,578</u>

Pension Expense

Total Service Cost	\$ 6,711,542
Interest on the Total Pension Liability	18,757,868
Employee Contributions (Reduction of Expenses)	(5,416,147)
Projected Earnings on Plan Investments (Reduction of Expense)	(11,293,175)
Amortization of differences between projected and actual earnings on plan investments	2,108,518
Amortization of changes of assumptions	1,697,934
Amortization of differences between expected and actual experience	(295,911)
Pension Plan administrative expenses	272,399
Changes of benefit provisions	-
Total Pension Expense	<u>\$ 12,543,028</u>

Schedule of Deferred Outflows and Inflows of Resources

	Recognition Period (or amortization yrs)	Total (Inflow) or Outflow of Resources	2019 Recognized in current pension expense	Deferred (Inflow)/Outflow in future expense
Due to Liabilities				
Difference in projected and actual earnings on pension plan investments (actuarial (gains) or losses)	5.00	\$ 2,804,870	\$ 2,108,518	\$ 696,352
Changes of assumptions	5.00	17,918,802	1,697,934	16,220,868
Difference between expected and actual experience	5.00	2,153,753	170,623	1,983,130
Contributions after 9/30/18	-	7,555,193	-	7,555,193
			<u>\$ 3,977,075</u>	<u>\$ 26,455,543</u>
Due to Assets				
Difference between expected and actual experience	5.00	(5,888,998)	<u>\$ (466,534)</u>	<u>\$ (5,422,464)</u>
Total:				<u>\$ 21,033,079</u>

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

	Net deferred outflows (inflows) of resource
2020	\$ 3,582,540
2021	590,767
2022	649,269
2023	1,481,868
2024	1,402,023
Thereafter	5,771,419
Total	<u>\$ 13,477,886</u>

Discount Rate

The discount rate used to measure the total pension liability was 7.50%. No project of cash flows was used to determine the discount rate because the 9/30/18 actuarial valuation showed the expected contributions would pay the normal cost and amortize the unfunded actuarial accrued liability (UAAL) in 43 years. Because of the 43-year amortization period of the UAAL with the lower value of assets, the pension plan's fiduciary net position is expected to be available to make all projected future benefit payments of current active and inactive members. Therefore, the long-term expected rate of return on pension plan investments of 7.50% was applied to all periods of projected benefit payments as the discount rate to determine the total pension liability.

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

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

	1% Decrease 6.50%	Discount Rate 7.50%	1% Increase 8.50%
City's net pension liability	\$ 139,815,811	\$ 104,969,578	\$ 76,133,376

Laredo Transit Management, Inc. System

The financial statements are reported using the economic resources measurement focus and the modified accrual basis of accounting.

The Laredo Transit Management System (LTMI) defined benefit plan is a single-employer defined benefit plan. The Laredo Transit Management System is considered part of the City of Laredo financial reporting entity and is included in the City's financial reports as an Enterprise Fund. The plan is subject to the provisions of the Employee Retirement Income Security Act of 1974. The Plan's assets are held by the Trustee of the Plan. Company contributions are held and managed by the Trustee, which invests cash received, interest, and dividend income and makes distributions to participants.

LTMI defined benefit plan provides retirement benefits to eligible employees in the El Metro system. The table below summarizes the membership of the System reflected in the actuarial valuation as of September 30, 2019.

	<u>9/30/19</u>
Active Participants	169
Retirees and Beneficiaries	41
Inactive, Non-Retired Participants	<u>61</u>
Total	<u>271</u>

LTMI System provides service retirement, death, disability, and withdrawal benefits. These benefits vest after 5 years of vesting service. Employees may retire at age 50 and completion of 20 years of credited service. The benefit to each employee will equal \$52.08 multiplied by the total years of service before July 1, 2014 and \$57.08 multiplied by credit service earned on or after July 1, 2014. Employees may elect to receive their pension benefits in the form of a joint and survivor annuity. Employees may elect to receive the value of their accumulated plan benefits as a lump-sum distribution upon retirement or termination, or they may elect to receive their benefits as a life annuity payable monthly from retirement.

There are no automatic increases (COLAs) applied to the benefit formula; however, from time to time, there is an ad hoc increase.

The contribution provisions of the plan are authorized by LTMI. Annual contribution amounts are based on the amounts agreed on their Labor Union Contract negotiated every five years.

For the fiscal year ended September 30, 2019, LTMI's annual pension cost of \$825,000 was equal to the required and actual contributions during the year.

The funding method being used by plan is Entry Age Normal. The benefit is not related to compensation. Thus, the normal cost and accrued liability are determined based upon the level dollar not a level percentage of pay. The period over which the normal cost is spread is the plan year containing the participant's hire date and the period ending with the plan year containing the participant normal retirement date.

Schedule of Contributions

FY Ending 9/30	Actuarially Determined Contribution	Actual Contribution	Contribution Deficiency (Excess)	Covered Valuation Payroll	Actual Contribution as % of Covered Valuation Payroll
2016	643,000	600,000	43,000	6,772,317	8.86%
2017	790,120	877,000	(86,880)	6,873,995	12.76%
2018	927,081	950,000	(22,919)	7,045,845	13.48%
2019	1,042,376	825,000	217,376	7,149,335	11.54%

Additional years will be built prospectively.

A copy of the financial and pension plan report may be obtained by writing: Laredo Transit Management, Inc., 1301 Farragut St, 3rd Floor, Laredo, Tx 78040.

Net Pension Liability

Actuarial Valuation and Measurement Date, September 30, 2019.

The system's net pension liability was measured as of September 30, 2019, and the total pension liability used to calculate the net pension liability was determined by an actuarial valuation as of that date.

Total Pension Liability	\$12,343,741
Plan Fiduciary Net Position	<u>\$10,556,378</u>
Net Pension Liability	<u>\$ 1,787,363</u>

A. Schedule of Changes in Net Pension Liability

Total pension liability

Service cost	\$	309,361
Interest (on the Total Pension Liability)		729,535
Changes of benefit terms		-
Difference between expected and actual experience		(182,684)
Changes of assumptions		188,764
Benefit payments, including refunds of employee contributions		(188,309)
Net change in total pension liability		856,667
Total pension liability-beginning		11,487,074
Total pension liability-ending	\$	<u>12,343,741</u>

Plan fiduciary net position

Contributions-employer	\$	825,000
Contributions-employee		53,040
Net investment income		431,289
Benefit payments, including refunds of employee contributions		(188,309)
Administrative Expense		(197,859)
Other		-
Net change in plan fiduciary net position	\$	923,161
Plan fiduciary net position-beginning		9,633,217
Plan fiduciary net position-ending	\$	<u>10,556,378</u>

Net Change	\$	(66,494)
Net pension liability-beginning		1,853,857
Net pension liability-ending	\$	<u>1,787,363</u>

B. Pension Expense

Total Service Cost	\$	309,361
Interest on the Total Pension Liability		729,536
Employee Contributions (Reduction of Expenses)		(53,040)
Projected Earnings on Plan Investments (Reduction of Expense)		(632,266)
Administrative Expenses		197,859
Assumption Changes		27,772
Difference between expected and actual experience		29,189
Difference between projected and actual investment earnings on plan investments		26,651
Total Pension Expense	\$	<u>635,062</u>

C. Schedule of Deferred Outflows and Inflows of Resources

	Recognition Period (or amortization yrs)	Total (Inflow) or Outflow of Resources	2019 Recognized in current pension expense	Deferred (Inflow)/Outflow in future expense
Due To Liabilities				
Difference in expected and actual experience	6.00	\$ 311,615	\$ 56,066	\$ 255,549
Assumption Changes	6.00	188,764	27,772	160,992
Difference in projected and actual investment earnings	6.00	340,081	<u>74,971</u>	<u>265,110</u>
Total			\$ <u>158,809</u>	\$ <u>681,651</u>
Due To Assets				
Difference in expected and actual experience	6.00	\$ (182,684)	\$ (26,877)	\$ (155,807)
Difference in projected and actual investment earnings	6.00	(131,394)	<u>(48,320)</u>	<u>(83,074)</u>
			\$ <u>(75,197)</u>	<u>(238,881)</u>
Total				\$ <u>442,770</u>

Deferred Outflows and Deferred Inflows of Resources, by year, to be recognized in future pension expense as follows:

	Net deferred outflows (inflows) of resource
2020	\$ 83,610
2021	96,641
2022	131,932
2023	96,726
2024	32,612
2025	<u>710</u>
Total	\$ <u>442,231</u>

D. Discount Rate

The discount rate used to measure the Total Pension Liability was 6.40%. The pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

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

	1% Decrease	Discount Rate	1% Increase
	5.40%	6.40%	7.40%
LTMI's net pension liability	\$ 3,676,383	\$ 1,787,363	\$ 259,164

Summary

Pension Expense for the fiscal year ended September 30, 2019 are as follows:

TMRS	\$ 27,039,764
Laredo Firefighters	12,543,028
Laredo Transit	635,062
Total	<u>\$ 40,217,854</u>

Deferred outflows of resources and deferred inflows of resources related to pensions for the fiscal year ended September 30, 2019 are as follows:

	TMRS		Laredo Firefighters		Laredo Transit	
	Deferred Outflows of Resources	Deferred (Inflows) of Resources	Deferred Outflows of Resources	Deferred (Inflows) of Resources	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Difference in expected and actual experience	\$ 334,707	-	1,983,130	(5,422,464)	255,549	(155,807)
Difference in projected and actual earnings	38,155,945	-	696,352	-	265,110	(83,074)
Changes of assumptions	-	-	16,220,868	-	160,992	-
Contributions after measurement date	18,982,051	-	7,555,193	-	-	-
Total	\$ 57,472,703	-	26,455,543	(5,422,464)	681,651	(238,881)

	Total	
	Deferred Outflows of Resources	Deferred (Inflows) of Resources
Difference in expected and actual experience	\$ 2,573,386	(5,578,271)
Difference in projected and actual earnings	39,117,407	(83,074)
Changes of assumption	16,381,860	-
Contributions after measurment date	26,537,244	-
Total	\$ 84,609,897	(5,661,345)

	Net Deferred Outflows/(Inflows) of Resources			
	TMRS	Laredo Fire	Laredo Transit	Total
2019	\$ 6,010,088	-	-	6,010,088
2020	1,925,618	3,582,540	83,610	5,591,768
2021	3,086,422	590,767	96,641	3,773,830
2022	9,417,007	649,269	131,932	10,198,208
2023	39,811	1,481,868	96,726	1,618,405
2024	-	1,402,023	32,612	1,434,635
Thereafter	-	5,771,419	710	5,772,129
Total	\$ 20,478,946	13,477,886	442,231	34,399,063

NOTE 10 - POST EMPLOYMENT BENEFITS OTHER THAN PENSION BENEFITS

Plan Description:

The City provides retirement benefits through a single employer defined benefit plans. Police and City Employees who have twenty (20) years of service or have attained age sixty (60) with five years of service and Firefighters who have attained age forty five (45) with twenty (20) years of service with the City of Laredo are eligible for a service or early retirement, or qualified for a disability retirement under the Texas Municipal Retirement System, or the Fireman's Relief and Retirement Fund, may continue coverage in the City of Laredo Medical Plan as a retiree, at the time service terminates with the City of Laredo. An eligible employee may elect coverage for his or her dependents.

The widow/widower of a retiree who has coverage as a retiree under the City of Laredo Medical Plan may continue coverage as a retiree.

Currently, 239 retirees meet those eligibility requirements. The City reimburses 80% of the amount of validated claims for medical and hospitalization costs incurred by pre-Medicare retirees and their dependents. Expenditures for postretirement health care benefits are recognized as retiree's report claims and include a provision for estimated claims incurred but not yet reported to the City.

Prior to age 65, retirees participate in the City's Medical Plan. At age 65, retirees are offered a Medicare Supplemental Plan (United American), but the full cost is borne by the retirees. However, retirees can continue to participate in the City's prescription drug program after age 65. There is a \$750-\$1,000 deductible per person with an additional maximum out of pocket cost of \$7,150. The prescription co-pay is \$15 for generic and \$40 for brand name prescriptions and \$60 for preferred brand.

The Police and Firefighters are provided with a \$2,000 life insurance policy at retirement.

Annual contribution rates for retirees not currently eligible for Medicare:

	Retiree Only	Retiree & Spouse	Retiree & Family
Police	\$ 6,737	\$ 15,251	\$ 15,251
Fire	\$ 6,737	\$ 9,197	\$ 9,197
City Employees	\$ 3,747	\$ 9,197	\$ 9,197

Annual contribution rates for retirees who are eligible for Medicare coverage (these contributions are for prescription drug only-other medical benefits not available through the City's Medical Plan):

	Retiree Only	Retiree & Spouse	Retiree & Family
Police & Fire	\$ 5,023	\$ 9,890	N/A
Fire	\$ 4,867	\$ 9,739	N/A
City Employees	\$ 4,867	\$ 9,739	N/A

The City is required to contribute at a rate that is based on an actuarial valuation that is prepared in accordance within certain parameters.

OPEB Liabilities:

At 09/30/2019, the City reported a liability of \$214,884,360 for its proportionate share of the net OPEB liability. The total OPEB liability was determined by an actuarial valuation as of the valuation date, calculated based on the discount rate and actuarial assumptions below, and was then projected forward to the measurement date.

Total OPEB Liability:

	<u>September 30, 2018</u>	<u>September 30, 2019</u>
Total OPEB Liability	\$165,831,405	\$214,884,360
Covered Payroll	133,152,871	137,663,439
Total OPEB Liability as a % of Covered Payroll	124.54%	156.09%

Discount Rate:

	<u>September 30, 2018</u>	<u>September 30, 2019</u>
Discount Rate	4.18%	2.66%
20 Year Tax-Exempt Municipal Bond Yield	4.18%	2.66%

The discount rate was based on the Bond Buyer General Obligation 20-Bond Municipal Index.

Other Key Actuarial Assumptions

The plan has not had a formal actuarial experience study performed.

	<u>September 30, 2018</u>	<u>September 30, 2019</u>
Valuation Date	October 1, 2016	October 1, 2019
Measurement Date	September 30, 2018	September 30, 2019
Actuarial Cost Method	Entry Age Normal	Entry Age Normal
Inflation	2.50%	2.30%
Medical Trend Rate	See Actuarial Method Section	See Actuarial Method Section
Salary Increases including Inflation	3.00%	3.00%

Changes in Total OPEB Liability	Increase/ (Decrease) Total OPEB Liability
Balances as of September 30, 2018	<u>\$165,831,405</u>
Changes for the Year:	
Service Cost	7,892,469
Interest on Total OPEB Liability	6,723,464
Effect of Plan Changes	-
Effect of economic/demographic gains or losses	(10,789,640)
Effect of Assumptions, Changes or Inputs	49,441,385
Benefit Payments	<u>(4,214,723)</u>
Balance as of September 30, 2018	<u><u>\$214,884,360</u></u>

Sensitivity of the City's total OPEB liability to changes in the discount rate. The following presents the total OPEB liability of the City, calculated using the discount rate of 2.66%, as well as what the City's total OPEB liability would be if it were calculated using a discount rate that is 1 percentage point lower (1.66%) or 1 percentage point higher (3.66%) than the current rate.

	<u>1% Decrease 1.66%</u>	<u>Discount Rate 2.66%</u>	<u>1% Increase 3.66%</u>
Total OPEB Liability	\$ 256,405,572	\$ 214,884,360	\$ 182,347,080

The following presents the total liability of the City, calculated using the current healthcare cost trend rates as well as what the City's total OPEB liability would be if it were calculated using trend rates that are 1 percentage point lower or 1 percentage point higher than the current trend rates.

	<u>1% Decrease 1.66%</u>	<u>Current Trend Rate</u>	<u>1% Increase 3.66%</u>
Total OPEB Liability	\$ 176,420,046	\$ 214,884,360	\$ 266,237,023

	2019	2018	2017	2016	2015	2014	2013	2012	2011	2010
Total OPEB Liability										
Service Cost	7,892,469	9,148,227	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Interest on Total OPEB Liability	6,723,464	6,434,222	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Effect of Plan Changes	-	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Effect of Economic/Demographic gains/(losses)	(10,789,640)	-	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Effect of Assumption Changes or Inputs	49,441,385	(15,842,897)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Benefit Payments	(4,214,723)	(3,021,511)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Net Change in Total OPEB Liability	49,052,955	(3,281,959)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total OPEB Liability, Beginning	165,831,405	169,113,364	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total OPEB Liability, Ending	214,884,360	165,831,405	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Covered Payroll	137,663,439	133,152,871	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Total OPEB Liability as a % of Covered Payroll	156.09%	124.54%	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

OPEB Expense

October 1, 2018 to September 30, 2019

Service Cost	\$ 7,892,469
Interest on Total OPEB Liability	6,723,464
Effect of Plan Changes	-
Recognition of Deferred Inflows/Outflows of Resources	
Recognition of economic/demographic gains or losses	(1,172,787)
Recognition of Assumption Changes or Inputs	<u>3,670,527</u>
OPEB Expense	<u>\$ 17,113,673</u>

As of September 30, 2019, the deferred inflows and outflows of resources are as follows:

	<u>Deferred Inflows of Resources</u>	<u>Deferred Outflows of Resources</u>
Differences between Expected and Actual Experiences	(\$ 9,616,853)	\$ -
Changes of Assumptions	<u>(12,435,823)</u>	<u>44,067,321</u>
Total	<u>(\$22,052,676)</u>	<u>\$ 44,067,321</u>

The amounts currently reported as deferred outflows of resources and deferred inflows of resources related to other postemployment benefits will be recognized in OPEB expense as follows:

Year Ended September 30:	
2020	\$ 2,497,740
2021	2,497,740
2022	2,497,740
2023	2,497,740
2024	2,497,740
Thereafter	\$ 9,525,945

Actuarial Methods and Assumptions:

Projections of benefits for financial reporting purposes are based on the substantive plan as understood by the employer and the plan members and include the types of benefits provided at the time of each valuation and the historical pattern of sharing of benefit costs between the employer and plan members to that point. The actuarial methods and assumptions used include techniques that are designed to reduce short-term volatility in actuarial accrued liabilities and the actuarial value of assets, consistent with the long-term perspective of the calculations. The actuarial cost method determines, in a systematic way, the incidence of plan sponsor contributions required to provide plan benefits. It also determines how actuarial gains and losses are recognized in pension costs. These gains and losses result from the difference between the actual experience under the plan and the experience by the actuarial assumptions.

The cost of the Plan is derived by making certain specific assumptions as to rates of interest, mortality, turnover, etc. which are assumed to hold for many years in the future.

In the actuarial valuation performed October 1, 2019 with measurements at September 30, 2018 and September 30, 2019, the Entry Age Normal Actuarial Cost Method was used. Under this method, a projected retirement benefit at assumed retirement age is computed for each participant using anticipated future pay increases. The normal cost for each participant is computed as the level percentage of pay, which, if paid from each participant's date of employment by the employer or any predecessor employer (thus, entry age) to his assumed date, would accumulate with interest at the rate assumed in the valuation to an amount sufficient to fund his projected retirement benefit. The normal cost of the plan is the total of the individually computed normal costs for all participants including the costs for any death or disability benefits under the plan.

The accrued liability at any point in time for an active participant is the theoretical fund that would have been accumulated on his behalf from his normal cost payments and the earnings thereon for all

prior years if the plan had always been in effect. For persons receiving benefits or entitled to a deferred vested retirement income, the accrued liability cost is equal to the present value of their future benefit payments. The accrued liability for the plan is the total of the individually computed accrued liability for all participants. The unfunded accrued liability for the plan is the excess of the accrued liability over the assets that have been accumulated for the plan.

Other Assumptions:

Salary Increases: Salary is assumed a 3.00% per annum increase as of September 30, 2019.

Discount Rate: The discount rate is based on the Bond Buyer's 20-year General Obligation Index immediately prior to or coincident with the measurement date. The September 30, 2018 discount rate and the September 30, 2019 discount rate are 4.18% and 2.66%, respectively.

Inflation: The inflation rate is 2.30% per year.

Per Capita Medical Benefits Cost:

	Age	Retiree		Spouse	
		Male	Female	Male	Female
Medical/Rx	45	\$ 8,874	\$ 12,852	\$ 8,864	\$ 10,136
	50	9,712	11,960	9,902	11,031
	55	10,563	11,265	10,990	11,955
	60	12,102	12,041	12,571	12,949
	64	14,588	13,338	14,685	14,025
Fully Insured	65	4,793	4,626	4,793	4,626
	70	4,829	4,696	4,829	4,696
	75	4,993	4,776	4,993	4,776
	80	5,200	4,871	5,200	4,871
	85	\$ 5,403	\$ 5,028	\$ 5,403	\$ 5,028

Coverage: One Hundred percent (100%) of police and fire members are assumed to elect coverage at retirement. Twenty-five percent (25%) of all other members are assumed to elect coverage at retirement.

Marriage: For actives it is assumed that husbands are three years older than their wives. Fifty percent (50%) of active participants making it to retirement are assumed to be married and elect spouse coverage.

Decrement Timing: Decrements are assumed to occur in the middle of the year.

Mortality: PubG.H-2010 projected forward (fully generational) with MP-2019. Pub.2010 tables for disabled lives and contingent survivors were also used.

Medical Inflation (Trend Assumption):

Trend assumptions for medical, pharmacy,
and dental cost and retiree premiums for the next
30 years.

Year	Pre-65	Post-65
2019	5.20%	5.50%
2020	2.20%	4.90%
2021	5.10%	5.10%
2022	5.00%	5.00%
2023-2024	4.90%	4.90%
2025	4.80%	4.80%
2026	4.70%	4.70%
2027-2033	4.60%	4.60%
2034-2040	4.70%	4.70%
2041	4.80%	4.70%
2042	5.00%	4.70%
2043-2045	5.10%	4.80%
2046	5.30%	5.00%
2047	5.60%	5.10%
2048	5.70%	5.20%
2049	5.60%	5.10%

Disability:

Demographic assumptions regarding retirement,
disability, and termination are based on statistics taken
from pension valuations, Texas Municipal
Retirement System (TMRS) 2018 report.

Age	Rate
20	0.0004%
25	0.0025%
30	0.0099%
35	0.0259%
40	0.0494%
45	0.0804%
50	0.1188%
55	0.1647%
60	0.2180%
65	0.2787%

Retirement Rates:

Based on the 2018 TMRS Report

Age	Male	Female
40-44	6.0%	6.0%
45-49	6.0%	6.0%
50-54	8.0%	8.0%
55-59	14.0%	11.0%
60	20.0%	14.0%
61	25.0%	28.0%
62-65	32.0%	28.0%
66-69	22.0%	22.0%
70-74	20.0%	22.0%
75	100.0%	100.0%

Termination Rates:

After 10 years of service, base termination rates vary by gender and by the number of years remaining until first retirement eligibility

Year from Retirement	Male	Female
1	1.72%	2.20%
2	2.29%	2.97%
3	2.71%	3.54%
4	3.06%	4.01%
5	3.35%	4.41%
6	3.61%	4.77%
7	3.85%	5.10%
8	4.07%	5.40%
9	4.28%	5.68%
10	4.27%	5.94%
11	4.65%	6.19%
12	4.82%	6.43%
13	4.98%	6.66%
14	5.14%	6.87%
15	5.29%	7.08%

Supplemental Death Benefits

The City also participates in the cost sharing multiple-employer defined benefit group-term life insurance plan operated by the Texas Municipal Retirement System (TMRS) known as the Supplemental Death Benefits Fund (SDBF). The City elected, by ordinance, to provide group-term life insurance coverage to both current and retired employees. The City may terminate coverage under and discontinue participation in the SDBF by adopting an ordinance before November 1 of any year to be effective the following January 1.

The death benefit for active employees provides a lump-sum payment approximately equal to the employee's annual salary (calculated based on the employee's actual earnings, for the 12-month period preceding the month of death); retired employees are insured for \$7,500; this coverage is an "other postemployment benefit" or OPEB.

The City contributes to the SDBF at a contractually required rate as determined by an annual actuarial valuation. The rate is equal to the cost of providing one-year term life insurance. The funding policy for the SDBF program is to assure that adequate resources are available to meet all death benefit payments for the upcoming year; the intent is not to pre-fund retiree term life insurance during employees' entire careers.

The City's contribution to the TMRS SDBF for the years ended 2019, 2018, 2017, and 2016 were \$245,268, \$219,946, \$201,223, and \$200,750, respectively, which equaled the required contributions each year.

NOTE 11 - GENERAL LONG-TERM OBLIGATIONS

The following is a summary of changes in the City's general long-term obligations for the year ended September 30, 2019:

	General Obligation Serial Bonds	Certificates of Obligation	Revenue Bonds	Compensated Absences	Capital Lease Obligations	Notes Payable	Net Pension Obligations (OPEB)
Long Term Obligations:							
Beginning Balances	\$ 113,559,150	85,450,142	24,444,531	36,382,565	5,035,871	-	165,831,405
Increases	-	15,065,000	-	-	-	-	49,052,955
Amort-Premiums	(1,202,984)	475,494	(310,906)	-	-	-	-
Decreases	<u>(18,298,440)</u>	<u>(10,981,641)</u>	<u>(5,005,000)</u>	<u>(988,315)</u>	<u>(1,290,524)</u>	<u>-</u>	<u>-</u>
Ending Long-Term Liabilities	94,057,726	90,008,995	19,128,625	35,394,250	3,745,347	-	214,884,360
Current Liabilities:							
Due Within One Year	9,981,678	4,277,973	2,560,000	3,069,399	1,288,362	-	-
Total Liabilities	<u>\$ 104,039,404</u>	<u>94,286,968</u>	<u>21,688,625</u>	<u>38,463,649</u>	<u>5,033,709</u>	<u>-</u>	<u>214,884,360</u>

Compensated absences and Net Pension Obligations-OPEB are generally liquidated by General Fund.

Bonds payable as of September 30, 2019 are comprised of the following issues:

A - General Obligation Serial Bonds

\$9,345,000 General Obligation Refunding Bonds, Series 2010 issued for the purpose of refunding outstanding obligations in order to restructure the City's debt service requirements and achieve a debt service savings. Principal is due in varying amounts through 2030 with interest varying from 2.99% to 5.00% per annum.	\$ 387,640
\$7,635,000 General Obligation Refunding Bonds, Series 2012 issued for the purpose of refunding outstanding obligations in order to restructure the City's debt service requirements and achieve a debt service savings. Principal is due in varying amounts through 2030 with interest at 3.00% per annum.	1,198,837
\$16,845,000 General Obligation Refunding Bonds, Series 2013 issued for the purpose of refunding outstanding obligations in order to restructure the City's debt service requirements and achieve a debt service savings. Principal is due in varying amounts through 2026 with interest at 3.00% per annum.	7,647,784
\$64,740,000 General Obligation Refunding Bonds, Series 2015 issued for the purpose of refunding outstanding obligations in order to achieve a debt service savings and pay costs related to the issuance of the bonds. Principal is due in varying amounts through 2026 with interest at 2.00% to 5.00% per annum.	47,703,863
\$54,545,000 General Obligation Refunding Bonds, Series 2016 issued for the purpose of refunding outstanding obligations in order to achieve a debt service savings and pay costs related to the issuance of the bonds. Principal is due in varying amounts through 2033 with interest at 2.00% to 5.00% per annum.	18,150,000
\$12,675,000 General Obligation Refunding Bonds, Series 2017 issued for the purpose of refunding outstanding obligations in order to achieve a debt service savings and pay costs related to the issuance of the bonds. Principal is due in varying amounts through 2030 with interest at 4.00% to 5.00% per annum.	8,739,112
\$46,635,000 General Obligation Refunding Bonds, Series 2018 issued for the purpose of refunding outstanding obligations in order to achieve a debt service savings and pay costs related to the issuance of the bonds. Principal is due in varying amounts through 2039 with interest at 4.00% to 5.00% per annum.	10,223,466
Subtotal	94,050,702
Deferred premiums/loss for various general obligation bonds	9,988,702
Total General Obligation Bonds	<u>\$ 104,039,404</u>
Due within one year	<u>\$ 9,981,678</u>

B – Certificates of Obligation

\$2,040,000 Combination Tax and Airport Revenue Refunding Contractual Obligations, Series 2010B, for the purpose of constructing and equipping a Federal inspection station at the City's Municipal Airport, and the payment of legal, fiscal, and engineering fees related to the project. Principal is due in varying amounts through 2029 with interest of 5.200% per annum.	\$	1,315,000
\$9,545,000 Combination Tax and Revenue Contractual Obligations, Series 2010, for the purpose of constructing City streets and sidewalks, traffic signals, and lighting improvements, equipment and vehicles for various City departments, improvements to various City facilities, land acquisition, and the payment of legal, fiscal, and engineering fees related to the various projects. Principal is due in varying amounts through 2030 with interest from 2.00% to 5.00% per annum.		3,235,000
\$7,690,000 Combination Tax and Revenue Contractual Obligations, Series 2012, for the purpose of constructing City streets, sidewalks and drainage improvements, traffic signals, and lighting improvements, equipment and vehicles for various City departments, repairs and improvements to various City facilities, land acquisition, and the payment of legal, fiscal, and engineering fees related to the various projects. Principal is due in varying amounts through 2032 with interest from 2.00% to 3.500% per annum.		5,400,000
\$3,800,000 Public Property Finance Contractual Obligations, Series 2012 for the purpose of acquiring and purchasing equipment for various City departments and the payment of issuance costs. Principal is due in varying amounts through 2022 with interest from 1.50% to 2.25% per annum,		1,215,000
\$10,095,000 Public Property Finance Contractual Obligations, Series 2013 for the purpose of acquiring and purchasing equipment for various City departments and the payment of issuance costs. Principal is due in varying amounts through 2021 with interest from 2.00% to 5.00% per annum.	\$	1,170,000

\$9,995,000 Combination Tax and Revenue Contractual Obligations Series 2013, for the purpose of constructing City streets, sidewalks and drainage improvements, traffic signals and lighting improvements, equipment and vehicles for various City departments, repairs and improvements to various City facilities, land acquisition, and the payment of legal, fiscal, and engineering fees related to the various projects. Principal is due in varying amounts through 2025 with interest from 2.00% to 5.00% per annum.	\$ 510,000
\$6,780,000 2014 Public Property Finance Contractual Obligation for the purchase of personal property for various City departments. Principal is due in varying amounts through 2022 with interest from 3.0% to 5.0% per annum.	1,708,000
\$5,600,000 Combination Tax and Revenue Contractual Obligations Series 2014, for the purpose of constructing City streets, sidewalks and drainage improvements, traffic signals and lighting improvements, equipment and vehicles for various City departments, repairs and improvements to various City facilities, land acquisition, and the payment of legal, fiscal, and engineering fees related to the various projects. Principal is due in varying amounts through 2034 with interest from 2.00% to 5.00% per annum.	4,545,000
\$19,765,000 Combination Tax and Revenue Contractual Obligations Series 2015, for the purpose of constructing City streets, sidewalks and drainage improvements, traffic signals and lighting improvements, equipment and vehicles for various City departments, repairs and improvements to various City facilities, land acquisition, and the payment of legal, fiscal, and engineering fees related to the various projects. Principal is due in varying amounts through 2020 with interest from 2.00% to 5.00% per annum.	12,995,000
\$22,610,000 Combination Tax and Revenue Certificates of Obligations Series 2016A for the purpose of planning, constructing City streets, sidewalks, drainage, traffic signals, and lighting improvements, constructing/renovating buildings, parking lots, and parks and the payment of legal, fiscal, and engineering fees related to the various projects. Principal is due in varying amounts through 2036 with interest from 3.00% to 5.00% per annum.	20,810,000
\$3,075,000 Combination Tax and Revenue Certificates of Obligations Series 2016B for the purpose of purchasing land in the downtown area for parking and buildings, including a City owned convention center, and the payment of legal, fiscal, and engineering fees related to the various projects. Principal is due in varying amounts through 2026 with interest from 0.90% to 2.62% per annum.	\$ 2,205,000

\$8,080,000 Public Property Financial Contractual Obligations Series 2016 for the purchase of personal property for various City departments. Principal is due in varying amounts through 2026 with interest from 3.00% to 5.00% per annum.	\$ 3,870,171
\$14,810,000 Combination Tax and Revenue Certificates of Obligations Series 2017 for the purpose of planning, constructing City streets, sidewalks, drainage, traffic signals and lighting improvements, constructing/renovating buildings, parking lots, parks, purchasing of land near Rio Grande River for recreational/environmental, and the payment of legal, fiscal, and engineering fees related to the various projects. Principal is due in varying amounts through 2037 with interest from 2.00% to 5.00% per annum.	13,285,000
\$12,050,000 2018 Public Property Finance Contractual for the purchase of personal property for various City departments. Principal is due in varying amounts through 2026 with interest at 5.00% per annum.	3,015,000
\$11,640,000 Combination Tax and Revenue Certificates of Obligations Series 2018 for the purpose of planning, constructing City streets, sidewalks, drainage, traffic signals and lighting improvements (including LED lights) acquiring and improving parks, acquiring equipment for various City departments, and the payment of legal, fiscal, and engineering fees related to the various projects. Principal is due in varying amounts through 2038 with interest from 4.00% to 5.00% per annum.	10,450,000
Subtotal	85,728,171
Deferred Premiums for Various Certificates of Obligations	8,558,797
Total Certificate of Obligations	<u>\$ 94,286,968</u>
Due within one year	<u>\$ 4,277,973</u>

The applicable bond ordinances for the aforementioned debt contain limitations and restrictions on annual debt service requirements and maintenance of and flow of monies through various restricted accounts as well as minimum amounts to be maintained in various sinking funds.

The City is in compliance with all significant limitations and restrictions.

C - Sales Tax Revenue Bonds

The City's Sales Tax Revenue Bonds are special obligations of the City and are collateralized by revenue from a ¼ of 1% sales and use tax collected within the City's boundaries. Sales Tax Revenue Bonds as of September 30, 2019 consist of the following:

\$20,545,000 2014 Sports Venue Sales Tax Revenue Refunding Bonds issued for the purpose refunding a portion of the City's outstanding Sports Venue Sales Tax Revenue Bonds, Series 2005 in order to achieve a debt service savings and to pay costs related to the issuance of the bonds. Principal is due in varying amounts through 2024 with interest from 2.00% to 5.00% per annum.	\$ 12,025,000
\$8,970,000 2016 Sports Venue Sales Tax Revenue Refunding Bonds issued for the purpose refunding a portion of the City's outstanding Sports Venue Sales Tax Revenue Bonds, Series 2011 in order to achieve a debt service savings and to pay costs related to the issuance of the bonds. Principal is due in varying amounts through 2036 with interest from 1.13% to 3.88% per annum.	<u>8,420,000</u>
Subtotal	20,445,000
Deferred Premiums for Various Revenue Bonds	<u>1,243,625</u>
Total Sales Tax Revenue Bonds	\$ <u><u>21,688,625</u></u>
Due Within One Year	\$ <u><u>2,560,000</u></u>

D - Capital Lease Obligations

The City has entered into several lease-purchase agreements for various pieces of equipment. These lease agreements qualify as capital leases for accounting purposes (titles transfer at the end of the lease terms) and, therefore, have been recorded at the present value of the future minimum lease payments as of the date of their inception.

\$4,588,000 Bank of America for the purchase and installation of energy-savings facility upgrades. Payments are due in semiannual installments in varying amounts through 2027. Interest is at 2.440% per annum.	\$ 2,993,183
\$285,061 Deere Credit Inc. for the purchase of heavy equipment for lawn maintenance. Payments are due in monthly installments in varying amounts through 2021. Interest is at 3.25% per annum.	109,633
\$16,580 Deere Credit Inc. for the purchase of lawn equipment. Payments are due in monthly installments in varying amounts through 2021. Interest is at 4.25% per annum.	6,469
\$62,168 AT&T for the purchase of Police Communications Equipment. Payments are due in monthly installments in varying amounts through 2021. Interest is at 5.399% per annum.	40,390
\$3,971,914 Motorola Solutions for the purchase of an 800Mhz equipment. Payments are due in annual payments in varying amounts through 2021. Interest is at 1.99% per annum.	1,620,086
\$321,720 Motorola Solutions for the purchase of Airport Police radio equipment. Payments are due in annual payments in varying amounts through 2023. Interest is at 3.07% per annum.	<u>263,948</u>
Total Present Value of Future Minimum Lease Payments	5,033,709
Plus Amount Representing Interest	\$ <u>377,436</u>
Total Minimum Lease Payments	\$ <u><u>5,411,145</u></u>

The assets acquired through capital leases are as follows:

Governmental Activities		
Asset:		
Machinery & Equipment	\$	9,241,900
Less: Accumulated Depreciation		(5,021,889)
Total	\$	<u>4,220,011</u>

The future minimum lease obligations and the net present value of these minimum lease payments as of September 30, 2019, are as follows:

Year Ending Sep. 30	Governmental Activities	
2020	\$	1,288,362
2021		1,310,642
2022		427,092
2023		438,043
2024		378,149
2025		387,490
2026		397,062
2027		<u>406,869</u>
Total Minimum lease payments		5,033,709
Add: amount representing interest		<u>377,436</u>
Present value of minimum lease payments	\$	<u>5,411,145</u>

E - Notes Payable

No Notes Payables are outstanding as of September 30, 2019.

F – Prior-year Defeasance of Debt

In prior years, the City defeased certain general obligation and other bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability of the defeased bonds are not included in the City's financial statements. As of September 30, 2019, \$105,787,464 in bonds outstanding are considered defeased.

G – OPEB

As per valuation report issued on March 10, 2020, the latest actuarial valuation reflected a net obligation for Other Post-Employment Benefits for \$214,884,360. The unfunded actuarial liability as per the latest calculations stands at \$214,884,360.

NOTE 12 – PROPRIETARY LONG-TERM OBLIGATIONS

The following is a summary of changes in long-term obligations for the City's Proprietary Funds for the year ended September 30, 2019:

	Revenue Bonds	Certificates of Obligation	General Oblig. Bond
Long Term Obligations:			
Beginning Balances	\$ 338,524,018	21,153,924	91,465,704
Increases	-	8,625,000	-
Decreases	(1,293,009)	16,452	(792,801)
Amortization of Premiums	(14,719,000)	(7,142,026)	(4,608,319)
Ending Long Term Liabilities	322,512,009	22,653,350	86,064,584
Current Liabilities:			
Due Within One Year	14,719,000	5,727,027	4,608,321
Total Liabilities	\$ 337,231,009	28,380,377	90,672,905
	Landfill Costs	Compensated Absences	Notes Payable
Long Term Liabilities:			
Beginning Balances	\$ 11,546,535	1,555,075	1,033,558
Additions	657,043	225,315	446,977
Retirements	-	(263,724)	0
Ending Balances	12,203,578	1,516,666	1,480,535
Current Liabilities:			
Due Within One Year	-	815,863	-
Total Liabilities	\$ 12,203,578	2,332,529	1,480,535

A – Revenue Bonds

\$741,000 2002 Waterworks Systems Revenue Bond issued for the purpose of improving and extending the Water System with principal due in varying amounts through year 2024, including interest at 3.3% to 5.9% per annum.	\$ 261,000
\$710,000 2002 Sewer Systems Revenue Bond issued for the purpose of improving and extending the Sewer System with principal due in varying amounts through year 2024, including interest at 3.3% to 5.9% per annum.	251,000
\$915,000 2008 Waterworks & Sewer Systems Revenue Bond issued for the purpose of improving and extending the combined Water and Sewer System with principal due in varying amounts through year 2028, including interest at 4.21% to 5.26% per annum.	520,000
\$7,500,000 2009 Waterworks and Sewer System Revenue Bond for the purpose of purchasing and acquiring additional water rights with principal due in varying amounts through year 2029 at .0001 per annum.	2,485,000
\$82,175,000 2010 Waterworks & Sewer Systems Revenue Bond issued for the purpose of improving and extending the combined Water and Sewer System with principal due in varying amounts through year 2040, including interest at 2.00% per annum.	1,860,000
\$30,875,000 2011 Waterworks & Sewer Systems Revenue Bond issued for the purpose of improving and extending the combined Water and Sewer System with principal due in varying amounts through year 2041, including interest at 5.00% per annum.	25,495,000
\$48,750,000 2012 Waterworks & Sewer Systems Revenue Bond issued for the purpose of improving and extending the combined Water and Sewer System with principal due in varying amounts through year 2042, including interest at 1.63% to 2.15% per annum.	38,830,000
\$7,640,000 2012 International Toll Bridge System Revenue Refunding Bond issued for the purpose of refunding other Bridge Revenue bond issues with principal due in varying amounts through year 2022, including interest at 2.0% to 3.0% per annum.	\$ 2,635,000

\$41,120,000 2012 Waterworks & Sewer Systems Revenue Bond issued for the purpose of improving and extending the combined Water and Sewer System with principal due in varying amounts through year 2042, including interest at 2.0% to 5.0% per annum.	\$ 35,025,000
\$17,260,000 2013 Waterworks & Sewer Systems Revenue Refunding Bond issued for the purpose of refunding water and sewer system revenue bonds with principal due in varying amounts through year 2026, including interest at 1.0% to 5.0% per annum.	11,465,000
\$18,255,000 2013 Waterworks & Sewer Systems Revenue Bond issued for the purpose of improving and extending the combined Water and Sewer System with principal due in varying amounts through year 2043, including interest at 2.0% to 5.0% per annum.	16,020,000
\$17,365,000 2014 International Toll Bridge System Revenue Refunding Bond for the purpose of refunding a State Infrastructure Bank loan with the Texas Department of Transportation with principal due in varying amounts through year 2027, including interest at 3.0% to 5.0% per annum.	11,630,000
\$14,175,000 2014 International Toll Bridge System Revenue Refunding Bond for the purpose of refunding International Toll Bridge Revenue Bonds with principal due in varying amounts through year 2025, including interest at 3.0% to 5.0% per annum.	9,795,000
\$3,885,000 2014 International Toll Bridge System Revenue Refunding Bond for the purpose of refunding International Toll Bridge Revenue Bonds with principal due in varying amounts through year 2024, including interest at 2.0% to 4.0% per annum.	2,250,000
\$11,585,000 2014 Waterworks & Sewer Systems Revenue Bond issued for the purpose of improving and extending the combined Water and Sewer System with principal due in varying amounts through year 2044, including interest at 2.0% to 5.0% per annum.	8,425,000
\$15,045,000 2015 Waterworks & Sewer Systems Revenue Bond issued for the purpose of improving and extending the combined Water and Sewer System with principal due in varying amounts through year 2045, including interest at 2.0% to 5.0% per annum.	14,035,000
\$5,500,000 2015 Subordinate Waterworks & Sewer Systems Revenue Bond issued for the purpose of improving and extending the combined Water and Sewer System with principal due in varying amounts through year 2030, including interest at .05% to 1.72% per annum.	\$ 4,865,000

\$9,585,000 2014 International Toll Bridge System Revenue Bond for the purpose of acquiring, purchasing, constructing, and improving the City's International Toll Bridge System with principal due in varying amounts through year 2022, including interest at 2.0% to 5.0% per annum.	\$ 7,040,000
\$4,600,000 2015A Subordinate Waterworks & Sewer Systems Revenue Bond issued for the purpose of improving and extending the combined Water and Sewer System with principal due in varying amounts through year 2045, including interest at 0.06% to 2.050% per annum.	4,045,000
\$22,075,000 2015B Subordinate Waterworks & Sewer Systems Revenue Bond issued for the purpose of improving and extending the combined Water and Sewer System with principal due in varying amounts through year 2045, including interest at 0.18% to 1.75% per annum.	19,375,000
\$75,395,000 2016 Waterworks & Sewer Systems Revenue Improvements and Refunding Bonds issued for the purpose of improving and extending the combined Water and Sewer System; refundi outstanding obligations of the City in order to achieve savings; and pay costs related to the issuance of bonds with principal due in varying amounts through year 2046, including interest at 3.125% to 5.00% per annum.	75,395,000
\$9,745,000 2016 Waterworks & Sewer Systems Revenue Refunding Bonds issued for the purpose of refunding water and sewer system revenue bonds with principal due in varying amounts through year 2027, including interest at 2.00% to 5.00% per annum.	8,240,000
\$8,700,000 2016 International Toll Bridge System Revenue Refunding Bond for the purpose of refunding currently outstanding obligations of the City in order to achieve debt service savings and pay costs associated the issuance of the bonds with principal due in varying amounts through year 2028, including interest at 2.00% to 4.0% per annum.	1,325,000
\$18,155,000 2017 Waterworks & Sewer Systems Revenue Bonds for the purpose of improving and extending the City's combined Water and Sewer system with principal due in varying amounts through year 2034, including interest at 5.00% per annum.	<u>17,365,000</u>
Subtotal	318,632,000
Deferred Charges/Premiums for Various Revenue Refunding Bonds	<u>18,599,009</u>
Total Revenue Bonds	\$ <u><u>337,231,009</u></u>
Due Within One Year	\$ <u><u>14,719,000</u></u>

The applicable bond ordinances for the aforementioned debt contain limitations and restrictions on annual debt service requirements and maintenance of and flow of monies through various restricted accounts as well as minimum amounts to be maintained in various sinking funds. The City is in compliance with all significant limitations and restrictions.

B – Certificates of Obligations

\$3,555,555 2008 Public Property Finance Contractual Obligations, for the purpose of the purchasing municipal buses for the Mass Transit System with principal due in varying amounts through 2020 with interest at 3.99% per annum	\$	365,000
\$10,345,000 2012A Combination Tax and Revenue Certificates of Obligation for the purpose of acquiring equipment and vehicles for Solid Waste and acquiring, designing, constructing, improving, and equipping landfill cells and building and for paying legal, fiscal, and engineering fees in construction with such projects. Principal is due in varying amounts through 2022 with interest from 2.0% to 5.00% per annum.		855,000
\$4,605,000 2012B Combination Tax and Revenue Certificates of Obligation for the purpose of acquiring equipment and vehicles for Solid Waste and acquiring, designing, constructing, improving, and equipping landfill cells and buildings, and for paying legal, fiscal, and engineering fees in construction with such projects. Principal is due in varying amounts through 2032 with interest from .50% to 4.00% per annum.		3,245,000
\$10,095,000 2013 Public Property Finance Contractual for the purchase of personal property for various City departments including Transit, Solid Waste, and other departments. Principal is due in varying amounts through 2021, with interest from 2.0% to 5.0% per annum.		1,690,000
\$9,995,000 2013 Combination Tax and Revenue Certificates of Obligation for the purpose of improving and repairin City streets and for paying legal, fiscal, and engineering fees in construction with such projects. Principal is due in varying amounts through 2025 with interest from 2.0% to 5.0% per annum.	\$	5,095,000

\$6,780,000 2014 Public Property Finance Contractual for the purchase of personal property for various City departments. Principal is due in varying amounts through 2022, with interest from 3.0% to 5.0% per annum.	\$ 1,107,000
\$19,765,000 2015 Combination Tax and Revenue Certificates of Obligation for the purpose of improving, and repairing City streets, improving City buildings, acquiring equipment and vehicles for various City departments, and for paying legal, fiscal, and engineering fees in connection with such projects. Principal is due in varying amounts through 2020 with interest from 2.0% to 5.0% per annum.	1,090,000
\$8,080,000 2016 Public Property Finance Contractual for the purchase of planning, constructing, improving City streets , drainage, traffic/street signalization, improvign City buildings, acquiring equipment and vehicles, constructing and improving parks, and for paying legal, fiscal and engineering fees in connection with such projects. Principal is due in varying amounts through 2026, with interest from 3.0% to 5.0% per annum.	2,144,829
\$3,685,000 2017 Public Property Finance Contractual for the purchase of personal propey for the Solid Waste Department and for paying legal, fiscal and engineering fees in connection with such projects. Principal is due in varying amounts through 2028, with interest from 3.00% to 5.0% per annum.	3,095,000
\$12,050,000 2018 Public Property Finance Contractual Obligations for the purchase of personal property for various City departments. Principal is due in varying amounts through 2026 with interest at 5.00% per annum.	<u>7,210,000</u>
Subtotal	25,896,829
Deferred Charges/Premiums for various Certificates of Obligations	<u>2,483,548</u>
Total Certificates of Obligations	\$ <u><u>28,380,377</u></u>
Due Within One Year	\$ <u><u>5,727,027</u></u>

C - General Obligation Bonds

\$9,345,000 2010 General Obligation Refunding Bond issued for the purpose of refunding outstanding obligations in order to achieve a debt service savings and pay costs related to the issuance of the bonds. Principal is due in varying amounts through 2022 with interest varying from 2.00% to 4.00% per annum.	\$ 1,172,359
\$7,635,000 2012 General Obligation Refunding Bond issued for the purpose of refunding outstanding obligations in order to achieve a debt service savings and pay cost related to the issuance of the bonds. Principal is due in varying amount through 2024 with interest at 3.00% per annum.	2,896,163
\$16,845,000 2013 General Obligation Refunding Bond issued for the purpose of refunding outstanding obligations in order to achieve a debt service savings and pay cost related to the issuance of the bonds. Principal is due in varying amount through 2026 with interest at 3.00% per annum.	327,216
\$64,740,000 2015 General Obligation Refunding Bond issued for the purpose of refunding outstanding obligations in order to achieve a debt service savings and pay cost related to the issuance of the bonds. Principal is due in varying amount through 2026 with interest varying from 2.00% to 3.00% per annum.	4,166,137
\$54,545,000 2016 General Obligation Refunding Bond issued for the purpose of refunding outstanding obligations in order to achieve a debt service savings and pay cost related to the issuance of the bonds. Principal is due in varying amount through 2033 with interest varying from 2.00% to 5.00% per annum.	32,385,000
\$12,675,000 2017 General Obligation Refunding Bond issued for the purpose of refunding outstanding obligations in order to achieve a debt service savings and pay cost related to the issuance of the bonds. Principal is due in varying amount through 2030 with interest varying from 4.00% to 5.00% per annum.	3,375,887
\$46,635,000 2018 General Obligation Refunding Bond issued for the purpose of refunding outstanding obligations in order to achieve a debt service savings and pay cost related to the issuance of the bonds. Principal is due in varying amount through 2039 with interest varying from 4.00% to 5.00% per annum.	<u>36,411,536</u>
Subtotal	80,734,298
Deferred Charges for Various General Obligation Bonds	<u>9,938,607</u>
Total General Obligation Bonds	\$ <u><u>90,672,905</u></u>
Due Within One Year	\$ <u><u>4,608,321</u></u>

D - Compensated Absences

The long-term portion of compensated absences for all City employees for Proprietary funds is comprised of the following:

<u>Fund</u>		<u>Amount</u>
Transit System	\$	127,609
Bridge System		373,300
Municipal Housing		15,955
Waterworks System		403,749
Sewer System		195,407
Solid Waste Fund		400,646
Total Long Term	\$	<u>1,516,666</u>

E - Prior-year defeasance of debt.

In prior years, the City defeased certain revenue bonds by placing the proceeds of new bonds in an irrevocable trust to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and liability of the defeased bonds are not included in the City's financial statements. As of September 30, 2019 \$197,455,369 in bonds outstanding are considered defeased.

F - Landfill Closure and Post Closure Costs

During fiscal year 1994, the City adopted the provisions of GASB Statement No.18 "Accounting for Municipal Solid Waste Landfill Closure and Post Closure Care Costs." The landfill closure and post closure costs and the liability for landfill closure and post closure costs in Solid Waste Fund as of September 30, 2019 is \$16,472,342 of which \$12,203,578 has been recognized and recorded as a liability based on the Municipal Solid Waste Landfill use.

Federal and State laws and regulations require the City to place a final cover on its landfill when it stops accepting waste and perform certain maintenance and monitoring functions at the landfill site for thirty years after closure. In addition to operating expenses related to current activities of the landfill, a liability is being recognized based on future closure and post closure care costs that will be incurred near or after the date the landfill no longer accepts waste. The recognition of these landfill closure and post closure care costs is based on the capacity of the landfill used to date.

The liability for landfill closure and post closure care costs of \$12,203,578 as of September 30, 2019 represents the cumulative amount for 10,438 acres of the landfill filled with solid waste for closure and 3,651 acres for post-closure care. The percentage of the landfill capacity for solid waste used as of September 30, 2019 is 74.09%. With Landfill receiving a permit for vertical expansion the estimated remaining life of the landfill is 8 years. Based on the remaining life, the landfill will be filled to capacity by the year 2028. The estimated total current cost of the landfill closure and post closure care (\$16,472,342) is based on the amount that would be paid if all equipment, facilities, and services required to close, monitor, and maintain the landfill were acquired as of September 30, 2019. However, the actual costs of closure and post closure care may be higher due to inflation, changes in technology, or changes in solid waste management laws and regulations.

The landfill is divided into four phases and is further divided into cells of 3 to 7 acres. The new regulations require that liner systems be installed in all cells opened after July 1, 1994. All cells regardless of their age will be required to receive final cover in conformity with the specifications of the current laws.

Federal and State laws and regulations require the City of Laredo to make annual financial assurances regarding the financing of closure and post closure care. The City is in compliance with this requirement. It is anticipated that future inflation costs will be financed in part from earnings on investments and by a federal mandate fee of \$4.25 charged monthly to all garbage users. Commercial accounts, formerly exempt from the fee, are now charged the federal mandate fee. The remaining portion of anticipated future inflation costs and additional costs that might arise from changes in post closure requirements (for example, changes in technology or more rigorous environmental regulations) may need to be covered by charges to future landfill users, taxpayers, or both.

G. Notes Payable

Texas Comptroller of Public Accounts-State Energy Conservation Office
loan for \$1,480,535 for construction of VFDs and power factor correctors
implementation at Jefferson Water Treatment Plant. Interest rate on the
note is 2.00% simple interest per annum. The final maturity is contingent of
final completion date of project. \$ 1,480,535

NOTE 13 - INTERFUND RECEIVABLES AND PAYABLES

The purposes of interfund balances are to provide cash flows for grants and to cover funds with negative cash. Interfund receivables and payables as of September 30, 2019 are as follows:

	Interfund Receivables	Interfund Payables	Net
Due to Business Type Activities for for Internal Service			
Funds Allocation	\$ -	7,211,770	(7,211,770)
Total Governmental Activity	\$ -	7,211,770	(7,211,770)
Due from Governmental Activities for Internal Service			
Funds Allocation	\$ 7,211,770	-	7,211,770
Total Business Type Activity	\$ 7,211,770	-	7,211,770

NOTE 14 - INTERFUND TRANSFERS

The purpose of interfund transfers is to transfer funds based on City ordinance for operational purposes or grant purposes. Transfers between funds during the year were as follows:

	Transfers In	Transfers Out	Net Transfers
GOVERNMENTAL FUND:			
GENERAL FUND			
Transit System	\$ -	354,336	(354,336)
DEBT SERVICE			-
Bridge	769,880	-	769,880
HOME INVESTMENT PARTNERSHIP			
Municipal Housing	11,584	-	11,584
CAPITAL IMPROVEMENTS			
Bridge	9,846,132	-	9,846,132
TOTAL - GOVERNMENT TYPE	<u>10,627,596</u>	<u>354,336</u>	<u>10,273,260</u>
BUSINESS TYPE:			
TRANSIT SYSTEM			
General Fund	354,336	-	(354,336)
BRIDGE			
Debt Service	-	769,880	769,880
Capital Improvements	-	9,846,132	9,846,132
MUNICIPAL HOUSING			
Home Investment Partnership	-	11,584	11,584
TOTAL - BUSINESS TYPE	<u>\$ 354,336</u>	<u>10,627,596</u>	<u>10,273,260</u>

CITY OF LAREDO, TEXAS
NOTES TO FINANCIAL STATEMENTS
NOTE 15 - Debt Service Requirements

The following is a summary of the City's debt service requirements for all funds as of September 30, 2019

Business-Type and Governmental Activities																
	Revenue Bonds			Notes / Lease Payables			Certificates of Obligation			General Obligation Bonds			Debt Service to Maturity			
Year	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	Principal	Interest	Total	
2020	17,279,000	12,283,365	29,562,365	1,290,040	114,231	1,404,271	10,005,000	4,759,708	14,764,708	14,589,999	7,804,697	22,394,696	43,164,039	24,962,001	68,126,040	
2021	17,370,001	11,680,598	29,050,599	1,308,963	84,416	1,393,379	8,700,000	4,343,794	13,043,794	15,485,001	7,128,592	22,613,593	42,863,965	23,237,400	66,101,365	
2022	18,014,000	11,038,467	29,052,467	427,092	55,870	482,962	7,655,000	3,985,047	11,640,047	15,279,999	7,229,078	22,509,077	41,376,091	22,308,462	63,684,553	
2023	18,037,000	10,336,366	28,373,366	438,044	44,919	482,963	7,310,000	3,655,598	10,965,598	15,099,999	6,574,817	21,674,816	40,885,043	20,611,700	61,496,743	
2024	18,746,000	9,603,354	28,349,354	378,149	33,684	411,833	7,055,000	3,334,179	10,389,179	15,414,998	5,912,288	21,327,286	41,594,147	18,883,505	60,477,652	
2025	15,475,000	8,915,174	24,390,174	387,490	24,343	411,833	7,425,000	3,002,327	10,427,327	15,650,001	5,221,862	20,871,863	38,937,491	17,163,706	56,101,197	
2026	14,797,999	8,354,543	23,152,542	397,062	14,772	411,834	6,145,000	2,689,177	8,834,177	15,595,000	4,527,905	20,122,905	36,935,061	15,586,397	52,521,458	
2027	14,102,000	7,784,836	21,886,836	406,870	4,964	411,834	5,455,000	2,428,083	7,883,083	15,315,000	4,564,609	19,879,609	35,278,870	14,782,492	50,061,362	
2028	11,551,000	7,302,852	18,853,852	-	-	-	5,725,000	2,180,331	7,905,331	9,375,000	4,066,679	13,441,679	26,651,000	13,549,862	40,200,862	
2029	11,720,000	6,877,136	18,597,136	-	-	-	5,550,000	1,918,992	7,468,992	7,165,000	3,779,715	10,944,715	24,435,000	12,575,843	37,010,843	
2030	11,255,000	6,433,765	17,688,765	-	-	-	5,645,000	1,659,274	7,304,274	4,980,001	1,585,225	6,565,226	21,880,001	9,678,264	31,558,265	
2031	11,690,000	6,010,314	17,700,314	-	-	-	5,555,000	1,399,285	6,954,285	4,815,000	1,377,999	6,192,999	22,060,000	8,787,598	30,847,598	
2032	12,110,000	5,579,938	17,689,938	-	-	-	5,800,000	1,149,188	6,949,188	5,030,001	1,160,599	6,190,600	22,940,001	7,889,725	30,829,726	
2033	12,549,999	5,143,771	17,693,770	-	-	-	5,220,000	917,163	6,137,163	5,269,999	917,750	6,187,749	23,039,998	6,978,684	30,018,682	
2034	13,005,000	4,687,997	17,692,997	-	-	-	5,445,000	689,888	6,134,888	2,315,000	728,125	3,043,125	20,765,000	6,106,010	26,871,010	
2035	13,485,001	4,210,777	17,695,778	-	-	-	5,275,000	451,175	5,726,175	2,430,000	609,500	3,039,500	21,190,001	5,271,452	26,461,453	
2036	13,980,000	3,709,277	17,689,277	-	-	-	4,170,000	243,150	4,413,150	2,545,000	485,125	3,030,125	20,695,000	4,437,552	25,132,552	
2037	13,840,000	3,197,393	17,037,393	-	-	-	2,410,000	98,225	2,508,225	2,675,000	354,625	3,029,625	18,925,000	3,650,243	22,575,243	
2038	14,355,000	2,674,551	17,029,551	-	-	-	1,080,000	21,600	1,101,600	2,810,000	217,500	3,027,500	18,245,000	2,913,651	21,158,651	
2039	14,905,000	2,128,239	17,033,239	-	-	-	-	-	-	2,945,002	73,627	3,018,629	17,850,002	2,201,866	20,051,868	
2040	15,480,000	1,558,658	17,038,658	-	-	-	-	-	-	-	-	-	15,480,000	1,558,658	17,038,658	
2041	10,610,000	1,128,448	11,738,448	-	-	-	-	-	-	-	-	-	10,610,000	1,128,448	11,738,448	
2042	9,110,000	717,157	9,827,157	-	-	-	-	-	-	-	-	-	9,110,000	717,157	9,827,157	
2043	5,080,000	471,576	5,551,576	-	-	-	-	-	-	-	-	-	5,080,000	471,576	5,551,576	
2044	4,090,000	307,124	4,397,124	-	-	-	-	-	-	-	-	-	4,090,000	307,124	4,397,124	
2045	3,700,000	181,864	3,881,864	-	-	-	-	-	-	-	-	-	3,700,000	181,864	3,881,864	
2046	1,615,000	91,516	1,706,516	-	-	-	-	-	-	-	-	-	1,615,000	91,516	1,706,516	
2047	1,125,000	28,125	1,153,125	-	-	-	-	-	-	-	-	-	1,125,000	28,125	1,153,125	
Total	339,077,000	142,437,181	481,514,181	5,033,710	377,199	5,410,909	111,625,000	38,926,184	150,551,184	174,785,000	64,320,317	239,105,317	630,520,710	246,060,881	876,581,591	

NOTE 16 - CONSTRUCTION AND IMPROVEMENT COMMITMENTS

As of September 30, 2019, the City had encumbrances for construction contractual commitments of \$7,155,963 for various construction and improvement projects. The encumbrances are summarized as follows:

<u>Project Description</u>	<u>Encumbrance</u>	<u>Financing Sources</u>
Major Funds:		
Waterworks System	\$ 711,347	Bond Proceeds
Sewer System	<u>1,365,003</u>	Bond Proceeds
Total Major Funds:	\$ <u>2,076,350</u>	
Non-Major Funds:		
Community Development	\$ 200,692	Grant Proceeds
Airport Construction	3,688,753	Grant Proceeds
2015 C.O. Issue	93,640	Bond Proceeds
2016 C.O. Issue	270,850	Bond Proceeds
2017 C.O. Issue	708,895	Bond Proceeds
2018 C.O. Issue	<u>116,783</u>	Bond Proceeds
Total Non-Major Funds:	\$ <u>5,079,613</u>	
Total Significant Construction Encumbrances	\$ <u><u>7,155,963</u></u>	

NOTE 17 – FUND EXPENDITURES EXCEEDING APPROPRIATIONS

During the fiscal year ended September 30, 2019, expenses in General Fund exceeded appropriations in the amount of \$7,078,802, expenses in Noise Abatement Lease Program exceeded appropriations in the amount of \$703,580, expenses in Sames Auto Arena exceeded appropriations in the amount of \$447,000, and expenses in Max Mandel Golf Course exceeded appropriations in the amount of \$30,547.

NOTE 18 - RISK MANAGEMENT

A. HEALTH AND BENEFITS FUND

In January 1990, the City established a partial self-insured plan for medical coverage for its employees and an internal service fund called Risk Management. On October 1, 1995, the fund name was changed to Health and Benefits Fund. Under this plan, the City will pay for medical claims up to the amount of \$300,000.00 per employee, with no maximum lifetime benefit. There is a maximum medical aggregate liability of \$28,088,637.00 and projected net claims of \$24,967,678.00. Claims exceeding \$300,000.00 per employee are paid by the City and reimbursed by the City's stop/loss insurance carrier. The City has accrued for claims that have been incurred but not reported.

The incurred claims liability of \$3,712,518 reported in the Fund as of September 30, 2019 is based on the requirements of Governmental Accounting Standards Board Statement No. 10, which requires that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and the amount of the claim liability can be reasonably estimated. Claim liabilities are calculated considering the recent claim settlements trends including frequency and amount of payouts and are due within one year of the date of the statement of net position. Changes in the Fund's claims liability amount in fiscal year 2017, 2018, and 2019 were:

<u>Year</u>		<u>Balance at Beginning of Fiscal Year</u>	<u>Claims and Changes in Estimates</u>	<u>Current year Claims & Payments</u>	<u>Balance at Fiscal Year end ¹</u>
2016-2017	\$	3,473,156	\$ 23,306,260	\$ 23,286,840	\$ 3,492,576
2017-2018	\$	3,492,576	\$ 21,439,058	\$ 21,679,682	\$ 3,251,952
2018-2019	\$	3,251,952	\$ 25,210,686	\$ 24,750,120	\$ 3,712,518

There were no changes or reductions in insurance coverage from prior years. Settled claims did not exceed commercial excess coverage in any of the past three years.

¹Claim Liabilities are due within one year of the date of the statement of net position.

B. RISK MANAGEMENT FUND

On October 1, 1996, the City established a self-insured retention program for the workers' compensation liability within the Risk Management Fund which also accounts for the following policies: (a) General Liability (b) Law Enforcement Liability (c) Errors and Omission (d) Auto Liability (e) Auto Physical Damage - ACV. The self-insured retention program for worker's compensation was implemented with \$300,000 retention per occurrence and a \$2,000,000.00 aggregated for FY16-17 and \$2,000,000.00 aggregated for FY17-18 and \$2,000,000.00 aggregated for FY18-19. A deductible reimbursement program was also established for claims with \$5,000 retention per occurrence through Texas Municipal League Intergovernmental Risk Pool (TMLIRP), with the exception of errors and omission, which has a \$25,000 deductible. As of September 30, 2019, a liability was recorded based on fiscal year 2019 outstanding claims, which is due within one year of the date of the statement of net position. Changes in this claims liability amount in fiscal years 2017, 2018 and 2019 were:

<u>Year</u>	<u>Balance at Beginning of Fiscal Year</u>	<u>Claims and Changes in Estimates</u>	<u>Current Claims & Payments</u>	<u>Balance at Fiscal Year end ²</u>
2016-2017	\$ 1,657,168	\$ 2,041,904	\$ 2,157,726	\$ 1,541,346
2017-2018	\$ 1,541,346	\$ 1,659,818	\$ 1,910,419	\$ 1,290,745
2018-2019	\$ 1,290,745	\$ 1,867,009	\$ 1,884,986	\$ 1,272,768

There have been no significant changes in insurance coverage in any of the past three years. Settled claims did not exceed commercial excess coverage in any of the past three years.

²Claim Liabilities are due within one year of the date of the statement of assets.

NOTE 19 – TAX ABATEMENTS

The City of Laredo offers incentive agreements to promote economic development throughout City and to redevelop and revitalize target areas. The City provides property tax abatements under the authority of Chapter 312 and Chapter 378 of the Texas Local Government Code. Under Chapter 380 of the Texas Local Government Code, the City may provide tax or sales tax abatements. The amount of taxes abated are contingent on the entities meeting the requirements made under their agreements.

As of September 30, 2019, the City had six active agreements under Chapter 312 that resulted in \$205,568 in tax abatements. Under Chapter 378, the City had twenty active agreements that resulted in \$59,429 in tax abatements. The City had three active agreements under Chapter 380 that resulted in sales tax refunds of \$614,368 and no tax abatements.

The City has also adopted Tax Increment Financing Policy and Procedures pursuant to Chapter 311 of the Texas Code. This allows tax entities to dedicate the taxes collected on new development and redevelopment to the Tax Increment Fund to finance improvements to infrastructure within the designated area. As of September 30, 2019, the City has one Tax Increment agreement but no infrastructure plans have been finalized to utilize taxes collected.

NOTE 20 – CONTINGENCIES

The City participates in a number of grant programs which are governed by various rules and regulations of the grantor agencies. Costs charged to the respective grant programs are subject to audit and adjustment by the grantor agencies. Therefore, to the extent that the City has not complied with the rules and regulations governing the grants, refunds of any money received may be required and the collectability of any related receivable may be impaired. In the opinion of the City, there are no significant contingent liabilities relating to compliance with the rules and regulations. As of September 30, 2019, significant amounts of grant expenditures have not been audited by the grantor agencies. However, the City believes it has substantially complied with applicable laws and regulations and that the results of subsequent audits will not have a material effect on any of the individual governmental funds or the overall financial position of the City.

The City is a party to various lawsuits and claims arising in the ordinary course of operations. Although the outcome of these lawsuits is not presently determinable, in the opinion of the City Attorney, the resolution of these matters will not have a material, adverse effect on the financial condition of the City.

NOTE 21 – DONOR-RESTRICTED ENDOWMENTS

The Canseco Foundation Children's Endowment Trust Fund was established on January of 1998, when the City accepted the endowment for the Canseco Foundation in the amount of \$50,000. The program would have the City seek all opportunities to augment children's programming resources provided through the Laredo Public Library. Funding of children's programming from the fund each year will be based on interest accrued on the endowment. Interest distributions will be from the Canseco Foundation Children's Endowment Fund. For September 30, 2019, the amount of unspent interest to date was \$27,446. This amount is reported in the government-wide financial statements under Net Position-Restricted for other purposes.

Texas State Law:

- (a) Except as provided by Subsection (e), the governing board may appropriate for expenditure, for the uses and purposes for which the fund is established, the net appreciation, realized and unrealized, in the fair market value of the assets of an endowment fund over the historic dollar value of the fund to the extent prudent under the standard provided by Section 163.007.
- (b) A determination of the historic dollar value made in good faith by the governing board is conclusive.
- (c) Subsection (a) does not limit the authority of the governing board to expend funds as permitted under other law, the terms of the applicable gift instrument, or the charter or articles of incorporation of the institution.
- (d) Subsection (a) does not apply if the applicable gift instrument indicates the donor's intention that the net appreciation not be extended. A restriction on the expenditure of net appreciation may not be implied from a designation of a gift as an endowment or from a direction or authorization in the applicable gift instrument to use only "income" This rule of construction applies to gift instruments executed or in effect before, on, or after the effective date of this chapter.

NOTE 22- BUDGET BASIS REPORTING

The budgetary process is based upon accounting for certain transactions on a budget basis other than generally accepted accounting principles (GAAP Basis). The results of operations as presented in the General Fund Schedule of Revenues, Expenditures, and Changes in Fund Balances are reported in accordance with the budgetary process (budget basis) to provide a meaningful comparison with the budget.

The major difference between the budget basis “actual” and GAAP basis are that encumbrances are recorded as the equivalent of expenditures (budget) as opposed to a reservation of fund balance (GAAP) and non-budgeted increases in compensated absences, claims payable, workmen’s compensation insurance, and allowance for doubtful accounts are recorded as expenditures when payments are made (budget) as opposed to when the liability is incurred (GAAP).

Adjustments necessary to convert from the GAAP basis to the budget basis are as follows:

	<u>General Fund</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other uses (GAAP Basis)-	\$ 1,124,539
Adjustments:	
Timing Differences-Encumbrances	(3,750,478)
Basic Differences:	
Non Budgeted-Allowance for Doubtful Accounts	<u>4,938</u>
Excess of revenues and other financing sources over expenditures and other uses (GAAP Basis)-budgetary classifications	(2,621,001)
Other adjustments-Excess of revenues and other financing Sources over expenditures and other uses for non-budgeted Funds-(Entity Differences)	<u>46,842,036</u>
Excess (Deficiency) of revenues and other financing sources over expenditures and other uses – Budget Basis	\$ <u><u>44,221,035</u></u>

NOTE 23 – FUND EQUITY

The City implemented GASB Statement No. 54, “Fund Balance Reporting and Governmental Fund type Definitions” effective October 1, 2010. The statement established new categories for reporting fund balance, revised the definitions for governmental fund types and change the presentation of fund balance. Components of fund balance of Governmental Funds are as follows:

	General Fund	Debt Service	Other Governmental Funds
Fund Balances:			
Nonspendable:			
Inventory	16,261	-	133,209
Permanent Fund Principal	-	-	50,000
Restricted for:			
Debt Service	-	6,259,232	1,508,248
Police	316,040	-	4,051,783
Municipal Court	505,325	-	-
911 Regional Fund	-	-	670
Urban Redevelopment and Housing	-	-	624,033
Health Services	-	-	2,208,569
Welfare	105,809	-	-
Environmental Services	-	-	3,893,513
Noise Abatement	-	-	304,956
Convention and Tourism	-	-	5,479,359
Parks and Recreation	12,398	-	27,132,062
Education	74,859	-	1,289,490
Downtown TIRZ 1	-	-	590,026
Parking Meters	-	-	3,975
Permanent Fund Revenues	-	-	27,446
Capital Projects (Parks, Infrastructure, Municipal Improvements)	-	-	42,067,881
Transportation	-	-	261,045
Committed to:			
General Government	30,133,963	-	-
Police	936,307	-	2,564
Fire	143,221	-	-
Municipal Court	67,431	-	-
Traffic Safety	72,787	-	-
911 Emergency	-	-	1,239,391
Convention and Tourism	-	-	973,866
Parking Meters	-	-	60,765
Public Works	46,568	-	-
Urban Redevelopment and Housing	-	-	2,061,001
Health Services	-	-	955,093
Welfare	207,131	-	-
Environmental Services	-	-	762,421
Noise Abatement	-	-	132,612
Parks and Recreation	1,059,371	-	963,754
Education	-	-	3,175
Other	1,028,865	-	-
Transportation	-	-	648,149
Capital Purchases (Equipment)	-	-	28,747
Capital Projects	-	-	753,007
Assigned to:			
Parking Meters	-	-	1,242,463
Environmental Services	-	-	4,060,392
Parks and Recreation	-	-	654,522
Transportation	-	-	5,093,281
Capital Projects	-	-	43,591,805
Unassigned	13,245,177	-	(5,588,795)
Total Fund Balances	47,971,513	6,259,232	147,264,478

NOTE 24 – PRIOR YEAR ADJUSTMENT

There were no prior year adjustment in the year ended September 30, 2019.

**CITY OF LAREDO, TEXAS
REQUIRED PENSION SYSTEM
SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN YEARS (1)**

City Of Laredo (TMRS)

	12/31/2018	12/31/2017	12/31/2016	12/31/2015	12/31/2014
Total pension liability					
Service Cost	\$ 18,935,093	18,055,726	17,550,829	16,137,452	14,954,531
Interest (on the Total Pension Liability)	41,776,661	39,304,497	36,935,879	36,278,827	34,062,490
Changes of benefit terms	-	-	-	-	-
Difference between expected and actual experience	408,431	(1,450,209)	(2,007,074)	(6,889,003)	(3,571,761)
Change of assumptions	-	-	-	(1,671,663)	-
Benefit payments, including refunds of employee contributions	(20,838,620)	(18,611,473)	(16,671,410)	(14,594,700)	(14,154,831)
Net Change in Total Pension Liability	40,281,565	37,298,541	35,808,224	29,260,913	31,290,429
Total Pension Liability-Beginning	619,865,257	582,566,716	546,758,492	517,497,579	486,207,150
Total Pension Liability-Ending	<u>\$ 660,146,822</u>	<u>619,865,257</u>	<u>582,566,716</u>	<u>546,758,492</u>	<u>517,497,579</u>
Plan Fiduciary Net Position					
Contributions-Employer	\$ 23,259,291	22,434,463	21,915,367	20,857,055	19,414,300
Contributions-Employee	7,801,392	7,422,994	7,206,069	6,894,937	6,639,377
Net Investment Income	(14,669,500)	58,259,387	25,837,605	544,191	19,324,455
Benefit payments, including refunds of employee contributions	(20,838,620)	(18,611,473)	(16,671,410)	(14,594,700)	(14,154,831)
Administrative Expense	(283,249)	(301,727)	(291,637)	(331,414)	(201,717)
Other	(14,799)	(15,292)	(15,713)	(16,368)	(16,584)
Net Change in Plan Fiduciary Net Position	(4,745,485)	69,188,352	37,980,281	13,353,701	31,005,000
Plan Fiduciary Net Position-Beginning	489,265,648	420,077,296	382,097,015	368,743,314	337,738,314
Plan Fiduciary Net Position-Ending	<u>\$ 484,520,163</u>	<u>489,265,648</u>	<u>420,077,296</u>	<u>382,097,015</u>	<u>368,743,314</u>
Net Pension Liability-Ending	<u>\$ 175,626,659</u>	<u>130,599,609</u>	<u>162,489,420</u>	<u>164,661,477</u>	<u>148,754,265</u>
 Plan Fiduciary Net Position as a Percentage of Total Pension Liability	 73.40%	 78.93%	 72.11%	 69.88%	 71.26%
 Covered Payroll	 \$ 111,448,461	 106,023,054	 102,937,415	 98,459,134	 94,769,773
Net Pension Liability as a Percentage of Covered Payroll	157.59%	123.18%	157.85%	167.24%	156.96%

(1) This schedule was implemented by GASB starting in fiscal year 2015. Schedule is intended to show ten years of information and will be built as information becomes available.

**CITY OF LAREDO, TEXAS
REQUIRED PENSION SYSTEM
SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN YEARS (1)**

Laredo Firefighters Retirement System

	9/30/2018	9/30/2017	9/30/2016	9/30/2015
Total pension liability				
Service Cost	\$ 6,500,283	5,959,061	5,757,547	5,562,847
Interest (on the Total Pension Liability)	17,648,587	16,635,239	15,644,420	14,710,813
Changes of benefit terms	-	(4,481,331)	-	-
Difference between expected and actual experience	-	2,728,669	-	-
Change of assumptions	-	3,829,393	-	-
Benefit payments, including refunds of employee contributions	(10,165,487)	(9,340,307)	(9,096,190)	(8,500,340)
Net Change in Total Pension Liability	13,983,383	15,330,724	12,305,777	11,773,320
Total Pension Liability-Beginning	221,982,300	206,651,576	194,345,799	182,572,479
Total Pension Liability-Ending	<u>\$ 235,965,683</u>	<u>221,982,300</u>	<u>206,651,576</u>	<u>194,345,799</u>
Plan Fiduciary Net Position				
Contributions-Employer	\$ 6,845,693	6,801,034	6,222,249	6,044,620
Contributions-Employee	5,109,297	5,075,400	4,642,722	4,521,220
Net Investment Income	14,198,072	9,529,045	(5,430,523)	9,030,933
Benefit payments, including refunds of employee contributions	(10,165,487)	(9,340,307)	(9,096,190)	(8,500,340)
Administrative Expense	(310,945)	(209,946)	(239,505)	(221,416)
Other	1,440	11,587	-	-
Net Change in Plan Fiduciary Net Position	15,678,070	11,866,813	(3,901,247)	10,875,017
Plan Fiduciary Net Position-Beginning	126,305,204	114,438,391	118,339,638	107,464,621
Plan Fiduciary Net Position-Ending	<u>\$ 141,983,274</u>	<u>126,305,204</u>	<u>114,438,391</u>	<u>118,339,638</u>
Net Pension Liability-Ending	<u>\$ 93,982,409</u>	<u>95,677,096</u>	<u>92,213,185</u>	<u>76,006,161</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	60.17%	56.90%	55.38%	60.89%
Covered Payroll	\$ 34,061,980	33,836,000	30,951,480	30,141,467
Net Pension Liability as a Percentage of Covered Payroll	275.92%	282.77%	297.93%	252.16%

(1) This schedule was implemented by GASB starting in fiscal year 2015. Schedule is intended to show ten years of information and will be built as information becomes available.

**CITY OF LAREDO, TEXAS
REQUIRED PENSION SYSTEM
SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN NET PENSION LIABILITY AND RELATED RATIOS
LAST TEN YEARS (1)**

LTFM Defined Benefit Plan

	9/30/2019	9/30/2018	9/30/2017	9/30/2016
Total pension liability				
Service Cost	\$ 309,361	164,279	169,500	160,902
Interest (on the Total Pension Liability)	729,536	722,028	660,804	608,457
Changes of benefit terms	-	-	-	-
Difference between expected and actual experience	(182,684)	247,987	139,715	-
Change of assumptions	188,764	-	-	-
Benefit payments, including refunds of employee contributions	(188,309)	(191,901)	(150,612)	(116,526)
Net Change in Total Pension Liability	856,668	942,393	819,407	652,833
Total Pension Liability-Beginning	11,487,074	10,544,681	9,725,274	9,072,441
Total Pension Liability-Ending	<u>\$ 12,343,742</u>	<u>11,487,074</u>	<u>10,544,681</u>	<u>9,725,274</u>
Plan Fiduciary Net Position				
Contributions-Employer	\$ 825,000	950,000	877,000	600,000
Contributions-Employee	53,040	53,604	54,373	54,264
Net Investment Income	431,289	420,578	671,821	483,385
Benefit payments, including refunds of employee contributions	(188,309)	(191,901)	(150,612)	(116,526)
Administrative Expense	(197,859)	-	-	-
Other	-	-	-	-
Net Change in Plan Fiduciary Net Position	923,161	1,232,281	1,452,582	1,021,123
Plan Fiduciary Net Position-Beginning	9,633,217	8,400,936	6,948,354	5,927,231
Plan Fiduciary Net Position-Ending	<u>\$ 10,556,378</u>	<u>9,633,217</u>	<u>8,400,936</u>	<u>6,948,354</u>
Net Pension Liability-Ending	<u>\$ 1,787,364</u>	<u>1,853,857</u>	<u>2,143,745</u>	<u>2,776,920</u>
Plan Fiduciary Net Position as a Percentage of Total Pension Liability	85.52%	83.86%	79.67%	71.45%
Covered Payroll	\$ 7,149,335	7,045,845	6,873,995	6,772,317
Net Pension Liability as a Percentage of Covered Payroll	25.00%	26.31%	31.19%	41.00%

(1) This schedule was implemented by GASB starting in fiscal year 2015. Fiscal Year 2016 is the first year information provided. Schedule is intended to show ten years of information and will be built as information becomes available.

**CITY OF LAREDO, TEXAS
REQUIRED PENSION SYSTEM
SUPPLEMENTARY INFORMATION
SCHEDULE OF CONTRIBUTIONS
LAST TEN FISCAL YEARS (1)**

City of Laredo (TMRS)

Fiscal Year	Annual Required Contributions (ARC)	Contributions Made	Contribution (Deficiency) Excess	Covered Payroll	Contributions as a Percentage of Covered Payroll	Employee Contributions
9/30/2015	\$ 20,612,369	\$ 20,612,369	\$ -	\$ 94,422,211	21.83%	\$ 6,815,346
9/30/2016	\$ 22,695,362	\$ 22,695,362	\$ -	\$ 105,658,111	21.48%	\$ 7,406,657
9/30/2017	\$ 22,611,153	\$ 22,611,153	\$ -	\$ 105,907,042	21.35%	\$ 7,403,182
9/30/2018	\$ 23,171,347	\$ 23,171,347	\$ -	\$ 109,973,172	21.07%	\$ 7,675,369
9/30/2019	\$ 24,515,136	\$ 24,515,136	\$ -	\$ 116,794,359	20.99%	\$ 8,168,600

Laredo Firefighters Retirement System

Fiscal Year	Annual Required Contributions (ARC)	Contributions Made	Contribution (Deficiency) Excess	Covered Payroll	Contributions as a Percentage of Covered Payroll	Employee Contributions
9/30/2015	\$ 6,044,620	\$ 6,044,620	\$ -	\$ 30,141,467	20.05%	\$ 4,521,220
9/30/2016	\$ 6,221,242	\$ 6,221,242	\$ -	\$ 30,951,480	20.10%	\$ 4,642,722
9/30/2017	\$ 6,801,034	\$ 6,801,034	\$ -	\$ 33,836,000	20.10%	\$ 5,075,400
9/30/2018	\$ 6,845,693	\$ 6,845,693	\$ -	\$ 34,061,980	20.10%	\$ 5,109,297
9/30/2019	\$ 7,264,588	\$ 7,264,588	\$ -	\$ 36,107,647	20.12%	\$ 5,416,147

LMTI Defined Benefit Plan

Fiscal Year	Annual Required Contributions (ARC)	Contributions Made	Contribution (Deficiency) Excess	Covered Payroll	Contributions as a Percentage of Covered Payroll	Employee Contributions
9/30/2016	\$ 643,000	\$ 600,000	\$ (43,000)	\$ 6,772,317	8.86%	\$ 54,264
9/30/2017	\$ 790,120	\$ 877,000	\$ 86,880	\$ 6,873,995	12.76%	\$ 54,373
9/30/2018	\$ 927,081	\$ 950,000	\$ 22,919	\$ 7,045,845	13.48%	\$ 53,604
9/30/2019	\$ 1,042,376	\$ 825,000	\$ (217,376)	\$ 7,149,335	11.54%	\$ 53,040

(1) This schedule was implemented by GASB starting in fiscal year 2015. Fiscal Year 2016 is the first year information provided. Schedule is intended to show ten years of information and will be built as information becomes available.

CITY OF LAREDO, TEXAS
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULE OF CHANGES IN TOTAL OPEB LIABILITY AND RELATED RATIOS
LAST TEN YEARS (1)

	Fiscal Year Ending September 30	
	2019	2018
TOTAL OPEB LIABILITY		
Service Cost	\$ 7,892,469	\$ 9,148,227
Interest on Total OPEB Liability	6,723,464	6,434,222
Effect of plan changes	-	-
Effect of economic/demographic gains or (losses)	(10,789,640)	-
Effect of assumption changes or inputs	49,441,385	(15,842,897)
Benefit payments	<u>(4,214,723)</u>	<u>(3,021,511)</u>
Net change in Total OPEB liability	49,052,955	(3,281,959)
 Total OPEB liability,beginning	 165,831,405	 169,113,364
Total OPEB liability,ending	214,884,360	165,831,405
 Covered payroll	 \$ 137,663,439	 \$ 133,152,871
 Total OPEB liability as a % of covered payroll	 156.09%	 124.54%

(1) Schedule is intended to show ten years of information and will be built as information becomes available.

DEBT SERVICE

**CITY OF LAREDO, TEXAS
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
Year Ended September 30, 2019**

	Budgeted Amounts			Variance with Final Budget - Positive (Negative)
	Original	Final	Actual	
REVENUES:				
Taxes:				
Current	\$ 19,588,130	19,588,130	19,896,748	308,618
Delinquent - Prior	301,876	301,876	333,997	32,121
Total Taxes	19,890,006	19,890,006	20,230,745	340,739
Investment Income:				
Interest Earnings	176,200	176,200	235,478	59,278
Total Investment Income	176,200	176,200	235,478	59,278
Special Assessments:				
Paving Assessments	11,698	11,698	12,614	916
Total Special Assessments	11,698	11,698	12,614	916
Miscellaneous:				
Reimbursements	-	-	171,667	171,667
Interest Rebates	279,313	279,313	-	(279,313)
Total Miscellaneous	279,313	279,313	171,667	(107,646)
TOTAL REVENUES	20,357,217	20,357,217	20,650,504	293,287
EXPENDITURES:				
Principal Retirement:				
General Obligations Debt	8,262,616	8,716,446	8,716,444	2
Revenue Bonds Debt	2,445,000	2,445,000	2,445,000	-
Contractual Obligations Debt	4,650,000	6,375,492	6,375,493	(1)
Total Principal Retirement	15,357,616	17,536,938	17,536,937	1
Interest:				
General Obligations Debt	4,103,234	4,615,616	4,615,615	1
Revenue Bonds Debt	930,333	930,333	930,333	-
Contractual Obligations Debt	3,915,251	4,184,037	3,452,343	731,694
Total Interest	8,948,818	9,729,986	8,998,291	731,695
Other:				
Contractual Services	18,000	33,000	22,337	10,663
Other	2,544,858	183,000	-	183,000
Fiscal Agent Fees	12,000	14,742	14,742	-
Total Other	2,574,858	230,742	37,079	193,663
TOTAL EXPENDITURES	26,881,292	27,497,666	26,572,307	925,359
Excess (Deficiencies) of Revenues Over (Under) Expenditures	\$ (6,524,075)	(7,140,449)	(5,921,803)	1,218,646 (Continued)

CITY OF LAREDO, TEXAS
DEBT SERVICE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
Year Ended September 30, 2019

(Continued)

	<u>Budgeted Amounts</u>			<u>Variance with Final Budget - Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	
OTHER FINANCING SOURCES (USES):				
Transfers In:				
Environmental Services	\$ 2,441,184	2,441,184	2,441,184	-
Parking Meters	187,861	187,861	187,861	-
Sports and Community Venue	3,375,333	3,375,333	3,375,333	-
Bridge System	769,880	769,880	769,880	-
TOTAL OTHER FINANCING SOURCES (USES):	<u>6,774,258</u>	<u>6,774,258</u>	<u>6,774,258</u>	<u>-</u>
Net Change in Fund Balances	250,183	(366,191)	852,455	1,218,646
Fund Balances-Beginning	<u>4,727,086</u>	<u>5,406,777</u>	<u>5,406,777</u>	<u>-</u>
Fund Balances-Ending	<u>\$ 4,977,269</u>	<u>5,040,586</u>	<u>6,259,232</u>	<u>1,218,646</u>

NONMAJOR GOVERNMENTAL FUNDS

NONMAJOR GOVERNMENTAL FUNDS

SPECIAL REVENUE FUNDS

Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts or major capital projects) that are legally restricted to expenditures for specific purposes.

Special Revenue Funds include:

COMMUNITY DEVELOPMENT BLOCK GRANT - to account for the U.S. Department of Housing and Urban Development grant and the related disbursements for street improvements, drainage improvements, water and sewer improvements, public service, open space, code enforcement, low income housing rehabilitation and for administration.

HOUSING REHABILITATION - to account for the U.S. Department of Housing and Urban Development grant for low income housing rehabilitation loans and the related disbursements.

HOME INVESTMENT FUND - to account for the U. S. Department of Housing and Urban Development grant and the related disbursements for new affordable housing units.

EMERGENCY SOLUTIONS GRANT - to account for the U.S. Department of Housing and Urban Development grant and the disbursement of such proceeds for city shelters for the homeless.

HOME INVESTMENT AFFORDABLE HOUSING - to account for the proceeds from the dissolution of the Laredo Affordable Housing Corporation as HOME Program Income to be used for the construction of the La Terraza project which will serve low to moderate income families.

AUTO THEFT TASK FORCE - to account for the Texas Department of Transportation grant for the combined effort between the City of Laredo and Webb County to detect, investigate and apprehend individuals involved in auto theft.

FINANCIAL TASK FORCE - to account for the Office of National Drug Control and Prevention grant for the investigation of illegal financial activities related to drug trafficking in the City.

SPECIAL POLICE PROGRAM - to account for federal and state law enforcement grants. Major funding sources include intergovernmental revenues from Texas Department of Transportation, U.S. Department of Justice and U.S. Department of Treasury.

911 EMERGENCY COMMUNICATIONS FUND - to account for the Commission on State Emergency Communications grant funds to administer and operate emergency service communications programs for Jim Hogg, Starr, Webb and Zapata Counties.

HEALTH FUND - to account for the rendering of public health services to City and County residents by administering grants and contracts awarded by federal and state agencies and contributions by private foundations.

INTERNATIONAL AIRPORT - to account for the operation and maintenance of the City of Laredo Airport, financed through restricted revenues from airport tenants.

HOTEL-MOTEL OCCUPANCY TAX - to account for tax proceeds received from hotels and motels and the disbursement of such to promote community agencies and projects as authorized by State statute and allocated by City Council.

PUBLIC ACCESS CHANNEL - to account for the operations of City owned studio facilities for access channels and to provide training in television production, programming and transmitting, and the related revenue associated with such services.

LAREDO CONVENTION & VISITOR'S BUREAU - to account for the promotion of the City of Laredo. Its primary function is to engage in visitor promotion by soliciting and servicing conventions and other related group businesses generating tourism.

RECREATION FUND - to account for the recreational activities provided to the general public through various sports leagues, such as softball and basketball, and other activities such as swimming lessons and aerobics.

PARKING METERS - to account for the collection of parking meter revenues and to enforce City ordinances on prohibited parking areas and where parking meters are installed.

ENVIRONMENTAL SERVICES - to account for federal and state grants and the disbursements required by the storm water regulations.

KEEP LAREDO BEAUTIFUL, INC. FUND - to account for the beautification of the City of Laredo. The corporation is organized to promote public interest in the general improvement of the environment of the City of Laredo.

NOISE ABATEMENT LEASE PROGRAM - to account for all the units purchased through the Noise Abatement Program that are being leased out as public housing and the related operating and maintenance disbursements.

SPORTS AND COMMUNITY VENUE - to account for the sales tax proceeds of $\frac{1}{4}$ of one percent designated for payments of debt service in connection with the financing of a sports venue complex and for the operation of the Uni-Trade Stadium.

SAMES AUTO ARENA - to account for the center's operation. Its function is to provide a diverse mixture of world-class entertainment.

LAREDO PUBLIC FACILITY CORPORATION - to account for fees related to the partnership between the City of Laredo, Ejido Holdings, LLC, and La Terraza at Lomas del Sur, Ltd. and to provide financing, acquisition, and construction of public facilities.

MAX MANDEL GOLF COURSE - to account for the golf course's operation. Its function is to provide a public golf course.

PARLAND ACQUISITION/PARKLAND IMPROVEMENTS - to account for the collection of park improvements fees for the acquisition and improvements to parklands in the City.

SPECIAL FIRE GRANTS – to account for various projects and improvements that increase the public safety for the citizens of Laredo. Major funding sources include State Homeland Security and Environmental Protection Agency.

DOWNTOWN TIRZ NO. 1 – to account for the tax increment reinvestment zone for improvements in the downtown area.

POLICE TRUST FUND - to account for the proceeds from seized revenues from narcotic operations to be used to acquire any necessary public safety equipment or improvements that will serve to further improve the law enforcement operations.

SUBDIVISION TRUST FUND - to account for funds received from developers and the disbursement of such funds on subdivision streets and off-site improvements.

CAPITAL PROJECTS FUNDS

Capital Projects Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities other than those financed by proprietary funds and trust funds.

Capital Projects Funds include:

PARKS CAPITAL GRANTS - to account for various projects and improvements that enhance the quality of life for the citizens of the City of Laredo. Major funding sources include intergovernmental revenues from Webb County, the Texas Department of Transportation, and the Texas Parks and Wildlife Service, as well as other revenue sources who dedicate funding for future recreational improvements.

CAPITAL GRANTS - to account for various State and Federal grants. Major funding sources include intergovernmental revenues from the Texas Department of Transportation and the U.S. Department of Housing and Urban Development.

CONTRACTUAL OBLIGATIONS - to account for contractual obligation bond and lease-purchase agreement proceeds for the purchase of equipment.

CERTIFICATE OF OBLIGATION 2009 ISSUE - to account for \$24,735,000 in bond proceeds for the purpose of paying all or a portion of the City's contractual obligations for the purpose of constructing and equipping various departments, street and drainage improvements, and traffic equipment.

CERTIFICATE OF OBLIGATION 2012 ISSUE - to account for \$7,690,000 in bond proceeds for the purpose of paying all or a portion of the City's contractual obligations for the purpose of constructing and equipping various departments, street and drainage improvements, and traffic equipment.

CERTIFICATE OF OBLIGATION 2014 ISSUE - to account for \$5,600,000 in bond proceeds for the purpose of paying all or a portion of the City's contractual obligations for the purpose of constructing and equipping various departments, street and drainage improvements.

CERTIFICATE OF OBLIGATION 2015 ISSUE - to account for \$19,765,000 in bond proceeds for the purpose of paying all or a portion of the City's contractual obligations for the purpose of constructing and equipping various departments, street and drainage improvements.

CERTIFICATE OF OBLIGATION 2016 ISSUE - to account for \$3,075,000 in bond proceeds for the purpose of paying all or a portion of the City's contractual obligations for the purpose of purchasing land in the downtown area for parking and buildings.

CERTIFICATE OF OBLIGATION 2017 ISSUE - to account for \$14,810,000 in bond proceeds for the purpose of paying all or a portion of the City's contractual obligations for the purpose of constructing and equipping various departments, street and drainage improvements.

CERTIFICATE OF OBLIGATION 2018 ISSUE - to account for \$11,640,000 in bond proceeds for the purpose of paying all or a portion of the City's contractual obligations for the purpose of constructing and equipping various departments, street and drainage improvements, and traffic equipment.

AIRPORT CONSTRUCTION FUND - to account for the Federal Aviation Administration, the Texas Department of Transportation, and the U.S. Department of Transportation grants for the engineering design and construction of runway and taxiway improvements and promote air service.

CAPITAL IMPROVEMENTS - to account for capital improvement projects approved by City Council. Its major funding sources are revenues received from the Bridge System, General Fund, and interest earnings.

PERMANENT FUND

CANSECO ENDOWMENT FUND - to account for funds received from the Canseco Endowment Foundation for the benefit of the City of Laredo Public Library.

CITY OF LAREDO, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2019

(Continued)

	SPECIAL REVENUE				
	BLOCK GRANTS	HOUSING REHAB	HOME INVESTMENT	EMERGENCY SHELTER	HOME INV. AFFORDABLE HOUSING
ASSETS					
Cash and Cash Equivalents:					
Cash	\$ 100	-	-	-	-
Equity in Investment Pool	5,865	7	5,444	-	-
Cash with Fiscal Agent	-	-	-	-	-
Investments	557,781	8,348	511,093	-	-
Receivables, net of allowances:					
Accrued Interest	5,752	86	5,271	-	10,126
Hotel-Motel Tax, Penalty and Interest	-	-	-	-	-
Accounts	1,112	-	-	-	-
Notes	-	1,887,799	13,863,867	-	961,422
Due from Other Funds	-	-	-	-	-
Due from Other Governments	364,381	-	110,432	23,576	2,149
Inventory	-	-	-	-	-
TOTAL ASSETS	934,991	1,896,240	14,496,107	23,576	973,697
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	107,829	1	3,175	81	-
Retainage Payable	73,108	-	17,859	-	2,149
Accrued Wages and Employee Benefits	27,234	152	2,305	209	-
Contracts Payable	110,019	-	67,197	-	-
Customer Deposits	-	-	-	-	-
Due to Other Funds	-	-	-	23,286	-
Due to Other Governments	-	-	-	-	-
Due to Developers	-	-	-	-	-
Unearned Revenue	616,801	116,447	1,454,556	-	-
TOTAL LIABILITIES	934,991	116,600	1,545,092	23,576	2,149
Deferred Inflows of Resources	-	1,771,353	12,409,311	-	971,548
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	-	8,287	541,704	-	-
Committed	1,771,987	-	-	289,014	-
Assigned	-	-	-	-	-
Unassigned	(1,771,987)	-	-	(289,014)	-
TOTAL FUND BALANCES	-	8,287	541,704	-	-
TOTAL LIABILITIES AND FUND BALANCES	\$ 934,991	1,896,240	14,496,107	23,576	973,697

(Continued)

(Continued)

SPECIAL REVENUE

AUTO THEFT TASK FORCE	FINANCIAL TASK FORCE	SPECIAL POLICE PROGRAM	911 EMERGENCY COMM. FUND	HEALTH FUND	INT'L. AIRPORT
-	5,000	-	200	4,150	2,600
1,516	-	-	2,532	24,325	69,404
-	-	-	-	-	-
141,919	-	-	226,328	2,274,411	6,481,267
1,464	-	-	2,334	23,455	66,838
-	-	-	-	-	-
-	-	1,094	32	6,080	102,193
-	-	-	-	-	-
-	-	-	-	-	-
225,197	135,694	522,146	31,654	2,355,235	11,106
-	-	-	-	4,385	-
370,096	140,694	523,240	263,080	4,692,041	6,733,408
2,503	81,384	-	253,876	455,634	208,981
-	-	-	-	-	-
22,480	12,609	80,242	7,864	272,230	71,459
-	-	-	-	-	-
-	46,701	93	-	-	60,364
-	-	-	-	-	-
-	-	-	-	-	-
-	-	288	670	2,208,568	249,939
24,983	140,694	80,623	262,410	2,936,432	590,743
-	-	-	-	226,850	140,190
-	-	-	-	4,385	-
345,113	-	442,617	670	2,208,569	261,045
-	2,564	-	1,239,391	955,093	648,149
-	-	-	-	-	5,093,281
-	(2,564)	-	(1,239,391)	(1,639,288)	-
345,113	-	442,617	670	1,528,759	6,002,475
370,096	140,694	523,240	263,080	4,692,041	6,733,408

(Continued)

CITY OF LAREDO, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2019

(Continued)

	SPECIAL REVENUE				
	SPECIAL FIRE GRANTS	HOTEL/MOTEL OCCUPANCY TAX	PUBLIC ACCESS CHANNEL	LAREDO CONVENT. & VISITORS	RECREATION FUND
ASSETS					
Cash and Cash Equivalents:					
Cash	\$ -	-	-	1,550	-
Equity in Investment Pool	-	65,166	12,499	6,665	6,523
Cash with Fiscal Agent	-	-	-	-	-
Investments	-	6,095,087	1,179,565	611,271	621,474
Receivables, net of allowances:					
Accrued Interest	-	62,856	12,164	6,304	6,409
Hotel-Motel Tax, Penalty and Interest	-	30,861	-	-	-
Accounts	-	-	86,919	207	-
Notes	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Due from Other Governments	130,127	-	-	-	-
Inventory	-	-	-	-	-
TOTAL ASSETS	130,127	6,253,970	1,291,147	625,997	634,406
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	-	150,725	1,657	77,648	16,856
Retainage Payable	-	15,160	-	-	-
Accrued Wages and Employee Benefits	40,676	-	-	14,496	710
Contracts Payable	-	136,442	-	-	-
Customer Deposits	-	-	-	-	-
Due to Other Funds	89,451	-	-	-	-
Due to Other Governments	-	-	-	145	-
Due to Developers	-	-	-	-	-
Deferred Revenue	-	1,265	-	-	-
TOTAL LIABILITIES	130,127	303,592	1,657	92,289	17,566
Deferred Inflows of Resources	-	30,861	-	-	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	-	5,479,359	1,289,490	-	-
Committed	-	440,158	3,175	533,708	28,411
Assigned	-	-	-	-	588,429
Unassigned	-	-	(3,175)	-	-
TOTAL FUND BALANCES	-	5,919,517	1,289,490	533,708	616,840
TOTAL LIABILITIES AND FUND BALANCES	\$ 130,127	6,253,970	1,291,147	625,997	634,406

(Continued)

(Continued)

SPECIAL REVENUE					
PARKING METERS	ENVIRONMENTAL SERVICES	KEEP LAREDO BEAUTIFUL	NOISE ABATE. LEASE PROGRAM	SPORTS & COMMUNITY VENUE	SAMES AUTO ARENA
925	350	-	-	-	35,987
14,250	41,682	197	6,241	292,906	-
-	-	-	-	-	474,258
1,330,759	7,738,891	31,228	596,430	28,988,275	711,257
13,723	40,278	322	6,151	327,817	-
-	-	-	-	-	-
493,383	354,157	-	34,829	5,136	218,705
-	470	-	-	-	-
-	-	-	-	-	101,373
-	811,280	-	-	-	-
-	-	-	-	-	82,310
1,853,040	8,987,108	31,747	643,651	29,614,134	1,623,890
27,713	122,899	182	35,247	293,629	813,232
-	53,580	-	-	64,245	-
20,766	47,961	-	8,519	5,900	-
-	77,321	-	-	-	-
-	-	-	146,984	-	-
-	-	-	-	101,373	4,696
-	-	-	-	-	-
-	-	-	-	-	-
3,975	117	-	15,333	-	805,962
52,454	301,878	182	206,083	465,147	1,623,890
493,383	469	-	-	-	-
-	-	-	-	-	82,310
3,975	3,893,513	-	304,956	28,216,818	-
60,765	730,856	31,565	132,612	932,169	3,174
1,242,463	4,060,392	-	-	-	-
-	-	-	-	-	(85,484)
1,307,203	8,684,761	31,565	437,568	29,148,987	-
1,853,040	8,987,108	31,747	643,651	29,614,134	1,623,890

(Continued)

CITY OF LAREDO, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2019

(Continued)

	SPECIAL REVENUE				
	LDO PUBLIC FACILITY CORP.	MAX MANDEL GOLF COURSE	PARKLAND ACQUISITION PARK IMPROVEMENTS	DOWNTOWN TIRZ NO.1	POLICE TRUST FUND
ASSETS					
Cash and Cash Equivalents:					
Cash	\$ -	-	-	-	-
Equity in Investment Pool	697	1,681	4,329	6,209	35,167
Cash with Fiscal Agent	-	57,646	-	-	-
Investments	73,588	148,412	418,954	577,878	3,272,480
Receivables, net of allowances:					
Accrued Interest	759	1,530	4,320	5,959	33,747
Hotel-Motel Tax, Penalty and Interest	-	-	-	3,617	-
Accounts	-	57,780	-	-	2,621
Notes	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Due from Other Governments	-	-	-	-	-
Inventory	-	46,514	-	-	-
TOTAL ASSETS	75,044	313,563	427,603	593,663	3,344,015
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	1,002	70,069	4,111	20	79,911
Retainage Payable	-	-	-	-	-
Accrued Wages and Employee Benefits	-	-	-	-	51
Contracts Payable	-	-	-	-	-
Customer Deposits	-	14,408	-	-	-
Due to Other Funds	-	-	-	-	-
Due to Other Governments	-	6,667	-	-	-
Due to Developers	-	-	-	-	-
Deferred Revenue	-	109,812	-	-	-
TOTAL LIABILITIES	1,002	200,956	4,111	20	79,962
Deferred Inflows of Resources	-	-	-	3,617	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
Fund Balances:					
Nonspendable	-	46,514	-	-	-
Restricted	74,042	-	423,492	590,026	3,264,053
Committed	-	-	-	-	-
Assigned	-	66,093	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	74,042	112,607	423,492	590,026	3,264,053
TOTAL LIABILITIES AND FUND BALANCES	\$ 75,044	313,563	427,603	593,663	3,344,015

(Continued)

(Continued)

CAPITAL PROJECTS				
SUBDIVISION TRUST FUND	PARKS CAPITAL GRANTS	CAPITAL GRANTS	CONTRACTUAL OBLIGATIONS	CERTIFICATE OF OBLIGATION 09 ISSUE
-	-	-	-	-
20,728	-	-	-	-
-	-	-	-	-
1,934,610	232	-	3,241,445	149,242
19,951	3	-	20,017	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	174,041	-	-
-	-	-	-	-
1,975,289	235	174,041	3,261,462	149,242
65	-	-	779,431	5
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	174,041	-	-
-	-	-	-	-
1,975,224	-	-	-	-
-	-	-	-	-
1,975,289	-	174,041	779,431	5
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	235	-	2,482,031	149,237
-	115,472	442,420	-	-
-	-	-	-	-
-	(115,472)	(442,420)	-	-
-	235	-	2,482,031	149,237
1,975,289	235	174,041	3,261,462	149,242

(Continued)

CITY OF LAREDO, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
September 30, 2019

(Continued)

	CAPITAL PROJECTS				
	CERTIFICATE OF OBLIGATION 12 ISSUE	CERTIFICATE OF OBLIGATION 14 ISSUE	CERTIFICATE OF OBLIGATION 15 ISSUE	CERTIFICATE OF OBLIGATION 16 ISSUE	CERTIFICATE OF OBLIGATION 17 ISSUE
ASSETS					
Cash and Cash Equivalents:					
Cash	\$ -	-	-	-	-
Equity in Investment Pool	-	-	-	-	967
Cash with Fiscal Agent	-	-	-	-	-
Investments	216,944	304,825	4,924,714	11,516,995	4,700,778
Receivables, net of allowances:					
Accrued Interest	-	-	-	3,427	3,100
Hotel-Motel Tax, Penalty and Interest	-	-	-	-	-
Accounts	-	-	-	-	-
Notes	-	-	-	-	-
Due from Other Funds	-	-	-	-	-
Due from Other Governments	-	-	-	-	-
Inventory	-	-	-	-	-
TOTAL ASSETS	216,944	304,825	4,924,714	11,520,422	4,704,845
LIABILITIES AND FUND BALANCES					
Liabilities:					
Accounts Payable	7	9	901	62,601	233,793
Retainage Payable	-	7,229	67,028	11,630	1,950
Accrued Wages and Employee Benefits	-	-	-	-	9,744
Contracts Payable	-	-	-	-	24,150
Customer Deposits	-	-	-	-	-
Due to Other Funds	-	-	8,244	-	-
Due to Other Governments	-	-	-	-	-
Due to Developers	-	-	-	-	-
Deferred Revenue	-	-	-	-	-
TOTAL LIABILITIES	7	7,238	76,173	74,231	269,637
Deferred Inflows of Resources	-	-	-	-	-
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES					
Fund Balances:					
Nonspendable	-	-	-	-	-
Restricted	216,937	297,587	4,848,541	11,446,191	4,435,208
Committed	-	-	-	-	-
Assigned	-	-	-	-	-
Unassigned	-	-	-	-	-
TOTAL FUND BALANCES	216,937	297,587	4,848,541	11,446,191	4,435,208
TOTAL LIABILITIES AND FUND BALANCES	\$ 216,944	304,825	4,924,714	11,520,422	4,704,845

(Continued)

(Continued)				
CERTIFICATE OF OBLIGATION 18 ISSUE	AIRPORT CONSTRUCTION FUND	CAPITAL IMPROVEMENT	PERMANENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
			CANSECO ENDOWMENT FUND	
-	-	-	-	50,862
74	68,441	442,525	916	1,136,956
-	-	-	-	531,904
11,525,804	6,387,582	41,366,700	75,752	148,942,319
100,671	65,872	426,594	781	1,278,081
-	-	-	-	34,478
-	-	283,162	-	1,647,410
-	-	-	-	16,713,558
-	-	-	-	101,373
-	1,598,820	1,658,017	-	8,153,855
-	-	-	-	133,209
11,626,549	8,120,715	44,176,998	77,449	178,724,005
42,008	1,676	62,295	3	3,991,159
-	474,677	283	-	788,898
4,772	4,219	5,131	-	659,729
-	1,263,309	-	-	1,678,438
-	-	-	-	221,756
-	-	-	-	447,885
-	-	-	-	6,812
-	-	-	-	1,975,224
-	-	58,311	-	5,642,044
46,780	1,743,881	126,020	3	15,411,945
-	-	-	-	16,047,582
-	-	-	50,000	183,209
11,579,769	6,376,834	235,311	27,446	89,443,056
-	-	223,862	-	8,584,545
-	-	43,591,805	-	54,642,463
-	-	-	-	(5,588,795)
11,579,769	6,376,834	44,050,978	77,446	147,264,478
11,626,549	8,120,715	44,176,998	77,449	178,724,005
(Continued)				

CITY OF LAREDO, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
Year ended September 30, 2019

(Continued)

	SPECIAL REVENUE				
	BLOCK GRANTS	HOUSING REHAB	HOME INVESTMENT	EMERGENCY SHELTER	HOME INV. AFFORDABLE HOUSING
REVENUES:					
Taxes	\$ -	-	-	-	-
Licenses and Permits	-	-	-	-	-
Intergovernmental:					
Federal	3,431,423	-	932,928	281,562	42,988
State	-	-	-	-	-
Other	-	-	-	-	-
Charges for Services	-	-	-	-	-
Fines	-	-	-	-	-
Fees and Collections	-	-	-	-	-
Investment Income:					
Interest Earnings	-	464	8,836	-	3
Rents and Royalties	-	-	-	-	-
Discount Earnings	-	-	-	-	-
Miscellaneous:					
Local Contributions	-	-	-	-	-
Reimbursements	497,324	45,934	266,591	-	51,186
Other	-	-	-	-	-
TOTAL REVENUES	3,928,747	46,398	1,208,355	281,562	94,177
EXPENDITURES:					
Public Safety	384,605	-	-	-	-
Public Works	-	-	-	-	-
Health and Welfare	1,345,830	46,910	1,046,446	281,562	42,988
Cultural and Recreational	140,743	-	-	-	-
General Government	596,958	6,161	-	-	-
Air Transportation Services	-	-	-	-	-
Total Operating Expenditures	2,468,136	53,071	1,046,446	281,562	42,988
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Bond Costs	-	-	-	-	-
Capital Outlay	1,460,611	-	-	-	-
TOTAL EXPENDITURES	3,928,747	53,071	1,046,446	281,562	42,988
Excess (Deficiency) of Revenues Over Expenditures	-	(6,673)	161,909	-	51,189
OTHER FINANCING SOURCES (USES):					
Transfers In	-	-	62,773	-	-
Proceeds - Long Term Debt	-	-	-	-	-
Bond Premiums	-	-	-	-	-
Transfers Out	-	-	-	-	(51,189)
Sale of Assets	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	-	62,773	-	(51,189)
Net Change in Fund Balance	-	(6,673)	224,682	-	-
Fund Balances at Beginning of Year	-	14,960	317,022	-	-
FUND BALANCE AT END OF YEAR	\$ -	8,287	541,704	-	-

(Continued)

(Continued)

SPECIAL REVENUE					
AUTO THEFT TASK FORCE	FINANCIAL TASK FORCE	SPECIAL POLICE PROGRAM	911 REGIONAL COMM. FUND	HEALTH FUND	INT'L. AIRPORT
-	-	-	-	-	-
-	-	-	-	430,786	-
-	823,601	3,095,424	-	2,137,522	40,223
638,014	-	504,421	2,429,996	9,238,628	4,565
-	-	-	-	594,454	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	666,964	482,833
387	-	-	4,849	50,587	180,400
-	-	-	-	484	6,854,043
-	-	-	-	195	142
-	-	-	-	350	-
18,760	-	14,655	-	528,050	439,052
-	-	-	-	485,735	-
657,161	823,601	3,614,500	2,434,845	14,133,755	8,001,258
1,030,776	823,601	3,881,940	2,425,149	-	-
-	-	-	-	-	-
-	-	-	-	17,347,104	-
-	-	-	-	-	-
-	-	-	-	-	-
-	-	-	-	-	7,125,984
1,030,776	823,601	3,881,940	2,425,149	17,347,104	7,125,984
-	-	-	-	-	57,773
-	-	-	-	-	13,355
-	-	-	-	-	-
-	-	224,237	9,696	70,328	67,448
1,030,776	823,601	4,106,177	2,434,845	17,417,432	7,264,560
(373,615)	-	(491,677)	-	(3,283,677)	736,698
369,345	-	925,987	-	3,049,462	600,000
-	-	-	-	-	-
-	-	-	-	-	-
-	(2,038,440)	-	-	-	(1,121,593)
-	-	-	-	2,140	14,973
369,345	(2,038,440)	925,987	-	3,051,602	(506,620)
(4,270)	(2,038,440)	434,310	-	(232,075)	230,078
349,383	2,038,440	8,307	670	1,760,834	5,772,397
345,113	-	442,617	670	1,528,759	6,002,475

(Continued)

CITY OF LAREDO, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
Year ended September 30, 2019

(Continued)

	SPECIAL REVENUE				
	HOTEL/MOTEL OCCUPANCY TAX	PUBLIC ACCESS CHANNEL	LAREDO CONVENT. & VISITORS	RECREATION FUND	PARKING METERS
REVENUES:					
Taxes	\$ 4,253,004	-	-	-	-
Licenses and Permits	-	-	-	-	9,691
Intergovernmental:					
Federal	-	-	-	-	-
State	-	-	-	-	-
Other	-	-	-	-	300
Charges for Services	-	-	-	-	-
Fines	-	-	-	-	526,570
Fees and Collections	-	351,031	49,541	420,429	1,096,561
Investment Income:					
Interest Earnings	158,681	27,185	1,050	12,916	36,406
Rents and Royalties	-	-	-	-	54
Discount Earnings	-	-	-	-	455
Miscellaneous:					
Local Contributions	-	-	44,164	-	-
Reimbursements	-	-	730	-	45
Other	-	-	-	-	-
TOTAL REVENUES	4,411,685	378,216	95,485	433,345	1,670,082
EXPENDITURES:					
Public Safety	-	-	-	-	1,633,103
Public Works	-	-	-	-	-
Health and Welfare	-	-	-	-	-
Cultural and Recreational	732,896	25,466	2,803,209	327,684	-
General Government	-	-	-	-	-
Air Transportation Services	-	-	-	-	-
Total Operating Expenditures	732,896	25,466	2,803,209	327,684	1,633,103
Debt Service:					
Principal	-	-	-	-	-
Interest	-	-	-	-	-
Bond Costs	-	-	-	-	-
Capital Outlay	-	159,052	29,645	9,199	18,974
TOTAL EXPENDITURES	732,896	184,518	2,832,854	336,883	1,652,077
Excess (Deficiency) of Revenues Over Expenditures	3,678,789	193,698	(2,737,369)	96,462	18,005
OTHER FINANCING SOURCES (USES):					
Transfers In	-	-	2,966,093	74,254	-
Proceeds - Long Term Debt	-	-	-	-	-
Bond Premiums	-	-	-	-	-
Transfers Out	(3,166,115)	-	-	-	(187,861)
Sale of Assets	-	-	-	-	1,320
TOTAL OTHER FINANCING SOURCES (USES)	(3,166,115)	-	2,966,093	74,254	(186,541)
Net Change in Fund Balance	512,674	193,698	228,724	170,716	(168,536)
Fund Balances at Beginning of Year	5,406,843	1,095,792	304,984	446,124	1,475,739
FUND BALANCE AT END OF YEAR	\$ 5,919,517	1,289,490	533,708	616,840	1,307,203

(Continued)

(Continued)

SPECIAL REVENUE					
ENVIRONMENTAL SERVICES	KEEP LAREDO BEAUTIFUL, INC. FUND	NOISE ABATE. LEASE PROGRAM	SPORTS & COMMUNITY VENUE	SAMES AUTO ARENA	LDO PUBLIC FACILITY CORP.
-	-	-	8,660,976	-	-
323,400	-	-	-	-	-
-	-	-	-	-	-
28,000	-	-	-	-	-
862,087	-	-	-	-	-
7,485,735	-	-	-	5,083,723	-
-	-	-	-	-	-
-	-	42,579	-	-	-
208,091	91	14,566	698,380	-	1,645
-	-	1,911,227	69,446	-	-
1,884	-	506	-	-	-
-	-	-	120,000	-	-
23,707	-	12,723	19,302	-	27,824
-	-	-	-	-	-
8,932,904	91	1,981,601	9,568,104	5,083,723	29,469
-	-	-	-	-	-
-	-	-	-	-	-
4,532,020	39,405	1,244,108	-	-	2,060
-	-	-	831,003	5,885,465	-
-	-	-	-	-	-
-	-	-	-	-	-
4,532,020	39,405	1,244,108	831,003	5,885,465	2,060
-	-	-	-	-	-
-	-	-	-	-	-
1,691,225	-	-	2,444,994	-	-
6,223,245	39,405	1,244,108	3,275,997	5,885,465	2,060
2,709,659	(39,314)	737,493	6,292,107	(801,742)	27,409
-	53,865	-	-	783,903	-
-	-	-	-	-	-
-	-	-	-	-	-
(2,495,049)	-	(600,000)	(4,159,236)	-	-
24,257	-	1,126	-	-	-
(2,470,792)	53,865	(598,874)	(4,159,236)	783,903	-
238,867	14,551	138,619	2,132,871	(17,839)	27,409
8,445,894	17,014	298,949	27,016,116	17,839	46,633
8,684,761	31,565	437,568	29,148,987	-	74,042

(Continued)

CITY OF LAREDO, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
Year ended September 30, 2019

(Continued)

	SPECIAL REVENUE				
	MAX MANDEL GOLF COURSE	PARKLAND ACQUISITION/ PARK IMPROVEMENTS	SPECIAL FIRE GRANTS	DOWNTOWN TIRZ NO. 1	POLICE TRUST FUND
REVENUES:					
Taxes	\$ -	-	-	339,723	-
Licenses and Permits	-	-	-	-	-
Intergovernmental:					
Federal	-	-	1,312,556	-	-
State	-	-	-	-	-
Other	-	-	-	-	-
Charges for Services	983,185	-	-	-	-
Fines	-	-	-	-	-
Fees and Collections	-	130,468	-	-	-
Investment Income:					
Interest Earnings	-	8,594	-	15,881	89,274
Rents and Royalties	-	-	-	-	-
Discount Earnings	-	-	-	-	-
Miscellaneous:					
Local Contributions	-	5,962	-	-	-
Reimbursements	-	-	-	-	3,063
Other	-	-	-	-	973,103
TOTAL REVENUES	983,185	145,024	1,312,556	355,604	1,065,440
EXPENDITURES:					
Public Safety	-	-	1,750,343	-	932,440
Public Works	-	-	-	-	-
Health and Welfare	-	-	-	-	-
Cultural and Recreational	1,552,016	541	-	30,305	-
General Government	-	-	-	-	-
Air Transportation Services	-	-	-	-	-
Total Operating Expenditures	1,552,016	541	1,750,343	30,305	932,440
Debt Service:					
Principal	60,427	-	-	-	-
Interest	4,925	-	-	-	-
Bond Costs	-	-	-	-	-
Capital Outlay	-	4,097	-	-	943,768
TOTAL EXPENDITURES	1,617,368	4,638	1,750,343	30,305	1,876,208
Excess (Deficiency) of Revenues Over Expenditures	(634,183)	140,386	(437,787)	325,299	(810,768)
OTHER FINANCING SOURCES (USES):					
Transfers In	634,335	-	437,787	-	2,038,440
Proceeds - Long Term Debt	-	-	-	-	-
Bond Premiums	-	-	-	-	-
Transfers Out	-	-	-	-	-
Sale of Assets	-	-	-	-	32,870
TOTAL OTHER FINANCING SOURCES (USES)	634,335	-	437,787	-	2,071,310
Net Change in Fund Balance	152	140,386	-	325,299	1,260,542
Fund Balances at Beginning of Year	112,455	283,106	-	264,727	2,003,511
FUND BALANCE AT END OF YEAR	\$ 112,607	423,492	-	590,026	3,264,053

(Continued)

(Continued)

CAPITAL PROJECTS				
PARKS CAPITAL GRANTS	CAPITAL GRANTS	CONTRACTUAL OBLIGATIONS	CERTIFICATE OF OBLIGATION 09 ISSUE	CERTIFICATE OF OBLIGATION 12 ISSUE
-	-	-	-	-
-	-	-	-	-
-	263,999	-	-	-
-	7,710	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
1	-	94,785	3,470	6,608
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	280
-	-	-	-	-
1	271,709	94,785	3,470	6,888
-	-	-	-	-
-	18,837	498,440	2,003	1,487
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	-	-	-	-
-	18,837	498,440	2,003	1,487
-	-	-	-	-
-	-	-	-	-
-	-	40,679	-	-
-	339,637	2,213,496	17	70,881
-	358,474	2,752,615	2,020	72,368
1	(86,765)	(2,657,830)	1,450	(65,480)
-	86,743	-	-	-
-	-	3,425,000	-	-
-	-	321,753	-	-
-	-	-	-	(18,815)
-	-	-	-	-
-	86,743	3,746,753	-	(18,815)
1	(22)	1,088,923	1,450	(84,295)
234	22	1,393,108	147,787	301,232
235	-	2,482,031	149,237	216,937

(Continued)

CITY OF LAREDO, TEXAS
NONMAJOR GOVERNMENTAL FUNDS
COMBINING STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCES
Year ended September 30, 2019

(Continued)

	CAPITAL PROJECTS					
	CERTIFICATE OF OBLIGATION 14 ISSUE	CERTIFICATE OF OBLIGATION 15 ISSUE	CERTIFICATE OF OBLIGATION 16 ISSUE	CERTIFICATE OF OBLIGATION 17 ISSUE	CERTIFICATE OF OBLIGATION 18 ISSUE	AIRPORT CONSTRUCTION FUND
REVENUES:	\$					
Taxes	-	-	-	-	-	-
Licenses and Permits	-	-	-	-	-	-
Intergovernmental:						
Federal	-	-	-	-	-	9,231,650
State	-	-	-	-	-	49,372
Other	-	-	-	-	-	-
Charges for Services	-	-	-	-	-	-
Fines	-	-	-	-	-	-
Fees and Collections	-	-	-	-	-	-
Investment Income:						
Interest Earnings	7,811	121,784	293,483	160,439	229,902	133,443
Rents and Royalties	-	-	-	-	-	-
Discount Earnings	-	-	-	1,271	-	-
Miscellaneous:						
Local Contributions	-	-	-	-	-	-
Reimbursements	5,200	35,048	656	-	-	-
Other	-	-	-	-	-	2,600
TOTAL REVENUES	13,011	156,832	294,139	161,710	229,902	9,417,065
EXPENDITURES:						
Public Safety	-	-	-	-	-	-
Public Works	1,495	2,118	4,187	14,020	199,875	953,749
Health and Welfare	-	-	-	-	-	-
Cultural and Recreational	-	-	-	-	-	-
General Government	-	-	-	-	-	-
Air Transportation Services	-	-	-	-	-	-
Total Operating Expenditures	1,495	2,118	4,187	14,020	199,875	953,749
Debt Service:						
Principal	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Bond Costs	-	-	-	-	188,349	-
Capital Outlay	100,000	105,185	892,880	5,836,170	778,384	9,657,853
TOTAL EXPENDITURES	101,495	107,303	897,067	5,850,190	1,166,608	10,611,602
Excess (Deficiency) of Revenues Over Expenditures	(88,484)	49,529	(602,928)	(5,688,480)	(936,706)	(1,194,537)
OTHER FINANCING SOURCES (USES):						
Transfers In	-	-	-	-	-	1,121,593
Proceeds - Long Term Debt	-	-	-	-	11,640,000	-
Bond Premiums	-	-	-	-	876,475	-
Transfers Out	-	(3,253)	(66,000)	-	-	-
Sale of Assets	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(3,253)	(66,000)	-	12,516,475	1,121,593
Net Change in Fund Balance	(88,484)	46,276	(668,928)	(5,688,480)	11,579,769	(72,944)
Fund Balances at Beginning of Year	386,071	4,802,265	12,115,119	10,123,688	-	6,449,778
FUND BALANCE AT END OF YEAR	\$ 297,587	4,848,541	11,446,191	4,435,208	11,579,769	6,376,834

(Continued)

	PERMANENT FUND	
CAPITAL IMPROVEMENT	CANSECO ENDOWMENT FUND	TOTAL NONMAJOR GOVERNMENTAL FUNDS
-	-	13,253,703
-	-	763,877
1,636,662	-	23,230,538
5,303	-	12,906,009
-	-	1,456,841
-	-	13,552,643
-	-	526,570
-	-	3,240,406
1,026,566	1,856	3,598,434
-	-	8,835,254
-	-	4,453
283,162	-	453,638
-	-	1,990,130
191,974	-	1,653,412
3,143,667	1,856	85,465,908
-	-	12,861,957
568,685	-	2,264,896
-	-	25,928,433
-	-	12,329,328
-	-	603,119
-	-	7,125,984
568,685	-	61,113,717
-	-	118,200
-	-	18,280
-	-	229,028
618,204	-	27,745,981
1,186,889	-	89,225,206
1,956,778	1,856	(3,759,298)
9,847,458	-	23,052,038
-	-	15,065,000
-	-	1,198,228
(7,277,848)	-	(21,185,399)
-	-	76,686
2,569,610	-	18,206,553
4,526,388	1,856	14,447,255
39,524,590	75,590	132,817,223
44,050,978	77,446	147,264,478

**CITY OF LAREDO, TEXAS
CDBG SPECIAL REVENUE FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Intergovernmental:				
CDBG Grants	\$ 26,587,781	3,431,423	30,019,204	33,092,133
Miscellaneous:				
Reimbursements	<u>1,385,972</u>	<u>497,324</u>	<u>1,883,296</u>	<u>2,456,670</u>
TOTAL REVENUES	<u>27,973,753</u>	<u>3,928,747</u>	<u>31,902,500</u>	<u>35,548,803</u>
EXPENDITURES:				
Public Safety	3,623,154	384,605	4,007,759	4,132,190
Health and Welfare	6,410,916	1,345,830	7,756,746	10,094,413
Cultural and Recreational	445,386	140,743	586,129	598,787
General Government	5,414,763	596,958	6,011,721	6,090,328
Capital Outlay	<u>12,079,534</u>	<u>1,460,611</u>	<u>13,540,145</u>	<u>14,633,085</u>
TOTAL EXPENDITURES	<u>27,973,753</u>	<u>3,928,747</u>	<u>31,902,500</u>	<u>35,548,803</u>
Net Change in Fund Balances	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Fund Balances-Beginning		<u>-</u>		
Fund Balances-Ending		<u>\$ -</u>		

CITY OF LAREDO, TEXAS
HOUSING REHABILITATION
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Investment Income:						
Interest Earnings	\$ 700	700	464	-	464	(236)
Miscellaneous:						
Reimbursements	<u>72,000</u>	<u>72,000</u>	<u>45,934</u>	<u>-</u>	<u>45,934</u>	<u>(26,066)</u>
TOTAL REVENUES	<u>72,700</u>	<u>72,700</u>	<u>46,398</u>	<u>-</u>	<u>46,398</u>	<u>(26,302)</u>
EXPENDITURES:						
Administration:						
Personnel Services	9,337	9,487	6,161	-	6,161	3,326
Contractual Services	<u>650</u>	<u>500</u>	<u>71</u>	<u>-</u>	<u>71</u>	<u>429</u>
Total Administration	<u>9,987</u>	<u>9,987</u>	<u>6,232</u>	<u>-</u>	<u>6,232</u>	<u>3,755</u>
Housing Rehabilitation Loans:						
Contractual Services	<u>62,586</u>	<u>62,586</u>	<u>46,839</u>	<u>-</u>	<u>46,839</u>	<u>15,747</u>
Total Housing Rehabilitation Loans	<u>62,586</u>	<u>62,586</u>	<u>46,839</u>	<u>-</u>	<u>46,839</u>	<u>15,747</u>
TOTAL EXPENDITURES	<u>72,573</u>	<u>72,573</u>	<u>53,071</u>	<u>-</u>	<u>53,071</u>	<u>19,502</u>
Excess (Deficiency) of Revenues Over Expenditures	127	127	(6,673)	-	(6,673)	(6,800)
Fund Balances at Beginning of Year	<u>13,965</u>	<u>14,960</u>	<u>14,960</u>	<u>-</u>	<u>14,960</u>	<u>-</u>
FUND BALANCE AT END OF YEAR	<u>\$ 14,092</u>	<u>15,087</u>	<u>8,287</u>	<u>-</u>	<u>8,287</u>	<u>(6,800)</u>

**CITY OF LAREDO, TEXAS
HOME INVESTMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Intergovernmental:				
HOME Grants	\$ 1,839,012	932,928	2,771,940	4,477,026
Investment Income:				
Interest Earnings	6,141	8,836	14,977	4,650
Miscellaneous:				
Reimbursements	1,371,387	266,591	1,637,978	1,565,020
TOTAL REVENUES	<u>3,216,540</u>	<u>1,208,355</u>	<u>4,424,895</u>	<u>6,046,696</u>
EXPENDITURES:				
Personnel Services	264,895	70,136	335,031	348,572
Materials and Supplies	4,824	7,560	12,384	12,746
Contractual Services	3,434,991	968,750	4,403,741	6,329,176
Other	-	-	-	204,976
TOTAL EXPENDITURES	<u>3,704,710</u>	<u>1,046,446</u>	<u>4,751,156</u>	<u>6,895,470</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(488,170)</u>	<u>161,909</u>	<u>(326,261)</u>	<u>(848,774)</u>
OTHER FINANCING SOURCES (USES):				
Transfer In:				
Home Inv. Afford. Housing	783,729	51,189	834,918	835,767
Municipal Housing	25,936	11,584	37,520	17,480
Transfer Out:				
Home Inv. Afford. Housing	(4,473)	-	(4,473)	(4,473)
TOTAL OTHER FINANCING SOURCES:	<u>805,192</u>	<u>62,773</u>	<u>867,965</u>	<u>848,774</u>
Net Change in Fund Balances	<u><u>\$ 317,022</u></u>	<u><u>224,682</u></u>	<u><u>541,704</u></u>	<u><u>-</u></u>
Fund Balances-Beginning		<u>317,022</u>		
Fund Balances-Ending		<u><u>\$ 541,704</u></u>		

**CITY OF LAREDO, TEXAS
EMERGENCY SHELTER FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Intergovernmental:				
Emergency Shelter Grants	\$ 37,999	281,562	319,561	615,611
TOTAL REVENUES	<u>37,999</u>	<u>281,562</u>	<u>319,561</u>	<u>615,611</u>
EXPENDITURES:				
Personnel Services	6,148	8,815	14,963	16,736
Materials and Supplies	77	1,946	2,023	5,540
Contractual Services	31,774	270,801	302,575	593,335
TOTAL EXPENDITURES	<u>37,999</u>	<u>281,562</u>	<u>319,561</u>	<u>615,611</u>
Net Change in Fund Balances	\$ <u>-</u>	-	<u>-</u>	<u>-</u>
Fund Balances-Beginning		-		
Fund Balances-Ending		\$ <u>-</u>		

CITY OF LAREDO, TEXAS
HOME INVESTMENT AFFORDABLE HOUSING
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Intergovernmental:						
Federal	\$ -	44,567	42,988	-	42,988	(1,579)
Investment Income:						
Interest Earnings	-	-	3	-	3	3
Miscellaneous:						
Reimbursements	52,038	52,480	51,186	-	51,186	(1,294)
TOTAL REVENUES	52,038	97,047	94,177	-	94,177	(2,870)
EXPENDITURES:						
Contractual Services	-	44,567	42,988	-	42,988	1,579
TOTAL EXPENDITURES	-	44,567	42,988	-	42,988	1,579
Excess (Deficiency) of Revenues Over Expenditures	52,038	52,480	51,189	-	51,189	(1,291)
OTHER FINANCING SOURCES (USES):						
Transfer Out:						
Home Investment	(52,038)	(52,480)	(51,189)	-	(51,189)	1,291
TOTAL OTHER FINANCING SOURCES (USES)	(52,038)	(52,480)	(51,189)	-	(51,189)	1,291
FUND BALANCES AT END OF YEAR	\$ -	-	-	-	-	-

CITY OF LAREDO, TEXAS
 AUTO THEFT TASK FORCE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
 Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Intergovernmental:						
State	\$ 999,400	1,584,205	638,014	-	638,014	(946,191)
Investment Income:						
Interest Earnings	700	700	387	-	387	(313)
Miscellaneous:						
Reimbursements	-	-	18,760	-	18,760	18,760
TOTAL REVENUES	<u>1,000,100</u>	<u>1,584,905</u>	<u>657,161</u>	<u>-</u>	<u>657,161</u>	<u>(927,744)</u>
EXPENDITURES:						
Personnel Services	968,616	1,834,729	921,008	-	921,008	913,721
Materials and Supplies	-	7,504	7,504	-	7,504	-
Contractual Services	211,200	197,282	102,264	-	102,264	95,018
Other	321,204	316,150	-	-	-	316,150
TOTAL EXPENDITURES	<u>1,501,020</u>	<u>2,355,665</u>	<u>1,030,776</u>	<u>-</u>	<u>1,030,776</u>	<u>1,324,889</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>(500,920)</u>	<u>(770,760)</u>	<u>(373,615)</u>	<u>-</u>	<u>(373,615)</u>	<u>397,145</u>
OTHER FINANCING SOURCES (USES):						
Transfer In:						
General Fund	421,720	421,720	369,345	-	369,345	(52,375)
TOTAL OTHER FINANCING SOURCES (USES)	<u>421,720</u>	<u>421,720</u>	<u>369,345</u>	<u>-</u>	<u>369,345</u>	<u>(52,375)</u>
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	<u>(79,200)</u>	<u>(349,040)</u>	<u>(4,270)</u>	<u>-</u>	<u>(4,270)</u>	<u>344,770</u>
Fund Balances at Beginning of Year	<u>-</u>	<u>349,383</u>	<u>349,383</u>	<u>-</u>	<u>349,383</u>	<u>-</u>
FUND BALANCES AT END OF YEAR	\$ <u>(79,200)</u>	<u>343</u>	<u>345,113</u>	<u>-</u>	<u>345,113</u>	<u>344,770</u>

CITY OF LAREDO, TEXAS
FINANCIAL TASK FORCE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Intergovernmental:						
Federal	\$ 1,630,142	1,644,696	823,601	-	823,601	(821,095)
Investment Income:						
Interest Earnings	42,000	-	-	-	-	-
Miscellaneous:						
Forfeitures	320,000	758,344	-	-	-	(758,344)
TOTAL REVENUES	1,992,142	2,403,040	823,601	-	823,601	(1,579,439)
EXPENDITURES:						
Personnel Services	539,890	1,446,710	780,836	-	780,836	665,874
Material and Supplies	33,543	66,531	10,505	1,884	12,389	54,142
Contractual Services	519,518	131,928	32,260	680	32,940	98,988
Other	708,758	757,871	-	-	-	757,871
Total Operating Expenditures	1,801,709	2,403,040	823,601	2,564	826,165	1,576,875
Capital Outlay	587,017	-	-	-	-	-
TOTAL EXPENDITURES	2,388,726	2,403,040	823,601	2,564	826,165	1,576,875
Excess (Deficiency) of Revenues Over Expenditures	(396,584)	-	-	(2,564)	(2,564)	(2,564)
OTHER FINANCING SOURCES (USES):						
Transfers Out:						
Police Trust Fund	-	(2,038,440)	(2,038,440)	-	(2,038,440)	-
TOTAL OTHER FINANCING SOURCES (USES)	-	(2,038,440)	(2,038,440)	-	(2,038,440)	-
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	(396,584)	(2,038,440)	(2,038,440)	(2,564)	(2,041,004)	(2,564)
Fund Balances at Beginning of Year	1,105,577	2,038,440	2,038,440	-	2,038,440	-
FUND BALANCES AT END OF YEAR	\$ 708,993	-	-	(2,564)	(2,564)	(2,564)

CITY OF LAREDO, TEXAS
SPECIAL POLICE PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive Negative</u>
REVENUES:						
Intergovernmental:						
Federal	\$ 2,991,962	4,210,799	3,095,424	-	3,095,424	(1,115,375)
State	1,073,000	1,125,000	504,421	-	504,421	(620,579)
Miscellaneous:						
Reimbursements	-	-	14,655	-	14,655	14,655
TOTAL REVENUES	4,064,962	5,335,799	3,614,500	-	3,614,500	(1,721,299)
EXPENDITURES:						
Police Grants:						
Click It or Ticket	24,000	24,000	20,607	-	20,607	3,393
Impaired Driving Mobilization	69,500	69,500	60,531	-	60,531	8,969
Alcohol Tobacco Firearms	96,777	96,777	96,212	-	96,212	565
Comprehensive Comm. Vehicle STEP	120,000	120,000	116,746	-	116,746	3,254
Comprehensive STEP	145,200	145,200	144,898	-	144,898	302
Equipped Bomb Unit Vehicle	-	13,115	13,115	-	13,115	-
US Marshals - Sex Offenders	10,000	10,000	-	-	-	10,000
Customs Narcotics	117,423	102,389	49,208	-	49,208	53,181
Bulletproof Vest Partnership	90,000	90,000	-	-	-	90,000
Justice Assistance Grant	194,694	294,250	121,545	-	121,545	172,705
Body-Worn Camera Project	225,000	292,500	67,500	-	67,500	225,000
Fugitive Apprehension	19,356	19,356	22,838	-	22,838	(3,482)
Ldo. Joint Terrorism TF	22,196	22,196	20,413	-	20,413	1,783
Violence of Crime Act	128,100	128,100	59,037	-	59,037	69,063
Cops Program 2015-2018	1,008,729	1,008,729	1,047,008	-	1,047,008	(38,279)
Cops Program 2019	675,453	675,453	-	-	-	675,453
OCDETF	55,385	55,385	47,360	-	47,360	8,025
FBI-Safe Streets	44,393	44,393	36,526	-	36,526	7,867
Stonegarden Grant	1,500,000	2,424,708	1,599,291	-	1,599,291	825,417
CBP Task Force	198,000	198,000	218,605	-	218,605	(20,605)
GDEM Border Security	500,000	473,931	140,500	-	140,500	333,431
Total Operating Expenditures	5,244,206	6,307,982	3,881,940	-	3,881,940	2,426,042
Capital Outlay	86,000	308,561	224,237	-	224,237	84,324
TOTAL EXPENDITURES	5,330,206	6,616,543	4,106,177	-	4,106,177	2,510,366
Excess (Deficiency) of Revenues Over Expenditures	(1,265,244)	(1,280,744)	(491,677)	-	(491,677)	789,067
OTHER FINANCING SOURCES (USES):						
Transfer In:						
General Fund	1,262,910	1,278,410	925,987	-	925,987	(352,423)
TOTAL OTHER FINANCING SOURCES (USES)	1,262,910	1,278,410	925,987	-	925,987	(352,423)
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	(2,334)	(2,334)	434,310	-	434,310	436,644
Fund Balances at Beginning of Year	2,334	8,307	8,307	-	8,307	-
FUND BALANCES AT END OF YEAR	\$ -	5,973	442,617	-	442,617	436,644

CITY OF LAREDO, TEXAS
911 EMERGENCY COMMUNICATIONS FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Intergovernmental:						
State Emergency Commission	\$ 2,554,105	6,503,018	2,429,996	-	2,429,996	(4,073,022)
Investment Income:						
Interest Earnings	2,800	4,100	4,849	-	4,849	749
TOTAL REVENUES	2,556,905	6,507,118	2,434,845	-	2,434,845	(4,072,273)
EXPENDITURES:						
Personnel Services	527,440	1,065,059	423,330	-	423,330	641,729
Materials and Supplies	142,950	287,167	96,304	2,377	98,681	188,486
Contractual Services	1,581,586	4,734,749	1,905,515	1,190,874	3,096,389	1,638,360
Other	887	9,539	-	-	-	9,539
Total Operating Expenditures	2,252,863	6,096,514	2,425,149	1,193,251	3,618,400	2,478,114
Capital Outlay	305,786	412,348	9,696	46,141	55,837	356,511
TOTAL EXPENDITURES	2,558,649	6,508,862	2,434,845	1,239,392	3,674,237	2,834,625
Excess (Deficiency) of Revenues Over Expenditures	(1,744)	(1,744)	-	(1,239,392)	(1,239,392)	(1,237,648)
Fund Balances at Beginning of Year	-	670	670	-	670	-
FUND BALANCES AT END OF YEAR	\$ (1,744)	(1,074)	670	(1,239,392)	(1,238,722)	(1,237,648)

CITY OF LAREDO, TEXAS
HEALTH FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Intergovernmental:						
Federal Grants	\$ 2,381,046	5,921,928	2,137,522	-	2,137,522	(3,784,406)
State Grants	10,329,865	14,856,841	9,238,628	-	9,238,628	(5,618,213)
Other	578,799	1,357,450	594,454	-	594,454	(762,996)
Licenses and Permits	473,410	473,410	430,786	-	430,786	(42,624)
Fees and Collections	757,817	816,884	666,964	-	666,964	(149,920)
Investment Income:						
Interest Earnings	16,000	16,000	50,587	-	50,587	34,587
Rents and Royalties	515	515	484	-	484	(31)
Discount Earnings	250	250	195	-	195	(55)
Miscellaneous:						
Contributions	350,000	540,346	350	-	350	(539,996)
Reimbursements	429,229	566,203	528,050	-	528,050	(38,153)
Other	543,902	813,270	485,735	-	485,735	(327,535)
TOTAL REVENUES	15,860,833	25,363,097	14,133,755	-	14,133,755	(11,229,342)
EXPENDITURES:						
Administrative Divisions:						
Administration	1,399,767	1,414,619	1,312,973	20,189	1,333,162	81,457
Health Education	111,852	113,955	102,352	5,713	108,065	5,890
Vital Statistics	265,510	260,570	229,794	29,411	259,205	1,365
E.M.S. Billing	290,742	276,758	249,610	23,055	272,665	4,093
STD Clinic	88,177	95,697	85,117	7,476	92,593	3,104
Maternity	127,659	120,963	56,290	9,418	65,708	55,255
Immunization	260,250	257,729	227,481	28,820	256,301	1,428
Tuberculosis	155,279	146,310	130,593	5,397	135,990	10,320
Adult Health	52,501	52,477	49,854	-	49,854	2,623
Laboratory	824,307	853,153	777,167	42,985	820,152	33,001
Personal Health Services	155,004	119,394	96,529	12,914	109,443	9,951
Budget and Grant Management	434,428	470,112	467,214	185	467,399	2,713
Environmental	886,653	963,383	873,195	76,326	949,521	13,862
Total Administrative Divisions	5,052,129	5,145,120	4,658,169	261,889	4,920,058	225,062
State Grants:						
H.I.V. - Prevention	300,600	412,945	286,510	2,045	288,555	124,390
T.B. Federal - Tuberculosis	182,801	300,403	188,387	-	188,387	112,016
Primary Care	184,886	344,104	151,979	-	151,979	192,125
Tuberculosis Elimination	209,978	420,693	219,241	-	219,241	201,452
Immunization Action Plan	426,730	655,266	339,542	-	339,542	315,724
Bureau of Regional/Local Health						
Operations	887,050	1,205,030	675,922	-	675,922	529,108
Women Infant and Children (W.I.C.)	4,290,377	5,122,255	4,287,609	56,725	4,344,334	777,921
W.I.C. Counties Expansion	1,183,714	1,200,946	1,089,418	3,522	1,092,940	108,006
Bio-Terrorism Preparedness	331,135	648,050	322,702	829	323,531	324,519
Office of Border Health - Surveillance	-	31,760	10,589	1,598	12,187	19,573
Associateship for Community Health						
and Resource Development - Dental	69,750	231,500	105,818	-	105,818	125,682
Associateship for Community Health						
and Resource Development - Prenatal	\$ 40,446	77,155	32,072	-	32,072	45,083

(Continued)

**CITY OF LAREDO, TEXAS
HEALTH FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019**

(Continued)

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
State Grants (Continued)						
H.I.V. - Housing Project (H.O.P.W.A.)	\$ 79,339	285,530	104,588	16,798	121,386	164,144
H.I.V. - Consortia (Ryan White)	391,367	760,323	329,670	66,213	395,883	364,440
HIV Social Services	323,072	435,313	294,942	-	294,942	140,371
Healthy Texas Babies	61,847	200,427	68,245	-	68,245	132,182
Texas Healthy Communities	50,000	51,590	47,366	2,450	49,816	1,774
Ebola Surveillance	82,500	258,133	84,601	-	84,601	173,532
Texas Adolescent Initiative	200,000	200,000	-	-	-	200,000
Zika PHPR	562,159	1,176,756	304,631	3,636	308,267	868,489
Obesity Prevention Program	250,000	145,306	129,516	-	129,516	15,790
Zika Health Care Services Program	224,584	875,896	368,554	-	368,554	507,342
Hurricane Crisis Response	-	120,590	22,473	28,416	50,889	69,701
Nurse-Family Partnership	590,159	1,262,457	627,631	-	627,631	634,826
1115 Wavier Program	937,000	2,683,834	847,480	12,645	860,125	1,823,709
HIV and Mental Health Project	311,376	339,866	6,333	-	6,333	333,533
Healthy Disparities Initiative	30,000	59,918	33,129	6,241	39,370	20,548
Healthy Texas Women	324,008	630,717	291,563	2,090	293,653	337,064
Family Planning Open Enrollment	85,500	161,252	78,250	-	78,250	83,002
Ryan White Part C	-	583,341	317,718	46,652	364,370	218,971
Women's Health and Family Planning	103,003	319,907	94,298	2,400	96,698	223,209
Zika Data Collection	-	4,845	-	-	-	4,845
TAMIU Si Texas	234,783	489,766	231,917	-	231,917	257,849
CHIP Perinate	25,533	25,533	-	-	-	25,533
Ventanilla de Salud Program	23,805	42,444	39,295	9,181	48,476	(6,032)
Ryan White Part D	49,896	92,330	49,145	-	49,145	43,185
Coastal Bend Wellness	10,000	20,000	565	-	565	19,435
Tackle HIV/ HCV People	157,213	157,213	-	-	-	157,213
Pillar-High Risk HIV	-	427,668	189,635	-	189,635	238,033
Ventanilla de Salud Program-Salud Emocional	-	25,000	10,999	-	10,999	14,001
Hepatitis B Program	15,750	31,206	18,501	-	18,501	12,705
Women and Children Health Program	413,658	413,833	373,689	175	373,864	39,969
Special Projects	350,000	529,747	14,412	-	14,412	515,335
Total State Grant Expenses	13,994,019	23,460,848	12,688,935	261,616	12,950,551	10,510,297
Total Operating Expenses	19,046,148	28,605,968	17,347,104	523,505	17,870,609	10,735,359
Capital Outlay	-	530,161	70,328	427,262	497,590	32,571
TOTAL EXPENDITURES	19,046,148	29,136,129	17,417,432	950,767	18,368,199	10,767,930
Excess (Deficiency) of Revenues Over Expenditures	(3,185,315)	(3,773,032)	(3,283,677)	(950,767)	(4,234,444)	(461,412)
OTHER FINANCING SOURCES (USES):						
Transfer In:						
General Fund	3,049,462	3,049,462	3,049,462	-	3,049,462	-
Sale of Assets	-	-	2,140	-	2,140	2,140
TOTAL OTHER FINANCING SOURCES (USES)	3,049,462	3,049,462	3,051,602	-	3,051,602	2,140
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	(135,853)	(723,570)	(232,075)	(950,767)	(1,182,842)	(459,272)
Fund Balances at Beginning of Year	234,128	1,760,834	1,760,834	(4,326)	1,756,508	(4,326)
FUND BALANCE AT END OF YEAR	\$ 98,275	1,037,264	1,528,759	(955,093)	573,666	(463,598)

**CITY OF LAREDO, TEXAS
INTERNATIONAL AIRPORT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Intergovernmental:						
Federal	\$ -	-	40,223	-	40,223	40,223
State	11,800	11,800	4,565	-	4,565	(7,235)
Fees and Collections	553,178	553,178	482,833	-	482,833	(70,345)
Investment Income:						
Interest Earnings	-	120,000	180,400	-	180,400	60,400
Discount Earnings	-	-	142	-	142	142
Rents and Royalties	7,884,199	7,764,199	6,854,043	-	6,854,043	(910,156)
Miscellaneous:						
Reimbursements	401,168	401,168	439,052	-	439,052	37,884
TOTAL REVENUES	8,850,345	8,850,345	8,001,258	-	8,001,258	(849,087)
EXPENDITURES:						
Administration:						
Personnel Services	549,718	549,718	584,962	-	584,962	(35,244)
Materials and Supplies	67,388	66,838	43,737	2,758	46,495	20,343
Contractual Services	4,225,226	4,242,464	2,535,447	156,573	2,692,020	1,550,444
Other	229,467	42,611	824	-	824	41,787
Total Administration	<u>5,071,799</u>	<u>4,901,631</u>	<u>3,164,970</u>	<u>159,331</u>	<u>3,324,301</u>	<u>1,577,330</u>
Building Maintenance:						
Personnel Services	665,699	669,428	569,403	-	569,403	100,025
Materials and Supplies	181,780	233,141	175,954	15,426	191,380	41,761
Contractual Services	2,058,570	2,023,477	849,085	169,860	1,018,945	1,004,532
Other	10,033	-	-	-	-	-
Total Building Maintenance	<u>2,916,082</u>	<u>2,926,046</u>	<u>1,594,442</u>	<u>185,286</u>	<u>1,779,728</u>	<u>1,146,318</u>
Ground Maintenance:						
Personnel Services	443,396	431,396	424,179	-	424,179	7,217
Materials and Supplies	49,402	85,402	39,089	35,326	74,415	10,987
Contractual Services	448,103	383,201	102,384	118,191	220,575	162,626
Total Ground Maintenance	<u>940,901</u>	<u>899,999</u>	<u>565,652</u>	<u>153,517</u>	<u>719,169</u>	<u>180,830</u>
Airport Security:						
Personnel Services	1,343,303	1,343,456	1,223,539	-	1,223,539	119,917
Materials and Supplies	232,734	178,825	120,164	16,900	137,064	41,761
Contractual Services	189,116	192,655	138,903	20,744	159,647	33,008
Capital Outlay	1,500	-	-	-	-	-
Other	-	200	200	-	200	-
Total Airport Security	<u>1,766,653</u>	<u>1,715,136</u>	<u>1,482,806</u>	<u>37,644</u>	<u>1,520,450</u>	<u>194,686</u>
Foreign Trade Zone:						
Personnel Services	38,665	38,686	23,626	-	23,626	15,060
Materials and Supplies	500	500	-	-	-	500
Contractual Services	5,500	6,750	500	1,250	1,750	5,000
Total Foreign Trade Zone	<u>44,665</u>	<u>45,936</u>	<u>24,126</u>	<u>1,250</u>	<u>25,376</u>	<u>20,560</u>
Federal Inspection Services:						
Personnel Services	246,661	247,440	242,478	-	242,478	4,962
Materials and Supplies	15,947	16,497	1,794	2,162	3,956	12,541
Contractual Services	97,245	101,780	45,691	2,200	47,891	53,889
Total Federal Inspection Services	<u>\$ 359,853</u>	<u>365,717</u>	<u>289,963</u>	<u>4,362</u>	<u>294,325</u>	<u>71,392</u>

(Continued)

CITY OF LAREDO, TEXAS
INTERNATIONAL AIRPORT
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

(Continued)

	Original Budget	Final Budget	Actual	Adjustments	Actual Budget Basis	Variance Positive Positive (Negative)
EXPENDITURES (Continued)						
Operation Stonegarden:						
Personnel Services	\$ 9,806	9,877	4,025	-	4,025	5,852
Total Operation Stonegarden	9,806	9,877	4,025	-	4,025	5,852
Ice Airport:						
Personnel Services	14,710	14,710	-	-	-	14,710
Total Ice Airport	14,710	14,710	-	-	-	14,710
Total Operating Expenditures	11,124,469	10,879,052	7,125,984	541,390	7,667,374	3,211,678
Debt Service:						
Principal	-	57,773	57,773	-	57,773	-
Interest	-	13,355	13,355	-	13,355	-
Capital Outlay	-	174,289	67,448	106,759	174,207	82
TOTAL EXPENDITURES	11,124,469	11,124,469	7,264,560	648,149	7,912,709	3,211,760
Excess (Deficiency) of Revenues Over Expenditures	(2,274,124)	(2,274,124)	736,698	(648,149)	88,549	2,362,673
OTHER FINANCING SOURCES (USES):						
Transfer In:						
Noise Abatement Fund	600,000	600,000	600,000	-	600,000	-
Transfers Out:						
Airport Construction Fund	(1,022,223)	(1,022,223)	(1,121,593)	-	(1,121,593)	(99,370)
Sale of Assets	-	-	14,973	-	14,973	14,973
TOTAL OTHER FINANCING SOURCES (USES)	(422,223)	(422,223)	(506,620)	-	(506,620)	(84,397)
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	(2,696,347)	(2,696,347)	230,078	(648,149)	(418,071)	2,278,276
Fund Balances at Beginning of Year	5,358,834	5,772,397	5,772,397	-	5,772,397	-
FUND BALANCE AT END OF YEAR	\$ 2,662,487	3,076,050	6,002,475	(648,149)	5,354,326	2,278,276

CITY OF LAREDO, TEXAS
HOTEL-MOTEL OCCUPANCY TAX
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustment</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Taxes:						
Hotel-Motel Occupancy Tax	\$ 3,716,405	3,716,405	4,244,315	-	4,244,315	527,910
Penalty and Interest	-	-	8,689	-	8,689	8,689
Investment Income:						
Interest Earnings	98,000	98,000	158,681	-	158,681	60,681
TOTAL REVENUES	3,814,405	3,814,405	4,411,685	-	4,411,685	597,280
EXPENDITURES:						
Materials & Supplies	-	170,000	-	170,000	170,000	-
Contractual Services:						
Administration	-	343,566	152,695	190,979	343,674	(108)
Tourism and Promotion	325,121	325,121	304,510	5,861	310,371	14,750
Historical and Arts	589,010	588,444	275,691	73,318	349,009	239,435
TOTAL EXPENDITURES	914,131	1,427,131	732,896	440,158	1,173,054	254,077
Excess (Deficiency) of Revenues Over Expenditures	2,900,274	2,387,274	3,678,789	(440,158)	3,238,631	851,357
OTHER FINANCING SOURCES (USES):						
Transfers Out:						
General Fund	(160,818)	(160,818)	(125,768)	-	(125,768)	35,050
Convention and Visitors Bureau	(3,235,799)	(3,235,799)	(2,966,093)	-	(2,966,093)	269,706
Recreation Fund	(150,000)	(150,000)	(74,254)	-	(74,254)	75,746
TOTAL OTHER FINANCING SOURCES (USES)	(3,546,617)	(3,546,617)	(3,166,115)	-	(3,166,115)	380,502
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	(646,343)	(1,159,343)	512,674	(440,158)	72,516	1,231,859
Fund Balances at Beginning of Year	4,509,615	5,406,843	5,406,843	-	5,406,843	-
FUND BALANCES AT END OF YEAR	\$ 3,863,272	4,247,500	5,919,517	(440,158)	5,479,359	1,231,859

CITY OF LAREDO, TEXAS
PUBLIC ACCESS CHANNEL
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Peg Funds	\$ 312,400	312,400	351,031	-	351,031	38,631
Investment Income:						
Interest Earnings	13,200	13,200	27,185	-	27,185	13,985
TOTAL REVENUES	325,600	325,600	378,216	-	378,216	52,616
EXPENDITURES:						
Materials and Supplies	65,000	65,000	18,238	19	18,257	46,743
Contractual Services	-	8,000	7,228	250	7,478	522
Other	735,000	603,500	-	-	-	603,500
Total Operating Expenditures	800,000	676,500	25,466	269	25,735	650,765
Capital Outlay	229,633	353,133	159,052	2,906	161,958	191,175
TOTAL EXPENDITURES	1,029,633	1,029,633	184,518	3,175	187,693	841,940
Excess (Deficiency) of Revenues Over Expenditures	(704,033)	(704,033)	193,698	(3,175)	190,523	894,556
Fund Balances at Beginning of Year	891,471	1,095,792	1,095,792	-	1,095,792	-
FUND BALANCE AT END OF YEAR	\$ 187,438	391,759	1,289,490	(3,175)	1,286,315	894,556

CITY OF LAREDO, TEXAS
LAREDO CONVENTION AND VISITORS BUREAU
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Fees and Collections	\$ 50,650	50,650	49,541	-	49,541	(1,109)
Investment Income:						
Interest Earnings	-	-	1,050	-	1,050	1,050
Miscellaneous:						
Contributions	138,000	138,000	44,164	-	44,164	(93,836)
Reimbursements	625	625	730	-	730	105
TOTAL REVENUES	189,275	189,275	95,485	-	95,485	(93,790)
EXPENDITURES:						
Personnel Services	745,033	745,033	690,605	-	690,605	54,428
Materials and Supplies	221,007	305,992	186,770	53,996	240,766	65,226
Contractual Services	2,638,791	2,599,385	1,925,839	429,737	2,355,576	243,809
Other	100,829	-	(5)	-	(5)	5
Total Operating Expenditures	3,705,660	3,650,410	2,803,209	483,733	3,286,942	363,468
Capital Outlay	24,398	79,648	29,645	49,975	79,620	28
TOTAL EXPENDITURES	3,730,058	3,730,058	2,832,854	533,708	3,366,562	363,496
Excess (Deficiency) of Revenues Over Expenditures	(3,540,783)	(3,540,783)	(2,737,369)	(533,708)	(3,271,077)	269,706
OTHER FINANCING SOURCES (USES):						
Transfer In:						
Hotel-Motel Occupancy Tax	3,235,799	3,235,799	2,966,093	-	2,966,093	(269,706)
TOTAL OTHER FINANCING SOURCES (USES)	3,235,799	3,235,799	2,966,093	-	2,966,093	(269,706)
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	(304,984)	(304,984)	228,724	(533,708)	(304,984)	-
Fund Balances at Beginning of Year	-	304,984	304,984	-	304,984	-
FUND BALANCE AT END OF YEAR	\$ (304,984)	-	533,708	(533,708)	-	-

CITY OF LAREDO, TEXAS
RECREATION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	Original Budget	Final Budget	Actual	Adjustments	Actual Budget Basis	Variance Positive Negative
REVENUES:						
Investment Income:						
Interest Earnings	\$ 10,300	10,300	12,916	-	12,916	2,616
Fees and Collections	366,900	366,900	420,429	-	420,429	53,529
TOTAL REVENUES	377,200	377,200	433,345	-	433,345	56,145
EXPENDITURES:						
Personnel Services	41,260	41,260	51,192	-	51,192	(9,932)
Materials and Supplies	180,709	163,309	50,351	11,499	61,850	101,459
Contractual Services	149,804	266,963	226,159	16,912	243,071	23,892
Other	99,774	15	(18)	-	(18)	33
Total Operating Expenditures	471,547	471,547	327,684	28,411	356,095	115,452
Capital Outlay	-	-	9,199	-	9,199	(9,199)
TOTAL EXPENDITURES	471,547	471,547	336,883	28,411	365,294	106,253
Excess (Deficiency) of Revenues Over Expenditures	(94,347)	(94,347)	96,462	(28,411)	68,051	162,398
OTHER FINANCING SOURCES (USES):						
Transfer In:						
Hotel-Motel Occupancy Tax	150,000	150,000	74,254	-	74,254	(75,746)
TOTAL OTHER FINANCING SOURCES (USES)	150,000	150,000	74,254	-	74,254	(75,746)
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	55,653	55,653	170,716	(28,411)	142,305	86,652
Fund Balances at Beginning of Year	502,357	446,124	446,124	-	446,124	-
FUND BALANCES AT END OF YEAR	\$ 558,010	501,777	616,840	(28,411)	588,429	86,652

CITY OF LAREDO, TEXAS
PARKING METERS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Intergovernmental:						
Webb County	\$ 300	300	300	-	300	-
License and Permits	7,211	7,211	9,691	-	9,691	2,480
Fines	600,000	600,000	526,570	-	526,570	(73,430)
Fees and Collections	1,313,523	1,313,523	1,096,561	-	1,096,561	(216,962)
Investment Income:						
Interest Earnings	20,000	20,000	36,406	-	36,406	16,406
Rents	-	-	54	-	54	54
Discount Earnings	-	-	455	-	455	455
Miscellaneous:						
Reimbursements	-	-	45	-	45	45
TOTAL REVENUES	1,941,034	1,941,034	1,670,082	-	1,670,082	(270,952)
EXPENDITURES:						
Personnel Services	1,450,665	1,450,665	1,073,871	-	1,073,871	376,794
Materials and Supplies	163,050	140,147	93,020	38,673	131,693	8,454
Contractual Services	570,828	567,022	466,309	22,092	488,401	78,621
Other	314,049	295,577	(97)	-	(97)	295,674
Total Operating Expenditures	2,498,592	2,453,411	1,633,103	60,765	1,693,868	759,543
Capital Outlay	107,368	118,978	18,974	-	18,974	100,004
TOTAL EXPENDITURES	2,605,960	2,572,389	1,652,077	60,765	1,712,842	859,547
Excess (Deficiency) of Revenues Over Expenditures	(664,926)	(631,355)	18,005	(60,765)	(42,760)	588,595
OTHER FINANCING SOURCES (USES):						
Transfers Out:						
Debt Service Fund	(187,861)	(187,861)	(187,861)	-	(187,861)	-
Sale of Assets	-	-	1,320	-	1,320	1,320
TOTAL OTHER FINANCING SOURCES (USES)	(187,861)	(187,861)	(186,541)	-	(186,541)	1,320
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	(852,787)	(819,216)	(168,536)	(60,765)	(229,301)	589,915
Fund Balances at Beginning of Year	1,360,417	1,475,739	1,475,739	-	1,475,739	-
FUND BALANCE AT END OF YEAR	\$ 507,630	656,523	1,307,203	(60,765)	1,246,438	589,915

**CITY OF LAREDO, TEXAS
ENVIRONMENTAL SERVICES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019**

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Storm Water Fees	\$ 7,209,836	7,209,836	7,485,735	-	7,485,735	275,899
Hazardous Materials Fees	319,000	319,000	323,400	-	323,400	4,400
Intergovernmental:						
STDC - Glass Pulverizer	-	30,000	-	-	-	(30,000)
STDC - Regional Solid Waste Mgmt	50,000	28,000	28,000	-	28,000	-
TXDOT - Zacate Hike/Bike	1,000,000	836,645	836,587	-	836,587	(58)
TXDOT - River Vega Hike/Bike	718,903	652,638	-	-	-	(652,638)
Universities and Colleges	17,000	17,000	25,500	-	25,500	8,500
Investment Income:						
Interest Earnings	83,300	83,300	114,881	-	114,881	31,581
Discount Earnings	2,700	2,700	1,884	-	1,884	(816)
Miscellaneous:						
Contributions	30,975	1,741,878	-	-	-	(1,741,878)
Reimbursements	-	-	23,573	-	23,573	23,573
TOTAL REVENUES	9,431,714	10,920,997	8,839,560	-	8,839,560	(2,081,437)
EXPENDITURES:						
Administration:						
Personnel Services	267,257	267,257	284,052	-	284,052	(16,795)
Contractual Services	42,371	34,759	20,053	46,050	66,103	(31,344)
Other	30,929	30,929	28,510	(28,510)	-	30,929
Total Administration	340,557	332,945	332,615	17,540	350,155	(17,210)
Creek Cleaning:						
Personnel Services	1,054,595	922,395	797,348	-	797,348	125,047
Materials and Supplies	106,628	89,725	65,131	4,960	70,091	19,634
Contractual Services	268,458	347,666	324,683	18,933	343,616	4,050
Total Creek Cleaning	1,429,681	1,359,786	1,187,162	23,893	1,211,055	148,731
Stormwater:						
Personnel	907,416	895,916	889,114	-	889,114	6,802
Materials and Supplies	125,880	114,476	82,604	24,770	107,374	7,102
Contractual Services	1,570,044	1,686,810	1,524,766	236,979	1,761,745	(74,935)
Other	-	2,901,438	-	-	-	2,901,438
Total Stormwater	2,603,340	5,598,640	2,496,484	261,749	2,758,233	2,840,407
CD Code Enforcement:						
Personnel Services	59,748	59,748	59,375	-	59,375	373
Materials and Supplies	80	2,080	80	461	541	1,539
Contractual Services	3,983	1,983	-	-	-	1,983
Total CD Code Enforcement	63,811	63,811	59,455	461	59,916	3,895
Hazardous Materials:						
Personnel Services	216,989	212,983	216,054	-	216,054	(3,071)
Materials and Supplies	7,683	7,356	5,748	-	5,748	1,608
Contractual Services	18,962	28,003	20,845	5,722	26,567	1,436
Total Hazardous Materials	243,634	248,342	242,647	5,722	248,369	(27)
STDC- Glass Pulverizer Project:						
Other	50,000	30,000	-	-	-	30,000
Total STDC-Glass Pulverizer Project	\$ 50,000	30,000	-	-	-	30,000

(Continued)

CITY OF LAREDO, TEXAS
ENVIRONMENTAL SERVICES
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

(Continued)

	Original Budget	Final Budget	Actual	Adjustments	Actual Budget Basis	Variance Positive Negative
EXPENDITURES (Continued)						
Zacate Hike & Bike Trail:						
Other	\$ 1,250,000	-	-	-	-	-
Total Zacate Hike & Bike Trail	1,250,000	-	-	-	-	-
River Vega Hike:						
Other	897,378	-	-	-	-	-
Total River Vega Hike	897,378	-	-	-	-	-
Tree Fund:						
Materials and Supplies	-	24,000	480	21,350	21,830	2,170
Other	30,975	6,975	-	-	-	6,975
Total Tree Fund	30,975	30,975	480	21,350	21,830	9,145
STDC - Regional Management:						
Materials and Supplies	-	12,690	12,690	-	12,690	-
Contractual Services	-	15,310	15,310	-	15,310	-
Total STDC - Regional Management	-	28,000	28,000	-	28,000	-
Storm Water Improvements:						
Contractual Services	845,113	349,934	184,251	-	184,251	165,683
Reserve Appropriation	-	500,865	-	-	-	500,865
Total Storm Water Improvements	845,113	850,799	184,251	-	184,251	666,548
2016 C.O. Issue:						
Contractual Services	-	1,267	926	-	926	341
Reserve Appropriation	74,534	76,149	-	-	-	76,149
Total 2016 C.O. Issue	74,534	77,416	926	-	926	76,490
Total Operating Expenditures	7,829,023	8,620,714	4,532,020	330,715	4,862,735	3,757,979
Capital Outlay	2,301,020	6,663,336	1,691,225	837,888	2,529,113	4,134,223
TOTAL EXPENDITURES	10,130,043	15,284,050	6,223,245	1,168,603	7,391,848	7,892,202
Excess (Deficiency) of Revenues Over Expenditures	(698,329)	(4,363,053)	2,616,315	(1,168,603)	1,447,712	5,810,765
OTHER FINANCING SOURCES (USES):						
Sale of Assets	3,000	3,000	24,257	-	24,257	21,257
Miscellaneous	-	-	134	-	134	134
Interest Earnings	74,534	16,379	93,210	-	93,210	76,831
Transfers Out:						
Debt Service	(2,441,184)	(2,441,184)	(2,441,184)	-	(2,441,184)	-
Keep Laredo Beautiful	(335,000)	(335,000)	(53,865)	-	(53,865)	281,135
TOTAL OTHER FINANCING SOURCES (USES)	(2,698,650)	(2,756,805)	(2,377,448)	-	(2,377,448)	379,357
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	(3,396,979)	(7,119,858)	238,867	(1,168,603)	(929,736)	6,190,122
Fund Balances at Beginning of Year	4,273,388	8,445,894	8,445,894	(28,510)	8,417,384	(28,510)
FUND BALANCE AT END OF YEAR	\$ 876,409	1,326,036	8,684,761	(1,197,113)	7,487,648	6,161,612

CITY OF LAREDO, TEXAS
KEEP LAREDO BEAUTIFUL, INC. FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Investment Income:						
Interest Earnings	\$ -	-	91	-	91	91
Miscellaneous:						
Contributions	25,000	25,000	-	-	-	(25,000)
TOTAL REVENUES	25,000	25,000	91	-	91	(24,909)
EXPENDITURES:						
Personnel Services	66,766	58,766	11,047	-	11,047	47,719
Materials and Supplies	60,200	40,200	22,945	6,175	29,120	11,080
Contractual Services	10,611	18,611	5,413	5,390	10,803	7,808
Other	239,438	239,438	-	-	-	239,438
Total Operating Expenditures	377,015	357,015	39,405	11,565	50,970	306,045
Capital Outlay	-	20,000	-	20,000	20,000	-
TOTAL EXPENDITURES	377,015	377,015	39,405	31,565	70,970	306,045
Excess (Deficiency) of Revenues Over Expenditures	(352,015)	(352,015)	(39,314)	(31,565)	(70,879)	281,136
OTHER FINANCING SOURCES (USES):						
Transfer In:						
Environmental Services	335,000	335,000	53,865	-	53,865	(281,135)
TOTAL OTHER FINANCING SOURCES (USES)	335,000	335,000	53,865	-	53,865	(281,135)
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	(17,015)	(17,015)	14,551	(31,565)	(17,014)	1
Fund Balances at Beginning of Year	-	17,014	17,014	-	17,014	-
FUND BALANCE AT END OF YEAR	\$ (17,015)	(1)	31,565	(31,565)	-	1

CITY OF LAREDO, TEXAS
NOISE ABATEMENT LEASE PROGRAM
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Investment Income:						
Interest Earnings	\$ 12,000	12,000	14,566	-	14,566	2,566
Fees and Collections	37,200	37,200	42,579	-	42,579	5,379
Rents and Royalties	1,756,000	1,756,000	1,911,227	-	1,911,227	155,227
Discount Earnings	500	500	506	-	506	6
Miscellaneous:						
Reimbursements	6,346	6,146	12,723	-	12,723	6,577
TOTAL REVENUES	1,812,046	1,811,846	1,981,601	-	1,981,601	169,755
EXPENDITURES:						
Personnel Services	388,258	392,758	369,839	-	369,839	22,919
Materials and Supplies	177,395	175,945	154,125	11,845	165,970	9,975
Contractual Services	807,806	84,756	700,463	120,767	821,230	(736,474)
Other	30,000	-	19,681	(19,681)	-	-
TOTAL EXPENDITURES	1,403,459	653,459	1,244,108	112,931	1,357,039	(703,580)
Excess (Deficiency) of Revenues Over Expenditures	408,587	1,158,387	737,493	(112,931)	624,562	(533,825)
OTHER FINANCING SOURCES (USES):						
Transfer Out:						
Airport Fund	(600,000)	(600,000)	(600,000)	-	(600,000)	-
Sale of Assets	-	200	1,126	-	1,126	926
TOTAL OTHER FINANCING SOURCES (USES)	(600,000)	(599,800)	(598,874)	-	(598,874)	926
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	(191,413)	558,587	138,619	(112,931)	25,688	(532,899)
Fund Balances at Beginning of Year	112,300	298,949	298,949	(19,681)	279,268	(19,681)
FUND BALANCES AT END OF YEAR	\$ (79,113)	857,536	437,568	(132,612)	304,956	(552,580)

CITY OF LAREDO, TEXAS
SPORTS AND COMMUNITY VENUE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Taxes:						
General Sales & Use Tax	\$ 8,463,011	8,463,011	8,660,976	-	8,660,976	197,965
Investment Income:						
Interest Earnings	435,000	435,000	698,380	-	698,380	263,380
Rents and Royalties	-	-	69,446	-	69,446	69,446
Miscellaneous:						
Contributions	-	-	120,000	-	120,000	120,000
Reimbursements	-	-	19,302	-	19,302	19,302
TOTAL REVENUES	8,898,011	8,898,011	9,568,104	-	9,568,104	670,093
EXPENDITURES:						
Personnel	179,315	194,092	187,010	-	187,010	7,082
Materials and Supplies	69,034	117,433	89,143	14,904	104,047	13,386
Contractual Services	384,511	545,946	454,850	41,678	496,528	49,418
Other	1,742,094	450,000	100,000	-	100,000	350,000
Total Operating Expenditures	2,374,954	1,307,471	831,003	56,582	887,585	419,886
Capital Outlay	6,547,561	8,815,044	2,444,994	875,587	3,320,581	5,494,463
TOTAL EXPENDITURES	8,922,515	10,122,515	3,275,997	932,169	4,208,166	5,914,349
Excess (Deficiency) of Revenues Over Expenditures	(24,504)	(1,224,504)	6,292,107	(932,169)	5,359,938	6,584,442
OTHER FINANCING SOURCES (USES):						
Transfer In:						
Sports & Community Operations	3,237,418	3,237,418	-	3,406,694	3,406,694	169,276
Transfers Out:						
Sports & Community Debt Service	(3,237,418)	(3,237,418)	-	(3,406,694)	(3,406,694)	(169,276)
Sames Auto Arena Operations	(1,641,466)	(1,641,466)	(783,903)	-	(783,903)	857,563
Debt Service	(3,375,333)	(3,375,333)	(3,375,333)	-	(3,375,333)	-
TOTAL OTHER FINANCING SOURCES (USES)	(5,016,799)	(5,016,799)	(4,159,236)	-	(4,159,236)	857,563
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	(5,041,303)	(6,241,303)	2,132,871	(932,169)	1,200,702	7,442,005
Fund Balances at Beginning of Year	26,558,718	27,016,116	27,016,116	-	27,016,116	-
FUND BALANCES AT END OF YEAR	\$ 21,517,415	20,774,813	29,148,987	(932,169)	28,216,818	7,442,005

CITY OF LAREDO, TEXAS
SAMES AUTO ARENA
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Charges for Services	\$ 3,800,173	3,800,173	5,083,723	-	5,083,723	1,283,550
TOTAL REVENUES	3,800,173	3,800,173	5,083,723	-	5,083,723	1,283,550
EXPENDITURES:						
Contractual Services	5,441,639	5,441,639	5,885,465	3,174	5,888,639	(447,000)
TOTAL EXPENDITURES	5,441,639	5,441,639	5,885,465	3,174	5,888,639	(447,000)
Excess (Deficiency) of Revenues Over Expenditures	(1,641,466)	(1,641,466)	(801,742)	(3,174)	(804,916)	836,550
OTHER FINANCING SOURCES (USES):						
Transfer In:						
Sports & Community Venue Fund	1,641,466	1,641,466	783,903	-	783,903	(857,563)
TOTAL OTHER FINANCING SOURCES (USES)	1,641,466	1,641,466	783,903	-	783,903	(857,563)
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	-	-	(17,839)	(3,174)	(21,013)	(21,013)
Fund Balances at Beginning of Year	-	-	17,839	-	17,839	17,839
FUND BALANCES AT END OF YEAR	\$ -	-	-	(3,174)	(3,174)	(3,174)

CITY OF LAREDO, TEXAS
LAREDO PUBLIC FACILITY CORP.
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Investment Income:						
Interest Earnings	\$ 1,000	1,000	1,645	-	1,645	645
Miscellaneous:						
Reimbursements	24,367	48,734	27,824	-	27,824	(20,910)
TOTAL REVENUES	25,367	49,734	29,469	-	29,469	(20,265)
EXPENDITURES:						
Contractual Services	-	6,363	2,060	-	2,060	4,303
Other	25,367	65,865	-	-	-	65,865
TOTAL EXPENDITURES	25,367	72,228	2,060	-	2,060	70,168
Excess (Deficiency) of Revenues Over Expenditures	-	(22,494)	27,409	-	27,409	49,903
Fund Balances at Beginning of Year	-	46,633	46,633	-	46,633	-
FUND BALANCES AT END OF YEAR	\$ -	24,139	74,042	-	74,042	49,903

CITY OF LAREDO, TEXAS
MAX MANDEL GOLF COURSE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	Original Budget	Final Budget	Actual	Adjustments	Actual Budget Basis	Variance Positive (Negative)
REVENUES:						
Charges for Services	\$ 985,397	985,397	983,185	-	983,185	(2,212)
TOTAL REVENUES	985,397	985,397	983,185	-	983,185	(2,212)
EXPENDITURES:						
Contractual Services	1,554,110	1,554,110	1,552,016	-	1,552,016	2,094
Other	32,711	32,711	-	-	-	32,711
Total Operating Expenditures	1,586,821	1,586,821	1,552,016	-	1,552,016	34,805
Debt Service:						
Principal	-	-	60,427	-	60,427	(60,427)
Interest	-	-	4,925	-	4,925	(4,925)
TOTAL EXPENDITURES	1,586,821	1,586,821	1,617,368	-	1,617,368	(30,547)
Excess (Deficiency) of Revenues Over Expenditures	(601,424)	(601,424)	(634,183)	-	(634,183)	(32,759)
OTHER FINANCING SOURCES (USES):						
Transfer In:						
General Fund	568,713	568,713	634,335	-	634,335	65,622
TOTAL OTHER FINANCING SOURCES (USES)	568,713	568,713	634,335	-	634,335	65,622
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	(32,711)	(32,711)	152	-	152	32,863
Fund Balances at Beginning of Year	32,711	112,455	112,455	-	112,455	-
FUND BALANCE AT END OF YEAR	\$ -	79,744	112,607	-	112,607	32,863

CITY OF LAREDO, TEXAS
PARKLAND ACQUISITION/PARK IMPROVEMENTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	Original	Final			Actual	Variance
	Budget	Budget	Actual	Adjustments	Basis	Positive
						(Negative)
REVENUES:						
Fees and Collections	\$ -	59,818	130,468	-	130,468	70,650
Investment Income:						
Interest Earnings	-	-	8,594	-	8,594	8,594
Miscellaneous:						
Contributions	-	-	5,962	-	5,962	5,962
TOTAL REVENUES	-	59,818	145,024	-	145,024	85,206
EXPENDITURES:						
Personnel Services	-	542	541	-	541	1
Total Operating Expenditures	-	542	541	-	541	1
Capital Outlay	-	59,276	4,097	2,742	6,839	52,437
TOTAL EXPENDITURES	-	59,818	4,638	2,742	7,380	52,438
Excess (Deficiency) of Revenues Over Expenditures	-	-	140,386	(2,742)	137,644	32,768
Fund Balances at Beginning of Year	-	283,106	283,106	-	283,106	-
FUND BALANCE AT END OF YEAR	\$ -	283,106	423,492	(2,742)	420,750	32,768

CITY OF LAREDO, TEXAS
SPECIAL FIRE GRANTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Intergovernmental:						
Federal	\$ 1,305,930	4,478,112	1,312,556	-	1,312,556	(3,165,556)
TOTAL REVENUES	1,305,930	4,478,112	1,312,556	-	1,312,556	(3,165,556)
EXPENDITURES:						
SAFER Grant	1,741,240	2,412,289	1,750,343	-	1,750,343	661,946
Other	-	2,436,423	-	-	-	2,436,423
TOTAL EXPENDITURES	1,741,240	4,848,712	1,750,343	-	1,750,343	3,098,369
Excess (Deficiency) of Revenues Over Expenditures	(435,310)	(370,600)	(437,787)	-	(437,787)	(67,187)
OTHER FINANCING SOURCES (USES):						
Transfer In:						
General Fund	435,310	435,310	437,787	-	437,787	2,477
TOTAL OTHER FINANCING SOURCES (USES)	435,310	435,310	437,787	-	437,787	2,477
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	-	64,710	-	-	-	(64,710)
FUND BALANCES AT END OF YEAR	\$ -	64,710	-	-	-	(64,710)

CITY OF LAREDO, TEXAS
DOWNTOWN TIRZ NO. 1
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
REVENUES:						
Taxes:						
Property Taxes	\$ 262,738	335,202	339,723	-	339,723	4,521
Investment Income:						
Interest Earnings	-	-	15,881	-	15,881	15,881
TOTAL REVENUES	262,738	335,202	355,604	-	355,604	20,402
EXPENDITURES:						
Contractual Services	-	-	30,305	-	30,305	(30,305)
Other	519,069	591,533	-	-	-	591,533
TOTAL EXPENDITURES	519,069	591,533	30,305	-	30,305	561,228
Excess (Deficiency) of Revenues Over Expenditures	(256,331)	(256,331)	325,299	-	325,299	581,630
Fund Balances at Beginning of Year	256,331	264,727	264,727	-	264,727	-
FUND BALANCES AT END OF YEAR	\$ -	8,396	590,026	-	590,026	581,630

CITY OF LAREDO, TEXAS
POLICE TRUST FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	Original Budget	Final Budget	Actual	Adjustments	Actual Budget Basis	Variance Positive Negative
REVENUES:						
Police Trust Fund						
Investment Income:						
Interest Earnings	\$ 18,000	18,000	49,667	-	49,667	31,667
Miscellaneous:						
Forfeitures	350,000	350,000	536,129	-	536,129	186,129
Reimbursements	-	-	3,063	-	3,063	3,063
Total Police Trust Fund	368,000	368,000	588,859	-	588,859	220,859
Financial Task Force						
Investment Income:						
Interest Earnings	-	42,000	39,607	-	39,607	(2,393)
Miscellaneous:						
Forfeitures	-	572,972	436,974	-	436,974	(135,998)
Total Financial Task Force	-	614,972	476,581	-	476,581	(138,391)
TOTAL REVENUES	368,000	982,972	1,065,440	-	1,065,440	82,468
EXPENDITURES:						
Materials and Supplies	759,062	453,580	281,956	26,013	307,969	145,611
Contractual Services	272,205	321,205	212,775	85,763	298,538	22,667
Total Police Trust Fund	1,031,267	774,785	494,731	111,776	606,507	168,278
Financial Task Force						
Personnel Services	-	67,500	43,144	-	43,144	24,356
Contractual Services	-	464,563	394,565	70,000	464,565	(2)
Other	-	1,359,332	-	-	-	1,359,332
Total Financial Task Force	-	1,891,395	437,709	70,000	507,709	1,383,686
Total Operating Expenditures	1,031,267	2,666,180	932,440	181,776	1,114,216	1,551,964
Capital Outlay	5,210	1,023,709	943,768	38,615	982,383	41,326
TOTAL EXPENDITURES	1,036,477	3,689,889	1,876,208	220,391	2,096,599	1,593,290
Excess (Deficiency) of Revenues Over Expenditures	(668,477)	(2,706,917)	(810,768)	(220,391)	(1,031,159)	1,675,758
OTHER FINANCING SOURCES (USES):						
Transfer In:						
Financial Task Force	-	2,038,440	2,038,440	-	2,038,440	-
Sale of Assets	-	-	32,870	-	32,870	32,870
TOTAL OTHER FINANCING SOURCES (USES)	-	2,038,440	2,071,310	-	2,071,310	32,870
Excess (Deficiency) of Revenues Over Expenditures and Other Sources (Uses)	(668,477)	(668,477)	1,260,542	(220,391)	1,040,151	1,708,628
Fund Balances at Beginning of Year	946,590	2,003,511	2,003,511	-	2,003,511	-
FUND BALANCES AT END OF YEAR	\$ 278,113	1,335,034	3,264,053	(220,391)	3,043,662	1,708,628

**CITY OF LAREDO, TEXAS
PARKS CAPITAL GRANTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Intergovernmental:				
State	\$ 156,585	-	156,585	1,243,767
Investment Income:				
Interest Earnings	234	1	235	-
Miscellaneous:				
Contributions and Donations	-	-	-	1,890,743
TOTAL REVENUES	<u>156,819</u>	<u>1</u>	<u>156,820</u>	<u>3,134,510</u>
EXPENDITURES:				
Other	-	-	-	1,890,743
Capital Outlay	167,751	-	167,751	1,347,467
TOTAL EXPENDITURES	<u>167,751</u>	<u>-</u>	<u>167,751</u>	<u>3,238,210</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(10,932)</u>	<u>1</u>	<u>(10,931)</u>	<u>(103,700)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In:				
2008 C.O. Bond	4,680	-	4,680	4,680
Capital Improvements	6,486	-	6,486	99,020
TOTAL OTHER FINANCING SOURCES:	<u>11,166</u>	<u>-</u>	<u>11,166</u>	<u>103,700</u>
Net Change in Fund Balances	<u>\$ 234</u>	<u>1</u>	<u>235</u>	<u>-</u>
Fund Balances-Beginning		234		
Fund Balances-Ending		<u>\$ 235</u>		

**CITY OF LAREDO, TEXAS
CAPITAL GRANTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Intergovernmental:				
Federal	\$ 92,734	263,999	356,733	480,000
State	2,180,505	7,710	2,188,215	19,283,624
Investment Income:				
Interest Earnings	67	-	67	45
TOTAL REVENUES	<u>2,273,306</u>	<u>271,709</u>	<u>2,545,015</u>	<u>19,763,669</u>
EXPENDITURES:				
Other	-	18,837	18,837	244,962
Capital Outlay	2,407,211	339,637	2,746,848	29,143,787
TOTAL EXPENDITURES	<u>2,407,211</u>	<u>358,474</u>	<u>2,765,685</u>	<u>29,388,749</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>(133,905)</u>	<u>(86,765)</u>	<u>(220,670)</u>	<u>(9,625,080)</u>
OTHER FINANCING SOURCES (USES):				
Transfers In:				
Capital Improvements Fund	397	-	397	5,239,381
2012 C.O. Bond	38,624	18,815	57,439	57,439
2015 C.O. Bond	56,723	1,928	58,651	1,193,260
2016 C.O. Bond	38,183	66,000	104,183	135,000
2018 C.O. Bond	-	-	-	3,000,000
TOTAL OTHER FINANCING SOURCES:	<u>133,927</u>	<u>86,743</u>	<u>220,670</u>	<u>9,625,080</u>
Net Change in Fund Balances	\$ <u>22</u>	<u>(22)</u>	<u>-</u>	<u>-</u>
Fund Balances-Beginning		<u>22</u>		
Fund Balances-Ending		\$ <u>-</u>		

CITY OF LAREDO, TEXAS
CONTRACTUAL OBLIGATIONS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Investment Income:				
Interest Earnings	\$ 66,496	94,785	161,281	74,324
Miscellaneous:				
Other	35,580	-	35,580	35,580
TOTAL REVENUES	102,076	94,785	196,861	109,904
EXPENDITURES:				
Materials and Supplies	553,238	497,793	1,051,031	988,243
Contractual Services	7,063	647	7,710	7,729
Other	-	-	-	28,771
Bond Costs	149,903	40,679	190,582	201,169
Capital Outlay	7,169,796	2,213,496	9,383,292	11,801,777
TOTAL EXPENDITURES	7,880,000	2,752,615	10,632,615	13,027,689
Excess (Deficiency) of Revenues Over (Under) Expenditures	(7,777,924)	(2,657,830)	(10,435,754)	(12,917,785)
OTHER FINANCING SOURCES (USES):				
Bond Issues	8,208,000	3,425,000	11,633,000	11,633,000
Bond Premium	952,032	321,753	1,273,785	1,273,785
Sale of Assets	11,000	-	11,000	11,000
TOTAL OTHER FINANCING SOURCES:	9,171,032	3,746,753	12,917,785	12,917,785
Net Change in Fund Balances	\$ 1,393,108	1,088,923	2,482,031	-
Fund Balances-Beginning		1,393,108		
Fund Balances-Ending		\$ 2,482,031		

CITY OF LAREDO, TEXAS
 CERTIFICATE OF OBLIGATION 2009 ISSUE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES-BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Investment Income:				
Interest Earnings	\$ 251,914	3,470	255,384	253,366
Other	71,944	-	71,944	71,943
TOTAL REVENUES	323,858	3,470	327,328	325,309
EXPENDITURES:				
Materials and Supplies	49,149	-	49,149	43,051
Contractual Services	186,534	2,003	188,537	26,928
Other	-	-	-	3,151
Debt Service	480,247	-	480,247	480,248
Capital Outlay	26,952,888	17	26,952,905	27,264,678
TOTAL EXPENDITURES	27,668,818	2,020	27,670,838	27,818,056
Excess (Deficiency) of Revenues Over (Under) Expenditures	(27,344,960)	1,450	(27,343,510)	(27,492,747)
OTHER FINANCING SOURCES (USES):				
Proceeds - Long Term Debt	24,735,000	-	24,735,000	24,735,000
Bond Premium	745,247	-	745,247	745,247
Transfers In:				
General Fund	12,500	-	12,500	12,500
2010 C.O. Bond Issue	2,000,000	-	2,000,000	2,000,000
TOTAL OTHER FINANCING SOURCES:	27,492,747	-	27,492,747	27,492,747
Net Change in Fund Balances	\$ 147,787	1,450	149,237	-
Fund Balances-Beginning		147,787		
Fund Balances-Ending		\$ 149,237		

CITY OF LAREDO, TEXAS
CERTIFICATE OF OBLIGATION 2012 ISSUE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Investment Income:				
Interest Earnings	\$ 57,103	6,608	63,711	58,419
Miscellaneous:				
Reimbursements	30,499	280	30,779	30,499
TOTAL REVENUES	87,602	6,888	94,490	88,918
EXPENDITURES:				
Materials and Supplies	86,423	-	86,423	86,423
Contractual Services	147,471	1,487	148,958	10,096
Other	-	-	-	39,774
Bond Cost	166,174	-	166,174	166,175
Capital Outlay	3,332,083	70,881	3,402,964	3,713,416
TOTAL EXPENDITURES	3,732,151	72,368	3,804,519	4,015,884
Excess (Deficiency) of Revenues Over (Under) Expenditures	(3,644,549)	(65,480)	(3,710,029)	(3,926,966)
OTHER FINANCING SOURCES (USES):				
Proceeds - Long Term Debt	7,690,000	-	7,690,000	7,690,000
Bond Discount	(4,383)	-	(4,383)	(4,383)
Transfers Out:				
Environmental Services	(1,500,000)	-	(1,500,000)	(1,500,000)
Capital Improvements Fund	(1,500,000)	-	(1,500,000)	(1,500,000)
Capital Grants	(739,836)	(18,815)	(758,651)	(758,651)
TOTAL OTHER FINANCING SOURCES:	3,945,781	(18,815)	3,926,966	3,926,966
Net Change in Fund Balances	\$ 301,232	(84,295)	216,937	-
Fund Balances-Beginning		301,232		
Fund Balances-Ending		\$ 216,937		

CITY OF LAREDO, TEXAS
 CERTIFICATE OF OBLIGATION 2014 ISSUE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES-BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Investment Income:				
Interest Earnings	\$ 33,621	7,811	41,432	35,651
Miscellaneous:				
Reimbursements	-	5,200	5,200	-
TOTAL REVENUES	33,621	13,011	46,632	35,651
EXPENDITURES:				
Materials and Supplies	213	-	213	213
Contractual Services	21,756	1,495	23,251	5,558
Bond Cost	128,366	-	128,366	128,366
Capital Outlay	5,633,944	100,000	5,733,944	6,038,243
TOTAL EXPENDITURES	5,784,279	101,495	5,885,774	6,172,380
Excess (Deficiency) of Revenues Over (Under) Expenditures	(5,750,658)	(88,484)	(5,839,142)	(6,136,729)
OTHER FINANCING SOURCES (USES):				
Proceeds - Long Term Debt	5,600,000	-	5,600,000	5,600,000
Bond Premium	536,729	-	536,729	536,729
TOTAL OTHER FINANCING SOURCES:	6,136,729	-	6,136,729	6,136,729
Net Change in Fund Balances	\$ 386,071	(88,484)	297,587	-
Fund Balances-Beginning		386,071		
Fund Balances-Ending		\$ 297,587		

CITY OF LAREDO, TEXAS
CERTIFICATE OF OBLIGATION 2015 ISSUE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Investment Income:				
Interest Earnings	\$ 205,799	121,784	327,583	232,130
Miscellaneous:				
Reimbursements	145,581	35,048	180,629	145,581
TOTAL REVENUES	351,380	156,832	508,212	377,711
EXPENDITURES:				
Materials and Supplies	89,583	-	89,583	90,532
Contractual Services	887,020	2,118	889,138	7,149
Other	-	-	-	14,892
Bond Cost	219,742	-	219,742	219,742
Capital Outlay	9,202,807	105,185	9,307,992	13,447,673
TOTAL EXPENDITURES	10,399,152	107,303	10,506,455	13,779,988
Excess (Deficiency) of Revenues Over (Under) Expenditures	(10,047,772)	49,529	(9,998,243)	(13,402,277)
OTHER FINANCING SOURCES (USES):				
Proceeds - Long Term Debt	14,790,000	-	14,790,000	14,790,000
Bond Premium	969,031	-	969,031	969,031
Transfers Out:				
Capital Improvements Fund	(852,271)	(1,326)	(853,597)	(1,163,494)
Capital Grants	(56,723)	(1,927)	(58,650)	(1,193,260)
TOTAL OTHER FINANCING SOURCES:	14,850,037	(3,253)	14,846,784	13,402,277
Net Change in Fund Balances	\$ 4,802,265	46,276	4,848,541	-
Fund Balances-Beginning		4,802,265		
Fund Balances-Ending		\$ 4,848,541		

CITY OF LAREDO, TEXAS
CERTIFICATE OF OBLIGATION 2016 ISSUE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Investment Income:				
Interest Earnings	\$ 410,848	293,483	704,331	488,173
Discount Earnings	337	-	337	337
Miscellaneous				
Reimbursements	38,678	656	39,334	38,678
TOTAL REVENUES	449,863	294,139	744,002	527,188
EXPENDITURES:				
Contractual Services	123,424	4,187	127,611	13,925,811
Other	-	-	-	132,630
Bond Cost	339,481	-	339,481	339,481
Capital Outlay	12,418,137	892,880	13,311,017	10,578,747
TOTAL EXPENDITURES	12,881,042	897,067	13,778,109	24,976,669
Excess (Deficiency) of Revenues Over (Under) Expenditures	(12,431,179)	(602,928)	(13,034,107)	(24,449,481)
OTHER FINANCING SOURCES (USES):				
Proceeds - Long Term Debt	21,378,000	-	21,378,000	21,378,000
Bond Premium	3,206,481	-	3,206,481	3,206,481
Transfers Out:				
Capital Grants	(38,183)	(66,000)	(104,183)	(135,000)
TOTAL OTHER FINANCING SOURCES:	24,546,298	(66,000)	24,480,298	24,449,481
Net Change in Fund Balances	\$ 12,115,119	(668,928)	11,446,191	-
Fund Balances-Beginning		12,115,119		
Fund Balances-Ending		\$ 11,446,191		

**CITY OF LAREDO, TEXAS
CERTIFICATE OF OBLIGATION 2017 ISSUE
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Investment Income:				
Interest Earnings	\$ 204,888	160,439	365,327	353,350
Discount Earnings	198	1,271	1,469	198
TOTAL REVENUES	205,086	161,710	366,796	353,548
EXPENDITURES:				
Contractual Services	295,182	14,020	309,202	187,048
Other	-	-	-	38,834
Bond Cost	236,232	-	236,232	236,233
Capital Outlay	6,653,460	5,836,170	12,489,630	16,994,909
TOTAL EXPENDITURES	7,184,874	5,850,190	13,035,064	17,457,024
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,979,788)	(5,688,480)	(12,668,268)	(17,103,476)
OTHER FINANCING SOURCES (USES):				
Proceeds - Long Term Debt	14,810,000	-	14,810,000	14,810,000
Bond Premium	2,293,476	-	2,293,476	2,293,476
TOTAL OTHER FINANCING SOURCES:	17,103,476	-	17,103,476	17,103,476
Net Change in Fund Balances	10,123,688	(5,688,480)	4,435,208	-
Fund Balances-Beginning		10,123,688		
Fund Balances-Ending		4,435,208		

**CITY OF LAREDO, TEXAS
 CERTIFICATE OF OBLIGATION 2018 ISSUE
 SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
 IN FUND BALANCES-BUDGET AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Investment Income:				
Interest Earnings	\$ -	229,902	229,902	-
TOTAL REVENUES	<u>-</u>	<u>229,902</u>	<u>229,902</u>	<u>-</u>
EXPENDITURES:				
Contractual Services	-	199,875	199,875	11,169,524
Other	-	-	-	26,126
Bond Cost	-	188,349	188,349	188,349
Capital Outlay	-	778,384	778,384	1,132,476
TOTAL EXPENDITURES	<u>-</u>	<u>1,166,608</u>	<u>1,166,608</u>	<u>12,516,475</u>
Excess (Deficiency) of Revenues Over (Under) Expenditures	<u>-</u>	<u>(936,706)</u>	<u>(936,706)</u>	<u>(12,516,475)</u>
OTHER FINANCING SOURCES (USES):				
Proceeds - Long Term Debt	-	11,640,000	11,640,000	11,640,000
Bond Premium	-	876,475	876,475	876,475
TOTAL OTHER FINANCING SOURCES:	<u>-</u>	<u>12,516,475</u>	<u>12,516,475</u>	<u>12,516,475</u>
Net Change in Fund Balances	<u>\$ -</u>	<u>11,579,769</u>	<u>11,579,769</u>	<u>-</u>
Fund Balances-Beginning		<u>-</u>		
Fund Balances-Ending		<u>\$ 11,579,769</u>		

CITY OF LAREDO, TEXAS
AIRPORT CONSTRUCTION FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Intergovernmental:				
FAA Grants	\$ 27,571,985	9,231,650	36,803,635	50,913,814
Texas Department of Transportation	-	49,372	49,372	50,000
Investment Income:				
Interest Earnings	169,697	133,443	303,140	188,535
Miscellaneous:				
Other	-	2,600	2,600	95,100
TOTAL REVENUES	27,741,682	9,417,065	37,158,747	51,247,449
EXPENDITURES:				
Personnel	375,683	175,479	551,162	1,026,688
Materials and Supplies	296,663	108,477	405,140	415,462
Contractual Services	5,339,405	669,793	6,009,198	8,745,207
Other	116	-	116	8,162,159
Capital Outlay	28,409,908	9,657,853	38,067,761	50,950,024
TOTAL EXPENDITURES	34,421,775	10,611,602	45,033,377	69,299,540
Excess (Deficiency) of Revenues Over (Under) Expenditures	(6,680,093)	(1,194,537)	(7,874,630)	(18,052,091)
OTHER FINANCING SOURCES (USES):				
Transfers In:				
General Fund	728,184	-	728,184	728,184
International Airport	12,401,687	1,121,593	13,523,280	13,523,907
Capital Improvements Fund	-	-	-	3,800,000
TOTAL OTHER FINANCING SOURCES:	13,129,871	1,121,593	14,251,464	18,052,091
Net Change in Fund Balances	\$ 6,449,778	(72,944)	6,376,834	-
Fund Balances-Beginning		6,449,778		
Fund Balances-Ending		\$ 6,376,834		

**CITY OF LAREDO, TEXAS
CAPITAL IMPROVEMENTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019**

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
REVENUES:				
Intergovernmental:				
Federal	\$ 4,506,644	1,636,662	6,143,306	4,572,818
State	2,013,914	5,303	2,019,217	2,845,747
Other	125,000	-	125,000	125,000
Investment Income:				
Interest Earnings	5,284,189	1,026,566	6,310,755	5,336,201
Discount Earnings	11	-	11	11
Miscellaneous:				
Contribution	4,273,573	283,162	4,556,735	4,345,848
Other	13,197,528	191,974	13,389,502	13,507,281
TOTAL REVENUES	29,400,859	3,143,667	32,544,526	30,732,906
EXPENDITURES:				
Materials and Supplies	105,175	27,334	132,509	260,338
Contractual Services	3,574,594	541,351	4,115,945	6,214,338
Other	26,669	-	26,669	16,703,608
Capital Outlay	7,859,426	618,204	8,477,630	12,301,086
TOTAL EXPENDITURES	11,565,864	1,186,889	12,752,753	35,479,370
Excess (Deficiency) of Revenues Over (Under) Expenditures	17,834,995	1,956,778	19,791,773	(4,746,464)
OTHER FINANCING SOURCES (USES):				
Transfers In:				
General Fund	-	-	-	856,633
Civic Center	3,000,000	-	3,000,000	3,000,000
Hotel-Motel Occupancy Tax	368,000	-	368,000	368,000
1998 C.O. Issue	324,498	-	324,498	324,498
2006 C.O. Issue	326,572	-	326,572	326,572
2007 C.O. Issue	62,088	-	62,088	62,088
2008 C.O. Issue	-	-	-	299,620
2010 C.O. Issue	750,000	-	750,000	750,000
2012 C.O. Issue	1,500,000	-	1,500,000	1,500,000
2015 C.O. Issue	852,271	1,326	853,597	1,163,494
Bridge System	\$ 19,082,836	9,846,132	28,928,968	19,701,874

(Continued)

CITY OF LAREDO, TEXAS
CAPITAL IMPROVEMENTS
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES-BUDGET AND ACTUAL
FROM INCEPTION AND FOR THE YEAR ENDED SEPTEMBER 30, 2019

(Continued)

	<u>Prior Years</u>	<u>Current Year</u>	<u>Total To Date</u>	<u>Project Authorization</u>
Transfers Out:				
General Fund	\$ (3,899,413)	(7,277,848)	(11,177,261)	(27,032,237)
Civic Center	(54,101)	-	(54,101)	(54,101)
Parks Capital Grants	(65,535)	-	(65,535)	(65,536)
Capital Grants Fund	(557,623)	-	(557,623)	(557,623)
Airport Construction Fund	-	-	-	(3,800,000)
TOTAL OTHER FINANCING SOURCES:	<u>21,689,593</u>	<u>2,569,610</u>	<u>24,259,203</u>	<u>(3,156,718)</u>
Net Change in Fund Balances	<u>39,524,588</u>	<u>4,526,388</u>	<u>44,050,976</u>	<u>(7,903,182)</u>
Fund Balances-Beginning		<u>39,524,590</u>		
Fund Balances-Ending		<u>44,050,978</u>		

CITY OF LAREDO, TEXAS
CANSECO ENDOWMENT FUND
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES
IN FUND BALANCES - BUDGET AND ACTUAL - (BUDGET BASIS)
Year ended September 30, 2019

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
Investment Income:						
Interest Earnings	\$ 1,500	1,500	1,856	-	1,856	356
TOTAL REVENUES	1,500	1,500	1,856	-	1,856	356
EXPENDITURES:						
Materials and Supplies	10,000	10,000	-	-	-	10,000
Contractual Services	5,000	5,000	-	-	-	5,000
TOTAL EXPENDITURES	15,000	15,000	-	-	-	15,000
Excess (Deficiency) of Revenues Over Expenditures	(13,500)	(13,500)	1,856	-	1,856	15,356
Fund Balances at Beginning of Year	25,716	75,590	75,590	-	75,590	-
FUND BALANCES AT END OF YEAR	\$ 12,216	62,090	77,446	-	77,446	15,356

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INTERNAL SERVICE FUNDS

INTERNAL SERVICE FUNDS

Internal Service funds account for the financing of goods or services provided by one City department or agency to other City departments or agencies, or to other governmental entities, on a cost- reimbursement basis.

Internal Service Funds include:

RISK MANAGEMENT FUND - to account for the transactions related to the partial self-insurance plan for medical coverage for City employees.

HEALTH AND BENEFITS FUND - to account for all expenses associated with the City's partially self-funded health benefits program.

FLEET MANAGEMENT - to account for the providing of fuel and repair services to all city owned vehicles and machinery, on a cost reimbursement basis.

INFORMATION TECHNOLOGY - to account for the providing of telecommunications services, iSeries technical support, and network technical support.

CITY OF LAREDO, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF NET POSITION
September 30, 2019

	<u>RISK MANAGEMENT</u>	<u>HEALTH & BENEFITS</u>	<u>FLEET MANAGEMENT</u>	<u>INFORMATION TECH.</u>	<u>TOTAL</u>
ASSETS					
Current Assets:					
Cash and Cash Equivalents:					
Cash	\$ -	-	400	-	400
Equity in Investment Pool	42,213	89,465	3,645	13,924	149,247
Investments	3,945,590	8,375,682	331,762	1,301,386	13,954,420
Accounts Receivable	-	12,835	1,713	50,612	65,160
Due from Other Funds	-	-	-	802,063	802,063
Accrued Interest Receivable	40,689	86,374	3,421	13,421	143,905
Inventory	-	-	719,955	-	719,955
Prepaid items	304,250	9,761	-	-	314,011
Total Current Assets	<u>4,332,742</u>	<u>8,574,117</u>	<u>1,060,896</u>	<u>2,181,406</u>	<u>16,149,161</u>
Noncurrent Assets:					
Capital Assets:					
Buildings	1,188	-	419,492	-	420,680
Improvements	-	-	11,391	184,515	195,906
Machinery and Equipment	-	-	481,506	5,276,810	5,758,316
Transportation Vehicles and Equipment	131,101	17,217	5,806,696	172,411	6,127,425
Less Accumulated Depreciation	<u>(73,352)</u>	<u>(17,217)</u>	<u>(6,206,565)</u>	<u>(2,203,832)</u>	<u>(8,500,966)</u>
Total Capital Assets (Net of Accumulated Depreciation)	<u>58,937</u>	<u>-</u>	<u>512,520</u>	<u>3,429,904</u>	<u>4,001,361</u>
TOTAL ASSETS	<u>4,391,679</u>	<u>8,574,117</u>	<u>1,573,416</u>	<u>5,611,310</u>	<u>20,150,522</u>
LIABILITIES					
Current Liabilities:					
Accounts Payable	245,381	1,006,465	559,645	143,840	1,955,331
Claims and Judgments Payable	1,272,768	3,712,518	-	-	4,985,286
Accrued Wages and Employee Benefits	25,292	9,136	48,534	48,027	130,989
Compensated Absences	23,098	3,017	41,137	60,030	127,282
Capital Lease Obligation	-	-	-	802,063	802,063
Total Current Liabilities	<u>1,566,539</u>	<u>4,731,136</u>	<u>649,316</u>	<u>1,053,960</u>	<u>8,000,951</u>
Noncurrent Liabilities:					
Due to Other Funds	-	-	-	802,063	802,063
Capital Lease Obligations	-	-	-	818,024	818,024
Compensated Absences	32,332	6,825	53,958	138,780	231,895
Total Noncurrent Liabilities	<u>32,332</u>	<u>6,825</u>	<u>53,958</u>	<u>1,758,867</u>	<u>1,851,982</u>
TOTAL LIABILITIES	<u>1,598,871</u>	<u>4,737,961</u>	<u>703,274</u>	<u>2,812,827</u>	<u>9,852,933</u>
NET POSITION					
Net Investment in Capital Assets	58,937	-	512,520	1,809,817	2,381,274
Unrestricted	<u>2,733,871</u>	<u>3,836,156</u>	<u>357,622</u>	<u>988,666</u>	<u>7,916,315</u>
TOTAL NET POSITION	<u>\$ 2,792,808</u>	<u>3,836,156</u>	<u>870,142</u>	<u>2,798,483</u>	<u>10,297,589</u>

CITY OF LAREDO, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN FUND NET POSITION
Year ended September 30, 2019

	RISK MANAGEMENT	HEALTH & BENEFITS	FLEET MANAGEMENT	INFORMATION TECHNOLOGY	TOTAL
OPERATING REVENUES:					
Charges for Services	\$ 7,030,240	29,758,077	10,518,420	5,451,189	52,757,926
Rents	-	-	75	-	75
Reimbursements	55,945	1,975,908	114,807	118,959	2,265,619
TOTAL OPERATING REVENUES	7,086,185	31,733,985	10,633,302	5,570,148	55,023,620
OPERATING EXPENSES:					
Cost of Services	4,553,491	29,134,225	6,927,842	1,238,084	41,853,642
Personnel Services	1,048,272	311,860	2,300,193	2,305,543	5,965,868
Materials and Supplies	82,289	3,701	92,834	270,695	449,519
Contractual Services	782,148	2,046,345	1,257,255	565,672	4,651,420
Other	-	-	-	10,013	10,013
Depreciation	16,690	-	121,107	458,715	596,512
TOTAL OPERATING EXPENSES	6,482,890	31,496,131	10,699,231	4,848,722	53,526,974
Operating Income (Loss)	603,295	237,854	(65,929)	721,426	1,496,646
NON-OPERATING REVENUES (EXPENSES):					
Investment Income:					
Interest Earnings	61,894	141,170	4,890	24,061	232,015
Discount Earnings	-	-	11,277	-	11,277
Interest Expense	-	-	-	(47,889)	(47,889)
Gain/(Loss) on Sale of Assets	2,450	-	(10,535)	-	(8,085)
TOTAL NON-OPERATING REVENUES (EXPENSES)	64,344	141,170	5,632	(23,828)	187,318
Income Before Contributions and Transfers	667,639	379,024	(60,297)	697,598	1,683,964
OPERATING TRANSFERS IN/(OUT):					
Transfers In	399,973	-	-	-	399,973
Transfers Out	-	(399,973)	-	-	(399,973)
TOTAL OPERATING TRANSFERS IN/(OUT)	399,973	(399,973)	-	-	-
Change in Net Position	1,067,612	(20,949)	(60,297)	697,598	1,683,964
Total Net Position - Beginning	1,725,196	3,857,105	930,439	2,100,885	8,613,625
TOTAL NET POSITION- ENDING	\$ 2,792,808	3,836,156	870,142	2,798,483	10,297,589

CITY OF LAREDO, TEXAS
INTERNAL SERVICE FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year ended September 30, 2019

	RISK MANAGEMENT	HEALTH & BENEFITS	FLEET MANAGEMENT	INFORMATION TECHNOLOGY	TOTAL
CASH FLOW FROM OPERATING ACTIVITIES:					
Receipts from customers and users	\$ 55,945	2,845,525	116,861	169,621	3,187,952
Receipts from interfund services provided	7,030,240	28,875,625	10,518,420	5,369,915	51,794,200
Payment to suppliers	(5,380,350)	(30,381,769)	(8,093,668)	(1,858,093)	(45,713,880)
Payment to employees	(1,041,437)	(309,142)	(2,320,790)	(2,265,765)	(5,937,134)
Payment for interfund services used	(382,950)	(4,565)	(709,674)	(239,007)	(1,336,196)
Net cash provided (used) by operating activities	281,448	1,025,674	(488,851)	1,176,671	1,994,942
CASH FLOW FROM NONCAPITAL FINANCING ACTIVITIES:					
Transfer from Other Funds	399,973	-	-	-	399,973
Transfer to Other Funds	-	(399,973)	-	-	(399,973)
Net cash provided (used) by noncapital and related financing activities	399,973	(399,973)	-	-	-
CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES:					
Purchase of capital assets	2,450	-	(70,866)	(298,531)	(366,947)
Principle Paid on capital debt	-	-	-	(786,414)	(786,414)
Interest Paid on capital debt	-	-	-	(47,889)	(47,889)
Proceeds from sales of capital assets	-	-	4,531	-	4,531
Net cash provided (used) by capital and related financing activities	2,450	-	(66,335)	(1,132,834)	(1,196,719)
CASH FLOWS FROM INVESTING ACTIVITIES:					
Proceeds from sales and maturity of investments	(711,039)	(705,362)	533,081	(59,189)	(942,509)
Interest and dividends received	44,851	110,870	19,068	19,721	194,510
Net cash provided (used) by investing activities	(666,188)	(594,492)	552,149	(39,468)	(747,999)
Net increase (decrease) in cash and cash equivalents	17,683	31,209	(3,037)	4,369	50,224
Cash and cash equivalents - October 1	24,530	58,256	7,082	9,555	99,423
Cash and cash equivalents - September 30	\$ 42,213	89,465	4,045	13,924	149,647
Reconciliation of Operating income to net cash provided (used) by operating activities:					
Operating income	\$ 603,295	237,854	(65,929)	721,426	1,496,646
Adjustments to reconcile operating income to net cash provided (used)					
Depreciation expense	16,690	-	121,107	458,715	596,512
(Increase) decrease in accounts receivable	-	(12,835)	1,980	(30,612)	(41,467)
(Increase) decrease in inventories	-	-	(175,378)	-	(175,378)
(Increase) decrease in prepaid items	(64,250)	-	-	-	(64,250)
Increase (decrease) in accounts payable	(263,146)	337,371	(350,034)	(12,636)	(288,445)
Increase (decrease) in compensated absences payable	(1,337)	1,616	(28,103)	32,368	4,544
Increase (decrease) in accrued wages and employee benefits	8,173	1,102	7,506	7,410	24,191
Increase (decrease) in claims and judgements payable	(17,977)	460,566	-	-	442,589
Total adjustments	(321,847)	787,820	(422,922)	455,245	498,296
Net cash provided by operating activities	\$ 281,448	1,025,674	(488,851)	1,176,671	1,994,942
Noncash investing, capital, and financing activities:					
Disposition of Assets	-	-	15,066	-	15,066

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CITY OF LAREDO, TEXAS
RISK MANAGEMENT
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION
Year ended September 30, 2019

	<u>Budgeted Amount</u>				<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	<u>Adjustment</u>	<u>Budget</u>	<u>Positive</u>
					<u>Basis</u>	<u>(Negative)</u>
OPERATING REVENUES:						
Charges for Services	\$ 6,869,356	6,869,356	7,030,240	-	7,030,240	160,884
Reimbursements	-	-	55,945	-	55,945	55,945
TOTAL OPERATING REVENUES	6,869,356	6,869,356	7,086,185	-	7,086,185	216,829
OPERATING EXPENSES:						
Cost of Services	4,773,850	4,773,850	4,553,491	-	4,553,491	220,359
Personnel Services	1,059,816	1,060,816	1,048,272	1,337	1,049,609	11,207
Materials and Supplies	119,353	162,425	82,289	-	82,289	80,136
Contractual Services	883,983	897,002	782,148	-	782,148	114,854
Other	523,112	494,491	-	-	-	494,491
Capital Outlay	-	21,530	-	-	-	21,530
Depreciation	-	-	16,690	(16,690)	-	-
TOTAL OPERATING EXPENSES	7,360,114	7,410,114	6,482,890	(15,353)	6,467,537	942,577
Operating Income (Loss)	(490,758)	(540,758)	603,295	15,353	618,648	1,159,406
NON-OPERATING REVENUES (EXPENSES):						
Investment Income:						
Interest Earnings	40,000	40,000	61,894	-	61,894	21,894
Gain/(Loss) on Sale of Assets	-	-	2,450	-	2,450	2,450
TOTAL NON-OPERATING REVENUES (EXPENSES)	40,000	40,000	64,344	-	64,344	24,344
Income (Loss) Before Contributions and Transfers	(450,758)	(500,758)	667,639	15,353	682,992	1,183,750
OPERATING TRANSFERS IN/(OUT):						
Transfers In:						
Health and Benefits Fund	399,973	399,973	399,973	-	399,973	-
TOTAL OPERATING TRANSFERS IN/(OUT)	399,973	399,973	399,973	-	399,973	-
Change in Net Position	(50,785)	(100,785)	1,067,612	15,353	1,082,965	1,183,750
Total Net Position - Beginning	1,725,196	1,725,196	1,725,196	-	1,725,196	-
TOTAL NET POSITION - ENDING	\$ 1,674,411	1,624,411	2,792,808	15,353	2,808,161	1,183,750

CITY OF LAREDO, TEXAS
RISK MANAGEMENT
STATEMENT OF CASH FLOWS
Year ended September 30, 2019

CASH FLOW FROM OPERATING ACTIVITIES:

Receipts from customers and users	\$ 55,945
Receipts from interfund services provided	7,030,240
Payment to suppliers	(5,380,350)
Payment to employees	(1,041,437)
Payment for interfund services used	<u>(382,950)</u>

Net cash provided (used) by operating activities	<u>281,448</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Transfer from other funds	<u>399,973</u>

Net cash provided (used) by noncapital and related financing activities	<u>399,973</u>

CASH FLOW FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Purchase of capital assets	<u>2,450</u>

Net cash provided (used) by capital and related financing activities	<u>2,450</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sales and maturity of investments	(711,039)
Interest and dividends received	<u>44,851</u>

Net cash provided (used) by investing activities	<u>(666,188)</u>

Net increase (decrease) in cash and cash equivalents	17,683
Cash and cash equivalents - October 1	<u>24,530</u>

Cash and cash equivalents - September 30	<u><u>\$ 42,213</u></u>

Reconciliation of Operating income to net cash provided (used) by operating activities:

Operating income	\$ <u>603,295</u>
Adjustments to reconcile operating income to net cash provided (used)	
Depreciation expense	16,690
(Increase) decrease in prepaid items	(64,250)
Increase (decrease) in accounts payable	(263,146)
Increase (decrease) in compensated absences payable	(1,337)
Increase (decrease) in accrued wages and employee benefits	8,173
Increase (decrease) in claims and judgments payable	<u>(17,977)</u>
Total adjustments	<u>(321,847)</u>

Net cash provided by operating activities	<u><u>\$ 281,448</u></u>

CITY OF LAREDO, TEXAS
HEALTH AND BENEFITS
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION
Year ended September 30, 2019

	<u>Budgeted Amount</u>				<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Adjustment</u>	<u>Budget</u>	<u>Positive</u>
					<u>Basis</u>	<u>(Negative)</u>
OPERATING REVENUES:						
Charges for Services	\$ 28,236,308	28,236,308	29,758,077	-	29,758,077	1,521,769
Reimbursements	923,160	923,160	1,975,908	-	1,975,908	1,052,748
TOTAL OPERATING REVENUES	29,159,468	29,159,468	31,733,985	-	31,733,985	2,574,517
OPERATING EXPENSES:						
Cost of Services	26,162,697	28,755,975	29,134,225	-	29,134,225	(378,250)
Personnel Services	326,793	326,793	311,860	(1,616)	310,244	16,549
Materials and Supplies	5,934	5,934	3,701	-	3,701	2,233
Contractual Services	2,065,230	2,071,952	2,046,345	-	2,046,345	25,607
Other	650,145	650,145	-	-	-	650,145
TOTAL OPERATING EXPENSES	29,210,799	31,810,799	31,496,131	(1,616)	31,494,515	316,284
Operating Income (Loss)	(51,331)	(2,651,331)	237,854	1,616	239,470	2,890,801
NON-OPERATING REVENUES (EXPENSES):						
Investment Income:						
Interest Earnings	60,000	60,000	141,170	-	141,170	81,170
TOTAL NON-OPERATING REVENUES (EXPENSES)	60,000	60,000	141,170	-	141,170	81,170
Income Before Contributions and Transfers	8,669	(2,591,331)	379,024	1,616	380,640	2,971,971
OPERATING TRANSFERS IN/(OUT):						
Transfers Out:						
Risk Management Fund	(399,973)	(399,973)	(399,973)	-	(399,973)	-
TOTAL OPERATING TRANSFERS IN/(OUT)	(399,973)	(399,973)	(399,973)	-	(399,973)	-
Change in Net Position	(391,304)	(2,991,304)	(20,949)	1,616	(19,333)	2,971,971
Total Net Position - Beginning	3,857,105	3,857,105	3,857,105	-	3,857,105	-
TOTAL NET POSITION-ENDING	\$ 3,465,801	865,801	3,836,156	1,616	3,837,772	2,971,971

**CITY OF LAREDO, TEXAS
HEALTH AND BENEFITS
STATEMENT OF CASH FLOWS
Year ended September 30, 2019**

CASH FLOW FROM OPERATING ACTIVITIES:

Receipts from customers and users	\$ 2,845,525
Receipts from interfund services provided	28,875,625
Payment to suppliers	(30,381,769)
Payment to employees	(309,142)
Payment for interfund services used	<u>(4,565)</u>
Net cash provided (used) by operating activities	<u>1,025,674</u>

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Transfer to other funds	<u>(399,973)</u>
Net cash provided (used) by noncapital and related financing activities	<u>(399,973)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sales and maturity of investments	(705,362)
Interest and dividends received	<u>110,870</u>
Net cash provided (used) by investing activities	<u>(594,492)</u>

Net increase (decrease) in cash and cash equivalents	31,209
Cash and cash equivalents - October 1	<u>58,256</u>

Cash and cash equivalents - September 30	\$ <u>89,465</u>

Reconciliation of Operating income to net cash provided (used) by operating activities:

Operating income	\$ <u>237,854</u>
Adjustments to reconcile operating income to net cash provided (used)	
(Increase) decrease in accounts receivable	(12,835)
Increase (decrease) in accounts payable	337,371
Increase (decrease) in compensated absences payable	1,616
Increase (decrease) in accrued wages and employee benefits	1,102
Increase (decrease) in claims and judgements payable	<u>460,566</u>
Total adjustments	<u>787,820</u>
Net cash provided by operating activities	\$ <u>1,025,674</u>

CITY OF LAREDO, TEXAS
FLEET MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION
Year ended September 30, 2019

	Budgeted Amount		Actual	Adjustment	Actual Budget Basis	Variance Positive (Negative)
	Original	Final				
OPERATING REVENUES:						
Charges for Services	\$ 11,514,136	11,514,136	10,518,420	-	10,518,420	(995,716)
Rents	-	-	75	-	75	75
Reimbursements	225,000	225,000	114,807	-	114,807	(110,193)
TOTAL OPERATING REVENUES	11,739,136	11,739,136	10,633,302	-	10,633,302	(1,105,834)
OPERATING EXPENSES:						
Cost of Services	7,847,799	8,138,804	6,927,842	-	6,927,842	1,210,962
Personnel Services	2,644,272	2,503,272	2,300,193	28,104	2,328,297	174,975
Materials and Supplies	131,049	115,802	92,834	-	92,834	22,968
Contractual Services	1,488,993	1,376,626	1,257,255	-	1,257,255	119,371
Other	97,305	305	-	-	-	305
Capital Outlay	-	74,610	-	70,866	70,866	3,744
Depreciation	-	-	121,107	(121,107)	-	-
TOTAL OPERATING EXPENSES	12,209,418	12,209,419	10,699,231	(22,137)	10,677,094	1,532,325
Operating Income (Loss)	(470,282)	(470,283)	(65,929)	22,137	(43,792)	426,491
NON-OPERATING REVENUES (EXPENSES):						
Investment Income:						
Interest Earnings	12,000	12,000	4,890	-	4,890	(7,110)
Discount Earnings	-	-	11,277	-	11,277	11,277
Gain/(Loss) on Sale of Assets	-	-	(10,535)	15,066	4,531	4,531
TOTAL NON-OPERATING REVENUES (EXPENSES)	12,000	12,000	5,632	15,066	20,698	8,698
Change in Net Position	(458,282)	(458,283)	(60,297)	37,203	(23,094)	435,189
Total Net Position - Beginning	930,439	930,439	930,439	-	930,439	-
TOTAL NET POSITION- ENDING	\$ 472,157	472,156	870,142	37,203	907,345	435,189

**CITY OF LAREDO, TEXAS
FLEET MANAGEMENT FUND
STATEMENT OF CASH FLOWS
Year ended September 30, 2019**

CASH FLOW FROM OPERATING ACTIVITIES:

Receipts from customers and users	\$ 116,861
Receipts from interfund services provided	10,518,420
Payment to suppliers	(8,093,668)
Payment to employees	(2,320,790)
Payment for interfund services used	<u>(709,674)</u>
Net cash provided (used) by operating activities	<u>(488,851)</u>

**CASH FLOW FROM CAPITAL AND
RELATED FINANCING ACTIVITIES:**

Purchase of capital assets	(70,866)
Proceeds from sales of capital assets	<u>4,531</u>
Net cash provided (used) by capital and related financing activities	<u>(66,335)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sales and maturity of investments	533,081
Interest and dividends received	<u>19,068</u>
Net cash provided (used) by investing activities	<u>552,149</u>

Net increase (decrease) in cash and cash equivalents	(3,037)
Cash and cash equivalents - October 1	<u>7,082</u>

Cash and cash equivalents - September 30	\$ <u><u>4,045</u></u>

**Reconciliation of Operating income to
net cash provided (used) by operating
activities:**

Operating income	\$ <u>(65,929)</u>
Adjustments to reconcile operating income to net cash provided (used)	
Depreciation expense	121,107
(Increase) decrease in accounts receivable	1,980
(Increase) decrease in inventories	(175,378)
Increase (decrease) in accounts payable	(350,034)
Increase (decrease) in compensated absences payable	(28,103)
Increase (decrease) in accrued wages and employee benefits	<u>7,506</u>
Total adjustments	<u>(422,922)</u>

Net cash provided by operating activities	\$ <u><u>(488,851)</u></u>

**Noncash investing, capital, and financing
activities:**

Dispositions of assets	15,066

CITY OF LAREDO, TEXAS
INFORMATION TECHNOLOGY
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES
IN FUND NET POSITION
Year ended September 30, 2019

	<u>Budgeted Amount</u>				<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Budget</u>	<u>Actual</u>	<u>Adjustment</u>	<u>Budget</u>	<u>Positive</u>
					<u>Basis</u>	<u>(Negative)</u>
OPERATING REVENUES:						
Charges for Services	\$ 5,205,051	5,205,051	5,451,189	-	5,451,189	246,138
Reimbursements	56,716	56,716	118,959	-	118,959	62,243
TOTAL OPERATING REVENUES	5,261,767	5,261,767	5,570,148	-	5,570,148	308,381
OPERATING EXPENSES:						
Cost of Services	1,137,668	1,292,644	1,238,084	-	1,238,084	54,560
Personnel Services	2,256,495	2,256,495	2,305,543	(32,368)	2,273,175	(16,680)
Materials and Supplies	340,173	340,195	270,695	-	270,695	69,500
Contractual Services	999,835	809,147	565,672	-	565,672	243,475
Other	7,984	253,070	10,013	-	10,013	243,057
Capital Outlay	372,198	-	-	298,531	298,531	(298,531)
Depreciation	-	-	458,715	(458,715)	-	-
TOTAL OPERATING EXPENSES	5,114,353	4,951,551	4,848,722	(192,552)	4,656,170	295,381
Operating Income (Loss)	147,414	310,216	721,426	192,552	913,978	603,762
NON-OPERATING REVENUES (EXPENSES):						
Investment Income:						
Interest Earnings	6,400	6,400	24,061	-	24,061	17,661
Capital Leases Payments	(786,414)	(786,414)	-	(786,414)	(786,414)	-
Interest Expense	(47,890)	(47,889)	(47,889)	-	(47,889)	-
TOTAL NON-OPERATING REVENUES (EXPENSES)	(827,904)	(827,903)	(23,828)	(786,414)	(810,242)	17,661
Change in Net Position	(680,490)	(517,687)	697,598	(593,862)	103,736	621,423
Total Net Position - Beginning	2,100,885	2,100,885	2,100,885	-	2,100,885	-
TOTAL NET POSITION - ENDING	\$ 1,420,395	1,583,198	2,798,483	(593,862)	2,204,621	621,423

CITY OF LAREDO, TEXAS
INFORMATION TECHNOLOGY FUND
STATEMENT OF CASH FLOWS
Year ended September 30, 2019

CASH FLOW FROM OPERATING ACTIVITIES:

Receipts from customers and users	\$ 169,621
Receipts from interfund services provided	5,369,915
Payment to suppliers	(1,858,093)
Payment to employees	(2,265,765)
Payment for interfund services used	<u>(239,007)</u>
Net cash provided (used) by operating activities	<u>1,176,671</u>

**CASH FLOW FROM CAPITAL AND
RELATED FINANCING ACTIVITIES:**

Purchase of capital assets	(298,531)
Principle Paid on capital debt	(786,414)
Interest Paid on capital debt	<u>(47,889)</u>
Net cash provided (used) by capital and related financing activities	<u>(1,132,834)</u>

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sales and maturity of investments	(59,189)
Interest and dividends received	<u>19,721</u>
Net cash provided (used) by investing activities	<u>(39,468)</u>

Net increase (decrease) in cash and cash equivalents	4,369
Cash and cash equivalents - October 1	<u>9,555</u>
Cash and cash equivalents - September 30	\$ <u>13,924</u>

**Reconciliation of Operating income to
net cash provided (used) by operating
activities:**

Operating income	\$ <u>721,426</u>
Adjustments to reconcile operating income to net cash provided (used)	
Depreciation expense	458,715
(Increase) decrease in accounts receivable	(30,612)
Increase (decrease) in accounts payable	(12,636)
Increase (decrease) in compensated absences payable	32,368
Increase (decrease) in accrued wages and employee benefits	<u>7,410</u>
Total adjustments	<u>455,245</u>
Net cash provided by operating activities	\$ <u>1,176,671</u>

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CAPITAL ASSETS

CITY OF LAREDO, TEXAS
Capital Assets Used in the Operation of Governmental Funds
Comparative Schedules by Source (1)
September 30, 2019 and 2018

	<u>2019</u>	<u>2018</u>
Governmental Funds Capital Assets:		
Land	\$ 103,013,432	99,979,314
Buildings	224,567,810	222,823,232
Improvements Other Than Buildings	798,968,955	771,090,834
Vehicles	84,672,759	79,620,216
Machinery & Equipment	53,428,823	51,311,437
Construction in Progress	<u>6,436,468</u>	<u>6,797,737</u>
Total Governmental Funds Capital Assets	<u>1,271,088,247</u>	<u>1,231,622,770</u>

Investments in Governmental Funds Capital Assets by Source:

General Fund	445,604,510	431,743,397
Special Revenue Funds	231,410,957	224,999,444
Capital Projects Funds	<u>594,072,780</u>	<u>574,879,929</u>
Total Investments in Governmental Funds \$	<u>1,271,088,247</u>	<u>1,231,622,770</u>

(1) This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

CITY OF LAREDO, TEXAS
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity (1)
For The Year Ended September 30, 2019

FUNCTION AND ACTIVITY	BALANCE AT BEGINNING OF YEAR	ADDITIONS	DISPOSALS/ TRANSFERS	BALANCE AT END OF YEAR
General Government:				
Mayor and City Council	\$ 15,669	-	-	15,669
City Manager	26,459	-	-	26,459
Municipal Court	417,004	23,918	-	440,922
Human Resources	26,292	-	-	26,292
Building Inspections	698,541	2,352,416	(17,125)	3,033,832
City Secretary	37,573	-	-	37,573
Tax Office	94,937	-	-	94,937
City Planning	42,625	-	-	42,625
Finance	19,012	-	14,919	33,931
Real Estate	7,729,567	-	(109,334)	7,620,233
City Hall Maintenance	7,390,190	-	44,251	7,434,441
City Hall Annex	24,537	-	-	24,537
Engineering	53,121	-	(20,510)	32,611
Information Technology	597,043	-	-	597,043
Communications and Support	48,432	-	-	48,432
Community Development	34,048,613	457,881	678,164	35,184,658
Telecommunications	284,575	-	-	284,575
General Government	51,554,190	2,834,215	590,365	54,978,770
Public Safety:				
Police	8,118,083	1,338	7,501	8,126,922
Police Trust Fund	11,831,134	943,768	(576,582)	12,198,320
Auto Theft Task Force	223,608	-	(15,316)	208,292
Financial Task Force	1,360,811	-	-	1,360,811
Special Police	3,466,472	224,237	(54,728)	3,635,981
Laredo Border Violence	47,784	-	(23,712)	24,072
Homeland Security Grant	2,330,836	-	-	2,330,836
Fire	6,528,005	10,900	(21,906)	6,516,999
Hazardous Materials	9,085	-	-	9,085
Parking Meters	4,128,025	18,974	(13,645)	4,133,354
911 Administration	730,668	9,696	(10,006)	730,358
911 - General Fund	52,056	-	-	52,056
Communication System	6,879,563	-	-	6,879,563
Special Fire Grants	1,179,355	-	-	1,179,355
Traffic Safety	8,024,657	-	(13,480)	8,011,177
Public Safety	54,910,142	1,208,913	(721,874)	55,397,181
Public Works:				
Capital Improvements Project	81,938,685	618,205	263,578	82,820,468
1998 CO Issue	1,789,903	-	-	1,789,903
Infrastructure Maint.	131,017	-	-	131,017
DPW Infrastructure	7,956,450	-	-	7,956,450
Keep Laredo Beautiful	20,500	-	-	20,500
New Fire Stations	2,741,302	-	(288,061)	2,453,241
Fire Training Facility	1,807,503	-	-	1,807,503
2000 CO Issue	7,980,197	-	-	7,980,197
LEC Construction Project	33,348,400	-	-	33,348,400
2002 CO Issue	5,361,405	-	-	5,361,405
2003 CO Issue	3,725,268	-	-	3,725,268
2005 CO Issue	14,252,130	-	(352,874)	13,899,256
2006 CO Issue	18,552,783	-	-	18,552,783
2007 CO Issue	50,988,814	-	(208,671)	50,780,143
2008 CO Issue	30,478,548	-	(296)	30,478,252
2009 CO Issue	26,558,112	17	-	26,558,129
2010 CO Issue	4,990,905	-	-	4,990,905
2012 CO Issue	3,332,083	70,881	-	3,402,964
2014 CO Issue	5,629,944	100,000	4,000	5,733,944
2015 CO Issue	9,185,306	105,185	(98,557)	9,191,934
2016 CO Issue	12,418,136	892,880	-	13,311,016
2017 CO Issue	6,653,459	5,836,170	-	12,489,629
2018 CO Issue	-	778,384	-	778,384
FAA-Noise Abatement	\$ 18,944,149	-	-	18,944,149

(Continued)

CITY OF LAREDO, TEXAS
Capital Assets Used in the Operation of Governmental Funds
Schedule of Changes by Function and Activity (1)
For The Year Ended September 30, 2019

FUNCTION AND ACTIVITY	BALANCE AT BEGINNING OF YEAR	ADDITIONS	DISPOSALS/ TRANSFERS	BALANCE AT END OF YEAR
Public Works: (Cont.)				
Airport Construction Fund	\$ 151,397,758	9,657,853	(23,971)	161,031,640
Ryan Street Railroad Bridge	668,019	-	-	668,019
Streets of Laredo Urban Mall	1,158,524	-	-	1,158,524
Contractual Obligation	26,692,187	2,213,496	(355,551)	28,550,132
Parks Capital Grants	3,836,162	-	-	3,836,162
Capital Grants	29,718,613	329,999	-	30,048,612
Public Works	363,594,269	10,839,764	136,791	374,570,824
Public Works	925,850,531	31,442,834	(923,612)	956,369,753
Health & Welfare:				
Animal Shelter	41,721	-	-	41,721
Health	7,832,844	70,328	304,704	8,207,876
Noise Abatement Lease	186,579	-	(14,643)	171,936
Home Investment Partnership	463,407	-	-	463,407
A.R.R.A. - C.D.	975,026	-	-	975,026
Environmental Services	38,050,489	1,691,226	(38,205)	39,703,510
Health & Welfare	47,550,066	1,761,554	251,856	49,563,476
Cultural & Recreational:				
Parks & Recreation	17,451,407	154,868	386,412	17,992,687
Library	7,916,195	19,893	50,496	7,986,584
New Public Library	56,168	-	(33,821)	22,347
Cemetery	180,591	-	-	180,591
Friends of the Library	1,017,154	-	(2,405)	1,014,749
Public Access Channel	4,066,260	159,051	1	4,225,312
Mercado	1,162,235	-	-	1,162,235
Convention & Visitors Bureau	170,252	29,645	-	199,897
Sports & Community Venue	10,571,951	2,444,994	-	13,016,945
Recreation Fund	219,161	9,199	-	228,360
Baseball Stadium	19,447,094	-	-	19,447,094
Max Mandel Golf Course	319,049	-	-	319,049
Parkland - Park Improvement	-	4,097	-	4,097
Cultural & Recreational	62,577,517	2,821,747	400,683	65,799,947
Air Transportation Services:				
Airport	82,382,587	67,447	92,618	82,542,652
Air Transportation Services	82,382,587	67,447	92,618	82,542,652
Total Assets In Service	1,224,825,033	40,136,710	(309,964)	1,264,651,779
Construction in Progress	6,797,737	1,012,368	(1,373,637)	6,436,468
Total Governmental Funds				
Capital Assets	\$ 1,231,622,770	41,149,078	(1,683,601)	1,271,088,247

(1) This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

CITY OF LAREDO, TEXAS
Capital Assets Used in the Operations of Governmental Funds
Schedule by Function and Activity (1)
For The Year Ended September 30, 2019

FUNCTION AND ACTIVITY	TOTAL	LAND	BUILDINGS	IMPROVEMENTS O/T BLDGS	TRANSPORTATION	MACHINERY & EQUIPMENT
General Government:						
Mayor and City Council	\$ 15,669	-	-	-	9,908	5,761
City Manager	26,459	-	-	-	-	26,459
Municipal Court	440,922	39,981	63,911	-	-	337,030
Human Resources	26,292	-	-	-	26,292	-
Building	3,033,832	2,000,250	237,782	477,785	65,919	252,096
City Secretary	37,573	-	-	-	14,643	22,930
Tax Office	94,937	-	-	-	-	94,937
City Planning	42,625	-	-	-	15,125	27,500
Finance	33,931	-	-	-	14,919	19,012
Real Estate	7,620,233	6,081,233	1,539,000	-	-	-
City Hall Maintenance	7,434,441	3,066,074	4,181,666	-	44,251	142,450
City Hall Annex	24,537	-	-	-	24,537	-
Engineering	32,611	-	-	-	(1,982)	34,593
Information Technology	597,043	-	-	-	-	597,043
Communications and Support	48,432	-	-	-	13,968	34,464
Community Development	35,184,658	6,432,494	4,860,705	21,987,094	1,782,052	122,313
Telecommunications	284,575	-	18,683	27,808	-	238,084
General Government	54,978,770	17,620,032	10,901,747	22,492,687	2,009,632	1,954,672
Public Safety:						
Police	8,126,922	-	6,310,720	11,425	783,702	1,021,075
Police Trust Fund	12,198,320	-	920,960	-	7,366,297	3,911,063
Auto Theft Task Force	208,292	-	-	-	187,267	21,025
Financial Task Force	1,360,811	-	-	-	285,202	1,075,609
Special Police	3,635,981	-	-	-	1,616,996	2,018,985
Laredo Border Violence	24,072	-	-	-	-	24,072
Homeland Security Grant	2,330,836	-	-	-	427,219	1,903,617
Fire	6,516,999	767,503	1,450,005	-	3,643,177	656,314
Hazardous Materials	9,085	-	9,085	-	-	-
Parking Meters	4,133,354	1,247,536	60,342	2,309,718	146,344	369,414
911 Administration	730,358	-	-	-	-	730,358
911 - General Fund	52,056	-	-	-	33,590	18,466
Communications	6,879,563	-	-	-	-	6,879,563
Special Fire Grants	1,179,355	-	47,015	-	850,000	282,340
Traffic Safety	8,011,177	-	13,524	7,461,924	123,700	412,029
Public Safety	55,397,181	2,015,039	8,811,651	9,783,067	15,463,494	19,323,930
Public Works:						
Capital Improvements Projects	82,820,468	1,729,840	9,098,136	66,213,836	2,883,994	2,894,662
1998 C.O. Issue	1,789,903	108,232	864,429	626,445	190,797	-
Infrastructure Maint.	131,017	-	-	105,993	25,024	-
DPW	7,956,450	-	7,956,450	-	-	-
Keep Laredo Beautiful	20,500	-	-	-	20,500	-
New Fire Stations	2,453,241	-	2,148,486	-	304,755	-
Fire Training Facility	1,807,503	455,769	1,184,184	-	-	167,550
2000 CO Issue	7,980,197	933,003	3,278,920	3,768,274	-	-
LEC Construction Project	33,348,400	258,500	30,505,966	-	180,622	2,403,312
2002 CO Issue	5,361,405	4,548,595	812,810	-	-	-
2003 CO Issue	3,725,268	31,022	1,584,737	2,109,509	-	-
2005 CO Issue	13,899,256	1,493,129	1,097,865	10,278,613	883,016	146,633
2006 CO Issue	18,552,783	-	8,053,796	10,054,327	444,660	-
2007 CO Issue	50,780,143	638,763	10,741,662	28,675,343	9,793,929	930,446
2008 CO Issue	30,478,252	521,679	15,098,007	11,493,485	3,016,002	349,079
2009 CO Issue	26,558,129	222,365	11,732,191	13,034,631	1,384,782	184,160
2010 CO Issue	4,990,905	92,264	218,104	4,619,343	13,167	48,027
2012 CO Issue	3,402,964	56,330	886,402	1,913,921	454,551	91,760
2014 CO Issue	5,733,944	-	4,000	5,682,087	-	47,857
2015 CO Issue	9,191,934	1,170,661	312,151	4,864,989	2,831,829	12,304
2016 CO Issue	13,311,016	918,335	3,536,728	4,887,227	3,918,951	49,775
2017 CO Issue	12,489,629	-	546,947	2,775,944	8,590,917	575,821
2018 CO Issue	778,384	-	11,900	766,484	-	-
FAA-Noise Abatement	18,944,149	17,605,254	1,338,895	-	-	-
Airport Const. Fund.	\$ 161,031,640	20,714,411	8,992,047	127,359,131	1,605,247	2,360,804

(Continued)

CITY OF LAREDO, TEXAS
Capital Assets Used in the Operations of Governmental Funds
Schedule by Function and Activity (1)
For The Year Ended September 30, 2019

FUNCTION AND ACTIVITY	TOTAL	LAND	BUILDINGS	IMPROVEMENTS O/T BLDGS	TRANSPORTATION	MACHINERY & EQUIPMENT
Public Works: (Cont.)						
Ryan Street Railroad Bridge	\$ 668,019	-	-	668,019	-	-
Streets of Laredo Urban Mall	1,158,524	-	-	1,158,524	-	-
Contractual Obligations	28,550,132	-	61,528	13,157	18,617,895	9,857,552
Parks Capital Grants	3,836,162	498,762	-	3,219,706	111,223	6,471
Capital Grants	30,048,612	4,600	398,390	29,645,622	-	-
Public Works	<u>374,570,824</u>	<u>3,930,257</u>	<u>3,877,909</u>	<u>362,588,894</u>	<u>4,090,693</u>	<u>83,071</u>
Public Works	<u>956,369,753</u>	<u>55,931,771</u>	<u>124,342,640</u>	<u>696,523,504</u>	<u>59,362,554</u>	<u>20,209,284</u>
Health & Welfare:						
Health	8,207,876	421,278	4,998,917	171,500	317,638	2,298,543
Noise Abtm. Lease	171,936	-	-	-	159,653	12,283
Home Investment Partnership	463,407	-	463,407	-	-	-
Animal Shelter	41,721	-	-	-	-	41,721
A.R.R.A.-CD	975,026	-	-	975,026	-	-
Environmental Services	<u>39,703,510</u>	<u>4,551,209</u>	<u>1,623,806</u>	<u>30,751,624</u>	<u>2,295,134</u>	<u>481,737</u>
Health & Welfare	<u>49,563,476</u>	<u>4,972,487</u>	<u>7,086,130</u>	<u>31,898,150</u>	<u>2,772,425</u>	<u>2,834,284</u>
Cultural & Recreational:						
Parks & Recreation	17,992,687	11,017,735	3,406,584	256,369	2,277,280	1,034,719
Library	7,986,584	-	7,124,408	33,000	140,251	688,925
New Public Library	22,347	-	22,347	-	-	-
Cemetery	180,591	-	7,900	-	145,441	27,250
Friends of the Library	1,014,749	-	261,792	-	-	752,957
Public Access Channel	4,225,312	-	1,406,518	190,093	133,079	2,495,622
Mercado	1,162,235	-	1,162,235	-	-	-
Convention & Visitor's Bureau	199,897	-	17,300	-	177,349	5,248
Sports & Community Venue	13,016,945	6,663,649	968,751	2,599,384	244,350	2,540,811
Recreation Fund	228,360	-	-	9,199	176,878	42,283
Baseball Stadium	19,447,094	-	17,975,174	541,760	-	930,160
Max Mandel Golf Course	319,049	-	-	-	253,896	65,153
Parkland - Park Improvement	<u>4,097</u>	<u>-</u>	<u>-</u>	<u>4,097</u>	<u>-</u>	<u>-</u>
Cultural & Recreational	<u>65,799,947</u>	<u>17,681,384</u>	<u>32,353,009</u>	<u>3,633,902</u>	<u>3,548,524</u>	<u>8,583,128</u>
Air Transportation Services:						
Airport	<u>82,542,652</u>	<u>4,792,719</u>	<u>41,072,633</u>	<u>34,637,645</u>	<u>1,516,130</u>	<u>523,525</u>
Air Transportation Services	<u>82,542,652</u>	<u>4,792,719</u>	<u>41,072,633</u>	<u>34,637,645</u>	<u>1,516,130</u>	<u>523,525</u>
Total Assets in service	<u>1,264,651,779</u>	<u>103,013,432</u>	<u>224,567,810</u>	<u>798,968,955</u>	<u>84,672,759</u>	<u>53,428,823</u>
Construction in Progress	<u>6,436,468</u>					
Total Governmental Funds Capital Assets	\$ <u>1,271,088,247</u>					

(1) This schedule presents only the capital asset balances related to governmental funds. Accordingly, the capital assets reported in internal service funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net position.

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ENTERPRISE FUNDS

ENTERPRISE FUNDS

Enterprise funds account for the acquisition, operation and maintenance of the City's facilities and services which are entirely or predominantly supported by user charges or those for which the City has decided that periodic determination of the revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability and or other purposes. All activities necessary to provide services are accounted for in these funds, including, but not limited to, administration, operations, and maintenance.

Enterprise Funds include:

MUNICIPAL TRANSIT SYSTEM - to account for the proceeds from the City's Transit System and a grant from the U.S. Department of Transportation, Urban Mass Transportation, used for operating and maintaining the Transit System.

BRIDGE SYSTEM - to account for toll proceeds from four international bridges and the related operations, maintenance and debt service.

MUNICIPAL HOUSING FUND- to account for proceeds from low income housing units partially funded from HUD Section 8 and the related operational and maintenance disbursements.

WATERWORKS SYSTEM - to account for the operations, maintenance and debt service from two water treatment plants and twenty four booster stations and the related revenue received from customers.

SEWER SYSTEM - to account for the operations, maintenance and debt service of the City's six sewage treatment plants and its related revenue received from customers.

SOLID WASTE FUND - to account for the landfill and recycling center operations and revenues collected from landfill fees and Federal and State mandates fees, and for the construction of the municipal landfill.

CITY OF LAREDO, TEXAS
NONMAJOR ENTERPRISE FUNDS
STATEMENT OF NET POSITION
September 30, 2019

	MUNICIPAL TRANSIT SYSTEM	MUNICIPAL HOUSING CORPORATION	TOTALS
ASSETS			
Current Assets:			
Cash and Cash Equivalents:			
Cash	\$ 7,100	200	7,300
Equity in Investment Pool	37,698	7,453	45,151
Investments	3,528,800	691,661	4,220,461
Receivables, net of allowances:			
Accrued Interest	36,391	7,133	43,524
Accounts	3,111	26,519	29,630
Due from Other Funds	440,563	-	440,563
Inventory, at cost	244,888	-	244,888
Total Current Assets	4,298,551	732,966	5,031,517
Capital Assets:			
Transportation Vehicles and Equipment	22,843,036	292,508	23,135,544
Buildings	14,574,019	3,655,624	18,229,643
Improvements	10,907,384	131,362	11,038,746
Land and Improvements	9,521,557	384,116	9,905,673
Construction in Progress	2,933,273	-	2,933,273
Less Accumulated Depreciation	(29,837,842)	(3,857,478)	(33,695,320)
Total Capital Assets (net of accumulated depreciation)	30,941,427	606,132	31,547,559
Total Noncurrent Assets	30,941,427	606,132	31,547,559
TOTAL ASSETS	35,239,978	1,339,098	36,579,076
Deferred Outflows of Resources	889,970	162,696	1,052,666
TOTAL ASSETS AND DEFERRED OUTFLOWS OF RESOURCES	\$ 36,129,948	1,501,794	37,631,742

**CITY OF LAREDO, TEXAS
NONMAJOR ENTERPRISE FUNDS
STATEMENT OF NET POSITION
September 30, 2019**

	MUNICIPAL TRANSIT SYSTEM	MUNICIPAL HOUSING CORPORATION	TOTALS
LIABILITIES			
Current Liabilities:			
Accounts Payable	\$ 743,992	24,696	768,688
Accrued Interest Payable	15,331	-	15,331
Accrued Wages and Employee Benefits	227,264	12,960	240,224
Compensated Absences	157,095	11,958	169,053
Customer Deposits	15,450	93,455	108,905
Unearned Revenue	-	11,600	11,600
General Obligation Bonds	414,408	-	414,408
Certificates of Obligation	800,000	-	800,000
	<u>2,373,540</u>	<u>154,669</u>	<u>2,528,209</u>
Total Current Liabilities			
Noncurrent Liabilities:			
General Obligation Bonds	1,776,932	-	1,776,932
Certificates of Obligation	640,191	-	640,191
Due to Other Funds	440,563	-	440,563
Net Pension Liability	1,787,363	918,622	2,705,985
Compensated Absences	127,609	15,955	143,564
	<u>4,772,658</u>	<u>934,577</u>	<u>5,707,235</u>
Total Noncurrent Liabilities			
TOTAL LIABILITIES	<u>7,146,198</u>	<u>1,089,246</u>	<u>8,235,444</u>
Deferred Inflows of Resources	<u>238,881</u>	<u>-</u>	<u>238,881</u>
TOTAL LIABILITIES AND DEFERRED INFLOWS OF RESOURCES	<u>7,385,079</u>	<u>1,089,246</u>	<u>8,474,325</u>
NET POSITION			
Net Investment in Capital Assets	28,184,535	606,132	28,790,667
Unrestricted	<u>560,334</u>	<u>(193,584)</u>	<u>366,750</u>
TOTAL NET POSITION	<u>\$ 28,744,869</u>	<u>412,548</u>	<u>29,157,417</u>

CITY OF LAREDO, TEXAS
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF REVENUES, EXPENSES, AND
CHANGES IN NET POSITION
Year ended September 30, 2019

	MUNICIPAL TRANSIT SYSTEM	MUNICIPAL HOUSING CORPORATION	TOTALS
OPERATING REVENUES:			
Charges for Services	\$ 3,761,967	192,592	3,954,559
Rental of Facilities	575,270	1,403,450	1,978,720
Fees and Collections	-	22,200	22,200
Miscellaneous	129,585	(11,494)	118,091
TOTAL OPERATING REVENUES	4,466,822	1,606,748	6,073,570
OPERATING EXPENSES:			
Personnel Services	11,511,621	568,979	12,080,600
Materials and Supplies	2,253,270	201,145	2,454,415
Contractual Services	2,174,319	687,570	2,861,889
Other	72,681	12,458	85,139
Total Operating Expenses Before Depreciation	16,011,891	1,470,152	17,482,043
Depreciation Expense	2,516,530	36,331	2,552,861
TOTAL OPERATING EXPENSES	18,528,421	1,506,483	20,034,904
Operating Income (Loss)	(14,061,599)	100,265	(13,961,334)
NONOPERATING REVENUES (EXPENSES):			
Investment Income:			
Interest Earnings	43,973	17,318	61,291
Discount Earnings	137	-	137
Miscellaneous	11,140	-	11,140
Sales Tax	8,325,191	-	8,325,191
Gain (Loss) on Sale of Assets	-	915	915
Interest Expense	(67,620)	-	(67,620)
Gain (Loss) on Advance Refunding	(47,289)	-	(47,289)
Federal Operating Grant	3,466,384	-	3,466,384
Fiscal Agent Fees	(1,042)	-	(1,042)
Bond Issuance Cost/Premiums Amortized	28,675	-	28,675
Other Non-Operating Expenses	(88,552)	-	(88,552)
State Operating Grant	671,023	-	671,023
TOTAL NONOPERATING REVENUES (EXPENSES)	12,342,020	18,233	12,360,253
Income (Loss) Before Contributions and Transfers	(1,719,579)	118,498	(1,601,081)
Capital Contributions-Grants	375,114	-	375,114
Operating Contributions	525,175	-	525,175
Transfers In:			
General Fund	354,336	-	354,336
Transfers Out:			
Home Investment	-	(11,584)	(11,584)
Change in Net Position	(464,954)	106,914	(358,040)
Total Net Position-Beginning	29,209,823	305,634	29,515,457
Total Net Position-Ending	\$ 28,744,869	412,548	29,157,417

CITY OF LAREDO, TEXAS
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year ended September 30, 2019

	MUNICIPAL TRANSIT SYSTEM	MUNICIPAL HOUSING CORPORATION	TOTALS
CASH FLOW FROM OPERATING ACTIVITIES:			
Receipts from customers and users	\$ 4,088,657	1,614,062	5,702,719
Receipts from interfund services provided	375,822	-	375,822
Payments to suppliers	(4,149,644)	(740,035)	(4,889,679)
Payments to employees	(11,663,198)	(636,717)	(12,299,915)
Payments for interfund services used	(259,755)	(229,524)	(489,279)
Net cash provided (used) by operating activities	(11,608,118)	7,786	(11,600,332)
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:			
Transfer to other funds	354,336	(11,584)	342,752
Subsidy from federal and state grants	7,578,003	859	7,578,862
Sales Tax	8,325,191	-	8,325,191
Transfer from other funds	(1,136,152)	-	(1,136,152)
Net cash provided (used) by noncapital and related financing activities	15,121,378	(10,725)	15,110,653
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:			
Purchases of capital assets	-	(18,345)	(18,345)
Subsidy from federal and state grants	375,114	-	375,114
Principal paid on capital debt	(639,507)	-	(639,507)
Interest paid on capital debt	(74,231)	-	(74,231)
Acquisition and construction of capital assets	(444,006)	-	(444,006)
Proceeds from sales of capital assets	-	915	915
Net cash provided (used) by capital and related financing activities	(782,630)	(17,430)	(800,060)
CASH FLOWS FROM INVESTING ACTIVITIES:			
Proceeds from sales and maturities of investments	(2,712,621)	7,271	(2,705,350)
Interest and dividends received	13,684	15,295	28,979
Net cash provided (used) by investing activities	(2,698,937)	22,566	(2,676,371)
Net increase (decrease) in cash and cash equivalents	31,693	2,197	33,890
Cash and cash equivalents, October 1	13,105	5,456	18,561
Cash and cash equivalents, September 30	\$ 44,798	7,653	52,451

CITY OF LAREDO, TEXAS
NONMAJOR ENTERPRISE FUNDS
COMBINING STATEMENT OF CASH FLOWS
Year ended September 30, 2019

	MUNICIPAL TRANSIT SYSTEM	MUNICIPAL HOUSING CORPORATION	TOTALS
Reconciliation of operating income to net cash provided (used) by operating activities:			
Operating income	\$ (14,061,599)	100,265	(13,961,334)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:			
Depreciation expense	2,516,530	36,331	2,552,861
(Increase) decrease in accounts receivable	(2,908)	(12,174)	(15,082)
Increase in allowance for uncollectible accounts	-	12,459	12,459
(Increase) decrease in inventories	20,583	-	20,583
Increase in customer deposits	565	5,908	6,473
Increase (decrease) in accounts payable	70,288	(68,386)	1,902
Increase (decrease) in deferred revenues	-	1,121	1,121
Increase (decrease) in compensated absences payable	16,359	(10,712)	5,647
Increase (decrease) in deferred outflows-pension	(230,932)	(105,643)	(336,575)
Increase (decrease) in deferred inflows-pension	106,947	(79,854)	27,093
Increase (decrease) in net pension liability	(66,494)	127,464	60,970
Increase (decrease) in accrued wages and employee benefits	22,543	1,007	23,550
Total adjustments	2,453,481	(92,479)	2,361,002
Net cash provided (used) by operating activities	\$ (11,608,118)	7,786	(11,600,332)
Noncash investing, capital, and financing activities:			
Contribution	525,175	-	525,175
Bond issuance cost amortized	28,675	-	28,675
Loss on advance refunding	(47,289)	-	(47,289)
Accrued interest payable	5,570	-	5,570

CITY OF LAREDO, TEXAS
MUNICIPAL TRANSIT SYSTEM
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year ended September 30, 2019

	Budgeted Amount		Actual	Adjustments	Actual Budget Basis	Variance Positive (Negative)
	Original	Final				
OPERATING REVENUES:						
Charges for Services	\$ 3,841,500	3,841,500	3,761,967	-	3,761,967	(79,533)
Miscellaneous	133,916	133,916	129,585	-	129,585	(4,331)
Rental of Facilities	605,140	605,140	575,270	-	575,270	(29,870)
TOTAL OPERATING REVENUES	4,580,556	4,580,556	4,466,822	-	4,466,822	(113,734)
OPERATING EXPENSES:						
Opt-Fixed Route:						
Personnel Services	6,855,552	6,748,357	6,756,804	(12,434)	6,744,370	3,987
Materials and Supplies	957,088	917,538	846,657	-	846,657	70,881
Contractual Services	562,551	573,076	570,146	-	570,146	2,930
Other	261,878	256,878	59,774	-	59,774	197,104
Total Opt-Fixed Route	8,637,069	8,495,849	8,233,381	(12,434)	8,220,947	274,902
Opt-Para Transit:						
Personnel Services	1,493,058	1,455,502	1,485,706	3,945	1,489,651	(34,149)
Materials and Supplies	124,742	154,602	144,208	-	144,208	10,394
Contractual Services	172,166	170,749	164,710	-	164,710	6,039
Other	17,403	17,403	12,992	-	12,992	4,411
Total Opt-Para Transit	1,807,369	1,798,256	1,807,616	3,945	1,811,561	(13,305)
Maint-Fixed Route:						
Personnel Services	1,645,972	1,702,972	1,740,874	(5,828)	1,735,046	(32,074)
Materials and Supplies	922,603	965,104	947,416	-	947,416	17,688
Contractual Services	440,962	363,330	267,438	-	267,438	95,892
Total Maint-Fixed Route	3,009,537	3,031,406	2,955,728	(5,828)	2,949,900	81,506
Maint-Para Transit:						
Personnel Services	244,375	259,225	273,870	(579)	273,291	(14,066)
Materials and Supplies	108,124	116,124	93,835	-	93,835	22,289
Contractual Services	37,905	51,405	39,188	-	39,188	12,217
Total Maint-Para Transit	390,404	426,754	406,893	(579)	406,314	20,440
Training and Safety:						
Personnel Services	72,869	75,803	77,793	324	78,117	(2,314)
Materials and Supplies	15,799	17,144	15,245	-	15,245	1,899
Contractual Services	1,700	1,822	1,752	-	1,752	70
Total Training and Safety	90,368	94,769	94,790	324	95,114	(345)
Pilot Urban Circulator Program:						
Personnel Services	-	80,622	-	-	-	80,622
Materials and Supplies	-	12,000	15,351	-	15,351	(3,351)
Contractual Services	-	12,000	-	-	-	12,000
Total Building/Grounds	-	104,622	15,351	-	15,351	89,271
Building/Grounds:						
Personnel Services	286,882	281,260	289,305	(423)	288,882	(7,622)
Materials and Supplies	46,818	47,933	36,986	-	36,986	10,947
Contractual Services	361,513	308,646	194,989	-	194,989	113,657
Total Building/Grounds	\$ 695,213	637,839	521,280	(423)	520,857	116,982
						(Continued)

(Continued)

**CITY OF LAREDO, TEXAS
MUNICIPAL TRANSIT SYSTEM
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year ended September 30, 2019**

(Continued)

	<u>Budgeted Amount</u>		<u>Actual</u>	<u>Adjustments</u>	<u>Actual Budget Basis</u>	<u>Variance Positive (Negative)</u>
	<u>Original</u>	<u>Final</u>				
Bus Stop/Shelters:						
Personnel Services	\$ 76,865	80,040	81,726	-	81,726	(1,686)
Materials and Supplies	43,378	107,355	62,530	-	62,530	44,825
Contractual Services	46,535	21,158	13,875	-	13,875	7,283
Total Bus Stop/Shelters	166,778	208,553	158,131	-	158,131	50,422
General Administration:						
Personnel Services	407,225	491,219	504,868	(1,230)	503,638	(12,419)
Materials and Supplies	28,028	35,197	28,301	-	28,301	6,896
Contractual Services	720,667	732,816	648,446	-	648,446	84,370
Other	30,000	30,000	-	-	-	30,000
Total General Administration	1,185,920	1,289,232	1,181,615	(1,230)	1,180,385	108,847
Transit Center Building:						
Personnel Services	233,576	261,078	229,722	(257)	229,465	31,613
Materials and Supplies	54,666	64,866	60,892	-	60,892	3,974
Contractual Services	333,307	288,380	257,520	-	257,520	30,860
Other	10,000	10,000	-	-	-	10,000
Total Transit Center Building	631,549	624,324	548,134	(257)	547,877	76,447
Transit Center Facility:						
Personnel Services	66,798	73,323	70,953	124	71,077	2,246
Materials and Supplies	2,100	2,200	1,849	-	1,849	351
Contractual Services	21,047	21,647	16,255	-	16,255	5,392
Other	550	550	(85)	-	(85)	635
Total Transit Center Facility	90,495	97,720	88,972	124	89,096	8,624
Total Operating Expenses Before Depreciation	16,704,702	16,809,324	16,011,891	(16,358)	15,995,533	813,791
Depreciation	-	-	2,516,530	(2,516,530)	-	-
TOTAL OPERATING EXPENSES	16,704,702	16,809,324	18,528,421	(2,532,888)	15,995,533	813,791
Operating Income (Loss)	\$ (12,124,146)	(12,228,768)	(14,061,599)	2,532,888	(11,528,711)	700,057

(Continued)

**CITY OF LAREDO, TEXAS
MUNICIPAL TRANSIT SYSTEM
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year ended September 30, 2019**

(Continued)

	Budgeted Amount				Actual Budget Basis	Variance Positive (Negative)
	Original	Final	Actual	Adjustments		
NONOPERATING REVENUES (EXPENSES):						
Investment Income:						
Interest Earnings	\$ 30,400	30,400	43,973	-	43,973	13,573
Discount Earnings	100	100	137	-	137	37
Miscellaneous	-	45,684	11,140	-	11,140	(34,544)
Sales Tax	8,163,086	8,163,086	8,325,191	-	8,325,191	162,105
Interest Expense	(73,190)	(73,190)	(67,620)	(5,570)	(73,190)	-
Principal Paid Revenue Bonds	(639,507)	(639,507)	-	(639,507)	(639,507)	-
Loss on Advanced Refunding	-	-	(47,289)	47,289	-	-
Bond Issuance Costs/Premiums Amortized	-	-	28,675	(28,675)	-	-
FTA Operating Grant	3,401,493	3,401,493	3,466,384	-	3,466,384	64,891
Fiscal Agent Fees	-	(1,042)	(1,042)	-	(1,042)	-
State Operating Grant	581,555	581,555	671,023	-	671,023	89,468
Construction	(718,359)	(12,523,678)	-	(366,594)	(366,594)	12,157,084
Other Non-Operating Expenses	(240,800)	(1,847,472)	(88,552)	-	(88,552)	1,758,920
TOTAL NONOPERATING REVENUES AND (EXPENSES)	10,504,778	(2,862,571)	12,342,020	(993,057)	11,348,963	14,211,534
Income (Loss) Before Contributions and Transfers	(1,619,368)	(15,091,339)	(1,719,579)	1,539,831	(179,748)	14,911,591
Capital Contributions:						
Federal Capital Grant	605,581	13,267,469	375,114	-	375,114	(12,892,355)
Operating Contributions	-	-	525,175	(525,175)	-	-
Transfers In:						
Transit Sales Tax	7,876,152	7,864,897	-	7,214,462	7,214,462	(650,435)
General Fund	416,000	416,000	354,336	-	354,336	(61,664)
Transit Operations	-	209,244	-	104,622	104,622	(104,622)
Transfers Out:						
El Metro Operations	(7,763,374)	(7,972,618)	-	(7,229,893)	(7,229,893)	742,725
Capital and Planning	(112,778)	(101,523)	-	(89,191)	(89,191)	12,332
Change in Net Position	(597,787)	(1,407,870)	(464,954)	1,014,656	549,702	1,957,572
Total Net Position-Beginning	29,209,823	29,209,823	29,209,823	-	29,209,823	(29,209,823)
Total Net Position-Ending	\$ 28,612,036	27,801,953	28,744,869	1,014,656	29,759,525	(27,252,251)

**CITY OF LAREDO, TEXAS
MUNICIPAL TRANSIT SYSTEM
STATEMENT OF CASH FLOWS
Year ended September 30, 2019**

CASH FLOW FROM OPERATING ACTIVITIES:

Receipts from customers and users	\$ 4,088,657
Receipts from interfund services provided	375,822
Payments to suppliers	(4,149,644)
Payments to employees	(11,663,198)
Payments for interfund services used	(259,755)
Net cash provided (used) by operating activities	(11,608,118)

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Transfer from other funds	354,336
Advances from other funds	(1,136,152)
Subsidy from federal and state grants	7,578,003
Sales Tax	8,325,191
Net cash provided (used) by noncapital and related financing activities	15,121,378

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Subsidy from federal and state grants	375,114
Acquisition and construction of capital assets	(444,006)
Principal paid on capital debt	(639,507)
Interest paid on capital debt	(74,231)
Net cash provided (used) by capital and related financing activities	(782,630)

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sales and maturities of investments	(2,712,621)
Interest and dividends received	13,684
Net cash provided (used) by investing activities	(2,698,937)

Net increase (decrease) in cash and cash equivalents	31,693
Cash and cash equivalents, October 1	13,105
Cash and cash equivalents, September 30	\$ 44,798

(Continued)

**CITY OF LAREDO, TEXAS
MUNICIPAL TRANSIT SYSTEM
STATEMENT OF CASH FLOWS
Year ended September 30, 2019**

(Continued)

**Reconciliation of operating income to
net cash provided (used) by operating
activities:**

Operating income	\$	(14,061,599)
Adjustments to reconcile operating income to net cash provided (used) by operating activities:		
Depreciation expense		2,516,530
(Increase) decrease in accounts receivable		(2,908)
(Increase) decrease in inventories		20,583
Increase in customer deposits		565
Increase (decrease) in accounts payable		70,288
Increase (decrease) in compensated absences payable		16,359
Increase (decrease) in net pension liability		(66,494)
Increase (decrease) in deferred outflows-pension		(230,932)
Increase (decrease) in deferred inflows-pension		106,947
Increase (decrease) in accrued wages and employee benefits		22,543

Total adjustments		2,453,481

Net cash provided (used) by operating activities	\$	(11,608,118)

**Noncash investing, capital and financing
activities:**

Contribution	525,175
Bond issuance cost amortized	28,675
Accrued interest payable	5,570
Loss on Advance Refunding	(47,289)

CITY OF LAREDO, TEXAS
BRIDGE SYSTEM
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year ended September 30, 2019

	<u>Budgeted Amount</u>				<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Budget</u>	<u>Positive</u>
					<u>Basis</u>	<u>(Negative)</u>
OPERATING REVENUES:						
Rental of Facilities	\$ 219,720	219,720	185,258	-	185,258	(34,462)
Toll Receipts	66,933,373	66,933,373	69,812,527	-	69,812,527	2,879,154
Miscellaneous	602,728	602,528	697,089	-	697,089	94,561
TOTAL OPERATING REVENUES	67,755,821	67,755,621	70,694,874	-	70,694,874	2,939,253
OPERATING EXPENSES:						
Laredo Bridge Operations:						
Personnel Services	2,406,088	2,502,817	1,722,576	34,251	1,756,827	745,990
Materials and Supplies	226,875	182,284	107,764	-	107,764	74,520
Contractual Services	37,710,955	38,290,530	39,401,607	-	39,401,607	(1,111,077)
Other	866,674	90,738	77,083	-	77,083	13,655
Capital Outlay	45,594	47,008	-	47,008	47,008	-
Total Laredo Bridge Operations	41,256,186	41,113,377	41,309,030	81,259	41,390,289	(276,912)
Bridge II Operations:						
Personnel Services	2,395,090	2,283,144	2,201,023	(15,502)	2,185,521	97,623
Materials and Supplies	128,701	184,462	136,884	-	136,884	47,578
Contractual Services	474,170	560,575	366,255	-	366,255	194,320
Capital Outlay	-	8,790	-	8,790	8,790	-
Total Bridge II Operations	2,997,961	3,036,971	2,704,162	(6,712)	2,697,450	339,521
Colombia Bridge Operations:						
Personnel Services	1,306,597	1,325,762	1,201,135	13,815	1,214,950	110,812
Materials and Supplies	37,853	37,919	22,198	-	22,198	15,721
Contractual Services	281,637	413,929	272,142	-	272,142	141,787
Capital Outlay	52,830	52,830	-	52,823	52,823	7
Total Colombia Bridge Operations	1,678,917	1,830,440	1,495,475	66,638	1,562,113	268,327
Refrigerated Facility:						
Contractual Services	202,703	202,703	-	-	-	202,703
Total Refrigerated Facility	202,703	202,703	-	-	-	202,703
Port Police:						
Personnel Services	363,150	363,150	330,306	-	330,306	32,844
Materials and Supplies	5,000	3,500	-	-	-	3,500
Contractual Services	-	1,500	1,494	-	1,494	6
Total Port Police	368,150	368,150	331,800	-	331,800	36,350
Fourth Bridge Operations:						
Personnel Services	2,547,852	2,300,028	2,166,038	25,827	2,191,865	108,163
Materials and Supplies	184,148	202,178	162,648	-	162,648	39,530
Contractual Services	973,949	1,162,386	1,012,924	-	1,012,924	149,462
Capital Outlay	111,000	104,633	-	104,633	104,633	-
Total Fourth Bridge Operations	3,816,949	3,769,225	3,341,610	130,460	3,472,070	297,155
Total Operating Expenses Before Depreciation	50,320,866	50,320,866	49,182,077	271,645	49,453,722	867,144
Depreciation	-	-	3,251,967	(3,251,967)	-	-
TOTAL OPERATING EXPENSES	50,320,866	50,320,866	52,434,044	(2,980,322)	49,453,722	867,144
Operating Income (Loss)	\$ 17,434,955	17,434,755	18,260,830	2,980,322	21,241,152	3,806,397

(Continued)

CITY OF LAREDO, TEXAS
BRIDGE SYSTEM
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year ended September 30, 2019

(Continued)

	Budgeted Amount		Actual	Adjustments	Actual Budget Basis	Variance Positive (Negative)
	Original	Final				
NONOPERATING REVENUES (EXPENSES):						
Investment Income:						
Interest Earnings	\$ 180,847	180,847	303,656	-	303,656	122,809
Interest Earnings - Restricted	136,996	124,105	143,710	-	143,710	19,605
Discount Earnings	-	-	3	-	3	3
Miscellaneous	-	-	268	-	268	268
Gain/(Loss) On Sale of Assets	-	200	2,925	-	2,925	2,725
State Operating Grant	-	8,000,000	-	-	-	(8,000,000)
Interest Expense	(1,722,063)	(1,722,063)	(1,722,062)	-	(1,722,062)	1
Principal Paid	(5,065,000)	(5,065,000)	-	(5,065,000)	(5,065,000)	-
Fiscal Agent Fees	(4,600)	(5,150)	(5,150)	-	(5,150)	-
Bond Issuance Cost/Premiums Amortized	-	-	393,128	(393,128)	-	-
Loss on Advance Refunding	-	(183,129)	(183,129)	183,129	-	183,129
Other Non-Operating Expenses	-	(616,321)	-	-	-	616,321
Construction	(6,038,279)	(13,477,305)	(1,110,989)	368,728	(742,261)	12,735,044
TOTAL NONOPERATING REVENUES (EXPENSES)	(12,512,099)	(12,763,816)	(2,177,640)	(4,906,271)	(7,083,911)	5,679,905
Income (Loss) Before Contributions and Transfers	4,922,856	4,670,939	16,083,190	(1,925,949)	14,157,241	9,486,302
Transfers In:						
Bridge Operating Fund	11,251,414	11,251,414	-	10,567,183	10,567,183	(684,231)
Transfers Out:						
Capital Improvements Fund	(5,838,083)	(5,838,083)	(9,846,132)	-	(9,846,132)	(4,008,049)
Debt Service	(769,880)	(769,880)	(769,880)	-	(769,880)	-
Bridge Construction	(3,900,000)	(3,900,000)	-	(4,069,298)	(4,069,298)	(169,298)
Bridge Refrigerated Facility	(15,000)	(15,000)	-	(15,000)	(15,000)	-
Bridge Debt Service	(7,336,414)	(7,336,414)	-	(6,482,885)	(6,482,885)	853,529
Change in Net Position	(1,685,107)	(1,937,024)	5,467,178	(1,925,949)	3,541,229	5,478,253
Total Net Position-Beginning	36,515,028	36,515,028	36,515,028	-	36,515,028	-
Total Net Position-Ending	\$ 34,829,921	34,578,004	41,982,206	(1,925,949)	40,056,257	5,478,253

CITY OF LAREDO, TEXAS
BRIDGE SYSTEM
STATEMENT OF CASH FLOWS
Year ended September 30, 2019

CASH FLOW FROM OPERATING ACTIVITIES:

Receipts from customers and users	\$ 70,674,722
Payments to suppliers	(3,128,426)
Payments to employees	(8,384,968)
Payments for interfund services used	(38,441,992)
Net cash provided by operating activities	20,719,336

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Transfer to other funds	(10,616,012)
Net cash provided (used) by noncapital and related financing activities	(10,616,012)

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Acquisition and construction of capital assets	(955,247)
Principal paid on capital debt	(5,065,000)
Interest paid on capital debt	(1,727,212)
Proceeds from sales of capital assets	2,925
Net cash provided (used) by capital and related financing activities	(7,744,534)

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sales and maturities of investments	(2,666,660)
Interest and dividends received	358,092
Net cash provided (used) by investing activities	(2,308,568)

Net increase (decrease) in cash and cash equivalents	50,222
Cash and cash equivalents, October 1	57,713
Cash and cash equivalents, September 30	\$ 107,935

(Continued)

**CITY OF LAREDO, TEXAS
BRIDGE SYSTEM
STATEMENT OF CASH FLOWS
Year ended September 30, 2019**

(Continued)

**Reconciliation of operating income to
net cash provided (used) by operating
activities:**

Operating income	\$ 18,260,830
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	3,251,967
(Increase) decrease in accounts receivable	445
Increase (decrease) in accounts payable	(9,419)
Increase (decrease) in deferred revenues	(20,597)
Increase (decrease) in compensated absences payable	(58,391)
Increase (decrease) in net pension liability	1,652,107
Increase (decrease) in deferred outflows-pension	(1,421,909)
Increase (decrease) in deferred inflows-pension	(961,353)
Increase (decrease) in accrued wages and employee benefits	25,656

Total adjustments	2,458,506

Net cash provided by operating activities	\$ 20,719,336

**Noncash investing, capital, and financing
activities:**

Disposition of Assets	(368,728)
Bond issuance cost amortized	(183,129)
Loss on advance refunding	393,128

CITY OF LAREDO, TEXAS
MUNICIPAL HOUSING CORPORATION
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year ended September 30, 2019

	Budgeted Amount				Actual	Variance
	Original	Final	Actual	Adjustments	Budget Basis	Positive (Negative)
OPERATING REVENUES:						
Rental of Facilities	\$ 1,414,717	1,414,717	1,403,450	-	1,403,450	(11,267)
Charges for Services	175,000	175,000	192,592	-	192,592	17,592
Fees and Collections	26,000	26,000	22,200	-	22,200	(3,800)
Miscellaneous	1,036	1,036	(11,494)	-	(11,494)	(12,530)
TOTAL OPERATING REVENUES	1,616,753	1,616,753	1,606,748	-	1,606,748	(10,005)
OPERATING EXPENSES:						
Airport Housing:						
Personnel Services	561,323	564,237	483,844	(1,196)	482,648	81,589
Materials and Supplies	174,519	183,330	166,925	-	166,925	16,405
Contractual Services	569,060	623,335	529,176	-	529,176	94,159
Other	79,109	3,109	12,458	(12,458)	-	3,109
Capital Outlay	34,500	34,000	-	18,345	18,345	15,655
Total Airport Housing	1,418,511	1,408,011	1,192,403	4,691	1,197,094	210,917
West Laredo Housing:						
Personnel Services	110,595	110,595	84,507	11,908	96,415	14,180
Materials and Supplies	35,171	35,671	30,709	-	30,709	4,962
Contractual Services	151,146	161,146	151,438	-	151,438	9,708
Total West Laredo Housing	296,912	307,412	266,654	11,908	278,562	28,850
Downtown Elderly Duplex:						
Personnel Services	-	1,000	628	-	628	372
Materials and Supplies	3,574	4,574	3,511	-	3,511	1,063
Contractual Services	16,300	14,300	6,956	-	6,956	7,344
Total Downtown Elderly Duplex Project	19,874	19,874	11,095	-	11,095	8,779
Total Operating Expenses Before Depreciation	1,735,297	1,735,297	1,470,152	16,599	1,486,751	248,546
Depreciation Expense	-	-	36,331	(36,331)	-	-
TOTAL OPERATING EXPENSES	1,735,297	1,735,297	1,506,483	(19,732)	1,486,751	248,546
Operating Income (Loss)	(118,544)	(118,544)	100,265	19,732	119,997	238,541
NONOPERATING REVENUES (EXPENSES):						
Investment Income:						
Interest Earnings	18,000	18,000	17,318	-	17,318	(682)
Discount Earnings	4	4	-	-	-	(4)
Gain (Loss) From Sales of Assets	2,050	2,050	915	-	915	(1,135)
TOTAL NONOPERATING REVENUES (EXPENSES)	20,054	20,054	18,233	-	18,233	(1,821)
Income (Loss) Before Contributions and Transfers	(98,490)	(98,490)	118,498	19,732	138,230	236,720
Transfer Out:						
Home Investment	-	-	(11,584)	-	(11,584)	(11,584)
Change in Net Position	(98,490)	(98,490)	106,914	19,732	126,646	225,136
Total Net Position-Beginning	305,634	305,634	305,634	-	305,634	-
Total Net Position-Ending	\$ 207,144	207,144	412,548	19,732	432,280	225,136

**CITY OF LAREDO, TEXAS
MUNICIPAL HOUSING CORPORATION
STATEMENT OF CASH FLOWS
Year ended September 30, 2019**

CASH FLOW FROM OPERATING ACTIVITIES:

Receipts from customers and users	\$ 1,614,062
Payments to suppliers	(740,035)
Payments to employees	(636,717)
Payments for interfund services used	(229,524)
Net cash provided by operating activities	7,786

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Transfer to other funds	(11,584)
Subsidiary from federal and state grant	859
Net cash provided (used) by noncapital and related financing activities	(10,725)

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Purchases of capital assets	(18,345)
Proceeds from sales of capital assets	915
Net cash provided (used) by capital and related financing activities	(17,430)

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sales and maturities of investments	7,271
Interest and dividends received	15,295
Net cash provided (used) by investing activities	22,566

Net increase (decrease) in cash and cash equivalents	2,197
Cash and cash equivalents, October 1	5,456
Cash and cash equivalents, September 30	\$ 7,653

(Continued)

**CITY OF LAREDO, TEXAS
MUNICIPAL HOUSING CORPORATION
STATEMENT OF CASH FLOWS
Year ended September 30, 2019**

(Continued)

**Reconciliation of operating income to
net cash provided (used) by operating
activities:**

Operating income	\$ 100,265
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	36,331
(Increase) decrease in accounts receivable	(12,174)
Increase in allowance for uncollectible accounts	12,459
Increase (decrease) in customer deposits	5,908
Increase (decrease) in accounts payable	(68,386)
Increase (decrease) in deferred revenues	1,121
Increase (decrease) in compensated absences payable	(10,712)
Increase (decrease) in deferred outflows-pension	(105,643)
Increase (decrease) in deferred inflows-pension	(79,854)
Increase (decrease) in net pension liability	127,464
Increase (decrease) in accrued wages and employee benefits	1,007
Total adjustments	(92,479)
Net cash provided by operating activities	\$ 7,786

**CITY OF LAREDO, TEXAS
WATERWORKS SYSTEM
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year ended September 30, 2019**

	Budgeted Amount				Actual Budget Basis	Variance Positive (Negative)
	Original	Final	Actual	Adjustments		
OPERATING REVENUES:						
Charges for Services	\$ 41,182,703	41,182,703	41,236,282	-	41,236,282	53,579
Miscellaneous	6,200,546	6,200,546	6,441,697	-	6,441,697	241,151
TOTAL OPERATING REVENUES	47,383,249	47,383,249	47,677,979	-	47,677,979	294,730
OPERATING EXPENSES:						
General and Administrative:						
Personnel Services	1,104,083	1,104,567	911,661	17,197	928,858	175,709
Materials and Supplies	181,449	313,259	224,079	-	224,079	89,180
Contractual Services	3,687,128	3,791,638	3,543,190	-	3,543,190	248,448
Other	247,004	6,738	146,573	(142,744)	3,829	2,909
Total General and Administrative	5,219,664	5,216,202	4,825,503	(125,547)	4,699,956	516,246
GIS:						
Personnel Services	389,162	389,192	316,192	(1,374)	314,818	74,374
Materials and Supplies	32,771	12,737	8,477	-	8,477	4,260
Contractual Services	104,457	90,776	56,767	-	56,767	34,009
Total GIS	526,390	492,705	381,436	(1,374)	380,062	112,643
Utility Engineering:						
Personnel Services	1,348,141	1,348,141	949,933	8,743	958,676	389,465
Materials and Supplies	46,857	31,179	27,085	-	27,085	4,094
Contractual Services	143,272	127,281	102,190	-	102,190	25,091
Total Utility Engineering	1,538,270	1,506,601	1,079,208	8,743	1,087,951	418,650
Utility Billing:						
Personnel Services	2,639,587	2,433,067	2,205,438	(7,109)	2,198,329	234,738
Materials and Supplies	1,178,677	1,442,702	1,401,531	-	1,401,531	41,171
Contractual Services	1,479,277	1,330,303	1,210,995	-	1,210,995	119,308
Other	-	4,331	4,319	-	4,319	12
Total Utility Billing	5,297,541	5,210,403	4,822,283	(7,109)	4,815,174	395,229
Asset Management:						
Personnel Services	353,844	373,350	312,247	19,691	331,938	41,412
Materials and Supplies	37,601	24,260	23,514	-	23,514	746
Contractual Services	94,377	65,450	54,248	-	54,248	11,202
Total Asset Management	485,822	463,060	390,009	19,691	409,700	53,360
Water Treatment:						
Personnel Services	3,018,569	3,171,640	2,871,863	(17,194)	2,854,669	316,971
Materials and Supplies	1,776,232	2,635,526	2,331,178	-	2,331,178	304,348
Contractual Services	5,445,767	4,658,573	4,408,669	-	4,408,669	249,904
Total Water Treatment	10,240,568	10,465,739	9,611,710	(17,194)	9,594,516	871,223
Transmission and Distribution:						
Personnel Services	2,821,603	2,723,955	2,060,832	5,928	2,066,760	657,195
Materials and Supplies	832,219	1,028,470	1,039,522	-	1,039,522	(11,052)
Contractual Services	1,340,115	1,220,262	1,094,540	-	1,094,540	125,722
Other	-	6,135	(17,247)	-	(17,247)	23,382
Total Transmission and Distribution	\$ 4,993,937	4,978,822	4,177,647	5,928	4,183,575	795,247

(Continued)

**CITY OF LAREDO, TEXAS
WATERWORKS SYSTEM
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year ended September 30, 2019**

(Continued)

	Budgeted Amount		Actual	Adjustments	Actual Budget Basis	Variance Positive (Negative)
	Original	Final				
Water Pollution Control:						
Personnel Services	\$ 691,176	689,959	535,852	2,331	538,183	151,776
Materials and Supplies	83,527	60,303	22,154	-	22,154	38,149
Contractual Services	114,003	132,104	59,594	-	59,594	72,510
Other	44,464	19,464	18,880	-	18,880	584
Total Water Pollution Control	933,170	901,830	636,480	2,331	638,811	263,019
Total Operating Expenses Before Depreciation	29,235,362	29,235,362	25,924,276	(114,531)	25,809,745	3,425,617
Depreciation Expense	-	-	11,515,586	(11,515,586)	-	-
TOTAL OPERATING EXPENSES	29,235,362	29,235,362	37,439,862	(11,630,117)	25,809,745	3,425,617
Operating Income (Loss)	18,147,887	18,147,887	10,238,117	11,630,117	21,868,234	3,720,347
NONOPERATING REVENUES (EXPENSES):						
Investment Income:						
Interest Earnings	567,600	567,600	1,087,037	-	1,087,037	519,437
Interest Earnings Restricted	566,120	352,414	674,984	-	674,984	322,570
Discount Earnings	14,044	14,172	24,676	-	24,676	10,504
Premiums	-	199,987	-	199,987	199,987	-
Miscellaneous	57,184	143,046	16,534	-	16,534	(126,512)
Water Availability Fees	2,816,786	2,816,786	2,890,919	-	2,890,919	74,133
Gain on Sale of Assets	1,342	1,342	60,636	(21,156)	39,480	38,138
Bond Issues	-	2,404,820	-	2,404,820	2,404,820	-
Interest Expense	(9,776,089)	(9,890,119)	(9,072,147)	(11,482)	(9,083,629)	806,490
Principal Paid	(7,465,449)	(7,743,088)	-	(7,743,088)	(7,743,088)	-
Fiscal Agent Fees	-	(7,975)	(7,975)	-	(7,975)	-
Bond Issuance Cost/Premiums Amortized	-	(32,827)	1,157,935	(1,186,498)	(28,563)	4,264
Loss on Advance Funding	-	-	(734,199)	734,199	-	-
Water Rights Acq./Water Conservation	(1,060,728)	(1,172,062)	(31,022)	-	(31,022)	1,141,040
Other Non-Operating Expenses	(641,680)	(682,999)	(253,740)	-	(253,740)	429,259
Construction	(1,017,696)	(21,311,917)	(744,625)	(5,405,115)	(6,149,740)	15,162,177
TOTAL NONOPERATING REVENUES (EXPENSES)	(15,938,566)	(34,340,820)	(4,930,987)	(11,028,333)	(15,959,320)	18,381,500
Income (Loss) Before Contributions and Transfers	2,209,321	(16,192,933)	5,307,130	601,784	5,908,914	22,101,847
Capital Contributions:						
Intergovernmental Revenue	-	446,977	-	446,977	446,977	-
Contributions - Developers	-	-	3,279,282	(3,279,282)	-	-
Transfer In:						
Waterworks Operations to Construction	1,282,705	5,282,705	-	4,881,379	4,881,379	(401,326)
Water Availability to Debt Service	380,000	380,000	-	380,000	380,000	-
Waterworks Operations to Debt Service	16,429,726	16,429,726	-	16,160,411	16,160,411	(269,315)
Transfers Out:						
Water Construction Fund	(1,282,705)	(5,282,705)	-	(4,881,379)	(4,881,379)	401,326
Water Debt Service-Water Availability	(380,000)	(380,000)	-	(380,000)	(380,000)	-
Water Debt Service-Operations	(16,429,726)	(16,429,726)	-	(16,160,411)	(16,160,411)	269,315
Change in Net Position	2,209,321	(15,745,956)	8,586,412	(2,230,521)	6,355,891	22,101,847
Total Net Position-Beginning	156,482,297	156,482,297	156,482,297	-	156,482,297	-
Total Net Position-Ending	\$ 158,691,618	140,736,341	165,068,709	(2,230,521)	162,838,188	22,101,847

**CITY OF LAREDO, TEXAS
WATERWORKS SYSTEM
STATEMENT OF CASH FLOWS
Year ended September 30, 2019**

CASH FLOW FROM OPERATING ACTIVITIES:

Receipts from customers and users	\$ 46,824,659
Receipts from interfund services provided	735,558
Payments to suppliers	(11,961,446)
Payments to employees	(11,176,164)
Payments for interfund services used	(4,089,271)
Net cash provided by operating activities	20,333,336

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Subsidiary from federal and state grants	50,917
Net cash provided (used) by noncapital and related financing activities	50,917

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Proceeds from capital debt	2,576,225
Purchases of capital assets	(3,527,048)
Principal paid on capital debt	(7,743,088)
Interest paid on capital debt	(9,083,629)
Proceeds from sales of capital assets	39,480
Net cash provided (used) by capital and related financing activities	(17,738,060)

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sales and maturities of investments	(3,911,112)
Interest and dividends received	1,478,041
Issuance of notes receivable	283
Net cash provided (used) by investing activities	(2,432,788)

Net increase (decrease) in cash and cash equivalents	213,405
Cash and cash equivalents, October 1	344,324
Cash and cash equivalents, September 30	\$ 557,729

(Continued)

**CITY OF LAREDO, TEXAS
WATERWORKS SYSTEM
STATEMENT OF CASH FLOWS
Year ended September 30, 2019**

(Continued)

**Reconciliation of operating income to
net cash provided (used) by operating
activities:**

Operating income	\$ 10,238,117
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	11,515,586
(Increase) decrease in accounts receivable	(516,419)
Increase (decrease) in allowance for uncollectible accounts	149,781
(Increase) decrease in inventories	(73,844)
Increase (decrease) in customer deposits	202,513
Increase (decrease) in accounts payable	(216,615)
Increase (decrease) in deferred revenues	46,363
Increase (decrease) in compensated absences payable	(28,215)
Increase (decrease) in net pension liability	2,469,006
Increase (decrease) in deferred inflows-pension	(1,318,371)
Increase (decrease) in deferred outflows-pension	(2,209,527)
Increase (decrease) in accrued wages and employee benefits	74,961
Total adjustments	10,095,219
Net cash provided by operating activities	\$ 20,333,336

**Noncash investing, capital, and financing
activities:**

Bond issuance cost amortized	1,186,498
Contributions of capital assets from developers	3,279,282
Accrued interest payable	11,482
Loss on advance refunding	(734,199)
Disposition of Assets	21,156

CITY OF LAREDO, TEXAS
SEWER SYSTEM
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year ended September 30, 2019

	Budgeted Amount				Actual Budget Basis	Variance Positive (Negative)
	Original	Final	Actual	Adjustments		
OPERATING REVENUES:						
Charges for Services	\$ 34,688,556	34,688,556	33,384,360	-	33,384,360	(1,304,196)
Miscellaneous	269,051	269,051	450,068	-	450,068	181,017
TOTAL OPERATING REVENUES	34,957,607	34,957,607	33,834,428	-	33,834,428	(1,123,179)
OPERATING EXPENSES:						
Administrative:						
Materials and Supplies	100,000	138,314	34,462	-	34,462	103,852
Contractual Services	7,614,745	7,688,622	7,610,960	-	7,610,960	77,662
Other	75,194	23,908	131,805	(131,380)	425	23,483
Total Administrative	7,789,939	7,850,844	7,777,227	(131,380)	7,645,847	204,997
Wastewater Treatment:						
Personnel Services	3,122,296	3,079,371	2,463,751	(1,391)	2,462,360	617,011
Materials and Supplies	827,064	905,263	697,048	-	697,048	208,215
Contractual Services	4,347,335	4,279,271	3,907,159	-	3,907,159	372,112
Total Wastewater Treatment	8,296,695	8,263,905	7,067,958	(1,391)	7,066,567	1,197,338
Wastewater Collection:						
Personnel Services	2,969,705	3,029,267	2,762,257	(12,309)	2,749,948	279,319
Materials and Supplies	912,402	920,992	635,529	-	635,529	285,463
Contractual Services	1,659,926	1,495,624	1,222,004	-	1,222,004	273,620
Other	-	555	554	-	554	1
Capital Outlay	6,500	73,980	-	21,532	21,532	52,448
Total Wastewater Collection	5,548,533	5,520,418	4,620,344	9,223	4,629,567	890,851
Total Operating Expenses Before Depreciation						
Depreciation Expense	21,635,167	21,635,167	19,465,529	(123,548)	19,341,981	2,293,186
	-	-	8,041,944	(8,041,944)	-	-
TOTAL OPERATING EXPENSES	21,635,167	21,635,167	27,507,473	(8,165,492)	19,341,981	2,293,186
Operating Income (Loss)	\$ 13,322,440	13,322,440	6,326,955	8,165,492	14,492,447	1,170,007

(Continued)

(Continued)

**CITY OF LAREDO, TEXAS
SEWER SYSTEM
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year ended September 30, 2019**

(Continued)

	Budgeted Amount				Actual Budget Basis	Variance Positive (Negative)
	Original	Final	Actual	Adjustments		
NONOPERATING REVENUES (EXPENSES):						
Investment Income:						
Interest Earnings	\$ 522,011	522,011	822,361	-	822,361	300,350
Interest Earnings Restricted	1,090,938	485,528	956,436	-	956,436	470,908
Discount Earnings	12,032	12,032	12,382	-	12,382	350
Premium	-	188,829	-	188,829	188,829	-
Gain/Loss On Sale of Equipment	-	22,040	(1,311)	4,556	3,245	(18,795)
Bond Issues	5,000,000	2,270,180	-	2,270,180	2,270,180	-
Miscellaneous	350,000	393,903	61,361	-	61,361	(332,542)
Interest Expense	(4,954,366)	(5,018,426)	(5,014,523)	(3,901)	(5,018,424)	2
Principal Paid	(6,419,792)	(6,733,007)	-	(6,733,007)	(6,733,007)	-
Fiscal Agent Fees	-	-	(7,000)	-	(7,000)	(7,000)
Bond Issuance Cost/Premiums Amortized	-	(39,053)	535,563	(562,526)	(26,963)	12,090
Loss on Advance Refunding	-	-	(338,998)	338,998	-	-
Other Non-Operating Expenses	(317,068)	(440,629)	(95,442)	-	(95,442)	345,187
Construction	(6,618,884)	(35,371,684)	(313,274)	(12,109,037)	(12,422,311)	22,949,373
TOTAL NONOPERATING REVENUES (EXPENSES)	(11,335,129)	(43,708,276)	(3,382,445)	(16,605,908)	(19,988,353)	23,719,923
Income (Loss) Before Contributions and Transfers	1,987,311	(30,385,836)	2,944,510	(8,440,416)	(5,495,906)	24,889,930
Capital Contributions:						
Contributions - Developers	-	-	3,331,857	(3,331,857)	-	-
Transfers In:						
Sewer Operations to Debt Service	11,271,794	11,271,794	-	11,489,463	11,489,463	217,669
Sewer Operations to Construction	618,585	618,585	-	559,822	559,822	(58,763)
Transfers Out:						
Sewer Debt Service-Bonds	(11,271,794)	(11,271,794)	-	(11,489,463)	(11,489,463)	(217,669)
Sewer Construction Fund	(618,585)	(618,585)	-	(559,822)	(559,822)	58,763
Change in Net Position	1,987,311	(30,385,836)	6,276,367	(11,772,273)	(5,495,906)	24,889,930
Total Net Position-Beginning	107,228,664	107,228,664	107,228,664	-	107,228,664	-
Total Net Position-Ending	\$ 109,215,975	76,842,828	113,505,031	(11,772,273)	101,732,758	24,889,930

**CITY OF LAREDO, TEXAS
SEWER SYSTEM
STATEMENT OF CASH FLOWS
Year ended September 30, 2019**

CASH FLOW FROM OPERATING ACTIVITIES:

Receipts from customers and users	\$ 33,054,295
Receipts from interfund services provided	609,975
Payments to suppliers	(12,426,870)
Payments to employees	(5,698,973)
Payments for interfund services used	(3,238,393)
Net cash provided by operating activities	12,300,034

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Transfer from other funds	12,049,285
Transfer to other funds	(12,049,285)
Net cash provided (used) by noncapital and related financing activities	-

CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:

Subsidy from federal and state grants	1,850
Proceeds from capital debt	2,432,065
Acquisition and construction of capital assets	(12,477,922)
Principal paid on capital debt	(6,733,007)
Interest paid on capital debt	(5,025,424)
Proceeds from sales of capital assets	3,245
Net cash provided (used) by capital and related financing activities	(21,799,193)

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sales and maturities of investments	7,944,919
Interest and dividends received	1,674,934
Net cash provided (used) by investing activities	9,619,853

Net increase (decrease) in cash and cash equivalents	120,694
Cash and cash equivalents, October 1	268,925
Cash and cash equivalents, September 30	\$ 389,619

(Continued)

**CITY OF LAREDO, TEXAS
SEWER SYSTEM
STATEMENT OF CASH FLOWS
Year ended September 30, 2019**

(Continued)

**Reconciliation of operating income to
net cash provided (used) by operating
activities:**

Operating income	\$ 6,326,955
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	8,041,944
(Increase) decrease in accounts receivable	(301,603)
Increase (decrease) in allowance for uncollectible accounts	131,380
(Increase) decrease in inventories	(202,085)
Increase (decrease) in accounts payable	(1,223,657)
Increase (decrease) in deferred revenues	65
Increase (decrease) in compensated absences payable	13,700
Increase (decrease) in net pension liability	1,171,123
Increase (decrease) in deferred inflows-pension	(667,908)
Increase (decrease) in deferred outflows-pension	(1,017,634)
Increase (decrease) in accrued wages and employee benefits	27,754
Total adjustments	5,973,079
Net cash provided by operating activities	\$ 12,300,034

**Noncash investing, capital, and financing
activities:**

Contributions of capital assets from developers & others	3,331,857
Bond issuance cost amortized	562,526
Accrued interest payable	3,901
Disposition of Assets	(4,556)
Loss on advance refunding	(338,998)

CITY OF LAREDO, TEXAS
SOLID WASTE MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year ended September 30, 2019

	<u>Budgeted Amount</u>				<u>Actual</u>	<u>Variance</u>
	<u>Original</u>	<u>Final</u>	<u>Actual</u>	<u>Adjustments</u>	<u>Budget</u>	<u>Positive</u>
					<u>Basis</u>	<u>(Negative)</u>
OPERATING REVENUES:						
Charges for Services	\$ 25,404,815	25,404,815	25,393,506	-	25,393,506	(11,309)
Rental of Facilities	75,000	75,000	6,967	-	6,967	(68,033)
Miscellaneous	-	-	330	-	330	330
TOTAL OPERATING REVENUES	25,479,815	25,479,815	25,400,803	-	25,400,803	(79,012)
OPERATING EXPENSES:						
Administration:						
Personnel Services	417,746	417,746	(299,075)	20,221	(278,854)	696,600
Materials and Supplies	15,080	12,015	7,643	-	7,643	4,372
Contractual Services	81,580	84,197	47,697	-	47,697	36,500
Other	-	-	(758)	758	-	-
Total Administration	514,406	513,958	(244,493)	20,979	(223,514)	737,472
Branch Division:						
Personnel Services	552,332	622,876	641,959	(6,802)	635,157	(12,281)
Materials and Supplies	83,889	79,800	36,463	-	36,463	43,337
Contractual Services	27,406	26,493	26,504	-	26,504	(11)
Total Branch Division	663,627	729,169	704,926	(6,802)	698,124	31,045
Recycling:						
Personnel Services	928,595	938,595	941,551	(14,512)	927,039	11,556
Materials and Supplies	104,785	74,972	43,117	-	43,117	31,855
Contractual Services	389,753	351,955	246,217	-	246,217	105,738
Total Recycling	1,423,133	1,365,522	1,230,885	(14,512)	1,216,373	149,149
Sanitation:						
Personnel Services	4,668,128	4,930,977	5,012,338	(6,657)	5,005,681	(74,704)
Materials and Supplies	1,347,928	1,569,561	1,237,716	-	1,237,716	331,845
Contractual Services	3,579,931	3,368,270	3,350,266	-	3,350,266	18,004
Other	358,183	-	87,882	(87,882)	-	-
Capital Outlay	1,024,773	917,020	-	-	-	917,020
Total Sanitation	10,978,943	10,785,828	9,688,202	(94,539)	9,593,663	1,192,165
Landfill:						
Personnel Services	1,316,166	1,317,919	1,302,971	(15,216)	1,287,755	30,164
Materials and Supplies	568,547	559,474	552,384	-	552,384	7,090
Contractual Services	4,834,409	4,812,129	3,528,239	-	3,528,239	1,283,890
Other	1,000,000	337	47,675	(47,145)	530	(193)
Capital Outlay	1,157,680	1,157,680	-	1,150,000	1,150,000	7,680
Total Landfill	8,876,802	7,847,539	5,431,269	1,087,639	6,518,908	1,328,631
Total Operating Expenses Before						
Depreciation	22,456,911	21,242,016	16,810,789	992,765	17,803,554	3,438,462
Depreciation Expense	-	-	4,247,951	(4,247,951)	-	-
TOTAL OPERATING EXPENSES	22,456,911	21,242,016	21,058,740	(3,255,186)	17,803,554	3,438,462
Operating Income (Loss)	\$ 3,022,904	4,237,799	4,342,063	3,255,186	7,597,249	3,359,450

(Continued)

CITY OF LAREDO, TEXAS
SOLID WASTE MANAGEMENT FUND
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET POSITION
Year ended September 30, 2019

(Continued)

	Budgeted Amount		Actual	Adjustments	Actual Budget Basis	Variance Positive (Negative)
	Original	Final				
NONOPERATING REVENUES (EXPENSES):						
Investment Income:						
Interest Earnings	\$ 340,000	340,000	652,303	-	652,303	312,303
Interest Earnings-Restricted	182,069	136,100	425,443	-	425,443	289,343
Premiums	-	233,920	-	233,920	233,920	-
Discount Earnings	-	-	9,258	-	9,258	9,258
Miscellaneous	-	-	563	-	563	563
Closure/Post Closure	-	-	(657,044)	657,044	-	-
Gain (Loss) From Sale of Assets	-	(1,000,000)	58,061	116,683	174,744	1,174,744
Bond Issues	4,130,000	3,950,000	-	3,950,000	3,950,000	-
Interest Expense	(970,386)	(892,379)	(990,786)	(7,426)	(998,212)	(105,833)
Gain (Loss) on Advance Refunding	-	-	(99,869)	99,869	-	-
Principal Paid	(4,631,787)	(5,459,794)	-	(5,479,794)	(5,479,794)	(20,000)
Fiscal Agent Fees	(3,000)	(3,000)	(3,692)	-	(3,692)	(692)
Bond Issuance Cost/Premiums Amortized	-	(53,920)	459,920	(506,834)	(46,914)	7,006
Other Non-Operating Expenses	(750,000)	(11,228)	(720)	-	(720)	10,508
Construction	(4,200,056)	(6,672,731)	-	(5,915,901)	(5,915,901)	756,830
TOTAL NONOPERATING REVENUES (EXPENSES)	(5,903,160)	(9,433,032)	(146,563)	(6,852,439)	(6,999,002)	2,434,030
Income (Loss) Before Contributions and Transfers	(2,880,256)	(5,195,233)	4,195,500	(3,597,253)	598,247	5,793,480
Contributions						
Transfers In:						
Solid Waste Fund	6,355,173	6,355,173	-	6,481,697	6,481,697	126,524
Transfers Out:						
Solid Waste Fund	(6,355,173)	(6,355,957)	-	(6,481,697)	(6,481,697)	(125,740)
Change in Net Position	(2,880,256)	(5,196,017)	4,195,500	(3,597,253)	598,247	5,794,264
Total Net Position-Beginning	21,521,594	21,521,594	21,521,594	-	21,521,594	-
Total Net Position-Ending	\$ 18,641,338	16,325,577	25,717,094	(3,597,253)	22,119,841	5,794,264

**CITY OF LAREDO, TEXAS
SOLID WASTE MANAGEMENT
STATEMENT OF CASH FLOWS
Year ended September 30, 2019**

CASH FLOW FROM OPERATING ACTIVITIES:

Receipts from customers and users	\$ 25,084,248
Receipts from interfund services provided	340,868
Payments to suppliers	(4,208,164)
Payments to employees	(8,237,486)
Payments for interfund services used	(5,072,895)
Net cash provided by operating activities	7,906,571

CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES:

Transfer to other funds	(6,540,817)
Transfer from other funds	6,540,817
Subsidy from Intergovernmental	1,740
Net cash provided (used) by noncapital and related financing activities	1,740

**CASH FLOWS FROM CAPITAL AND
RELATED FINANCING ACTIVITIES:**

Proceeds from capital debt	4,183,920
Principal paid on capital debt	(5,479,794)
Interest paid on capital debt	(1,001,904)
Acquisition and construction of capital assets	(7,113,535)
Proceeds from sales of capital assets	174,744
Net cash provided (used) by capital and related financing activities	(9,236,569)

CASH FLOWS FROM INVESTING ACTIVITIES:

Proceeds from sales and maturities of investments	569,409
Interest and dividends received	851,492
Net cash provided (used) by investing activities	1,420,901

Net increase (decrease) in cash and cash equivalents

92,643

Cash and cash equivalents, October 1

213,187

Cash and cash equivalents, September 30

\$ 305,830

(Continued)

**CITY OF LAREDO, TEXAS
SOLID WASTE MANAGEMENT
STATEMENT OF CASH FLOWS
Year ended September 30, 2019**

(Continued)

**Reconciliation of operating income to
net cash provided (used) by operating
activities:**

Operating income	\$ 4,342,063
Adjustments to reconcile operating income to net cash provided (used) by operating activities:	
Depreciation expense	4,247,951
(Increase) decrease in accounts receivable	(110,033)
Increase (decrease) in allowance for uncollectible accounts	134,374
(Increase) decrease in inventories	(2,348)
Increase (decrease) in accounts payable	(67,666)
Increase (decrease) in deferred revenues	(28)
Increase (decrease) in compensated absences payable	22,964
Increase (decrease) in deferred outflows-pension	(1,464,473)
Increase (decrease) in deferred inflows-pension	(848,937)
Increase (decrease) in net pension liability	1,622,530
Increase (decrease) in accrued wages and employee benefits	30,174
Total adjustments	3,564,508
Net cash provided by operating activities	\$ 7,906,571

**Noncash investing, capital, and financing
activities:**

Current closure and post closure costs	(657,044)
Bond issuance cost amortized	506,834
Loss on advance refunding	(99,869)
Accrued interest payable	7,426
Disposition of assets	(116,683)

FIDUCIARY FUNDS

FIDUCIARY FUNDS

Fiduciary funds account for assets held by the City in a trustee capacity or as an agent for other agencies or individuals, private organizations or governmental units, and/or other funds. Fiduciary funds include agency funds and pension trust funds.

Agency Funds include:

POLICE RETIREE DEPENDENTS - to account for contributions made by city police officers and the City for expenses associated with health benefits premiums for retired police officers' dependents.

FIRE RETIREE DEPENDENTS - to account for contributions made by city fire fighters and the City for expenses associated with health benefits premiums for retired fire fighters' dependents.

PAYROLL CLEARING - to account for cash transfers received from other City funds and the disbursement of net wages and payroll related fringe benefits and payables.

Pension Trust Funds include:

CITY ANNUITY - to account for contributions made by the city departments to pay for City retirees' health insurance and death benefits.

LAREDO FIREFIGHTERS' RETIREMENT SYSTEM – administers the retirement system for the City of Laredo firefighter employees.

CITY OF LAREDO, TEXAS
COMBINING STATEMENT OF NET POSITION
AGENCY FUNDS
SEPTEMBER 30, 2019

	AGENCY FUNDS			
	POLICE RETIREE DEPENDENTS FUND	FIRE RETIREE DEPENDENTS FUND	PAYROLL CLEARING FUND	TOTAL AGENCY FUNDS
ASSETS				
Equity in Investment Pool	\$ -	400	25,526	25,926
Accounts Receivable	106,480	-	2,813	109,293
Accrued Interest Receivable	-	443	24,644	25,087
Investments, at Fair Market Value	-	42,978	2,389,739	2,432,717
TOTAL ASSETS	106,480	43,821	2,442,722	2,593,023
LIABILITIES				
Accounts Payable	106,480	43,821	2,442,722	2,593,023
TOTAL LIABILITIES	106,480	43,821	2,442,722	2,593,023
NET POSITION				
Held in Trust for Pension Benefits, Plan Participants, and Other Purposes	\$ -	-	-	-

CITY OF LAREDO, TEXAS
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
AGENCY FUNDS
Year Ended September 30, 2019

POLICE RETIREES DEPENDENTS FUND

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance End of Year</u>
ASSETS				
Cash and Cash Equivalents:				
Equity in Investment Pool	\$ -	1,063,817	1,063,817	-
Accounts Receivable	238,612	106,480	238,612	106,480
TOTAL ASSETS	<u>238,612</u>	<u>1,170,297</u>	<u>1,302,429</u>	<u>106,480</u>
LIABILITIES				
Accounts Payable	238,612	106,480	238,612	106,480
TOTAL LIABILITIES	<u>\$ 238,612</u>	<u>106,480</u>	<u>238,612</u>	<u>106,480</u>

FIRE RETIREES DEPENDENTS FUND

	<u>Balance Beginning of Year</u>	<u>Additions</u>	<u>Deductions</u>	<u>Balance End of Year</u>
ASSETS				
Cash and Cash Equivalents				
Equity in Investment Pool	\$ -	865,853	865,453	400
Accrued Interest Receivable	-	443	-	443
Accounts Receivable	58,594	-	58,594	-
Investments, at Fair Market Value	-	42,978	-	42,978
TOTAL ASSETS	<u>58,594</u>	<u>909,274</u>	<u>924,047</u>	<u>43,821</u>
LIABILITIES				
Accounts Payable	58,594	43,821	58,594	43,821
TOTAL LIABILITIES	<u>\$ 58,594</u>	<u>43,821</u>	<u>58,594</u>	<u>43,821</u>

(Continued)

CITY OF LAREDO, TEXAS
COMBINING STATEMENT OF CHANGES IN
ASSETS AND LIABILITIES
AGENCY FUNDS
Year Ended September 30, 2019

(Continued)

PAYROLL CLEARING FUND

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
ASSETS				
Cash and Cash Equivalents:				
Equity in Investment Pool	\$ 26,894	124,320,655	124,322,023	25,526
Accounts Receivable	2,814	12,038	12,039	2,813
Accrued Interest Receivable	26,031	24,644	26,031	24,644
Investments, at Fair Market Value	3,560,681	2,389,739	3,560,681	2,389,739
TOTAL ASSETS	<u>3,616,420</u>	<u>126,747,076</u>	<u>127,920,774</u>	<u>2,442,722</u>
LIABILITIES				
Accounts Payable	3,616,420	99,133,754	100,307,452	2,442,722
Accrued Wages and Benefits	-	67,523,995	67,523,995	-
TOTAL LIABILITIES	<u>\$ 3,616,420</u>	<u>166,657,749</u>	<u>167,831,447</u>	<u>2,442,722</u>

TOTALS-ALL AGENCY FUNDS

	Balance Beginning of Year	Additions	Deductions	Balance End of Year
ASSETS				
Cash and Cash Equivalents:				
Equity in Investment Pool	\$ 26,894	126,250,325	126,251,293	25,926
Accounts Receivable	300,020	118,518	309,245	109,293
Accrued Interest Receivable	26,031	25,087	26,031	25,087
Investments, at Fair Market Value	3,560,681	2,432,717	3,560,681	2,432,717
TOTAL ASSETS	<u>3,913,626</u>	<u>128,826,647</u>	<u>130,147,250</u>	<u>2,593,023</u>
LIABILITIES				
Accounts Payable	3,913,626	99,284,055	100,604,658	2,593,023
Accrued Wages and Benefits	-	67,523,995	67,523,995	-
TOTAL LIABILITIES	<u>\$ 3,913,626</u>	<u>166,808,050</u>	<u>168,128,653</u>	<u>2,593,023</u>

CITY OF LAREDO, TEXAS
COMBINING STATEMENT OF CHANGES IN FIDUCIARY NET POSITION
PENSION TRUST FUNDS
FOR THE YEAR ENDED SEPTEMBER 30, 2019

	LAREDO FIREFIGHTERS RETIREMENT SYSTEM PENSION TRUST FUND	CITY ANNUITY PENSION TRUST FUND	TOTAL PENSION TRUST FUNDS
ADDITIONS:			
Contributions:			
Employer Contributions	\$ 7,555,193	1,754,487	9,309,680
Plan Members	5,568,885	104,950	5,673,835
Other Contributions	-	8,269	8,269
Total Contributions	<u>13,124,078</u>	<u>1,867,706</u>	<u>14,991,784</u>
Investment Earnings:			
Interest Earnings and Dividends	2,556,843	-	2,556,843
Net Increase (decrease) in the Fair Value of Investments	(951,530)	-	(951,530)
Gains (Loss) on Sale of Investment	<u>1,054,791</u>	<u>-</u>	<u>1,054,791</u>
Total Investment Earnings	2,660,104	-	2,660,104
Less: Investment Expense	<u>(441,375)</u>	<u>-</u>	<u>(441,375)</u>
Net Investment Earnings	<u>2,218,729</u>	<u>-</u>	<u>2,218,729</u>
TOTAL ADDITIONS	<u>15,342,807</u>	<u>1,867,706</u>	<u>17,210,513</u>
DEDUCTIONS:			
Benefits	10,889,659	1,796,581	12,686,240
Administrative Expenses	<u>268,743</u>	<u>71,125</u>	<u>339,868</u>
TOTAL DEDUCTIONS	<u>11,158,402</u>	<u>1,867,706</u>	<u>13,026,108</u>
Change in Net Position	4,184,405	-	4,184,405
Net Position - Beginning	<u>154,813,837</u>	<u>-</u>	<u>154,813,837</u>
NET POSITION - ENDING	<u>\$ 158,998,242</u>	<u>-</u>	<u>158,998,242</u>

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STATISTICAL SECTION

STATISTICAL SECTION

This part of the City of Laredo's comprehensive annual financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the City of Laredo's overall financial health.

FINANCIAL TRENDS

These schedules contain trend information to help the reader understand how the government's financial performance and well-being have changed over time. (Tables 1-5)

REVENUE CAPACITY

These schedules contain information to help the reader assess the government's most significant local revenue source, the property tax. (Tables 6-10)

DEBT CAPACITY

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

(Tables 11-16)

DEMOGRAPHIC AND ECONOMIC INFORMATION

These schedules offer demographic and economic indicators to help the reader understand the environment within which the government's financial activities take place. (Tables 17-20)

OPERATING INFORMATION

These schedules contain service and infrastructure data to help the reader understand how the information in the government's financial report. (Tables 21-25)

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

**NET POSITION BY COMPONENT
LAST TEN FISCAL PERIODS
(ACCRUAL BASIS OF ACCOUNTING)**

CITY OF LAREDO, TEXAS

TABLE 1

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Governmental Activities										
Net investment in capital assets	\$ 371,030,290	\$ 404,332,329	\$ 426,071,062	\$ 435,213,156	\$ 454,275,907	\$ 487,452,144	\$ 497,557,400	\$ 513,425,058	\$ 524,030,871	\$ 539,561,284
Restricted	23,051,240	24,098,965	22,027,504	32,487,338	52,746,758	39,488,100	41,402,347	42,852,730	45,893,175	51,542,494
Unrestricted	36,509,233	26,981,198	15,921,760	24,657,948	(9,084,181)	(103,494,138)	(178,284,762)	(202,436,440)	(247,151,115)	(250,291,351)
Total governmental activities net position	\$ 430,590,763	\$ 455,412,492	\$ 464,020,326	\$ 492,358,442	\$ 497,938,484	\$ 423,446,106	\$ 360,674,985	\$ 353,841,348	\$ 322,772,931	\$ 340,812,427
Business-type activities										
Net investment in capital assets	\$ 251,995,464	\$ 273,496,354	\$ 235,628,019	\$ 308,880,051	\$ 279,700,006	\$ 266,890,409	\$ 254,793,229	\$ 262,866,023	\$ 276,944,333	\$ 285,312,722
Restricted	16,695,175	25,879,932	29,616,876	32,833,893	31,079,396	57,971,427	74,371,213	74,243,372	58,736,604	57,543,482
Unrestricted	36,287,912	44,344,017	91,031,789	21,798,947	44,775,230	(12,769,768)	(17,631,797)	(8,836,173)	22,257,968	39,786,023
Total business-type activities net position	\$ 304,978,551	\$ 343,720,303	\$ 356,276,684	\$ 363,512,891	\$ 355,554,632	\$ 312,092,068	\$ 311,532,645	\$ 328,273,222	\$ 357,938,905	\$ 382,642,227
Primary government										
Net investment in capital assets	\$ 623,025,754	\$ 677,828,683	\$ 661,699,081	\$ 744,093,207	\$ 733,975,913	\$ 754,342,553	\$ 752,350,629	\$ 776,291,081	\$ 800,975,204	\$ 824,874,006
Restricted	39,746,415	49,978,897	51,644,380	65,321,231	83,826,154	97,459,527	115,773,560	117,096,102	104,629,779	109,085,976
Unrestricted	72,797,145	71,325,215	106,953,549	46,456,895	35,691,049	(116,263,906)	(195,916,559)	(211,272,613)	(224,893,147)	(210,505,328)
Total primary government net position	\$ 735,569,314	\$ 799,132,795	\$ 820,297,010	\$ 855,871,333	\$ 853,493,116	\$ 735,538,174	\$ 672,207,630	\$ 682,114,570	\$ 680,711,836	\$ 723,454,654

SOURCE:

City of Laredo, Texas

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**CHANGES IN NET POSITION
LAST TEN FISCAL PERIODS
(ACCRUAL BASIS OF ACCOUNTING)**

CITY OF LAREDO, TEXAS

TABLE 2

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Expenses										
Governmental Activities:										
General Government	\$ 33,057,032	\$ 33,212,469	\$ 31,034,892	\$ 36,517,099	\$ 31,483,857	\$ 30,754,775	\$ 31,282,913	\$ 44,803,625	\$ 14,669,141	\$ 25,667,856
Public Safety	96,731,529	108,220,849	109,306,566	114,298,448	116,740,217	123,569,785	136,161,243	132,796,643	144,679,796	151,438,541
Public Works	31,945,598	28,971,676	35,937,652	29,742,584	29,275,673	30,339,614	32,262,592	35,411,496	36,856,653	36,761,439
Health and Welfare	21,408,808	21,559,624	23,663,834	25,149,324	25,049,024	25,392,674	26,694,339	28,523,686	28,247,621	30,536,437
Culture and Recreation	21,989,636	24,351,217	25,468,060	25,636,585	28,166,961	27,531,357	29,029,634	28,661,521	30,060,439	31,467,862
Air Transportation	5,592,799	8,337,337	5,896,045	10,379,579	10,866,517	11,424,789	12,068,122	12,139,052	12,447,560	13,047,872
Interest on Long Term Debt	11,170,771	11,330,317	11,215,644	11,253,582	15,939,639	14,675,052	14,833,434	14,874,684	8,654,373	8,172,026
Total Governmental Activities Expenses	221,896,173	235,983,489	242,522,693	252,977,201	257,521,888	263,688,046	282,332,277	297,210,707	275,615,583	297,092,033
Business-Type Activities										
Bridge System	40,917,048	41,558,090	41,674,262	40,886,900	53,740,997	47,492,006	50,002,193	49,498,472	52,412,200	55,390,372
Solid Waste Management System	14,516,888	15,794,014	16,279,971	19,527,143	17,714,332	18,207,099	19,076,156	23,279,911	20,165,585	22,619,900
Water System	40,110,255	42,840,185	43,022,231	43,113,971	46,627,133	53,339,444	60,707,954	48,030,778	46,668,068	48,166,777
Sewer System	25,526,830	24,269,283	28,980,517	31,051,237	32,680,138	32,339,112	37,537,057	31,763,534	31,729,952	33,202,551
Other Business-Type Activities	17,278,725	16,439,140	17,238,383	17,817,971	18,016,163	18,198,854	19,560,225	19,679,802	19,783,672	20,225,146
Total Business-Type Activities Expenses	138,349,746	140,900,712	147,195,364	152,397,222	168,778,763	169,576,515	186,883,585	172,252,497	170,759,477	179,604,746
Total Primary Government Expenses	\$ 360,245,919	\$ 376,884,201	\$ 389,718,057	\$ 405,374,423	\$ 426,300,651	\$ 433,264,561	\$ 469,215,862	\$ 469,463,204	\$ 446,375,060	\$ 476,696,779
Program Revenues										
Governmental Activities:										
Charges for Services										
General Government	\$ 36,183,314	\$ 40,374,802	\$ 37,543,445	\$ 40,285,380	\$ 48,476,887	\$ 49,951,513	\$ 52,780,001	\$ 53,273,825	\$ 56,653,936	\$ 59,445,108
Public Safety	12,060,974	8,589,950	7,515,182	10,135,563	9,689,452	10,161,855	9,347,027	8,685,210	8,957,129	9,328,993
Public Works	4,528,772	2,158,284	5,556,032	13,359,717	681,523	570,033	1,057,448	1,336,890	1,510,684	2,609,379
Health and Welfare	9,832,614	11,998,683	13,793,256	15,564,387	16,082,560	15,328,529	16,664,531	8,467,793	17,797,657	14,987,044
Culture and Recreation	5,157,950	5,412,318	7,116,481	5,874,092	6,700,618	5,760,979	6,764,430	6,162,968	7,202,223	7,999,264
Air Transportation	5,516,704	4,586,437	4,966,208	7,105,179	6,213,731	8,428,408	5,983,576	6,589,287	7,513,248	7,977,495
Operating Grants and Contributions	21,833,031	23,499,860	22,085,334	25,228,899	21,012,892	22,967,325	21,731,076	21,047,107	24,927,052	26,580,666
Capital Grants and Contributions	48,006,390	36,020,500	29,325,040	22,102,012	29,152,539	35,294,592	40,400,218	41,090,817	26,064,998	24,528,293
Total Governmental Activities Program Revenues	143,119,749	132,640,834	127,900,978	139,655,229	138,010,202	148,463,234	154,728,307	146,653,897	150,626,927	153,456,242
Business-Type Activities:										
Charges for Services										
Bridge System	45,913,716	46,433,396	47,365,449	47,628,417	55,703,827	58,289,089	60,192,764	61,381,489	68,042,892	71,088,270
Solid Waste Management System	16,014,354	16,657,612	16,625,595	18,773,794	19,938,264	21,422,714	24,141,768	25,314,209	26,306,088	25,861,286
Water System	29,859,060	36,301,316	38,825,686	41,279,848	42,744,943	40,933,158	46,018,021	49,522,342	49,510,176	51,743,367
Sewer System	22,884,626	27,711,393	28,734,011	28,941,911	30,383,531	28,409,350	31,850,492	33,365,973	33,824,818	34,431,352
Other Business-Type Activities	5,447,624	5,384,915	5,453,483	5,583,161	5,516,063	5,581,664	5,367,622	5,516,348	5,933,249	6,113,385
Operating Grants and Contributions	5,439,854	4,279,722	4,473,530	5,504,473	4,425,506	3,914,991	3,837,360	4,091,169	4,064,792	4,662,582
Capital Grants and Contributions	26,282,072	36,609,025	12,928,054	6,365,385	5,746,419	6,313,419	9,332,615	6,735,114	12,507,179	6,986,253
Total Business-Type Activities Program Revenues	151,841,306	173,377,379	154,405,808	154,076,989	164,458,553	164,864,385	180,740,642	185,926,644	200,189,194	200,886,495
Total Primary Government Program Revenues	\$ 294,961,055	\$ 306,018,213	\$ 282,306,786	\$ 293,732,218	\$ 302,468,755	\$ 313,327,619	\$ 335,468,949	\$ 332,580,541	\$ 350,816,121	\$ 354,342,737

(Continued)

**CHANGES IN NET POSITION
LAST TEN FISCAL PERIODS
(ACCRUAL BASIS OF ACCOUNTING)**

CITY OF LAREDO, TEXAS

TABLE 2

(Continued)

	Fiscal Year									
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
Net (Expense)/Revenue										
Governmental Activities	\$ (78,776,424)	\$ (103,342,655)	\$ (114,621,715)	\$ (113,321,972)	\$ (119,511,686)	\$ (115,224,812)	\$ (127,603,970)	\$ (150,556,810)	\$ (124,988,656)	\$ (143,635,791)
Business-Type Activities	13,491,560	32,476,667	7,210,444	1,679,767	(4,320,210)	(4,712,130)	(6,142,943)	13,674,147	29,429,717	21,281,749
Total Primary Government Net Expense	<u>\$ (65,284,864)</u>	<u>\$ (70,865,988)</u>	<u>\$ (107,411,271)</u>	<u>\$ (111,642,205)</u>	<u>\$ (123,831,896)</u>	<u>\$ (119,936,942)</u>	<u>\$ (133,746,913)</u>	<u>\$ (136,882,663)</u>	<u>\$ (95,558,939)</u>	<u>\$ (122,354,042)</u>
General Revenues and Other Changes in Net Position										
Governmental Activities:										
Taxes										
Property Taxes	\$ 69,155,582	\$ 69,142,902	\$ 68,704,058	\$ 69,563,546	\$ 68,900,077	\$ 72,930,004	\$ 76,362,877	\$ 80,508,743	\$ 85,015,620	\$ 90,664,882
Sales Tax	29,790,610	39,050,113	38,152,946	40,383,050	39,842,711	41,000,767	38,983,785	39,788,063	41,486,935	44,029,435
Franchise Taxes	6,681,712	7,018,602	7,085,923	7,089,931	7,434,775	7,613,857	7,656,015	7,798,793	8,174,902	8,181,895
Hotel Motel Tax	3,087,561	4,117,956	4,228,417	4,218,974	4,322,485	4,219,474	3,797,579	3,939,200	4,157,342	4,207,723
Alcoholic Beverage Taxes	308,966	329,521	298,772	345,476	436,204	463,447	467,361	512,893	549,712	600,029
Investment Earnings	703,433	505,944	399,151	379,330	428,693	581,016	780,283	2,148,609	2,265,636	3,539,327
Gain on Sale of Capital Assets	36,680	1,327,296	314,627	15,898,197	177,320	50,721	512,275	1,080,474	124,655	178,736
Bond Premium	-	829,086	84,484	-	-	-	-	-	-	-
Transfers	<u>4,683,701</u>	<u>5,842,964</u>	<u>3,961,171</u>	<u>3,781,584</u>	<u>7,585,617</u>	<u>9,252,910</u>	<u>6,345,593</u>	<u>7,578,583</u>	<u>12,081,986</u>	<u>10,273,260</u>
Total Governmental Activities	<u>114,448,245</u>	<u>128,164,384</u>	<u>123,229,549</u>	<u>141,660,088</u>	<u>129,127,882</u>	<u>136,112,196</u>	<u>134,905,768</u>	<u>143,355,358</u>	<u>153,856,788</u>	<u>161,675,287</u>
Business-Type Activities:										
Sales Tax	5,512,908	6,311,745	7,082,464	7,666,150	7,716,898	7,966,064	7,474,608	7,592,193	8,025,224	8,325,191
Investment Earnings	288,222	203,743	1,811,816	1,651,558	1,409,876	1,445,291	1,818,713	1,751,860	4,190,741	5,248,416
Gain/(Loss) on Sale of Capital Assets	(533,697)	152,893	23,254	20,316	352,807	(26,589)	389,708	1,668,774	101,987	121,226
Bond Premium	-	5,439,668	389,574	-	-	-	-	-	-	-
Transfers	<u>(4,683,701)</u>	<u>(5,842,964)</u>	<u>(3,961,171)</u>	<u>(3,781,584)</u>	<u>(7,585,617)</u>	<u>(9,252,910)</u>	<u>(6,345,593)</u>	<u>(7,578,582)</u>	<u>(12,081,986)</u>	<u>(10,273,260)</u>
Total Business-Type Activities	<u>583,732</u>	<u>6,265,085</u>	<u>5,345,937</u>	<u>5,556,440</u>	<u>1,893,964</u>	<u>131,856</u>	<u>3,337,436</u>	<u>3,434,245</u>	<u>235,966</u>	<u>3,421,573</u>
Total Primary Government	<u>\$ 115,031,977</u>	<u>\$ 134,429,469</u>	<u>\$ 128,575,486</u>	<u>\$ 147,216,528</u>	<u>\$ 131,021,846</u>	<u>\$ 136,244,052</u>	<u>\$ 138,243,204</u>	<u>\$ 146,789,603</u>	<u>\$ 154,092,754</u>	<u>\$ 165,096,860</u>
Change in Net Position										
Governmental Activities	\$ 35,671,821	\$ 24,821,729	\$ 8,607,834	\$ 28,338,116	\$ 9,616,196	\$ 20,887,384	\$ 7,301,798	\$ (7,201,452)	\$ 28,868,132	\$ 18,039,496
Business-Type Activities	14,075,292	38,741,752	12,556,381	7,236,207	(2,426,246)	(4,580,274)	(2,805,507)	17,108,392	29,665,683	24,703,322
Total Primary Government	<u>\$ 49,747,113</u>	<u>\$ 63,563,481</u>	<u>\$ 21,164,215</u>	<u>\$ 35,574,323</u>	<u>\$ 7,189,950</u>	<u>\$ 16,307,110</u>	<u>\$ 4,496,291</u>	<u>\$ 9,906,940</u>	<u>\$ 58,533,815</u>	<u>\$ 42,742,818</u>

SOURCE:

City of Laredo, Texas

CHANGES IN FUND BALANCE,
GOVERNMENTAL FUNDS
LAST TEN FISCAL PERIODS

Fiscal Year										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019
REVENUES:										
Taxes:										
Property	\$ 68,870,491	\$ 68,998,291	\$ 67,838,288	\$ 69,063,708	\$ 71,560,518	\$ 73,314,227	\$ 75,826,000	\$ 80,589,128	\$ 93,536,784	\$ 90,246,136
Sales	29,339,115	33,669,024	37,481,815	39,921,718	40,024,574	41,364,145	38,685,571	39,417,857	33,208,996	43,304,882
Franchise Fees	6,668,731	6,995,838	7,080,430	7,049,443	7,408,310	68,575	7,651,588	7,776,288	8,133,889	8,172,967
Bingo Tax	68,235	74,345	92,942	71,581	70,037	463,398	67,340	68,077	52,912	63,966
Alcoholic Beverage	304,894	341,545	289,303	320,504	429,823	4,204,569	456,784	490,013	552,905	586,935
Hotel Motel	3,077,683	4,055,510	4,227,796	4,236,295	4,321,690	7,588,828	3,851,082	3,842,751	4,138,626	4,253,004
Licenses and Permits	6,496,534	6,487,718	7,037,889	8,200,676	9,176,782	9,789,518	9,996,342	10,188,838	10,414,120	9,898,368
Intergovernmental	52,709,235	49,801,150	37,425,328	38,974,973	31,999,133	35,599,823	34,493,046	33,734,018	34,875,342	38,346,584
Charges for Services	41,954,138	41,728,421	46,032,265	47,094,098	54,978,231	56,761,356	59,886,689	60,099,061	64,916,008	67,629,485
Fines	3,734,101	3,762,977	3,631,708	3,355,374	3,781,433	3,750,121	3,986,414	4,025,440	4,356,940	4,897,677
Fees and Collections	3,592,488	3,547,545	3,916,479	4,815,100	5,266,624	5,453,663	5,288,848	5,197,368	4,699,620	4,668,638
Rents	6,482,548	5,731,032	6,012,866	9,050,040	7,309,197	8,506,613	6,646,131	7,222,326	8,562,331	8,835,254
Interest and Other	1,933,321	1,511,880	1,268,514	464,348	513,966	1,426,394	2,002,081	2,555,647	4,401,306	6,676,783
Miscellaneous	8,441,665	4,722,829	2,611,818	3,571,941	2,902,821	2,873,122	2,176,195	2,744,345	2,507,491	2,254,205
Contributions & Donations	18,271,618	10,951,450	18,780,987	21,818,513	200,222	22,950,634	27,872,691	22,007,736	16,126,827	13,303,346
Reimbursements	1,322,816	2,280,613	1,038,430	1,780,401	1,544,995	1,847,804	1,512,842	1,870,678	1,422,949	2,002,744
TOTAL REVENUES	253,267,613	244,660,168	244,766,858	259,788,713	241,488,356	275,962,790	280,399,644	281,829,571	291,907,046	305,140,974
EXPENDITURES:										
General Government	18,688,270	19,098,129	18,681,665	19,339,843	19,730,538	23,618,033	24,034,077	24,999,279	25,798,914	27,384,154
Public Safety	97,621,453	101,057,294	108,305,984	112,682,130	114,898,390	119,758,393	126,401,411	128,456,177	136,965,513	143,193,077
Public Works	13,683,613	10,185,108	12,957,347	9,836,004	10,707,599	9,257,819	9,081,025	10,589,800	9,974,167	8,915,474
Health and Welfare	20,447,413	20,160,803	22,578,990	24,339,567	24,015,886	24,139,800	24,960,106	26,068,728	26,809,427	28,879,340
Cultural and Recreational	21,478,230	23,640,666	24,675,468	25,336,135	27,762,404	27,056,235	28,088,962	27,962,296	29,267,337	30,794,372
Air Transportation Services	4,439,025	4,651,685	4,989,131	6,006,842	6,158,489	6,467,036	6,883,264	6,709,908	6,806,224	7,125,984
Capital Outlay	82,767,916	85,712,034	71,468,161	51,861,368	50,975,719	52,394,194	66,817,376	51,840,512	43,849,418	41,149,078
Bond Costs	235,629	704,855	211,726	188,314	209,549	1,373,264	969,313	-	515,780	229,028
Debt Service:										
Principal Retirement	12,945,169	10,246,364	13,058,227	14,365,645	16,127,013	39,178,502	23,395,142	15,584,619	17,063,400	18,461,755
Loss on Advance Refunding	-	-	-	-	-	258,062	584,424	-	-	-
Interest and Fiscal Expenditures	10,711,226	10,866,914	11,071,614	10,772,155	9,987,587	9,097,392	9,127,731	9,764,959	9,576,250	9,299,688
TOTAL EXPENDITURES	283,017,944	286,323,852	287,998,313	274,728,003	280,573,174	312,598,730	320,342,831	301,976,278	306,626,430	315,431,950
Excess (Deficiency) of Revenues Over (Under) Expenditures	(29,750,331)	(41,663,684)	(43,231,455)	(14,939,290)	(39,084,818)	(36,635,940)	(39,943,187)	(20,146,707)	(14,719,384)	(10,290,976)
OTHER FINANCING SOURCES (USES):										
Transfers In	29,605,450	46,699,942	41,973,360	37,256,256	45,447,751	56,141,691	44,180,899	36,587,762	36,471,318	37,229,912
Issuance of Debt	8,715,629	23,189,078	9,764,975	3,800,000	20,795,730	45,028,000	40,155,641	-	15,131,720	15,065,000
Bond Premium	-	829,086	88,867	58,279	565,390	14,136,687	7,867,533	-	4,947,660	1,198,228
Bond Discounts	-	-	(4,383)	-	-	-	-	-	-	-
Payment to refunded bond escrow agent	(9,230)	(3,317,933)	(2,112,731)	-	-	-	-	-	-	-
Reimbursements	-	-	-	-	15,005	-	-	-	-	-
Transfers Out	(24,521,749)	(39,073,000)	(37,198,426)	(31,974,672)	(37,121,060)	(45,138,782)	(35,974,394)	(26,209,179)	(21,889,332)	(26,956,651)
Contributions	-	-	-	-	19,667,880	-	-	-	-	-
Issuance of Refunding Debt	-	-	-	-	-	55,606,967	20,450,000	-	19,564,840	-
Capital Leases	1,330,425	807,653	-	4,852,652	-	-	-	62,168	-	-
Sale of Assets	33,461	1,375,078	318,617	15,888,705	177,320	50,721	512,275	1,080,474	124,655	178,736
Payment to Refunded Bond Escrow Agent	-	-	-	-	(15,668,558)	(65,313,880)	(23,238,405)	-	(21,934,126)	-
TOTAL OTHER FINANCING SOURCES (USES)	15,153,986	30,509,904	12,830,279	29,881,220	33,879,458	60,511,404	53,953,549	11,521,225	32,416,735	26,715,225
Net Change in Fund Balances	\$ (14,596,345)	\$ (11,153,780)	\$ (30,401,176)	\$ 14,941,930	\$ (5,205,360)	\$ 23,875,464	\$ 14,010,362	\$ (8,625,482)	\$ 17,697,351	\$ 16,424,249
Debt Service as a Percentage of non-capital expenditures	11.93%	10.88%	11.24%	11.36%	11.47%	19.08%	13.21%	10.13%	10.33%	10.20%
SOURCE:										

**FUND BALANCE, GOVERNMENTAL FUNDS
LAST TEN YEARS
(MODIFIED ACCRUAL BASIS OF ACCOUNTING)**

CITY OF LAREDO, TEXAS

TABLE 4

	Fiscal Year									
	2010	2011*	2012	2013	2014	2015	2016	2017	2018	2019
GENERAL FUND										
Nonspendable	\$ -	\$ 14,937	\$ 4,349	\$ 19,335	\$ 5,960	\$ 7,920	\$ 11,197	\$ 17,258	\$ 7,080	\$ 16,261
Restricted	-	786,681	1,641,354	3,644,122	11,981,702	11,445,903	12,490,116	12,650,292	11,899,527	1,014,431
Committed	-	22,393,198	22,988,878	27,564,635	27,842,577	29,091,945	31,053,457	30,688,417	31,859,384	33,396,802
Assigned	-	1,613,435	-	-	-	-	-	-	-	-
Unassigned	-	10,712,189	12,230,458	10,343,359	2,781,899	3,603,026	885,453	1,706,956	3,080,983	13,544,019
Reserved	2,122,655	-	-	-	-	-	-	-	-	-
Unreserved	32,823,677	-	-	-	-	-	-	-	-	-
Total General Fund	\$ 34,946,332	\$ 35,520,440	\$ 36,865,039	\$ 41,571,451	\$ 42,612,138	\$ 44,148,794	\$ 44,440,223	\$ 45,062,923	\$ 46,846,974	\$ 47,971,513
ALL OTHER GOVERNMENTAL FUNDS										
Nonspendable	\$ -	\$ 119,161	\$ 106,717	\$ 95,436	\$ 95,310	\$ 143,068	\$ 124,468	\$ 178,297	\$ 190,926	\$ 183,209
Restricted	-	104,259,849	72,008,350	57,826,607	60,868,607	75,004,683	89,143,791	75,686,929	84,556,431	95,702,288
Committed	-	6,756,570	7,729,123	5,263,091	3,559,782	6,018,039	6,205,935	3,641,281	6,206,081	8,584,545
Assigned	-	11,709,333	13,515,966	39,401,130	33,525,417	41,356,354	38,986,497	44,550,201	10,491,733	54,642,463
Unassigned (Deficit)	-	(125,741)	(2,386,759)	(1,377,349)	(3,086,248)	(5,220,468)	(3,440,082)	(1,746,008)	36,778,829	(5,588,795)
Reserved	81,538,217	-	-	-	-	-	-	-	-	-
Unreserved, reported in:										
Special Revenue Funds	27,153,981	-	-	-	-	-	-	-	-	-
Capital Project Funds	25,754,862	-	-	-	-	-	-	-	-	-
Total all other governmental funds	\$ 134,447,060	\$ 122,719,172	\$ 90,973,397	\$ 101,208,915	\$ 94,962,868	\$ 117,301,676	\$ 131,020,609	\$ 122,310,700	\$ 138,224,000	\$ 153,523,710

NOTES:

* GASB Statement No. 54 was implemented in fiscal year 2011

SOURCE:

City of Laredo, Texas

**GENERAL GOVERNMENT TAX REVENUES BY SOURCE
LAST TEN FISCAL PERIODS**

CITY OF LAREDO, TEXAS

TABLE 5

FISCAL PERIODS		AD VALOREM TAXES	SALES TAX	BEVERAGE TAX	BINGO TAX	OCCUPANCY TAX	FRANCHISE TAX	TOTAL
2010	\$	68,870,491	\$ 29,339,115	\$ 304,894	\$ 68,235	\$ 3,077,683	\$ 6,668,731	\$ 108,329,149
2011		68,998,291	33,669,024	341,545	74,345	4,055,510	6,995,838	114,134,553
2012		67,838,288	37,481,815	289,303	92,942	4,227,796	7,080,430	117,010,574
2013		69,063,708	39,921,718	320,504	71,581	4,236,295	7,049,443	120,663,249
2014		71,560,518	40,024,574	429,823	70,037	4,321,690	7,408,310	123,814,952
2015		73,314,227	41,364,145	463,398	68,575	4,204,569	7,588,858	127,003,772
2016		75,826,000	38,685,571	456,784	67,340	3,851,082	7,651,588	126,538,365
2017		80,589,128	39,417,857	490,013	68,077	3,842,751	7,776,288	132,184,114
2018		93,536,784	33,208,996	552,905	52,912	4,138,626	8,133,889	139,624,112
2019	\$	90,246,136	\$ 43,304,882	\$ 586,935	\$ 63,966	\$ 4,253,004	\$ 8,172,967	\$ 146,627,890

SOURCE:

City of Laredo, Texas

**PROPERTY TAX LEVIES AND COLLECTIONS
LAST TEN FISCAL YEARS**

CITY OF LAREDO, TEXAS

TABLE 6

FISCAL PERIOD	TOTAL TAX LEVY FOR FISCAL YEAR		COLLECTED WITHIN THE FISCAL YEAR OF THE LEVY		COLLECTIONS IN SUBSEQUENT YEARS	TOTAL COLLECTIONS TO DATE				
			AMOUNT COLLECTED	PERCENTAGE OF LEVY		AMOUNT COLLECTED	PERCENTAGE OF LEVY			
2010	\$	66,652,507	\$	64,379,305	96.59	\$	2,005,699	\$	66,385,004	99.60
2011		67,016,086		65,241,316	97.35		1,547,621		66,788,937	99.66
2012		66,842,112		64,818,395	96.97		1,776,720		66,595,115	99.63
2013		67,621,015		65,858,772	97.39		1,504,731		67,363,503	99.62
2014		69,529,157		68,117,096	97.97		1,138,361		69,255,457	99.61
2015		71,691,453		70,277,149	98.03		1,087,445		71,364,594	99.54
2016		75,020,129		73,312,814	97.72		1,352,487		74,665,301	99.53
2017		78,914,153		77,288,444	97.94		1,163,992		78,452,436	99.41
2018		83,721,163		82,159,879	98.14		829,195		82,989,074	99.13
2019	\$	88,726,108	\$	87,126,821	98.20	\$	-	\$	87,126,821	98.20

SOURCE:

City of Laredo, Texas

**ASSESSED AND ESTIMATED ACTUAL VALUE OF TAXABLE PROPERTY
LAST TEN FISCAL PERIODS**

CITY OF LAREDO, TEXAS

TABLE 7

		-----RESIDENTIAL PROPERTY-----		-----COMMERCIAL PROPERTY-----		-----TOTALS-----				
FISCAL PERIODS		ASSESSED VALUE	ESTIMATED ACTUAL VALUE (1)	ASSESSED VALUE	ESTIMATED ACTUAL VALUE (1)	EXEMPTIONS (2)	ASSESSED VALUE	ESTIMATED ACTUAL VALUE (1)	TOTAL DIRECT TAX RATE	RATIO OF TOTAL ASSESSED VALUE TO TOTAL ESTIMATED ACTUAL VALUE
2010	\$	6,825,803,972	\$ 6,825,803,972	\$ 4,571,159,052	\$ 4,571,159,052	\$ 773,831,223	\$ 10,623,131,801	\$ 10,623,131,810	0.637000	100%
2011		6,938,223,832	6,938,223,832	4,460,292,962	4,460,292,962	761,010,658	10,637,506,136	10,637,506,136	0.637000	100%
2012		6,909,967,001	6,909,967,001	4,454,071,509	4,454,071,509	779,291,720	10,584,746,790	10,584,746,790	0.637000	100%
2013		6,361,188,581	6,361,188,581	4,329,884,664	4,329,884,664	807,321,080	10,691,073,245	10,691,073,245	0.637000	100%
2014		6,467,306,659	6,467,306,659	4,531,514,190	4,531,514,190	800,231,949	10,998,820,849	10,998,820,849	0.637000	100%
2015		6,765,571,005	6,765,571,005	4,605,136,567	4,605,136,567	793,760,615	11,370,707,572	11,370,707,572	0.637000	100%
2016		6,996,535,128	6,996,535,128	5,184,897,773	5,184,897,773	872,562,927	11,857,665,347	11,857,665,347	0.637000	100%
2017		7,388,931,473	7,388,931,473	5,383,367,215	5,383,367,215	880,762,593	12,490,928,773	12,490,928,773	0.637000	100%
2018		8,019,104,900	8,019,104,900	5,585,863,430	5,585,863,430	880,948,630	13,330,945,213	13,330,945,213	0.637000	100%
2019	\$	8,575,376,562	\$ 8,575,376,562	\$ 5,918,534,575	\$ 5,918,534,575	\$ 906,672,581	\$ 14,196,478,064	\$ 14,196,478,064	0.634000	100%

NOTES:

(1) This estimated valuation is for tax purposes only.

(2) Total exemptions include Homestead, Veteran, Agricultural exemptions. Homestead valuations increased in 1983 from \$3,000 to \$7,500, to \$10,000 in 1986, and to \$20,000 in 1987. Veteran exemptions range from \$1,500 to \$3,000, based on disability percentage. Agriculture valuations represent land used for ranching and farming.

Does not reflect appeal adjustments after July assessment date.

SOURCE:

July Certified Tax Rolls received from Webb County Appraisal District.

**PROPERTY TAX RATES-DIRECT AND OVERLAPPING
GOVERNMENTS- LAST TEN FISCAL PERIODS**

CITY OF LAREDO, TEXAS

TABLE 8

FISCAL PERIODS	CITY OF LAREDO	WEBB COUNTY	LAREDO INDEPENDENT SCHOOL DISTRICT	UNITED INDEPENDENT SCHOOL DISTRICT	LAREDO COMMUNITY COLLEGE
TAX RATES (per \$100 of assessed value)					
2010	0.63700	0.42006	1.27400	1.19486	0.22720
2011	0.63700	0.42005	1.27400	1.19486	0.23812
2012	0.63700	0.42005	1.27400	1.19486	0.25854
2013	0.63700	0.42005	1.27400	1.19486	0.25776
2014	0.63700	0.42005	1.27400	1.19486	0.25522
2015	0.63700	0.41470	1.41080	1.21486	0.29716
2016	0.63700	0.41470	1.39550	1.22486	0.33024
2017	0.63700	0.41470	1.38970	1.22486	0.34300
2018	0.63700	0.41470	1.36970	1.27030	0.33805
2019	0.63400	0.41200	1.46650	1.25172	0.32710
TAX LEVIES					
2010	66,926,927	56,069,370	27,210,755	111,038,081	24,304,862
2011	67,184,974	57,474,928	27,078,969	112,407,770	25,422,145
2012	66,842,112	59,565,434	27,100,362	122,310,106	27,353,531
2013	67,621,015	63,960,211	27,193,890	138,858,407	27,592,527
2014	69,529,157	69,227,883	26,774,619	154,451,096	28,113,009
2015	71,691,453	76,580,966	29,450,271	180,574,086	33,605,043
2016	75,020,129	79,217,751	28,362,620	196,450,033	37,132,750
2017	78,914,153	72,900,284	29,103,820	170,690,335	42,288,131
2018	83,721,163	80,593,657	30,105,538	195,624,061	44,267,540
2019	\$ 88,726,108	\$ 87,409,058	\$ 34,232,278	\$ 212,460,747	\$ 45,511,703

SOURCES:

City of Laredo, Texas
Webb County Appraisal District Office

**SPECIAL ASSESSMENTS BILLING AND COLLECTIONS (1)
LAST TEN FISCAL PERIODS**

CITY OF LAREDO, TEXAS

TABLE 9

FISCAL PERIODS	BEGINNING BALANCE (2)	ASSESSMENTS BILLED	ASSESSMENTS COLLECTED	PERCENT OF COLLECTIONS OF AMOUNT DUE	TOTAL OUTSTANDING CURRENT AND DELINQUENT
2010	\$ 9,766	\$ 16,420	\$ 17,142	65.46%	\$ 9,044
2011	9,044	37,404	38,578	83.06%	7,870
2012	7,870	29,593	30,976	82.68%	6,487
2013	6,487	16,518	16,235	70.57%	6,770
2014	6,770	18,782	17,841	69.82%	7,711
2015	7,711	6,214	9,150	65.71%	4,775
2016	4,775	10,072	10,875	73.25%	3,972
2017	3,972	3,433	3,520	47.54%	3,885
2018	3,885	5,552	6,407	67.89%	3,030
2019	\$ 3,030	\$ 13,289	\$ 12,614	77.30%	\$ 3,705

(1) The Charter of the City of Laredo allows the City Council to assess the costs of street paving and sidewalk construction to the adjacent owners. Normally, this is collected in equal principal installments over a five year period with interest computed at eight percent.

This assessment constitutes a lien against the property which may be foreclosed upon default.

(2) Assessments beginning balance include Principal & Interest and are net of allowance for uncollectible.

SOURCE:

City of Laredo, Texas

**PRINCIPAL TAXPAYERS
SEPTEMBER 30, 2019**

CITY OF LAREDO, TEXAS

TABLE 10

TAXPAYER	TYPE OF BUSINESS	2019 ASSESSED VALUATION REAL & PERSONAL PROPERTY	PERCENTAGE OF TOTAL ASSESSED VALUATION
AEP Texas Central Company	Electricity	\$159,177,560	1.08%
Laredo Texas Hospital Co. LP	Hospital	95,913,380	0.65%
Laredo Outlet Shoppes, LLC	Retail	63,629,750	0.43%
Mall Del Norte, LLC	Retail	68,868,140	0.46%
The Geo Group, Inc.	Jail	57,371,340	0.39%
Farias Development LTD	Real Estate	57,298,520	0.39%
Laredo Regional Medical CTR LP	Hospital	49,307,150	0.34%
Killam Industrial Dev. Partnership, Ltd.	Real Estate	51,026,479	0.35%
AEP Electric Transmission of Texas, LLC	Electricity Transmission	42,104,660	0.29%
United States Cold Storage, Inc.	Cold Storage	50,339,870	0.34%
TOTAL		\$695,036,849	4.73%

**PRINCIPAL TAXPAYERS
SEPTEMBER 30, 2009**

TAXPAYER	TYPE OF BUSINESS	2009 ASSESSED VALUATION REAL & PERSONAL PROPERTY	PERCENTAGE OF TOTAL ASSESSED VALUATION
Laredo Texas Hospital Co. LP	Hospital	\$104,560,410	1.01%
The Geo Group Inc.	Jail	52,769,480	0.51%
Mall Del Norte, LLC	Retail	52,630,460	0.51%
AEP Texas Central Company	Electricity	45,142,760	0.43%
Laredo Regional Medical CTR LP	Medical Center	44,354,480	0.43%
Electric Transmission of Texas	Electricity	36,509,720	0.35%
International Bank of Commerce	Bank	35,222,910	0.34%
Killam Industrial Dev. Partnership, Ltd.	Real Estate	33,287,120	0.32%
San Isidro Northeast LTD	Real Estate	32,941,770	0.32%
H.E. Butt Grocery Company	Retail	29,168,450	0.28%
Total		\$466,587,560	4.49%

Numbers show total comparison for principal taxpayers as of 2019 and 10 years ago.

SOURCE:

City of Laredo, Texas

**COMPUTATION OF LEGAL DEBT
MARGIN AND AUTHORIZED AND
UNISSUED BONDS**

CITY OF LAREDO, TEXAS

TABLE 11

The Constitution of Texas in Article 11, Section 5, limits the maximum amount that a home rule city can tax to \$2.50 per \$100.00 of valuation and the same Article provides that no debt shall ever be created by any city unless at the same a time provision is made to assess and collect annually a sufficient sum to pay the interest thereon and create a sinking fund of at least two percent thereon. The Attorney General of Texas, in connection with the quoted provision, has created a rule for the guidance of home rule cities which states that the bond allowable under this constitutional provision shall be on the basis of no greater than \$1.50 per \$100.00 of valuation unless the city charter provides for less than the maximum specified in the Attorney General's rule. City Charter Section 6.13, as amended in November 1995, limits the total overall outstanding debt to 10% of the total assessed valuation of the City. At this time, the City has allocated approximately \$.145268 of the total tax rate.

Assessed value based on 2018 tax roll	\$14,196,478,064
Maximum amount of bonded indebtedness based on such assessed value (10%).....	\$1,419,647,806
Amount of debt applicable to said maximum debt limit:	
Total General Obligation Bonds and Certificates of Obligations .	\$198,326,372
(Percentage of G. O. and C. O. debt to assessed value)	1.40%
Less: Debt Service Fund Balance as of September 30, 2019....	\$6,259,232
Total Amount of debt applicable to debt limit	\$192,067,140
The Debt Margin between current indebtedness and maximum allowable indebtedness	\$1,227,580,666

**RATIO OF NET GENERAL BONDED DEBT TO ASSESSED
VALUE AND NET BONDED DEBT PER CAPITA
LAST TEN FISCAL PERIODS**

CITY OF LAREDO, TEXAS

TABLE 12

FISCAL PERIODS	POPULATION (A)	ASSESSED VALUE FOR OPERATIONS DEBT SERVICE	GROSS BONDED DEBT (1)	LESS DEBT SERVICE FUNDS	NET BONDED DEBT	RATIO OF NET BONDED DEBT TO ASSESSED VALUE	NET BONDED DEBT PER CAPITA
2010	237,032	\$ 10,385,975,045	\$ 342,955,001	\$ 6,529,078	\$ 336,425,923	\$ 3.2392%	\$ 1,419.33
2011	241,188 (2)	10,634,156,096	334,374,769	8,272,028	326,102,741	3.0666%	1,352.07
2012	245,461 (2)	10,576,729,269	321,438,433	6,102,576	315,335,857	2.9814%	1,284.67
2013	249,297 (2)	10,691,073,245	318,130,275	4,653,312	313,476,963	2.9321%	1,257.44
2014	252,309 (2)	10,998,820,849	315,056,642	3,775,973	311,280,669	2.8301%	1,233.73
2015	253,747 (2)	11,370,707,572	316,580,001	3,025,147	313,554,854	2.7576%	1,235.70
2016	255,789 (2)	11,857,665,347	349,398,612	4,348,066	345,050,546	2.9099%	1,348.97
2017	257,156 (2)	12,490,928,773	324,573,733	4,617,735	319,955,998	2.5615%	1,244.21
2018	260,654 (2)	13,330,945,213	321,518,490	5,406,777	316,111,713	2.3713%	1,212.76
2019	261,639 (2)	\$ 14,196,478,064	\$ 317,379,654	\$ 6,259,232	\$ 311,120,422	2.1915%	\$ 1,189.12

(1) Includes General Obligation and Certificates of Obligation Bonds.

(2) Estimated

SOURCES:

City of Laredo, Texas

(A) Information was obtained from City of Laredo Planning and Zoning Department

**RATIO OF ANNUAL DEBT SERVICE EXPENDITURES
FOR GENERAL BONDED DEBT TO TOTAL GENERAL
GOVERNMENT EXPENDITURES (1)
LAST TEN FISCAL PERIODS**

CITY OF LAREDO, TEXAS

TABLE 13

FISCAL PERIODS		PRINCIPAL	INTEREST & FISCAL CHARGES	TOTAL DEBT SERVICE	TOTAL GENERAL GOVERNMENTAL EXPENDITURES	RATIO OF DEBT SERVICE TO GENERAL EXPENDITURES
2010	\$	11,228,852	\$ 10,717,973	\$ 21,946,825	\$ 282,782,315	7.76%
2011		10,246,364	10,866,914	21,113,278	286,323,852	7.37%
2012		13,058,227	11,071,614	24,129,841	287,998,313	8.38%
2013		14,365,645	10,772,155	25,137,800	274,728,003	9.15%
2014		16,127,013	9,987,587	26,114,600	280,573,174	9.31%
2015		39,178,502	9,097,392	48,275,894	312,340,668	15.46%
2016		23,395,142	9,127,731	32,522,873	320,342,831	10.15%
2017		15,584,619	9,764,959	25,349,578	301,976,278	8.39%
2018		17,063,400	9,576,250	26,639,650	306,626,430	8.69%
2019	\$	18,461,755	\$ 9,299,688	\$ 27,761,443	\$ 315,431,950	8.80%

SOURCE:

City of Laredo, Texas

**COMPUTATION OF DIRECT AND OVERLAPPING DEBT
SEPTEMBER 30, 2019**

CITY OF LAREDO, TEXAS

TABLE 14

TAXING AUTHORITY	NET DEBT OUTSTANDING (A)	ESTIMATED % APPLICABLE TO CITY (B)	AMOUNT APPLICABLE TO CITY
Direct:			
City of Laredo	<u>\$225,048,706</u>	100.00%	<u>\$225,048,706</u>
Overlapping:			
Webb County	78,895,365	62.92%	49,640,964
Laredo Independent School District	353,653,873	100.00%	353,653,873
United Independent School District	515,503,219	78.76%	406,010,335
Laredo Community College	<u>186,885,000</u>	100.00%	<u>186,885,000</u>
Total Overlapping	<u>1,134,937,457</u>		<u>996,190,172</u>
Total	<u><u>\$1,359,986,163</u></u>		<u><u>\$1,221,238,878</u></u>

COMMENT:

Overlapping governments are those that coincide, at least in part, with the geographic boundaries of the City. This schedule estimated the portion of the outstanding debt of those overlapping governments that is borne by the City residents and businesses. This process recognizes that, when considering the City's ability to issue and repay long-term debt, the entire debt borne by the residents and businesses should be taken into account. However, this does not imply that every taxpayer is a resident, and therefore responsible for repaying the debt, of each overlapping government.

The percentage of overlapping debt applicable is estimated using taxable assessed property values. Applicable percentages were estimated by determining the entities' taxable assessed value that is within the City's boundaries and dividing by the entities' total taxable assessed value.

Both the Laredo Independent School District and Laredo Community College District are contained entirely within the City of Laredo Tax District.

SOURCES:

- (A) Finance Departments of respective entities
- (B) Webb County Appraisal District

**SCHEDULE OF REVENUE BOND
COVERAGE BRIDGE, WATER, SEWER
SYSTEM AND SPORTS VENUE
LAST TEN FISCAL PERIODS**

CITY OF LAREDO, TEXAS

TABLE 15

FISCAL PERIODS	TOTAL REVENUE (1)	OPERATING EXPENSE (2)	NET REVENUE AVAILABLE FOR DEBT SERVICE	-----DEBT SERVICE REQUIREMENTS-----			REVENUE BOND COVERAGE (3)
				PRINCIPAL	INTEREST	TOTAL	
Bridge	\$ 46,097,657	\$ 11,365,703	\$ 34,731,954	\$ 4,863,665	\$ 3,923,865	\$ 8,787,530	3.95
Water	29,152,173	17,217,851	11,934,322	6,505,300	6,019,456	12,524,756	0.95
Sewer	22,808,510	12,091,058	10,717,452	4,944,669	2,958,338	7,903,007	1.36
Sports Venue	6,193,405	541,473	5,651,932	1,430,000	1,616,288	3,046,288	1.86
Total 2010	\$ 104,251,745	\$ 41,216,085	\$ 63,035,660	\$ 17,743,634	\$ 14,517,947	\$ 32,261,581	1.95
Bridge	\$ 46,511,403	\$ 11,577,331	\$ 34,934,072	\$ 5,087,435	\$ 3,697,171	\$ 8,784,606	3.98
Water	35,136,866	17,237,107	17,899,759	9,544,541	8,737,268	18,281,809	0.98
Sewer	27,603,852	12,615,092	14,988,760	5,176,563	3,083,142	8,259,705	1.81
Sports Venue	6,993,484	285,418	6,708,066	1,575,000	1,539,194	3,114,194	2.15
Total 2011	\$ 116,245,605	\$ 41,714,948	\$ 74,530,657	\$ 21,383,539	\$ 17,056,775	\$ 38,440,314	1.94
Bridge	\$ 47,442,168	\$ 11,558,034	\$ 35,884,134	\$ 5,297,642	\$ 3,411,251	\$ 8,708,893	4.12
Water	37,406,533	19,443,290	17,963,243	6,935,076	9,243,574	16,178,650	1.11
Sewer	28,575,312	14,050,528	14,524,784	6,628,809	3,460,200	10,089,009	1.44
Sports Venue	7,716,848	575,086	7,141,762	1,900,000	1,963,443	3,863,443	1.85
Total 2012	\$ 121,140,861	\$ 45,626,938	\$ 75,513,923	\$ 20,761,527	\$ 18,078,468	\$ 38,839,995	1.94
Bridge	\$ 47,685,185	\$ 11,669,362	\$ 36,015,823	\$ 5,605,786	\$ 3,122,473	\$ 8,728,259	4.13
Water	40,294,251	20,092,010	20,202,241	20,326,347	10,020,234	30,346,581	0.67
Sewer	28,992,116	15,807,855	13,184,261	13,334,883	4,229,316	17,564,199	0.75
Sports Venue	8,205,434	3,757,874	4,447,560	2,010,000	1,856,275	3,866,275	1.15
Total 2013	\$ 125,176,986	\$ 51,327,101	\$ 73,849,885	\$ 41,277,016	\$ 19,228,298	\$ 60,505,314	1.22
Bridge	\$ 55,275,228	\$ 12,363,469	\$ 42,911,759	\$ 5,916,910	\$ 1,992,962	\$ 7,909,872	5.43
Water	41,926,736	21,678,964	20,247,772	8,109,433	10,552,363	18,661,796	1.08
Sewer	30,473,660	16,414,535	14,059,125	7,382,105	4,367,911	11,750,016	1.20
Sports Venue	8,067,526	962,205	7,105,321	2,105,000	1,762,826	3,867,826	1.84
Total 2014	\$ 135,743,150	\$ 51,419,173	\$ 84,323,977	\$ 23,513,448	\$ 18,676,062	\$ 42,189,510	2.00

(Continued)

**SCHEDULE OF REVENUE BOND
COVERAGE BRIDGE, WATER, SEWER
SYSTEM AND SPORTS VENUE
LAST TEN FISCAL PERIODS**

CITY OF LAREDO, TEXAS

TABLE 15

(Continued)

FISCAL PERIODS	TOTAL REVENUE (1)	OPERATING EXPENSE (2)	NET REVENUE AVAILABLE FOR DEBT SERVICE	-----DEBT SERVICE REQUIREMENTS-----			REVENUE BOND COVERAGE (3)
				PRINCIPAL	INTEREST	TOTAL	
Bridge	\$ 58,361,560	\$ 12,408,494	\$ 45,953,066	\$ 6,663,629	\$ 2,786,624	\$ 9,450,253	4.86
Water	39,691,665	22,232,943	17,458,722	9,986,379	10,574,298	20,560,677	0.85
Sewer	28,523,438	16,518,110	12,005,328	7,997,154	4,362,748	12,359,902	0.97
Sports Venue	8,359,484	1,536,555	6,822,929	2,635,000	1,228,804	3,863,804	1.77
Total 2015	\$ 134,936,147	\$ 52,696,102	\$ 82,240,045	\$ 27,282,162	\$ 18,952,474	\$ 46,234,636	1.78
Bridge	\$ 60,191,985	\$ 44,063,764	\$ 16,128,221	\$ 6,515,000	\$ 2,544,689	\$ 9,059,689	1.78
Water	46,005,339	25,089,331	20,916,008	4,460,137	6,671,362	11,131,499	1.88
Sewer	31,843,713	18,764,427	13,079,286	4,031,863	3,424,431	7,456,294	1.75
Sports Venue	7,865,883	2,069,960	5,795,923	2,470,000	1,391,627	3,861,627	1.50
Total 2016	\$ 145,906,920	\$ 89,987,482	\$ 55,919,438	\$ 17,477,000	\$ 14,032,109	\$ 31,509,109	1.77
Bridge	\$ 61,142,936	\$ 13,895,138	\$ 47,247,798	\$ 6,815,000	\$ 2,192,787	\$ 9,007,787	5.25
Water	46,727,955	25,755,467	20,972,488	4,967,900	6,346,412	11,314,312	1.85
Sewer	33,305,843	20,011,001	13,294,842	3,763,100	3,331,047	7,094,147	1.87
Sports Venue	8,128,168	684,885	7,443,283	2,245,000	1,131,413	3,376,413	2.20
Total 2017	\$ 149,304,902	\$ 60,346,491	\$ 88,958,411	\$ 17,791,000	\$ 13,001,659	\$ 30,792,659	2.89
Bridge	\$ 68,349,206	\$ 13,765,480	\$ 54,583,726	\$ 7,050,000	\$ 1,986,342	\$ 9,036,342	6.04
Water	48,182,833	24,904,013	23,278,820	5,043,524	6,309,328	11,352,852	2.05
Sewer	34,336,575	19,201,287	15,135,288	4,766,476	3,944,973	8,711,449	1.74
Sports Venue	8,794,830	967,782	7,827,048	2,340,000	1,039,165	3,379,165	2.32
Total 2018	\$ 159,663,444	\$ 58,838,562	\$ 100,824,882	\$ 19,200,000	\$ 13,279,808	\$ 32,479,808	3.10
Bridge	\$ 71,142,243	\$ 14,275,814	\$ 56,866,429	\$ 5,065,000	\$ 1,722,062	\$ 6,787,062	8.38
Water	48,765,016	25,924,276	22,840,740	5,214,604	6,126,116	11,340,720	2.01
Sewer	34,656,789	19,465,529	15,191,260	4,601,396	4,117,341	8,718,737	1.74
Sports Venue	9,568,104	831,004	8,737,100	2,445,000	930,333	3,375,333	2.59
Total 2019	\$ 164,132,152	\$ 60,496,623	\$ 103,635,529	\$ 17,326,000	\$ 12,895,852	\$ 30,221,852	3.43

NOTE:

- (1) Includes Operating Revenue and Interest Earnings.
(2) Includes Operating Expenses other than Interest Expense, Depreciation, Amortization, and other non-operating expenses.
(3) Revenue Bond Coverage is equal to Net Revenue Available for Debt Service divided by total Debt Service Requirements.

SOURCE:

City of Laredo, Texas

**RATIOS OF OUTSTANDING DEBT BY TYPE
LAST TEN FISCAL PERIODS**

CITY OF LAREDO, TEXAS

TABLE 16

Fiscal Periods	GOVERNMENTAL ACTIVITIES					BUSINESS-TYPE ACTIVITIES				
	General Obligation Bonds	Certificates of Obligation	Revenue Bonds	Capital Lease Obligations	Notes Payable	General Obligation Bonds	Certificates of Obligations	Revenue Bonds	Capital Lease Obligations	Notes Payable
2010	\$ 24,945,491	\$ 167,815,685	\$ 31,290,000	\$ 938,307	\$ 765,000	\$ 26,894,509	\$ 123,299,316	\$ 107,656,600	-	\$ 20,494,474
2011	25,154,037	168,839,892	40,160,000	1,175,951	680,000	26,835,731	113,545,109	181,297,000	-	19,637,040
2012	23,701,636	167,062,087	38,260,000	702,875	595,000	26,171,798	104,502,912	252,437,961	-	18,744,450
2013	19,990,050	162,712,273	36,250,000	5,061,282	510,000	20,811,436	114,616,516	282,021,367	-	17,815,264
2014	26,653,474	148,499,945	34,145,000	4,788,903	425,000	15,825,996	124,077,227	306,151,197	-	-
2015	74,583,210	104,688,104	29,510,000	4,420,308	340,000	19,206,791	118,101,896	329,064,000	-	-
2016	103,951,365	109,405,572	29,651,343	4,333,835	255,000	56,735,044	79,306,631	367,711,220	-	-
2017	100,087,556	98,811,954	27,095,437	7,129,282	-	53,732,208	71,942,015	350,511,203	-	-
2018	113,559,150	85,450,142	24,444,531	6,294,818	-	94,628,943	27,880,255	353,405,017	-	1,033,558
2019	\$ 104,039,404	\$ 94,286,968	\$ 21,688,625	\$ 5,033,709	\$ -	\$ 90,672,905	\$ 28,380,377	\$ 337,231,009	\$ -	\$ 1,480,535
	Total Primary Government	Personal Income	Per Capita	Percentage of Personal Income						
2010	\$ 504,099,382	\$ 6,514,045,000	2,061	7.74%						
2011	577,324,760	7,109,093,000	2,445	8.12%						
2012	632,178,719	7,407,303,000	2,439	8.53%						
2013	659,788,188	7,537,401,000	2,514	8.75%						
2014	660,566,742	7,812,693,000	2,639	8.46%						
2015	679,914,309	7,967,438,000	2,679	8.53%						
2016	751,350,010	8,025,162,000	2,786	9.36%						
2017	709,309,655	8,261,470,000	2,758	8.59%						
2018	706,696,414	8,728,522,000	2,711	8.10%						
2019	\$ 682,813,532	\$ N/R	2,610	N/R						

SOURCE:

City of Laredo, Texas

Bureau of Economic Analysis, U.S. Department of Commerce

NOTES:

N/R - not reported

DEMOGRAPHICS STATISTICS
LAST THREE CENSUS REPORTS (1)

CITY OF LAREDO, TEXAS

TABLE 17

	1990 Census	2000 Census	2010 Census
TOTAL POPULATION BY RACE:			
WHITE	87,048	145,267	207,067
AFRICAN AMERICAN	144	652	1,110
OTHER	35,707	31,524	27,914
HISPANIC PERCENTAGE	93.86%	94.10%	95.62%
TOTAL HOUSEHOLDS	33,998	46,852	68,610
HOUSEHOLD POPULATION	122,899	173,532	214,484
AVERAGE HOUSEHOLD SIZE	3.61	3.70	3.64

TOTAL POPULATION BY AGE:

0-5	17,081	18,516	24,424
6-13	20,316	18,620	49,273
14-17	10,093	16,054	14,461
18-24	17,987	29,608	27,275
25-34	20,316	28,489	35,156
35-44	14,752	23,657	34,332
45-54	9,964	17,104	27,235
55-64	8,541	10,746	18,641
65+	10,223	13,782	19,507
MEDIAN AGE TOTAL POPULATION	27.7	26.9	27.8
MEDIAN AGE ADULT POPULATION	36.8	36.8	N/A

HOUSEHOLD INCOME:

\$ 0 -	\$ 7,499	7,639	5,398	N/A
\$ 7,500 -	\$ 9,999	3,074	1,799	N/A
\$ 10,000 -	\$ 14,999	4,169	4,996	10,504
\$ 15,000 -	\$ 24,999	5,600	8,208	7,332
\$ 25,000 -	\$ 34,999	3,865	6,814	7,628
\$ 35,000 -	\$ 49,999	3,226	7,078	9,130
\$ 50,000 -	\$ 74,999	1,765	6,780	9,947
\$ 75,000 +		1,096	5,835	14,036
MEDIAN HOUSEHOLD INCOME		15,610	29,108	36,784
AVERAGE HOUSEHOLD INCOME		N/A	N/A	57,545
MEDIAN FAMILY INCOME		17,532	30,449	38,029
AGGREGATE HOUSEHOLD INCOME		708,920	N/A	2,247,434
PERSONAL INCOME (IN THOUSANDS)		1,260,121	2,990,748	6,055,155
PER CAPITA PERSONAL INCOME		10,253	16,855	25,648

NOTES:

(1) This table shows the data from the last 3 census reports available.

SOURCE:

(Continued)

Laredo Chamber of Commerce
Bureau of Economic Analysis

**DEMOGRAPHIC STATISTICS
LAST TEN CALENDAR YEARS**

CITY OF LAREDO, TEXAS

TABLE 17

(Continued)

YEAR	ESTIMATED POPULATION (A)	PERSONAL INCOME (B) (THOUSANDS OF DOLLARS)	PER CAPITA PERSONAL INCOME (B)	MEDIAN AGE (C)	SCHOOL (D) ENROLLMENT
2010	237,032	\$ 6,514,045	\$ 25,912	27.5	65,415
2011	241,188	7,109,093	27,772	28.8	66,388
2012	245,461	7,407,303	28,411	28.4	66,857
2013	249,297	7,537,401	28,483	28.8	67,688
2014	252,309	7,812,693	29,181	28.6	68,430
2015	253,747	7,967,438	29,496	28.8	67,876
2016	255,789	8,025,162	29,448	28.2	67,463
2017	257,156	8,261,470	30,153	28.8	67,758
2018	260,654	8,728,522	31,635	29.3	67,330
2019	261,639	\$ N/R	\$ N/R	N/R	66,923

SOURCE:

- (A) City of Laredo, Texas
Information was obtained from City of Laredo Planning and Zoning Department
Numbers as of September 30 each year.
(B) U.S. Bureau of Economic Analysis
(C) U. S. Census Bureau
(D) Laredo Independent School District and United Independent School District

NOTES:

N/R- not reported

**DEMOGRAPHIC STATISTICS
LAST TEN FISCAL PERIODS**

CITY OF LAREDO, TEXAS

TABLE 17

(Continued)

FISCAL PERIODS	CIVILIAN LABOR FORCE	UNEMPLOYMENT	UNEMPLOYMENT RATE	EMPLOYMENT
2010	90,396	6,776	7.50%	83,620
2011	93,034	7,230	7.77%	85,804
2012	96,330	5,840	6.06%	90,490
2013	97,063	5,990	6.20%	91,073
2014	97,446	4,934	5.10%	92,512
2015	105,983	4,441	4.20%	101,542
2016	110,626	5,060	4.60%	105,566
2017	114,560	4,148	3.60%	110,412
2018	114,382	4,163	3.60%	110,219
2019	117,816	3,982	3.40%	113,834

SOURCE:

U.S. Bureau of Labor Statistics

Numbers as of September 30 each year.

**DEMOGRAPHIC STATISTICS
LAST TEN FISCAL YEARS**

CITY OF LAREDO, TEXAS

TABLE 17

(Continued)

GROWTH INDICATORS (1)					
FISCAL PERIODS	ELECTRIC	GAS	WATER	SEWER	POSTAL RECEIPTS (2)
2010	75,497	28,862	62,195	58,726	\$ 18,500,644
2011	77,141	28,942	63,703	59,955	18,186,133
2012	78,585	29,483	65,288	61,191	17,276,826
2013	79,973	29,738	67,033	62,426	17,121,335
2014	84,494	29,904	68,213	63,410	16,813,171
2015	86,146	30,069	69,343	64,286	16,661,852
2016	87,797	30,144	70,545	65,291	15,362,228
2017	88,536	30,370	71,788	66,707	14,117,888
2018	89,404	30,442	72,859	67,676	13,821,412
2019	90,158	30,605	74,097	68,753	\$ 13,462,055

NOTES:

(1) Amount represents number of active customer accounts.

(2) Represents estimated total revenue collected.

* Legislation prohibits disclosure of telephone accounts information.

SOURCES:

Finance Department of respective entity

**PROPERTY VALUE, CONSTRUCTION AND BANK DEPOSITS
LAST TEN FISCAL PERIODS (10)**

CITY OF LAREDO, TEXAS

TABLE 18

FISCAL PERIODS	COMMERCIAL CONSTRUCTION (A)		RESIDENTIAL CONSTRUCTION (A)		BANK (B) DEPOSITS	PROPERTY VALUE (A)			
	NUMBER OF PERMITS	VALUE	NUMBER OF PERMITS	VALUE		COMMERCIAL	RESIDENTIAL	VACANT PROPERTY	EXEMPTIONS (1)
2010	110	\$ 70,266,920	622	\$ 96,580,902	\$ 8,183,979,000	\$ 4,571,159,052	\$ 6,448,188,579	\$ 377,615,393	\$ 773,831,223
2011	85	94,785,851	641	108,466,180	8,478,675,000	4,460,292,962	6,488,371,519	374,194,726	761,010,658
2012	126	172,267,390	935	150,077,555	8,638,444,000	4,454,071,509	6,557,864,234	352,102,767	779,291,720
2013	231	186,626,982	943	137,643,461	12,365,894,000	4,329,884,664	5,963,993,048	397,195,533	807,321,080
2014	237	154,084,458	1,034	207,923,276	12,512,568,000	4,863,861,131	6,554,541,075	387,782,150	800,231,949
2015	231	207,112,512	1,096	156,254,633	12,629,167,000	4,975,763,549	6,846,769,974	356,633,107	793,760,615
2016	258	271,214,041	1,202	157,224,474	12,639,632,000	5,184,897,773	6,996,535,128	560,503,540	872,562,927
2017	332	294,300,035	1,121	168,546,999	11,640,413,000	5,383,367,215	7,388,931,473	609,317,008	880,762,593
2018	299	213,470,706	1,215	152,098,324	11,456,008,000	5,585,863,430	8,019,104,900	628,569,861	880,948,630
2019	273	\$ 214,506,187	1,516	\$ 174,772,185	\$ 11,735,493,000	\$ 5,918,534,575	\$ 8,575,376,562	\$ 609,239,508	\$ 906,672,581

(1) Total exemptions include Homestead, Veteran, and Agricultural exemptions.

Veteran valuations range from \$1,500 to \$3,000 based on disability percentage. Agriculture valuates represent land used for ranching and farming.

SOURCES:

(A) City of Laredo, Texas

(B) Limited to locally-owned banks:
Commerce Bank, N.A.
Falcon International Bank
International Bank of Commerce
Texas Community Bank, N.A.

**PRINCIPAL EMPLOYERS
SEPTEMBER 30, 2019**

CITY OF LAREDO, TEXAS

TABLE 19

EMPLOYER	NUMBER OF EMPLOYEES	PERCENTAGE OF TOTAL CITY EMPLOYMENT
United Independent School District	7,400	5.90%
Laredo Independent School District	4,157	3.90%
City of Laredo	2,651	2.30%
Wal-Mart (4 locations)	2,125	2.00%
U.S. CBP - Customs Field Officers	1,950	1.80%
H.E.B Grocery	1,830	1.70%
McDonald's Restaurant	1,520	1.40%
Webb County	1,500	1.60%
Laredo Medical Center	1,450	1.30%
Laredo Sector Border Patrol	1,400	1.20%

**PRINCIPAL EMPLOYERS
SEPTEMBER 30, 2009**

United Independent School District	6,067	7.25%
Laredo Independent School District	4,564	5.45%
City of Laredo	2,414	2.88%
Laredo Sector Border Patrol	1,700	2.03%
HEB Grocery Store	1,640	1.96%
Laredo College	1,564	1.87%
Webb County	1,500	1.79%
McDonald's Restaurant	1,418	1.69%
Laredo Medical Center	1,400	1.67%
Walmart (3 locations)	1,144	1.37%

Principal Employers numbers as of September 2019 and 10 years ago.

Source:

Laredo Development Foundation
Texas Workforce Commission

**PRINCIPAL WATER CONSUMERS
SEPTEMBER 30, 2019**

CITY OF LAREDO, TEXAS

TABLE 20

TYPE OF BUSINESS	PRODUCT OR SERVICE	CONSUMPTION (1)
United I.S.D.	Education	119,747,500
Laredo Medical Center	Medical	77,159,400
Texas A&M University System	Education	52,323,300
Laredo College	Education	42,053,700
City of Laredo Parks & Recreation	Municipal Government	26,376,400
New Webb County Jail	County Jail	24,224,600
Laredo Regional Medical Center	Medical	15,053,200
Clark's Crossing Apartments	Real Estate	14,071,700
Blue Beacon 68	Truck Wash	13,440,200
Dorel Laredo Holdings LLC	Real Estate	12,498,200

**PRINCIPAL WATER CONSUMERS
SEPTEMBER 30, 2009**

TYPE OF BUSINESS	PRODUCT OR SERVICE	CONSUMPTION (1)
Laredo Medical Center	Hospital	77,735,000
Texas A&M University System	Education	55,106,300
C.P.L. Power Plant	Utility	30,492,800
Laredo Municipal Housing Corp.	Housing	26,073,200
New Webb County Jail	County Jail	22,884,500
Laredo Community College	Education	17,900,400
Webb County (Irrigation)	County Water Point	15,362,100
Towne North Mobile Homes	Housing	13,915,500
UISD-LBJ High School	Education	13,117,900
International Bank of Commerce	Banking	11,933,400

NOTES:

(1) Total consumption in gallons

Numbers show total comparison for principal water consumers as of fiscal year 2019 and 10 years ago.

SOURCE:

City of Laredo, Texas

GENERAL

Form of Government:	City Manager & City Council
Terms of Office:	Mayor - 4 Year Term (2 Terms Maximum) City Council - 4 Year Staggered Terms (2 Terms Maximum) City Manager - Appointed by City Council
Date of First Charter Adoption:	1848
Date of Original Public Sale Of Town Lots:	1880
Second Charter:	February 23, 1911
Home Rule Amendment to Charter:	January 29, 1921
Amendments to Charter:	July 8, 1941, January 8, 1946, October 9, 1951, April 3, 1962, November 30, 1965, January 14, 1981, January 16, 1988, November 7, 1995, November 7, 2006, November 2, 2010, and November 8, 2016.
Number of City Employees as of September 30, 2019:	2,708
Number of City Departments as of September 30, 2019:	29

**Area in square miles by ten year periods for the last 50
years and annually for the last ten years**

YEAR	LAND AREA	INCREASE	TOTAL*
1960	13.12	-	13.12
1970	13.12	7.12	20.24
1980	20.24	13.26	33.50
1990	33.50	4.57	38.07
2000	78.82	1.13	79.95
2005	84.40	1.35	85.75
2006	85.75	0.26	86.01
2007	86.01	2.95	88.96
2008	88.96	0.57	89.53
2009	89.53	-	89.53
2010	89.53	0.87	90.40
2011	90.40	1.66	92.06
2012	92.06	0.77	92.83
2013	92.83	0.03	92.86
2014	92.86	9.04	101.90
2015	101.90	N/A	101.90
2016	101.90	2.99	104.89
2017	104.89	0.11	105.00
2018	105.00	N/A	N/A
2019	106.57	0.74	107.33

*Annexations are effective December 31st of the respective year.

**MISCELLANEOUS STATISTICS
SEPTEMBER 30, 2019**

CITY OF LAREDO, TEXAS

TABLE 21

ELECTIONS

(continued)

Number of Registered Voters: 133,261

NUMBER OF VOTES CAST IN

Last Municipal Election: Nov 6, 2018 50,208

% OF REGISTERED VOTERS VOTING IN

Last Municipal Election: Nov 6, 2018 38.34%

TRANSPORTATION

AIRPORTS

Number of Airports: 1

Name of Airport: Laredo International Airport
Flights Daily to/from
Houston, Dallas, and Las Vegas

Scheduled Airplane Flights
Per Day Departing: 9

Scheduled Airplane Flights
Per Day Arriving: 9

Passengers Enplaning: 88,601 per year

Passengers Deplaned: 96,616 per year

BRIDGES

Number of Bridges: 4

Name of Bridges: Gateway to the Americas Bridge
Juarez - Lincoln International Bridge
Colombia Solidarity Bridge
World Trade Bridge

Number of Crossing Pick-ups,
Motorcycles, Autos & 2 Axle
Vehicles: 5,018,723

Number of Crossing Commercial
Vehicles: 2,369,111

Number of Crossing Pedestrians
(includes bicycles): 3,304,191

Total Tolls: \$ 69,812,527

RAILROADS

(continued)

Number of Railroads: 2

Names of Railroads: Union Pacific Railroad
Kansas City Southern Railroad

HIGHWAYS

Number of Highways: 6

Name of Major Highways: IH 35 - to San Antonio, Dallas & North to the
Canadian Border
Hwy. 59 - to Houston, New Orleans & East
Hwy. 359 - to Corpus Christi
Hwy. 83 - to Brownsville (East) & El Paso (West)
Hwy 255 - Columbia Bridge to IH 35
FM1472 (Mines Rd)

BUS LINES

Name of Local Bus Lines: Laredo Transportation Management Inc. (El Metro)
El Aguila Rural Transportation (Webb County)

Number of Adult Passengers: 1,419,970

Number of Elderly & Handicapped - Paid: 222,656

Number of Elderly & Handicapped - Free: 463,939

Number of Students: 175,982

Number of Children - Paid: 36,878

Number of Children - Free: 23,422

Number of I.D. Cards for Elderly: 2,763

Number of Medicaid Cards: 8,747

Number of Service Miles: 1,772,620

Number of Charter Miles: 0

Number of Employees: 182

Name of Interstate Bus Lines: Americanos USA
Cougar Bus Lines
Greyhound
Tornado
El Expreso Bus Co.
Turimex
El Conejo
Omnibus Express

FIRE PROTECTION

(continued)

Number of Stations:	15
Number of Hydrants:	8,521
Number of Fire Pumps:	14
Number of Aerial Trucks:	3
Number of Ambulances:	11
Number of Crash Trucks:	1
Number of Brush Trucks:	2
Number of Haz-Mat Trucks:	1
Number of Firefighters / EMT's / Paramedics:	405
Employees per 1,000 Population:	1.37

POLICE PROTECTION

Number of Stations:	2 Police Headquarters
Number of Neighborhood Policing Stations:	8
Number of Sworn Officers:	496
Number of Vehicular Patrol Units:	338
Employees per 1,000 Population:	1.9
Number of Law Violations:	20,863
Number of Physical Arrests:	6,951
Number of Traffic Violations:	39,163
Number of 911 Calls:	166,901
Number of Non-911 Calls:	274,734

PUBLIC WORKS

(continued)

WATERWORKS SYSTEM

Miles of Water Mains:	1,119
Daily Average Consumption:	33.77 MGD
Plant Capacity:	85.0 MGD
Storage Capacity:	42.2 MG
Water Rights Owned:	62,009 ac/ft
Source of Water:	Rio Grande River with 3 intake structures
Number of Service Connections:	74,097

SEWER SYSTEM

Miles of Sanitary Sewer:	785
Plant Capacity	35.213 MGD
Number of Lift Stations:	71
Daily Average Treatment:	18.449 MGD
Maximum Capacity of Treatment Plants:	35.213 MGD
Number of Disposal Plants:	6
Number of Service Connections:	68,753

SOLID WASTE

Number of Garbage Clients:	63,559
Solid Waste Disposal Type:	Type I Landfill

STREETS

Number of Paved Streets:	10,650 Blocks
Number of Unpaved Streets:	104 Blocks
Miles of Paved Streets:	788.16
Miles of Unpaved Streets:	6.5

EDUCATIONAL

(continued)

LAREDO INDEPENDENT SCHOOL DISTRICT

Number of Senior High Schools:	4
Number of Magnet Schools:	3
Number of Alternative Education Schools:	2
Number of Classrooms:	351
Number of Administrative Personnel:	80
Number of Teachers:	451
Number of Students:	6,166
Annual Budget:	\$54,278,254
Number of Middle Schools:	4
Number of Classrooms:	203
Number of Administrative Personnel:	48
Number of Teachers:	309
Number of Students:	4,715
Annual Budget:	\$32,304,759
Number of Elementary Schools:	20
Number of Classrooms:	685
Number of Administrative Personnel:	111
Number of Teachers:	793
Number of Students:	12,593
Annual Budget:	\$88,476,163

UNITED INDEPENDENT SCHOOL DISTRICT

(continued)

Number of Senior High Schools:	8
Number of Magnet Schools:	3
Number Alternative Education Schools:	1
Number of Classrooms:	834
Number of Administrative Personnel:	135
Number of Teachers:	827
Number of Students:	13,489
Annual Budget:	\$89,698,423
Number of Middle Schools:	10
Number of Classrooms:	581
Number of Administrative Personnel:	103
Number of Teachers:	584
Number of Students:	9,906
Annual Budget:	\$61,516,427
Number of Elementary Schools:	29
Number of Classrooms:	1,473
Number of Administrative Personnel:	155
Number of Teachers:	1,203
Number of Students:	19,639
Annual Budget:	\$123,672,300

LIBRARIES

(continued)

Number of Public Libraries:	1
Number of Volumes:	270,113
Circulation Transactions:	1,385,086
Circulation Per Capita:	5.31
New Library Cards Issued:	11,830
Library Cards in Force:	212,788
Number of Subscriptions:	302
Number of Titles:	312,031
Number of Library Visits:	387,946
Number of Materials Used:	248,484
Library Programs Presented:	3,431
Number Attending Library Programs:	69,961
Bookmobiles:	1
Branches and Outlets:	5

PRIVATE SCHOOLS

Number of Parochial/Private Schools:	38
Vocational Training Centers:	14

COMMUNICATIONS

Number of Daily Newspapers:	2
Major Newspaper:	Laredo Morning Times
Number of Radio Stations:	20
Number of Television Stations:	8
Number of Cable Television Companies:	1
Number of Satellite Companies:	2

TEXAS A&M INTERNATIONAL UNIVERSITY

(continued)

Date Established:	Established in 1970 as a division of Texas A&I, and as a separate University in 1977 as a division of the University System of South Texas. The University became a member of the Texas A&M University System on September 1, 1989.
Programs Offered:	Undergraduate, Graduate and Doctoral degrees are offered by the Colleges of Business Administration, Education, Humanities, Technology and Arts & Sciences.
Population Served:	Undergraduate and Graduate level college students seeking Liberal Arts, Education, Psychology, Business, International Trade, Science and Technology Degrees.
Region served:	South Texas Region
Number of Classrooms/Labs:	106
Number of Non-Faculty Staff:	
Full-time	425
Part-Time	230
Number of Full-Time Faculty:	229
Number of Part-Time Faculty:	137
Number of Full-Time Students:	6,061
Number of Part-Time Students:	2,402

LAREDO COLLEGE

Date Founded:	1947
Programs Offered:	Associates of Art, Degrees in Engineering, Education, Medicine, Dentistry, Nursing, Law, Business Administration, Computer Science and Vocational Education.
Number of Classrooms/Labs:	392
Total Gross Square Footage:	1,439,476 Sq. Ft.
Number of Administrators:	45
Number of Full-Time Faculty:	193
Number of Part-Time Faculty:	214
Number of Full-Time Students:	2,912
Number of Part-Time Students:	7,269
Counties Served:	Webb, Jim Hogg, Zapata
Total Annual Budget:	\$61,009,523

RECREATIONAL

(continued)

PARKS

Number of Acres Maintained:	750
Number of Parks:	67
Number of Plazas:	5
Baseball and Softball Fields:	58
Number of Swimming Pools:	9
Number of Soccer Fields:	30
Number of Tennis Court Facilities:	5
Number of Racquetball Facilities:	3
Number of Recreational Centers:	8
Number of Splash Parks:	10
Number of Skate Parks:	10

CEMETERY

City:	1
Catholic:	1
Private:	3
Burials Served:	271
Cemetery Lots Sold:	156

LODGING/MEETING FACILITIES

Number of Hotels/Motels:	41 with 4,050 Rooms
Meeting Facilities:	35

TABLE 21

MAJOR ATTRACTIONS

(continued)

Number of Rodeo Arenas:	2
Number of Museums:	10
Number of Golf Courses:	3
Number of Tennis Courts:	21
Number of Tennis Court Facilities:	5
Number of Malls:	2
Number of Bowling Alleys:	2
Number of Movie Theaters:	4
Number of Country Clubs:	1
Annual Festivities:	Washington's Birthday Celebration 16 de Septiembre Laredo International Fair & Exposition Laredo Birding Festival Memorial Day Pow Wow 4th of July Celebration Laredo Sister Cities Festival Urban Fest Autmus Fest Navidad Fest Jalapeno Festival Jamboozie Farmers Market City Kite Festival Cycling Race Laredo Big Bad BBQ Cook-off

CHURCHES

Number of Catholic Churches:	23
Other Churches:	55

SPORTS ARENA

(continued)

Facility Area:	178,000 Square Feet
Seat Capacity:	10,000
Luxury Suites:	14
Meeting Rooms:	3
Food Courts:	8
Parking Spaces:	2,000
Major Attractions:	Concerts, Sporting Events, Conventions, Family Entertainment, Community & Charity Events, WBCA Carnival, Graduations, and Special Events

BASEBALL STADIUM

Facility Area:	39.71 Acres
Seat Capacity:	6,014
Stadium Capacity:	16,000
Luxury Suites:	11
Meeting Rooms:	3
Food Courts:	4
Team Stores:	1
Parking Spaces:	985
Major Attractions:	Baseball Concerts

SOURCES:

Finance Department, City of Laredo
Laredo Chamber of Commerce
Laredo Community College
Laredo Independent School District
Texas A&M International University
United Independent School District
Laredo Energy Arena

**INSURANCE IN FORCE FOR THE CITY OF LAREDO
INCLUDING THE INTERNATIONAL TOLL BRIDGE SYSTEM,
LAREDO WATERWORKS SYSTEM, AND THE LAREDO
SEWER SYSTEM
SEPTEMBER 30, 2019**

CITY OF LAREDO, TEXAS

TABLE 22

DESCRIPTION	TYPE OF COVERAGE	POLICY LIMIT
BUILDINGS	Fire and Extended Coverage (1)	\$ 707,142,880
ALL PREMISES	General Liability	1,000,000
VEHICLES	Automobile Liability Auto Physical Damage	1,000,000 PER SCHEDULE, ACTUAL CASH VALUE
LIABILITY	Errors & Omissions Public Employee Dishonesty	1,000,000 1,000,000
PROPERTY	Mobile Equipment Boiler & Machinery	29,132,341 Per Accident 5,000,000
AIRPORT LIABILITY	Comprehensive General Liability Personal Injury Liability Coverage Airport Control Tower Operations	Primary Policy 20,000,000 Excess Policy 50,000,000 PER OCCURRENCE
LAW ENFORCEMENT	Law Enforcement Liability	1,000,000
PUBLIC OFFICIALS	Personal Injury and Errors & Omissions	1,000,000
WORKER'S COMPENSATION	All City Employees for All Funds- Employer's Liability (2): Total Annual Contribution Per Occurrence Retention Annual Aggregate Retention Aggregate Limit Of Liability Loss Deposit Fund	 511,095 300,000 2,200,000 1,000,000 304,250
AIRPORT - FOREIGN TRADE ZONE	Foreign Trade Zone Operator's Bond	\$ 50,000

NOTES:

(1) The property Fire and Extended Coverage Policy includes all buildings owned by the City of Laredo and the contents of particular buildings. It also provides coverage for use occupancy and business interruptions for the four International Bridges operated by the City's International Toll Bridge System.

(2) Includes Volunteers and Elected Officials.

SOURCE:

City of Laredo, Texas

**FULL-TIME EQUIVALENT CITY GOVERNMENT
EMPLOYEES BY FUNCTION
LAST NINE FISCAL YEARS (1)**

CITY OF LAREDO, TEXAS

Table 23

FULL-TIME EQUIVALENT EMPLOYEES AS OF SEPTEMBER 30									
FUNCTION	2019	2018	2017	2016	2015	2014	2013	2012	2011
General Government	303.18	296.14	292.14	295.18	309.66	300.70	340.75	338.25	349.10
Public Safety:									
Police:									
Officers	514	513	485	486.00	482.00	482.00	482.00	482.00	482.00
Civilians	91	92	88	88.00	89.00	90.00	90.00	89.00	89.00
Fire:									
Firefighters and Officers	407	407	382	383.00	383.00	362.00	362.00	357.00	357.00
Civilians	19	19	19	19.00	19.00	14.00	14.00	10.00	10.00
Other Civilians	69	69	62	62.00	63.00	62.00	62.00	62.00	62.00
Public Works	164	164	164	164.00	164.00	159.00	112.00	113.00	118.00
Health and Welfare	336.96	327.96	326	309.96	280.48	302.50	304.88	291.38	289.88
Culture and Recreation	305.3	309.3	301	297.83	296.83	274.09	246.24	243.97	245.93
Air Transportation	68	68	68	63.00	63.00	60.00	54.00	48.00	48.00
Bridge System	188	189	189	189.00	189.00	189.00	190.00	190.00	207.00
Solid Waste Management System	155	144	141	136.00	136.00	131.00	128.00	128.00	128.00
Water System	222	227	226	224.00	224.00	207.00	190.00	195.00	188.00
Sewer System	118	117	118	120.00	120.00	102.00	81.00	75.00	72.00
Transit System	182.1	182.1	181.1	181.10	171.00	171.00	181.00	162.00	185.10
Municipal Housing	13	13	13	13.00	13.00	13.00	12.00	12.00	11.00
Total	<u>3,155.54</u>	<u>3,137.50</u>	<u>3,055.24</u>	<u>3,031.07</u>	<u>3,002.97</u>	<u>2,919.29</u>	<u>2,849.87</u>	<u>2,796.60</u>	<u>2,842.01</u>

NOTES:

(1) This table was implemented by GASB beginning in fiscal year 2011

SOURCE:

City of Laredo Budget Division

OPERATING INDICATORS BY FUNCTION
LAST NINE FISCAL YEARS (1)

CITY OF LAREDO, TEXAS

TABLE 24

FUNCTION	FISCAL YEAR 2011	FISCAL YEAR 2012	FISCAL YEAR 2013	FISCAL YEAR 2014	FISCAL YEAR 2015	FISCAL YEAR 2016	FISCAL YEAR 2017	FISCAL YEAR 2018	FISCAL YEAR 2019
Police									
Physical Arrests	7,827	8,613	9,576	9,603	9,076	9,113	6,983	6,919	6,951
Vehicle Inspections (used dealerships)	34	40	36	42	330	429	316	40	35
Bridge Operations Conducted	63	151	177	81	36	19	39	-	8
Emergency Calls	120,567	196,802	180,305	184,987	198,856	223,292	170,309	153,314	166,901
Non-Emergency Calls	271,832	264,904	250,351	239,532	202,602	225,137	213,834	203,144	274,734
Dispatched Calls	392,399	461,706	430,656	424,519	401,458	448,429	384,143	356,458	441,635
Public Awareness/Training/Education	108	112	54	75	49	84	74	116	677
Fire									
Fire Department Responses	9,092	26,733	24,559	19,470	6,216	9,763	10,014	13,291	27,185
Inspections	1,712	4,610	4,600	5,860	5,397	5,530	4,394	6,773	5,369
Arson Cases Investigated	87	94	95	64	49	48	55	37	35
Public Education Presentations	81	107	150	150	139	174	92	116	173
Public Works									
Street Resurfaced	462	388	244	346	426	363	205	122	233
Potholes Repaired	22,247	24,490	24,694	24,816	23,975	21,750	25,620	17,262	18,234
Bridge									
Pedestrian Crossings	3,161,627	2,946,244	2,973,056	3,032,333	3,029,608	3,074,538	3,116,492	3,182,403	3,304,191
Gateway Passes Sold	3,110,189	2,923,079	2,934,065	2,913,971	2,614,406	2,582,783	2,650,455	1,148,864	-
Non-Commercial Vehicle Crossings	4,401,849	4,418,558	4,551,845	6,732,956	5,060,633	5,212,091	4,992,233	5,013,214	5,018,723
Commercial Vehicle Crossings	1,725,335	1,784,104	1,835,110	1,924,842	2,005,177	2,087,586	2,176,995	2,281,483	2,369,111
Non-Commercial AVI Accounts	10,448	10,406	10,632	11,476	12,433	13,418	12,090	13,124	14,175
Commercial AVI Accounts	3,388	3,721	3,931	4,374	4,852	5,243	5,025	5,540	6,272
Culture and Recreation									
Community Center Admissions	345,442	382,769	523,699	466,400	447,269	506,177	510,658	398,095	17,854
Community Service Special Events	71	70	93	90	217	90	63	81	61
After School Programs	7	6	9	8	8	8	8	27	9
Transit System									
Passenger Ridership	2,858,252	2,884,245	2,998,121	2,898,000	2,816,479	2,762,991	2,750,572	2,406,677	2,342,847
Miles Driven	1,953,600	1,961,651	1,961,745	1,941,131	1,684,067	1,721,527	1,716,803	1,738,502	1,772,620

**OPERATING INDICATORS BY FUNCTION
LAST EIGHT FISCAL YEARS (1)**

CITY OF LAREDO, TEXAS

TABLE 24

(Continued)

FUNCTION	FISCAL YEAR 2011	FISCAL YEAR 2012	FISCAL YEAR 2013	FISCAL YEAR 2014	FISCAL YEAR 2015	FISCAL YEAR 2016	FISCAL YEAR 2017	FISCAL YEAR 2018	FISCAL YEAR 2018
Sanitation									
Household Customers	55,839	56,797	56,936	58,427	59,118	60,102	61,091	62,000	63,559
Refuse Collected (tons)	104,680	94,549	99,613	87,406	103,049	109,346	91,365	92,124	92,787
Recyclables Collected (tons)	3,684	3,378	3,128	11,506	11,940	7,661	11,330	12,147	11,492
Water									
Average Consumption (MGD)	40.00	28.40	35.00	26.00	31.90	36.29	34.07	33.55	22.72
Meters Read (per month)	63,031	64,561	66,512	67,662	68,897	70,072	71,278	72,392	73,512
Service Calls (per month)	7,561	8,415	9,030	9,785	11,301	12,890	12,895	12,107	12,598
Wastewater									
Average Sewage Treatment (MGD)	17.90	18.90	18.90	18.80	19.70	20.64	19.50	19.12	19.00
Airport									
Commercial Service Airlines	3	3	3	3	3	3	3	3	3
Land/Building Leases	83	86	86	90	95	94	95	84	80
Inbound/Outbound Passengers	208,173	192,869	200,803	204,496	206,332	187,750	172,429	172,152	184,810
Scheduled Flights Per Day	8	8	9	8	8	8	9	9	9

NOTES:

(1) This table was implemented by GASB beginning in fiscal year 2011.

SOURCE:

City of Laredo, Texas

CAPITAL ASSETS STATISTICS BY FUNCTION
LAST NINE FISCAL YEARS (1)

CITY OF LAREDO, TEXAS

Table 25

FUNCTION	FISCAL YEAR 2019	FISCAL YEAR 2018	FISCAL YEAR 2017	FISCAL YEAR 2016	FISCAL YEAR 2015	FISCAL YEAR 2014	FISCAL YEAR 2013	FISCAL YEAR 2012	FISCAL YEAR 2011
Public Safety									
Police:									
Stations	10	12	10	12	10	18	18	18	18
Patrol Units	338	328	324	301	292	294	261	297	381
Fire:									
Stations	15	15	15	15	15	15	14	14	14
EMS Units	11	11	10	9	9	9	9	9	10
Ladder Trucks	3	3	3	3	3	3	3	3	3
Pumper Trucks	14	14	14	14	14	14	14	14	14
Highways and Streets									
Public Works:									
Streets - Lane Miles	788.16	695	681	673	685	676	670	664	663
Traffic:									
Traffic Signals	253	252	252	248	248	246	248	242	243
Street Lights	13,700	13,500	13,442	13,032	12,850	12,761	12,480	12,400	13,649
Other Traffic Control Signs	37,000	36,946	36,648	36,360	36,000	35,331	34,862	34,624	34,209
Bridge System									
International Bridges	4	4	4	4	4	4	4	4	4
Cultural and Recreation									
Parks Acreage	750	854.5	854	830	735	886	860	863	882
Parks	67	64	55	83	83	74	74	73	72
Swimming Pools	9	9	9	8	8	8	7	7	6
Community Centers	11	11	11	9	10	9	9	10	8
Convention Centers	0	0	0	0	0	0	1	1	1
Stadiums	2	2	2	2	2	2	1	1	0
Transit System									
Buses	47	43	42	48	48	48	48	47	47
Trolleys	1	1	1	1	1	1	1	2	2

CAPITAL ASSETS STATISTICS BY FUNCTION
LAST NINE FISCAL YEARS (1)
CITY OF LAREDO, TEXAS
Table 25

(Continued)

FUNCTION	FISCAL YEAR 2019	FISCAL YEAR 2018	FISCAL YEAR 2017	FISCAL YEAR 2016	FISCAL YEAR 2015	FISCAL YEAR 2014	FISCAL YEAR 2013	FISCAL YEAR 2012	FISCAL YEAR 2011
Sanitation									
Collection Trucks - Rear Loaders	22	21	20	20	21	25	24	23	23
Collection Trucks - Automated	44	41	41	30	39	43	38	40	41
Collection Trucks - Dump Trucks	0	0	0	3	0	0	2	0	0
Collection Trucks - Grapplers	9	8	8	7	7	8	8	5	5
Collection Trucks - F.Loaders/Recycle	3	3	3	3	3	3	3	4	0
Collection Trucks - Roll-off Trucks	3	3	3	3	2	2			
Water									
Water Mains (miles)	1,113	1,108	793	785	765	721	721	716	711
Fire Hydrants	8,521	7,980	7,374	7,271	6,380	6,208	3,381	3,316	3,257
Maximum Capacity (MGD)	85	85	86	85	85	65	65	65	65
Wastewater									
Sanitary Sewer (miles)	840	814	546	537	513	513	504	500	498
Maximum Capacity (MGD)	35.2	29.2	29.2	29.25	29.20	24.70	25.10	25.10	24.70
Environmental Services									
Storm Drainage (miles)	225.59	218	214	212	201	201	198	187	183
Air Transportation									
Airports	1	1	1	1	1	1	1	1	1

NOTES:

(1) This table was implemented by GASB starting in fiscal year 2011.

SOURCE:

City of Laredo, Texas

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CONTINUING DISCLOSURES INFORMATION

The following table is hereby submitted in order to comply with the requirements of the Securities and Exchange Commission Rule 15c2-12 for Continuing Disclosures of Information related to the new bonds issued during fiscal years 2002-2019. The table applies to the following issues:

Sewer System Revenue Bond, Series 2002	\$ 710,000
Waterworks Revenue Bond, Series 2002	741,000
Public Property Finance Contractual Obligations, Series 2008	3,555,000
Waterworks & Sewer System Revenue Bond, Series 2008	915,000
Waterworks & Sewer System Subordinated Revenue Bond, Series 2009	7,500,000
Combination Tax and Airport Refunding Certificate of Obligation, Series 2010B	2,040,000
General Obligation Refunding Bond, Series 2010	9,345,000
Combination Tax and Revenue Certificate of Obligation, Series 2010	9,545,000
Waterworks & Sewer System Revenue Bond, Series 2010	82,175,000
Waterworks & Sewer System Revenue Bond, Series 2011	30,875,000
General Obligation Refunding Bonds, Series 2012	7,635,000
International Toll Bridge System Revenue Bond, Series 2012	7,640,000
Waterworks & Sewer System Subordinated Revenue Bond, Series 2012	48,750,000
Combination Tax and Revenue Certificate of Obligation, Series 2012	7,690,000
Public Property Finance Contractual Obligations, Series 2012	3,800,000
Solid Waste Certificate of Obligation Revenue Bond, Series 2012A	10,345,000
Solid Waste Certificate of Obligation Revenue Bond, Series 2012B	4,605,000
Waterworks & Sewer System Revenue Bond, Series 2012	41,120,000
Waterworks & Sewer System Refunding Bond, Series 2013	17,260,000
Public Property Finance Contractual Obligations, Series 2013	10,095,000
General Obligation Refunding Bonds, Series 2013	16,845,000
Tax and Revenue Certificate of Obligation, Series 2013	9,995,000
Waterworks & Sewer System Revenue Bond, Series 2013	18,255,000
Combination Tax and Airport Revenue Certificate of Obligation, Series 2014	5,600,000
International Toll Bridge System Refunding Bond, Series 2014	14,175,000
International Toll Bridge System Revenue Bond, Series 2014	9,585,000
International Toll Bridge System Taxable Refunding Bond, Series 2014	3,885,000
International Toll Bridge System Subordinated Refunding Bond, Series 2014	17,365,000
Public Property Finance Contractual Obligations, Series 2014	6,780,000
Sports Venue Sales Tax Revenue Bonds, Series 2014	20,545,000
Waterworks & Sewer System Revenue Bond, Series 2014	11,585,000
General Obligation Refunding Bonds, Series 2015	64,740,000
Tax and Revenue Certificate of Obligation, Series 2015	19,765,000
Waterworks & Sewer System Revenue Bond, Series 2015	15,045,000
Waterworks & Sewer System Subordinated Revenue Bond, Series 2015	5,500,000
Waterworks & Sewer System Subordinated Revenue Bond, Series 2015A	4,600,000
Waterworks & Sewer System Subordinated Revenue Bond, Series 2015B	22,075,000
Waterworks & Sewer System Revenue Bond, Series 2016	9,745,000
Waterworks & Sewer System Revenue Bond, Series 2016	75,395,000
Sports Venue Sales Tax Revenue Bonds, Series 2016	8,970,000
Tax and Revenue Certificate of Obligation, Series 2016 T/E	22,610,000
Tax and Revenue Certificate of Obligation, Series 2016	3,075,000
Public Property Finance Contractual Obligations, Series 2016	8,080,000
General Obligation Refunding Bonds, Series 2016	54,545,000
International Toll Bridge System Refunding Bond, Series 2016	8,700,000

Waterworks & Sewer System Revenue Bond, Series 2017	18,155,000
Public Property Finance Contractual Obligations, Series 2017	3,685,000
General Obligation Refunding Bonds, Series 2017	12,675,000
Certificates of Obligation, Series 2017	14,810,000
General Obligation Refunding Bonds, Series 2018	46,635,000
Certificates of Obligation, Series 2018	11,640,000
Public Property Finance Contractual Obligations, Series 2018	\$ 12,050,000

GENERAL OBLIGATION BONDS

TABLE 1 - VALUATION, EXEMPTIONS AND DEBT OBLIGATIONS

2018 Market Valuation Established by Webb County Appraisal District (as of September 2018)		15,103,150,645
Less Supplemental Tax Levy Adjustment	7,602,873	
Total Adjusted Levy		15,095,547,772
Less Exemptions/Reductions at 100% Market Value:		
Residential Homestead Exemptions	343,073,751	
Disabled Veterans Exemptions	72,770,534	
Agricultural and Open Space Land Use Reductions	211,338,873	
Free Port Exemptions	221,877,920	
Property Redevelopment and Tax Abatement	46,046,433	
Pollution Control	5,741,880	
Other Exemptions	<u>5,823,190</u>	<u>906,672,581</u>
2018 Taxable Assessed Valuation		<u><u>14,188,875,191</u></u>
General Obligation Debt Payable from Ad Valorem Taxes (1)		
General Obligation Bonds	104,039,404	
Certificates of Obligation	<u>94,286,968</u>	
Funded Debt Payable from Ad Valorem Taxes		198,326,372
Less: Self-supporting Debt		
Bridge System General Obligation Debt	1,486,751	
Airport System Certificates of Obligation	1,315,000	
Environmental Services General Obligation Debt	12,054,097	
Environmental Services Certificates of Obligation	5,463,404	
Parking System General Obligation Debt	<u>727,068</u>	<u>21,046,320</u>
General Purpose Funded Debt Payable from Ad Valorem Taxes		<u><u>177,280,052</u></u>
Interest and Sinking Fund		6,259,232
Ratio Funded Debt to Taxable Assessed Valuation		1.40%
Ratio General Purpose Funded Debt to Taxable Assessed Valuation		1.25%
2019 Estimated Population- 261,639		
Per Capita Taxable Assessed Valuation- \$54,231		
Per Capita Funded Debt- \$758		
Per Capita General Purpose Funded Debt- \$678		

- (1) The above statement of indebtedness does not include the following revenue bonds, as these are payable solely from the net revenues of the System, as defined in the bond ordinance authorizing the bonds:
 \$215,899,139 Waterworks System Revenue Bonds; \$150,819,324 Sewer System Revenue Bonds;
 \$34,675,000 International Toll Bridge System Revenue Bonds; \$3,446,340 Transit System Revenue Bonds;
 \$20,423,324 Solid Waste Revenue Bonds; and \$20,445,000 Sports Venue Sales Tax Revenue Bonds.

TABLE 2 - TAXABLE ASSESSED VALUATIONS BY CATEGORY

<u>Taxable Appraised Value for Fiscal Year Ended September 30,</u>						
	2019		2018		2017	
<u>Category</u>	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>% of Total</u>
Real, Residential, Single Family	7,846,856,529	51.98%	7,306,354,273	51.41%	6,688,911,938	50.02%
Real, Residential, Multifamily	564,484,077	3.74%	531,944,021	3.74%	536,455,633	4.01%
Real, Vacant Lots/Tracts	396,602,955	2.63%	416,010,091	2.93%	387,741,045	2.90%
Real, Acreage (Land Only)	212,607,816	1.41%	212,184,436	1.49%	221,473,241	1.66%
Real, Farm and Ranch Improvements	110,120,012	0.73%	117,409,310	0.83%	108,400,727	0.81%
Real, Commercial/Industrial	3,946,296,549	26.14%	3,708,240,026	26.09%	3,541,912,142	26.49%
Real, Oil, Gas, and Other Mineral Reserves	32,619,351	0.22%	1,209,937	0.01%	1,980,040	0.01%
Goods In-Transit	5,690,094	0.04%	9,540,211	0.07%	1,436,504	0.01%
Real and Tangible Personal, Utilities	376,685,512	2.50%	317,485,268	2.23%	292,970,420	2.19%
Tangible Personal, Commercial/Industrial	1,468,293,094	9.73%	1,461,543,251	10.28%	1,466,051,945	10.96%
Tangible Personal, Other	49,321,179	0.33%	50,622,472	0.36%	49,334,083	0.37%
Real Property, Inventory (1)	44,018,203	0.29%	35,482,906	0.25%	30,973,122	0.23%
Special Inventory	41,952,401	0.28%	43,867,641	0.31%	44,050,526	0.33%
Total Appraised Value Before Exemptions	15,095,547,772	100.00%	14,211,893,843	100.00%	13,371,691,366	100.00%
Less: Total Exemptions/Reductions	906,672,581		880,948,630		880,762,593	
Taxable Assessed Value	<u>14,188,875,191</u>		<u>13,330,945,213</u>		<u>12,490,928,773</u>	
<u>Taxable Appraised Value for Fiscal Year Ended September 30,</u>						
	2016		2015		2014	
<u>Category</u>	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>% of Total</u>	<u>Amount</u>	<u>% of Total</u>
Real, Residential, Single Family	6,309,253,390	49.56%	5,975,815,013	49.13%	5,702,411,868	48.33%
Real, Residential, Multifamily	467,837,808	3.68%	434,278,245	3.57%	406,542,266	3.45%
Real, Vacant Lots/Tracts	345,104,220	2.71%	356,203,470	2.93%	387,547,909	3.28%
Real, Acreage (Land Only)	215,123,781	1.69%	212,511,779	1.75%	221,567,102	1.88%
Real, Farm and Ranch Improvements	139,950,625	1.10%	140,504,891	1.16%	143,009,485	1.21%
Real, Commercial/Industrial	3,346,191,171	26.29%	3,219,551,034	26.47%	3,100,899,447	26.28%
Real, Oil, Gas, and Other Mineral Reserves	4,250,366	0.03%	7,517,248	0.06%	6,432,922	0.05%
Goods In-Transit	1,670,134	0.01%	1,250,322	0.01%	1,787,779	0.02%
Real and Tangible Personal, Utilities	290,518,596	2.28%	250,433,728	2.06%	248,901,579	2.11%
Tangible Personal, Commercial/Industrial	1,465,292,959	11.51%	1,433,730,338	11.79%	1,437,850,956	12.19%
Tangible Personal, Other	72,824,917	0.57%	75,411,725	0.62%	77,050,967	0.65%
Real Property, Inventory (1)	31,820,015	0.25%	17,430,686	0.14%	32,287,021	0.27%
Special Inventory	40,390,292	0.32%	39,829,708	0.33%	32,763,497	0.28%
Total Appraised Value Before Exemptions	12,730,228,274	100.00%	12,164,468,187	100.00%	11,799,052,798	100.00%
Less: Total Exemptions/Reductions	872,562,927		793,760,615		800,231,949	
Taxable Assessed Value	<u>11,857,665,347</u>		<u>11,370,707,572</u>		<u>10,998,820,849</u>	

NOTE: Valuations shown are certified taxable assessed values reported by the Webb County Appraisal District to the State Controller of Public Accounts. Certified values are subject to change throughout the year as contested values are resolved and the Appraisal District updates records.

- (1) Real inventory properties in the hands of developers or builders; each group of properties in this category is appraised on the basis of its value as a whole as a sale to another developer or builder.

TABLE 3 – VALUATION AND GENERAL OBLIGATION DEBT HISTORY

<u>Fiscal Year Ended 9-30</u>	<u>Estimated Population (1)</u>	<u>Taxable Assessed Valuations (2)</u>	<u>Taxable Assessed Valuation Per Capita</u>	<u>G.O. Tax Debt Outstanding at End of Year</u>	<u>Ratio of G.O. Tax Debt to Taxable Assessed Valuation</u>	<u>G.O. Tax Debt Per Capita</u>
2010	244,580	10,623,131,801	43,434	192,761,176	1.81%	788
2011	240,135	10,637,506,136	44,298	193,993,899	1.82%	808
2012	241,935	10,584,746,790	43,750	190,763,722	1.80%	788
2013	247,543	10,691,073,245	43,189	182,702,323	1.71%	738
2014	251,552	10,998,820,849	43,724	175,153,419	1.59%	696
2015	253,747	11,370,707,572	44,811	179,271,315	1.58%	706
2016	255,789	11,857,665,347	46,357	213,356,937	1.80%	834
2017	257,156	12,490,928,773	48,573	198,899,510	1.59%	773
2018	260,654	13,330,945,213	51,144	199,009,292	1.49%	763
2019	261,639	14,188,875,191	54,231	198,326,372	1.40%	758

(1) Source: City of Laredo and Laredo Development Foundation.

(2) As reported by the Webb County Appraisal District on City's annual State Property Tax Board Reports.

TABLE 4 – TAX RATE, LEVY AND COLLECTION HISTORY

<u>Fiscal Year Ended 9-30</u>	<u>Tax Rate</u>	<u>Distribution General Fund</u>	<u>Interest and Sinking Fund</u>	<u>Tax Levy</u>	<u>% Current Collections</u>	<u>% Total Collections</u>
2010	0.637000	0.512772	0.124228	66,652,507	96.59%	99.60%
2011	0.637000	0.512304	0.124696	67,016,086	97.35%	99.66%
2012	0.637000	0.512326	0.124674	66,842,112	96.97%	99.63%
2013	0.637000	0.498866	0.138134	67,621,015	97.39%	99.62%
2014	0.637000	0.488257	0.148743	69,529,157	97.97%	99.61%
2015	0.637000	0.491720	0.145280	71,691,453	98.03%	99.54%
2016	0.637000	0.493751	0.143249	75,020,129	97.72%	99.53%
2017	0.637000	0.494068	0.142932	78,914,153	97.94%	99.41%
2018	0.637000	0.491887	0.145113	83,721,163	98.14%	99.13%
2019	0.634000	0.488732	0.145268	88,726,108	98.20%	98.20%

Tax collections as of September 30, 2019

TABLE 5 – TEN LARGEST TAXPAYERS

<u>Taxpayer</u>	<u>Type of Business</u>	<u>2018 Assessed Valuation Real & Personal Property</u>	<u>Percentage of Total Assessed Valuation</u>
AEP Texas Central Company	Electricity	159,177,560	1.08%
Laredo Texas Hospital Co., LP	Hospital	95,913,380	0.66%
Laredo Outlet Shoppes, LLC	Retail	63,629,750	0.43%
Mall Del Norte, LLC	Retail	68,868,140	0.46%
The GEO Group, Inc.	Correctional	57,371,340	0.39%
Farias Development, LTD.	Real Estate	57,298,520	0.39%
Laredo Regional Medical Center, LP	Hospital	49,307,150	0.34%
Killam Development LTD	Real Estate	51,026,479	0.35%
AEP Electric Transmission of Texas, LLC	Electricity	42,104,660	0.29%
United Cold Storage, Inc.	Cold Storage	50,339,870	0.34%
		<u>695,036,849</u>	4.73%

NOTE: As of March 6, 2020, none of the taxpayer above are delinquent.

GENERAL OBLIGATION DEBT LIMITATION...The City held a charter election on November 7, 1995. The voters approved Proposition 24 (2,093 in favor, 522 against), which stated that the total overall outstanding debt shall be limited to 10% of the total assessed value.

TABLE 6 – ESTIMATED OVERLAPPING DEBT

Expenditures of the various taxing entities within the territory of the City are paid out of ad valorem taxes levied by such entities on properties within the City. Such entities are independent of the City and may incur borrowings to finance their expenditures. This statement of direct and estimated overlapping ad valorem tax bonds ("Tax Debt") was developed from information contained in "Texas Municipal Reports" published by the Municipal Advisory Council of Texas. Except for the amounts relating to the City, the City has not independently verified the accuracy or completeness of such information, and no person should rely upon such information as being accurate or complete. Furthermore, certain of the entities may have issued additional debt since the date hereof, and such entities may have programs requiring the issuance of substantial amounts of additional debt, the amount of which cannot be determined. The following table reflects the estimated share of overlapping Tax Debt of the City.

<u>Taxing Jurisdiction</u>	<u>2018 Taxable Assessed Valuation</u>	<u>2018 Tax Rate</u>	<u>Total Funded Debt</u>	<u>Estimated % Applicable</u>	<u>City's Overlapping Funded Debt As of 09-30-19</u>
City of Laredo	14,188,875,191	0.634000	198,326,372	100.00%	198,326,372
Laredo Independent School District	2,403,924,582	1.466500	353,653,873	100.00%	353,653,873
Laredo College District	14,103,401,890	0.338051	186,885,000	100.00%	186,885,000
United Independent School District	17,053,381,889	1.251720	515,503,219	78.76%	406,010,335
Webb County	21,287,316,660	0.412000	78,895,365	62.92%	49,640,964
Total Direct and Overlapping G.O. Tax Debt					<u>1,194,516,544</u>
Ratio of Direct and Overlapping G. O. Tax Debt to Taxable Assessed Valuation					1.73%
Per Capita Overlapping G. O. Tax Debt					4,563.71

Source: Finance Departments of respective entities.

TABLE 7 – INTEREST AND SINKING FUND BUDGET PROJECTION

Estimated Debt Service Requirements, Fiscal Year Ended 9-30-2020.....	\$	27,539,974
Interest and Sinking Fund, 9-30-2019.....	6,259,232	
Property Taxes for Interest and Sinking Fund.....	20,663,530	
Paving Assessments.....	8,480	
Budgeted Transfers.....	6,774,947	
Estimated Investment Income.....	<u>192,000</u>	<u>33,898,189</u>
Estimated Balance, 9-30-2020.....	\$	<u><u>6,358,215</u></u>

TABLE 8A – GENERAL OBLIGATION DEBT SERVICE

Fiscal Year Ended 09-30	Total Outstanding GO Debt	2018 GO Refunding Issue	Fund Debt Requirements	Less: Self Supporting GO Debt Service Requirements	General Purpose Funded Debt	% of Debt Retired
2020	20,216,846	2,177,850	22,394,696	8,206,877	14,187,819	
2021	20,435,743	2,177,850	22,613,593	8,193,598	14,419,995	
2022	18,160,527	4,348,550	22,509,077	8,192,008	14,317,069	
2023	17,326,666	4,348,150	21,674,816	7,388,671	14,286,145	
2024	16,983,136	4,344,150	21,327,286	7,285,393	14,041,893	46.22%
2025	16,540,213	4,331,650	20,871,863	6,787,231	14,084,632	
2026	15,792,455	4,330,450	20,122,905	6,786,365	13,336,540	
2027	14,834,058	5,045,550	19,879,608	6,780,295	13,099,313	
2028	8,398,680	5,043,000	13,441,680	6,209,453	7,232,227	
2029	5,909,590	5,035,125	10,944,715	6,201,772	4,742,943	81.88%
2030	3,511,354	3,053,875	6,565,229	6,192,928	372,301	
2031	3,141,749	3,051,250	6,192,999	6,192,999	-	
2032	3,141,850	3,048,750	6,190,600	6,190,600	-	
2033	3,141,625	3,046,125	6,187,750	6,187,750	-	
2034	-	3,043,125	3,043,125	3,043,125	-	93.67%
2035	-	3,039,500	3,039,500	3,039,500	-	
2036	-	3,030,125	3,030,125	3,030,125	-	
2037	-	3,029,625	3,029,625	3,029,625	-	
2038	-	3,027,500	3,027,500	3,027,500	-	
2039	-	3,018,625	3,018,625	3,018,625	-	100.00%
Total	<u>167,534,492</u>	<u>71,570,825</u>	<u>239,105,317</u>	<u>114,984,440</u>	<u>124,120,877</u>	

TABLE 8B – CERTIFICATES OF OBLIGATION DEBT SERVICE

Fiscal Year 9-30	Outstanding Certificates of Obligation Debt	Certificate of Oblig, Series 2018	Fund Debt Requirements	Less: Self Supporting CO Debt Service Requirements	General Purpose Funded Debt	% of Debt Retired
2020	14,309,758	454,950	14,764,708	6,808,946	7,955,762	
2021	12,588,844	454,950	13,043,794	5,325,355	7,718,439	
2022	11,185,097	454,950	11,640,047	4,435,380	7,204,667	
2023	10,510,648	454,950	10,965,598	3,740,825	7,224,773	
2024	9,934,229	454,950	10,389,179	2,862,425	7,526,754	40.39%
2025	9,972,377	454,950	10,427,327	2,864,462	7,562,865	
2026	8,379,227	454,950	8,834,177	1,105,513	7,728,664	
2027	6,774,883	1,108,200	7,883,083	742,806	7,140,277	
2028	6,791,631	1,113,700	7,905,331	742,475	7,162,856	
2029	6,371,292	1,097,700	7,468,992	316,300	7,152,692	68.63%
2030	6,204,074	1,100,200	7,304,274	315,100	6,989,174	
2031	5,848,710	1,105,575	6,954,285	318,400	6,635,885	
2032	5,845,988	1,103,200	6,949,188	316,200	6,632,988	
2033	5,033,663	1,103,500	6,137,163	-	6,137,163	
2034	5,027,588	1,107,300	6,134,888	-	6,134,888	90.87%
2035	4,616,675	1,109,500	5,726,175	-	5,726,175	
2036	3,303,050	1,110,100	4,413,150	-	4,413,150	
2037	1,399,125	1,109,100	2,508,225	-	2,508,225	
2038	-	1,101,600	1,101,600	-	1,101,600	100.00%
Total	<u>134,096,859</u>	<u>16,454,325</u>	<u>150,551,184</u>	<u>29,894,187</u>	<u>120,656,997</u>	

TABLE 9 – COMPUTATION OF SELF-SUPPORTING DEBT

Computation of Self-supporting Debt-Airport	
Net Revenue from Fiscal Year Ended 9-30-19	875,274
Less: Airport Revenue Bond Requirements, 2020 Fiscal Year Ended	<u>-</u>
Balance Available for Other Purposes	875,274
Airport Certificate Obligation Bond Requirements, 2020 Fiscal Year Ended	<u>165,780</u>
Balance	<u>709,494</u>
Percentage of Airport Certificate Obligation Bonds Self-supporting	100%
Computation of Self-supporting Debt-Sewer System	
Net Revenue from Fiscal Year Ended 9-30-19	15,191,260
Less: Sewer System Revenue Bond Requirements, 2020 Fiscal Year Ended	<u>8,719,301</u>
Balance Available for Other Purposes	6,471,959
Sewer System Certificate and General Obligation Bond Requirements, 2020 Fiscal Year Ended	<u>3,175,108</u>
Balance	<u>3,296,851</u>
Percentage of Sewer System Certificate and General Obligation Bonds Self-supporting	100%
Computation of Self-supporting Debt-Waterworks System	
Net Revenue from Fiscal Year Ended 9-30-19	22,840,740
Less: Waterworks Revenue Bond Requirements, 2020 Fiscal Year Ended	<u>11,338,640</u>
Balance Available for Other Purposes	11,502,100
Waterworks System Certificate and General Obligation Bond Requirements, 2020 Fiscal Year Ended	<u>5,345,361</u>
Balance	<u>6,156,739</u>
Percentage of Waterworks System Certificate and General Obligation Bonds Self-supporting	100%
Computation of Self-supporting Debt-Mass Transit	
Net Revenue from Fiscal Year Ended 9-30-19	884,227
Less: Mass Transit Revenue Bond Requirements, 2020 Fiscal Year Ended	<u>-</u>
Balance Available for Other Purposes	884,227
Mass Transit Certificate and General Obligation Bond Requirements, 2020 Fiscal Year Ended	<u>1,313,760</u>
Balance	<u>(429,533)</u>
Percentage of Mass Transit Certificate and General Obligation Bonds Self-supporting	100%

TABLE 9 – COMPUTATION OF SELF-SUPPORTING DEBT (CONTINUED)

Computation of Self-supporting Debt-Solid Waste Fund (Landfill Fund)	
Net Revenue from Fiscal Year Ended 9-30-19	9,309,479
Less: Solid Waste Revenue Bond Requirements, 2020 Fiscal Year Ended	<u>-</u>
Balance Available for Other Purposes	9,309,479
Solid Waste Certificate and General Obligation Bond Requirements, 2020 Fiscal Year Ended	<u>5,181,598</u>
Balance	<u><u>4,127,881</u></u>
Percentage of Solid Waste Certificate and General Obligation Bonds Self-supporting	100%
Computation of Self-supporting Debt-Bridge Fund	
Net Revenue from Fiscal Year Ended 9-30-19	56,866,429
Less: Bridge Revenue Bond Requirements, 2020 Fiscal Year Ended	<u>6,126,413</u>
Balance Available for Other Purposes	50,740,016
Bridge Certificate and General Obligation Bond Requirements, 2020 Fiscal Year Ended	<u>-</u>
Balance	<u><u>50,740,016</u></u>
Percentage of Bridge Certificate and General Obligation Bonds Self-supporting	100%
Computation of Self-supporting Debt-Environmental Fund	
Net Revenue from Fiscal Year Ended 9-30-19	4,307,540
Less: Environmental Fund Revenue Bond Requirements, 2020 Fiscal Year Ended	<u>-</u>
Balance Available for Other Purposes	4,307,540
Environmental Fund Certificate and General Obligation Bond Requirements, 2020 Fiscal Year Ended	<u>2,450,259</u>
Balance	<u><u>1,857,281</u></u>
Percentage of Environmental Fund Certificate and General Obligation Bonds Self-supporting	100%
Computation of Self-supporting Debt-Parking Meters Fund	
Net Revenue from Fiscal Year Ended 9-30-19	36,979
Less: Parking Meters Fund Revenue Bond Requirements, 2020 Fiscal Year Ended	<u>-</u>
Balance Available for Other Purposes	36,979
Parking Meters Fund General Obligation Bond Requirements, 2020 Fiscal Year Ended	<u>190,554</u>
Balance	<u><u>(153,575)</u></u>
Percentage of Parking Meters Fund General Obligation Bonds Self-supporting	100%

TABLE 10 - OTHER OBLIGATIONS

<u>Fiscal Year Ended September 30</u>	<u>Lease Payments</u>
2020	1,404,271
2021	1,393,379
2022	482,963
2023	482,962
2024	411,833
2025	411,833
2026	411,834
2027	<u>411,834</u>
Total Minimum Lease Payments	\$ <u>5,410,909</u>

Pension Obligation

The City provides pension benefits for all of its full-time employees through the Texas Municipal Retirement System (TMRS), a statewide administered pension plan. The City makes annual contributions to the plan equal to the amounts accrued for pension expense.

FINANCIAL INFORMATION

TABLE 11 - GENERAL FUND REVENUES AND EXPENDITURES HISTORY

	Fiscal Year Ended September 30,				
	2019	2018	2017	2016	2015
Revenues:					
Taxes	104,970,475	99,795,393	95,026,773	90,302,500	90,579,673
Franchises	8,172,967	8,133,889	7,776,288	7,651,588	7,588,828
Licenses & Permits	9,134,491	9,658,199	9,421,119	9,229,632	9,047,461
Intergovernmental	753,196	434,008	894,876	595,857	963,076
Charges for Services	54,076,842	52,996,333	48,983,032	48,020,795	46,174,319
Fine and Special Assessments	5,799,339	5,381,785	5,100,557	4,736,734	4,446,428
Interest and Other	2,838,418	2,194,650	1,443,193	1,420,305	1,043,228
Other	13,278,834	16,381,711	22,204,979	28,358,710	23,114,966
Total Revenues	199,024,562	194,975,968	190,850,817	190,316,121	182,957,979
Expenditures:					
General Government	26,743,956	25,151,930	24,444,362	23,381,194	22,935,953
Public Safety	130,331,120	126,615,585	120,422,538	117,117,831	110,182,155
Public Works	6,650,578	6,384,433	6,229,622	6,198,320	5,669,633
Health and Welfare	2,950,907	2,678,157	628,047	583,255	510,518
Culture and Recreation	18,465,044	17,603,430	16,580,772	16,043,063	16,116,735
Capital Outlay	13,403,097	16,466,390	22,017,357	28,332,168	23,188,472
Interest and Fiscal Expenditures	1,089,735	1,066,539	411,834	411,833	411,834
Total Expenditures	199,634,437	195,966,464	190,734,532	192,067,664	179,015,300
Excess (Deficiency) of Revenues Over Expenditures	(609,875)	(990,496)	116,285	(1,751,543)	3,942,679
Other Financing Sources (Uses):					
Transfers In	7,403,616	7,383,660	10,807,278	7,684,137	4,252,000
Bond/Capital Lease Proceeds	-	-	62,168	-	-
Contributions	-	-	-	-	-
Transfers Out	(5,771,252)	(4,692,657)	(5,774,122)	(6,025,692)	(6,693,630)
Sale of Assets	102,050	83,544	41,247	384,527	35,607
Total Other Financing Sources (Uses):	1,734,414	2,774,547	5,136,571	2,042,972	(2,406,023)
Net Increase (Decrease)	1,124,539	1,784,051	5,252,856	291,429	1,536,656
Prior Period Adjustment	-	-	(4,630,156)	-	-
Beginning Fund Balance	46,846,974	45,062,923	44,440,223	44,148,794	42,612,138
Ending Fund Balance	47,971,513	46,846,974	45,062,923	44,440,223	44,148,794

TABLE 12 – MUNICIPAL SALES TAX HISTORY

The City has adopted the Municipal Sales and Use Tax Act, VATCS, Tax Code Chapter 321, which grants the City the power to impose and levy a 1% Local Sales Tax within the City proceeds of which are credited to the General Fund and are not pledged to the payment of the Certificates. Collections and enforcement are effected through the offices of the Comptroller of Public Accounts, State of Texas, who remits the proceeds of the tax, after deduction of a 2% service fee, to the City monthly.

<u>Fiscal Year Ended 9-30</u>	<u>Total Collected (2)</u>	<u>% of Ad Valorem Tax Levy</u>	<u>Equivalent of Ad Valorem Tax Rate</u>	<u>Per Capita (1)</u>
2009	30,308,403	46%	0.2941	129.99
2010	29,339,115	44%	0.2792	119.96
2011	33,669,024	50%	0.3192	140.21
2012	37,481,815	56%	0.3572	154.93
2013	39,921,718	59%	0.3759	161.27
2014	40,024,574	57%	0.3660	159.11
2015	41,364,145	57%	0.3659	163.01
2016	38,685,571	52%	0.3283	151.24
2017	39,417,857	50%	0.3179	153.28
2018	33,208,996	40%	0.2519	127.41
2019	43,304,882	49%	0.3090	165.51

(1) Based on estimated population for all years.

(2) The City has also collected a 1/4 of 1% Local Sales and Use Tax since September, 1991 for funding of its Mass Transit System and a 1/4 of 1% since January 2001 for the Sports & Community Venue Project. The total collected column includes only amounts collected for the City and Sports & Community Venue.

The sales tax breakdown for the City is as follows:

Webb County	0.50%
Mass Transit Sales & Use Tax	0.25%
Sports Venue Tax	0.25%
City Sales & Use Tax	1.00%
State Sales & Use Tax	6.25%
Total	8.25%

LAREDO BRIDGE SYSTEM

The system presently consists of the Gateway to the Americas Bridge (Bridge No. 1), the Juarez/Lincoln International Bridge (Bridge No. 2), the Columbia Solidarity Bridge (Bridge No. 3), and the World Trade Bridge (Bridge No. 4). Bridge No. 1 was built in 1956 and was enlarged to a 40-foot width. It has four vehicular traffic lanes with 8-foot covered pedestrian sidewalks on each side and aluminum outside railings. Bridge No. 2 was built in 1976. Total width of Bridge No. 2 is 98.4 feet and accommodates up to eight vehicular traffic lanes with a sidewalk and includes protective barriers and high curbs to separate the sidewalk from the roadway. Bridge No. 3 was built in 1991. This bridge structure is a simple plan structure consisting of six 12' wide vehicular lanes. Bridge No. 4 was built in 2000 and has eight vehicle lanes.

The system presently has 25 toll lanes, all of which are equipped with an automated toll collection system which counts truck axles and charges accordingly. The toll collection process was recently restructured and upgraded to include a weight-in-motion system for truck toll collections for the Laredo Bridge System. The bridge system employs a staff of 148 employees, approximately 79 of which are directly involved in toll collection operations. Another 69 employees are involved in various aspects of administration, including maintenance, toll technicians, accounting, customer service, traffic control, and general administration.

LAREDO BRIDGE SYSTEM CURRENT AND HISTORICAL INFORMATION

TABLE 1 - ANALYSIS OF SYSTEM TRAFFIC

CALENDAR YEAR	NON- COMMERCIAL VEHICLES	COMMERCIAL VEHICLES	TOTAL VEHICLES	PEDESTRIANS
2010	4,669,024	1,575,893	6,244,917	3,746,170
2011	4,401,849	1,725,335	6,127,184	3,161,627
2012	4,418,558	1,784,104	6,202,662	2,946,244
2013	4,551,845	1,835,110	6,386,955	2,973,056
2014	4,808,114	1,924,842	6,732,956	3,032,333
2015	5,060,633	2,005,177	7,065,810	3,029,608
2016	5,212,091	2,087,586	7,299,677	3,074,538
2017	4,992,263	2,176,965	7,169,228	3,116,492
2018	5,011,763	2,281,786	7,293,549	3,182,403
2019	5,018,723	2,369,111	7,387,834	3,304,191

TABLE 2 - TOLL RATES FOR THE SYSTEMNew Rate Schedule (Southbound only) EffectiveApril 1, 2018:

Pedestrians	\$1.00
Children under 6 years of age	Free
Bicycle and Rider	\$1.00
Non-commercial vehicles not utilizing the Automated Vehicle Identification System (AVI) (per axle)	\$1.75
Emergency vehicles, fire engines, ambulances, police cars, etc., answering or returning from an emergency call	Free
Non-commercial vehicles utilizing the AVI (per axle)	\$1.65
Commercial Vehicles (per axle)	\$4.75
Swipe Card Administrative Fee (per card)	\$1.00
Sticker Tag Cost	\$15.00

Old Rate Schedule (Southbound only) EffectiveOctober 18, 2013:

Pedestrians	\$0.75
Children under 6 years of age	Free
Bicycle and Rider	\$0.75
Non-commercial vehicles not utilizing the Automated Vehicle Identification System (AVI) (per axle)	\$1.75
Emergency vehicles, fire engines, ambulances, police cars, etc., answering or returning from an emergency call	Free
Non-commercial vehicles utilizing the AVI (per axle)	\$1.65
Commercial Vehicles (per axle)	\$4.25
Swipe Card Administrative Fee (per card)	\$1.00
Sticker Tag Cost	\$15.00

TABLE 3 - HISTORICAL REVENUES OF THE SYSTEM

<u>MONTH</u>	<u>FISCAL YEAR</u> <u>2019</u>	<u>FISCAL YEAR</u> <u>2018</u>	<u>FISCAL YEAR</u> <u>2017</u>	<u>FISCAL YEAR</u> <u>2016</u>	<u>FISCAL YEAR</u> <u>2015</u>
OCT	6,086,280	5,429,148	4,964,412	4,955,045	4,968,175
NOV	5,835,085	5,531,001	4,914,181	4,872,898	4,500,124
DEC	5,635,630	5,425,310	5,077,817	4,772,885	4,713,485
JAN	5,688,572	5,297,699	4,715,223	4,798,046	4,508,842
FEB	5,458,289	5,141,280	4,553,547	4,830,374	4,340,487
MAR	6,021,294	5,676,877	5,273,804	5,411,377	4,787,194
APR	5,615,459	5,756,988	4,803,943	5,105,546	4,851,498
MAY	6,050,517	5,984,152	5,090,443	4,921,404	4,844,978
JUN	5,829,485	5,790,623	5,281,603	4,999,924	4,854,814
JUL	6,005,938	5,688,560	5,002,491	4,818,895	5,027,472
AUG	6,034,141	6,036,736	5,312,779	5,078,869	4,895,665
SEP	<u>5,551,837</u>	<u>5,458,020</u>	<u>4,976,103</u>	<u>4,905,890</u>	<u>4,798,090</u>
TOTAL	<u>69,812,527</u>	<u>67,216,394</u>	<u>59,966,346</u>	<u>59,471,153</u>	<u>57,090,824</u>

TABLE 4 - DEBT SERVICE REQUIREMENTS OF THE SYSTEM

<u>Fiscal</u> <u>Year</u> <u>Ended</u> <u>9-30</u>	<u>Revenue Bond</u>			<u>Subordinate</u> <u>Lien</u> <u>Total</u>	<u>Total</u> <u>Outstanding</u> <u>Debt</u>	<u>% of</u> <u>Total</u> <u>Debt</u> <u>Service</u> <u>Retired</u>
	<u>Principal</u>	<u>Interest</u>	<u>Total</u>			
2020	3,395,000	1,007,313	4,402,313	1,724,100	6,126,413	
2021	3,540,000	872,513	4,412,513	1,727,850	6,140,363	
2022	3,695,000	720,013	4,415,013	1,728,350	6,143,363	44.75%
2023	2,930,000	559,213	3,489,213	1,730,600	5,219,813	
2024	3,065,000	418,863	3,483,863	1,734,350	5,218,213	
2025	2,690,000	271,913	2,961,913	1,719,350	4,681,263	
2026	910,000	175,413	1,085,413	1,720,600	2,806,013	88.32%
2027	955,000	131,513	1,086,513	1,723,275	2,809,788	
2028	995,000	88,713	1,083,713	-	1,083,713	
2029	870,000	43,500	913,500	-	913,500	100%
TOTAL	<u>23,045,000</u>	<u>4,288,967</u>	<u>27,333,967</u>	<u>13,808,475</u>	<u>41,142,442</u>	

TABLE 5 – INTERNATIONAL TOLL BRIDGE SYSTEM CONDENSED STATEMENT OF OPERATIONS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>	<u>2015</u>
<u>REVENUES</u>					
Toll Receipts	69,812,527	67,216,394	59,966,346	59,471,153	57,090,824
Rental of Facilities	185,258	179,001	213,171	240,289	759,911
Miscellaneous	697,089	647,497	759,160	480,543	434,646
Total	<u>70,694,874</u>	<u>68,042,892</u>	<u>60,938,677</u>	<u>60,191,985</u>	<u>58,285,381</u>
<u>EXPENSES</u>					
Personnel Services	7,621,078	7,659,748	8,330,870	8,710,828	7,465,971
Materials and Supplies	429,494	639,830	276,037	595,027	441,607
Contractual Services (1)	6,148,159	5,460,899	5,283,464	5,017,307	4,499,331
Other	77,083	5,003	4,767	5,025	1,585
Total	<u>14,275,814</u>	<u>13,765,480</u>	<u>13,895,138</u>	<u>14,328,187</u>	<u>12,408,494</u>
<u>NON-OPERATING REVENUE</u>					
Interest Earnings-Restricted	143,710	108,363	142,806	90,924	52,309
Interest Earnings-Unrestricted	<u>303,659</u>	<u>197,951</u>	<u>61,453</u>	<u>35,372</u>	<u>23,870</u>
Net Revenues Available for for Debt Service	56,866,429	54,583,726	47,247,798	45,990,094	45,953,066
Debt Service	<u>6,792,212</u>	<u>9,036,342</u>	<u>9,012,187</u>	<u>9,403,991</u>	<u>9,450,253</u>
Surplus Revenues	<u>50,074,217</u>	<u>45,547,384</u>	<u>38,235,611</u>	<u>36,586,103</u>	<u>36,502,813</u>

(1) Contractual Services consist of administrative overhead and monthly payments made to the City for services provided to the System from surplus revenues of the System.

TABLE 6 – COVERAGE AND FUND BALANCES

DEBT SERVICE COVERAGE-FIRST LIEN REVENUE BONDS	
Average Annual Principal and Interest Requirements on System Revenue Bonds, 2020 through 2029	\$ 2,733,397
Coverage of Average Requirements by 9-30-19 Net Income	18.32
Maximum Annual Principal and Interest Requirements, after FY 2020 through 2029	
	\$ 4,415,013
Coverage of Maximum Requirements by 9-30-19 Net Income	11.34
Reserve Fund	\$ 2,733,396
Contingency Fund	\$ 500,000
DEBT SERVICE COVERAGE-FIRST LIEN REVENUE BONDS AND SUBORDINATE LIEN BOND	
Average Annual Principal and Interest Requirements on First Lien Revenue Bonds plus Sub., Lien Bond, 2020 through 2029	\$ 4,114,244
Coverage of Average Requirements by 9-30-19 Net Income	12.17
Maximum Annual Principal and Interest Requirements, after FYE 2020 through 2029	\$ 6,143,363
Coverage of Maximum Requirements by 9-30-19 Net Income	8.15

TABLE 7 – HISTORICAL DEBT SERVICE COVERAGE ANALYSIS

Fiscal Year	Operating and Non-Operating Revenues	Direct Operating Expenses(1)	Net Revenue Available For Debt Service	Total Debt Service Requirements	Coverage
2010	46,097,657	11,365,703	34,731,954	8,787,530	4
2011	46,511,403	11,577,331	34,934,072	8,784,606	4
2012	47,442,168	11,558,034	35,884,134	8,708,893	4
2013	47,685,185	11,669,362	36,015,823	8,728,259	4
2014	55,275,228	12,363,469	42,911,759	7,909,872	5
2015	58,361,560	12,408,494	45,953,066	9,450,253	5
2016	60,318,281	14,328,187	45,990,094	9,403,991	5
2017	61,142,936	13,895,138	47,247,798	9,012,187	5
2018	68,349,206	13,765,480	54,583,726	9,036,342	6
2019	71,142,243	14,275,814	56,866,429	6,792,212	8

(1) Operating expenses do not include depreciation expense and non-operating expenses.

LAREDO INTERNATIONAL AIRPORT DISCLOSURES

The City of Laredo International Airport (LRD) encompasses approximately 1,700 acres of which 900 acres are dedicated to aviation for passenger and air cargo terminals, runways, taxiways and aprons, and 800 acres are dedicated for industrial, commercial, retail, institutional, and recreational.

The Airport is currently being served by the following scheduled airlines: American Airlines to Dallas/Fort Worth, United Express to Houston Bush Intercontinental, Allegiant Air to Las Vegas, Nevada and seasonally to Orlando, Florida. On average, the airlines have in total ten (10) daily scheduled round trip flights. A top priority for the Airport is the re-instatement of direct air service to Mexico City and Guadalajara, Mexico.

Furthermore, our passenger terminal also houses a full service restaurant, ATM, four car rental companies, Federal Inspection Facility with U.S. Customs (CBP) 24/7 services, and Transportation Security Administration.

The airport passenger terminal is master planned to expand from the original three gates with four passenger-boarding bridges. The passenger capacity for the terminal is 600 passengers per hour and the Federal Inspection Station has capacity for 300 passengers per hour.

Two (2) scheduled cargo operators and twenty-two (22) charter air cargo companies are currently serving the Airport. Major scheduled service air cargo operators include Federal Express, and UPS Supply Chain Solutions. In terms of all-air cargo activity in 2018, LRD ranking improved to 41st – a 15% increase from previous year. Laredo International Airport is ranked 6th in Texas for Air Cargo.

The Laredo International Airport is unique in that it is the only place outside the Republic of Mexico to have an operation of Mexican Customs to pre-inspection Mexico bound air cargo. Whereas, other countries may have passenger pre-clearance, LRD is the only airport worldwide with a cargo pre-inspection. Air cargo shipments to Mexico are expedited, this being an attraction to the Auto Manufacturing, Auto Parts, Electronics / Electrical and Aerospace industries who rely on “just-in-time” delivery of inventory.

In April 2014, LRD completed an update of Laredo’s Airport Noise Compatibility Study. Residents within the approved Airport Noise Contours are eligible to participate in the City’s voluntary noise abatement program. This program consists of the following options:

- Offer to acquire the fee simple interest, or
- Offer to soundproof, if feasible, the residential structure in exchange for an aviation easement, or
- Offer to acquire the aviation easement.

The estimated cost of the airport noise abatement program for the next eight to ten years is \$48.0 million, of which the Federal Aviation Administration (FAA), under the current program, would fund 90% of the program cost. Currently, the Laredo International Airport is in the process of conducting a new Noise Compatibility Study to determine if contours have changed. Study funded 90% from FAA and 10% local match.

Projects for 2019 include, but not limited to, Cargo Apron Phase 11 & 12 construction, Cargo Apron Phase 13 Design, and FAR Part 150 Noise Abatement Program.

Subject to Federal Aviation Administration (FAA) and Congressional funding; projects planned over the next years involve:

- Rehabilitate Cargo Apron Phase 14: Project CY2020
- Construct Taxiways T1 and T2: Project CY2021
- Construct Taxiways T4, H1, and H2: Project CY 2022
- Construct Taxiways T3 and T5: Project CY2023

During the past twenty-four (24) years, the City and the Federal Aviation Administration have invested over \$265 million in Laredo International Airport infrastructure including noise abatement. This trend we anticipate will continue into the future.

The airport leases facilities and land to non-aviation and aviation service providers, retailers, medical institutions, and public entities.

The goal of City Council to develop a Regional Medical Center on airport non-aeronautical use land is being realized. The University of Texas Health Science Center (UTHSC) inaugurated the first building of its medical research and education campus in Laredo in 2002, and the second building was completed in 2007. UTHSC is located adjacent to Mercy Regional Medical Center. During 2006, Laredo Specialty Hospital and Gateway Health Clinic completed the construction of their facilities and are currently offering medical services to the public. A new Veteran's Administration Clinic partnered with the UT Health and Science Center opened in 2013.

The Laredo International Airport is undergoing a Land Use Development Plan Study to access the current airport properties to include those within the Noise Leasing Program and create a comprehensive real estate development program for highest and best used.

Calendar Year	Passengers Enplaned	Passengers Deplaned	Air Cargo Gross Landed Weight (lbs.)
(1)2010	110,615	113,219	419,323,814
2011	99,893	98,213	458,595,636
2012	96,523	94,544	454,254,623
2013	103,035	102,218	398,752,468
2014	101,505	103,909	447,352,556
2015	98,854	104,087	426,405,000
2016	93,483	94,308	450,435,440
2017	85,508	90,326	587,517,683
2018	83,287	91,553	677,913,518
2019	88,601	96,616	531,439,757

(1) An improved global economy is reason for the significant increase in both passenger and air cargo activity.

TABLE 1- SUMMARY OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE

	Fiscal Years Ended September 30					
	2019	2018	2017	2016	2015	2014
Revenues:						
FAA	\$ 40,223	\$ 39,133	\$ 43,388	\$ 215,013	\$ 43,023	\$ 41,400
State Operating Grants	4,565	25,140	1,541	245	924	1,020
Rents	6,854,043	6,773,209	5,513,625	5,067,020	6,981,197	5,048,768
Interest Earnings	180,400	132,763	23,022	23,029	29,763	39,846
Discount Earnings	142	147	148	159	-	-
Fees & Collections	482,833	535,393	508,841	491,738	-	-
Miscellaneous	439,052	411,854	391,453	424,639	1,224,973	1,064,719
Total Revenues	<u>8,001,258</u>	<u>7,917,639</u>	<u>6,482,018</u>	<u>6,221,843</u>	<u>8,279,880</u>	<u>6,195,753</u>
Expenditures:						
Administration	3,164,972	3,100,400	3,176,124	3,342,143	3,149,108	3,022,377
Building Maintenance	1,594,442	1,243,819	1,220,494	1,143,788	1,254,836	1,052,504
Ground Maintenance	565,652	586,767	541,686	574,084	538,429	589,807
Airport Security	1,482,806	1,556,603	1,492,049	1,527,184	1,239,920	1,192,452
Foreign Trade Zone	24,126	24,322	5,648	24,479	15,092	19,236
Federal Inspection Services	289,963	280,681	273,907	271,586	269,651	282,113
Operation Stonegarden	4,025	13,632	-	-	-	-
Total Expenditures	<u>7,125,986</u>	<u>6,806,224</u>	<u>6,709,908</u>	<u>6,883,264</u>	<u>6,467,036</u>	<u>6,158,489</u>
Net Operating Revenues	875,272	1,111,415	(227,890)	(661,421)	1,812,844	37,264
Other Sources (Uses):						
Debt Service	(71,128)	-	-	(495,000)	(497,247)	(493,877)
Capital Outlay	(67,446)	(410,086)	(182,450)	(104,041)	(780,077)	(620,141)
Airport Construction Fund	(1,121,593)	(2,569,381)	(1,158,003)	(2,450,000)	(2,549,996)	(4,728,815)
General Fund	-	-	-	(78,141)	(78,141)	(828,141)
Noise Abatement	600,000	600,000	750,000	600,000	600,000	400,000
Proceeds - Long Term Debt	-	321,720	-	-	-	-
Sale of Assets	14,973	7,550	576,045	-	-	1,249
Total Other Sources (Uses)	<u>(645,194)</u>	<u>(2,050,197)</u>	<u>(14,408)</u>	<u>(2,527,182)</u>	<u>(3,305,461)</u>	<u>(6,269,725)</u>
Excess (Deficiency) of						
Revenues Over Expenditures	230,078	(938,782)	(242,298)	(3,188,603)	(1,492,617)	(6,232,461)
Beginning Fund Balance	5,772,397	6,711,179	1,785,048	4,973,651	6,466,268	12,698,729
Prior Period Adjustment	-	-	5,168,429	-	-	-
Ending Fund Balance	<u>\$ 6,002,475</u>	<u>\$ 5,772,397</u>	<u>\$ 6,711,179</u>	<u>\$ 1,785,048</u>	<u>\$ 4,973,651</u>	<u>\$ 6,466,268</u>

TABLE 2 - DEBT SERVICE REQUIREMENT

Fiscal Year Ended 9-30	Certificates of Obligation Series 2010 - B		Total Outstanding Debt	% of Principal Retired
	Principal	Interest		
2020	100,000	65,780	165,780	
2021	110,000	60,320	170,320	
2022	115,000	54,470	169,470	
2023	120,000	48,360	168,360	
2024	125,000	41,990	166,990	49.86%
2025	135,000	35,230	170,230	
2026	140,000	28,080	168,080	
2027	150,000	20,540	170,540	
2028	155,000	12,610	167,610	
2029	165,000	4,290	169,290	100.00%
	<u>\$ 1,315,000</u>	<u>371,670</u>	<u>1,686,670</u>	

TABLE 3 - DEBT SERVICE COVERAGE

Average Annual Principal and Interest Requirements, 2020-2029	178,295
Coverage of Average Requirements by 9-30-19 Net Income	4.91
Maximum Annual Principal and Interest Requirements, after FYE 2020 through 2029	170,540
Coverage of Maximum Requirements by 9-30-19 Net Income	5.13

THE 2019 UTILITY SYSTEM

WATER SUPPLY

The City of Laredo uses surface water from the Rio Grande River as its source of raw water. The two plants in the City of Laredo are the Jefferson Water Treatment Plant 65 MGD and El Pico Water Treatment Plant 20 MGD for a combined capacity of 85 MGD. The average daily consumption during fiscal year 2019 was approximately 33.77 million gallons per day and peak demand for fiscal year 2019 was 53.43 million gallons per day. Connections to the water system as of September 30, 2019 were 74,097. The monthly average of meters read is 73,512. The average number of service calls per month is 12,598 for a FY 2018-19 total of 151,181. Currently, the system consists of approximately 1,119 miles of transmission and distribution lines and 8,120 fire hydrants.

The City of Laredo owns approximately 62,009 acre-feet of municipal water rights. The Jefferson Water Treatment Plant has two separate river intakes, two separate river pump structures and related multiple pump units. The lower treatment plant was closed down in 2013. The electrical system includes an underground electrical power distribution system, including three electrical buildings housing motor control centers. The Supervisory Control and Data Acquisition (SCADA) system combined with magnetic flow meters and motors operated valves allow increased precision in chemical addition for reduced operating costs. The traveling water screens, flocculators, re-lift pumps and five clarifiers provide more reliable hydraulic capacity. Twelve gravity filters allow the facility to respond to wide variations in river water turbidity. The two high service pump stations and three clear wells provide a uniform water system pressure. The actual process and electrical system enhance the reliability of the treatment process.

El Pico Water Treatment Plant was put into operation on April 2015. El Pico Water Treatment Plant consists of raw water intake followed by the raw water pump station, rapid mix, flocculation, sedimentation, filtration, filter building, backwash pumping, backwash equalization, backwash clarifier, intermediate pumping, clearwell, high service pump station, sludge thickener, sludge holding tank, sludge dewatering, dewatering building, chemical building, chemical feed and bulk storage, administration building, effluent transmission main, electrical and instrumentation, including the SCADA control.

In 1957, the City of Laredo entered into an agreement with Webb County to use Lake Casa Blanca Reservoir as off-channel storage for emergency use. This reservoir has an impoundment capacity of 77,800 acre feet at top of the dam, 58,600 acre feet at maximum pool, (PMF – Probable Maximum Feet) of which 20,000 acre feet are reserved for emergency use. This agreement is still in effect.

WASTEWATER SYSTEM

The City of Laredo owns and operates six wastewater treatment plants, which have a combined total design capacity of 35.213 million gallons per day ("MGD"). The pounds of Biochemical Oxygen demand (BOD) treated is 12,480,626 by all six wastewater treatment plants and a Total Bio-Solids disposal cost of \$878,302. The Sewer System includes approximately 785 miles of sewer lines and 71 lift stations. The average daily treatment is 18.449 MGD with 68,753 connections as of September 30, 2019.

TABLE 1 - WATER STORAGE AND DISTRIBUTION

At the present time the system incorporates the following treated water storage facilities:

<u>Location</u>	<u>No. Tanks</u>	<u>No. Clear Wells</u>	<u>Storage Capacity</u>
Jefferson St Water Treatment Plant		3	3,500,000 gallons
El Pico Water Treatment Plant		1	5,000,000 gallons
Lyon Street and Meadow Avenue	1		5,000,000 gallons
Milmo and Texas Avenue	2		2,000,000 gallons
Pinto Valle #1	1		200,000 gallons
MHOC	2		10,000,000 gallons
Sierra Vista	1		5,000,000 gallons
San Isidro NE	1		300,000 gallons
359 Hwy Booster	1		200,000 gallons
South Laredo	1 (elevated)		1,000,000 gallons
North Laredo (Highlands)	1 (elevated)		1,000,000 gallons
Northwest Laredo	1 (elevated)		1,000,000 gallons
Las Blancas	1 (elevated)		500,000 gallons
Killam (TAMIU) Tank	1 (elevated)		2,000,000 gallons
Cuatro Vientos	1 (elevated)		2,000,000 gallons
Nixon Bartlett and Price	1 (elevated)		3,000,000 gallons
Daugherty and Hillside	1 (elevated)		<u>500,000 gallons</u>
Total Treated Water Storage			<u>42,200,000 gallons</u>

TABLE 2 - WATER PUMPAGE (THOUSAND GALLONS)

Historical water usage for the City is as follows:

<u>Fiscal Year Ended 9/30</u>	<u>Average Day Pumpage (1,000 Gallons)</u>	<u>Peak Day Pumpage (1,000 Gallons)</u>	<u>Total Yearly Pumpage (1,000 Gallons)</u>
2010	32,565	47,470	11,900,196
2011	32,600	47,470	11,726,000
2012	28,386	52,312	10,427,878
2013	35,528	48,000	11,883,850
2014	25,936	47,594	9,465,347
2015	31,900	54,389	11,654,700
2016	36,291	58,506	12,520,848
2017	34,050	49,616	12,434,677
2018	33,770	53,430	12,326,452
2019	33,904	52,918	12,374,989

TABLE 3 - SEWAGE FLOW (THOUSAND GALLONS)

Fiscal Year Ended <u>9/30</u>	Average Day Pumpage <u>(1,000 Gallons)</u>	Peak Day Pumpage <u>(1,000 Gallons)</u>	Total Yearly Pumpage <u>(1,000 Gallons)</u>
2010	18,256	33,196	6,663,368
2011	18,783	24,234	6,855,795
2012	18,900	30,896	6,780,000
2013	19,300	33,356	6,849,845
2014	18,800	33,900	6,874,400
2015	19,701	29,824	7,190,787
2016	20,637	30,400	7,241,500
2017	19,500	43,375	6,917,746
2018	18,829	31,028	6,873,430
2019	18,445	26,593	6,733,821

TABLE 4 - TEN LARGEST WATER/SEWER USERS (GALLONS) (1)

TYPE OF BUSINESS	WATER CONSUMPTION (1)
United I.S.D.	119,747,500
Laredo Medical Center	77,159,400
Texas A&M University System	52,323,300
Laredo College	42,053,700
City of Laredo - Parks and Recreatio	26,376,400
New Webb County Jail	24,224,600
Laredo Regional Medical Center	15,053,200
Clarks Crossing Apartments	14,071,700
Blue Beacon 68	13,440,200
Dorel Laredo Holdings, LLC	12,498,200

TYPE OF BUSINESS**SEWER BILLED (1)**

Laredo Medical Center	77,159,400
Texas A&M University System	25,421,400
New Webb County Jail	24,224,600
Laredo Regional Medical Center	15,053,200
Clarks Crossing Apartments	14,071,700
Blue Beacon 68	13,440,200
Dorel Laredo Holdings, LLC	12,498,200
Town North Mobile Homes	10,908,700
Regent Care Center of Laredo	10,713,600
Flying J	9,729,800

(1) Source: City of Laredo, Texas

TABLE 5 - MONTHLY WATER RATES (BASED ON WATER CONSUMPTION)

Water Rates
(Effective October 1, 2018)

Inside City Limits	
Residential:	
Meter sized based minimum monthly water charges for metered consumption from zero to 2,000 gallons:	
5/8" & 3/4" meter	10.02
1" meter	21.81
1 1/2" meter	30.84
2" meter	47.96
Per 1,000 gallons (for the next 2,000 gallons) per month in excess of 2,000 gallons per month	1.96
Per 1,000 gallons (for the next 6,000 gallons) per month in excess of 4,000 gallons per month	2.09
Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 10,000 gallons per month	2.16
Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 20,000 gallons per month	2.30
Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 30,000 gallons per month	2.45
Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 40,000 gallons per month	2.56
Per 1,000 gallons per month in excess of 50,000 gallons per month	5.10
Multi-Family and Commercial:	

Meter sized based minimum monthly water charges for metered consumption from zero to 2,000 gallons:	
5/8" & 3/4" meter	37.73
1" meter	40.98
1 1/2" meter	44.58
2" meter	62.90
3" meter	125.14
4" meter	189.00
6" meter	340.38
8" meter	501.72
Per 1,000 gallons (for the next 2,000 gallons) per month in excess of 2,000 gallons per month	2.09
Per 1,000 gallons (for the next 6,000 gallons) per month in excess of 4,000 gallons per month	2.57
Per 1,000 gallons (for the next 30,000 gallons) per month in excess of 10,000 gallons per month	3.23
Per 1,000 gallons (for the next 110,000 gallons) per month in excess of 40,000 gallons per month	3.42
Per 1,000 gallons (for the next 150,000 gallons) per month in excess of 150,000 gallons per month	3.69
Per 1,000 gallons (for the next 300,000 gallons) per month in excess of 300,000 gallons per month	4.08
Per 1,000 gallons (for the next 400,000 gallons) per month in excess of 600,000 gallons per month	4.81
Per 1,000 gallons per month in excess of 1,000,000 gallons per month	4.93
Outside City Limits:	
The rates for water outside the City limits shall be two times those established for commercial rates.	

**Old Water Rates
(Effective October 1, 2017)**

Inside City Limits	
Residential:	
Meter sized based minimum monthly water charges for metered consumption from zero to 2,000 gallons:	
5/8" & 3/4" meter	9.82
1" meter	21.38
1 1/2" meter	30.24
2" meter	46.96
Per 1,000 gallons (for the next 2,000 gallons) per month in excess of 2,000 gallons per month	1.92
Per 1,000 gallons (for the next 6,000 gallons) per month in excess of 4,000 gallons per month	2.05
Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 10,000 gallons per month	2.12

Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 20,000 gallons per month	2.25
Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 30,000 gallons per month	2.40
Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 40,000 gallons per month	2.51
Per 1,000 gallons per month in excess of 50,000 gallons per month	5.00
Multi-Family and Commercial:	
Meter sized based minimum monthly water charges for metered consumption from zero to 2,000 gallons:	
5/8" & 3/4" meter	36.99
1" meter	40.18
1 1/2" meter	44.69
2" meter	61.67
3" meter	122.69
4" meter	185.29
6" meter	333.71
8" meter	491.88
Per 1,000 gallons (for the next 2,000 gallons) per month in excess of 2,000 gallons per month	2.05
Per 1,000 gallons (for the next 6,000 gallons) per month in excess of 4,000 gallons per month	2.52
Per 1,000 gallons (for the next 30,000 gallons) per month in excess of 10,000 gallons per month	3.17
Per 1,000 gallons (for the next 110,000 gallons) per month in excess of 40,000 gallons per month	3.35
Per 1,000 gallons (for the next 150,000 gallons) per month in excess of 150,000 gallons per month	3.62
Per 1,000 gallons (for the next 300,000 gallons) per month in excess of 300,000 gallons per month	4.00
Per 1,000 gallons (for the next 400,000 gallons) per month in excess of 600,000 gallons per month	4.72
Per 1,000 gallons per month in excess of 1,000,000 gallons per month	4.83
Outside City Limits:	
The rates for water outside the City limits shall be two times those established for commercial rates.	

TABLE 6 - MONTHLY SEWER RATES (BASED ON WATER CONSUMPTION)

**Sewer Rates
(Effective October 1, 2018)**

Inside City Limits	
Residential:	
Monthly minimum, including the use of 2,000 gallons per month	9.85
Per 1,000 gallons (for the next 2,000 gallons) per month in excess of 2,000 gallons	3.37
Per 1,000 gallons (for the next 6,000 gallons) per month in excess of 4,000 gallons per month	3.43
Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 10,000 gallons per month	3.61
Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 20,000 gallons per month	3.87
Commercial:	
Monthly minimum, including use of 2,000 gallons per month	26.39
Per 1,000 gallons (for the next 2,000 gallons) per month in excess of 2,000 gallons per month	2.51
Per 1,000 gallons (for the next 6,000 gallons) per month in excess of 4,000 gallons per month	2.56
Per 1,000 gallons (for the next 20,000 gallons) per month in excess of 10,000 gallons per month	2.93
Per 1,000 gallons (for the next 110,000 gallons) per month in excess of 40,000 gallons per month	3.03
Per 1,000 gallons (for the next 150,000 gallons) per month in excess of 150,000 gallons per month	3.87
Per 1,000 gallons (for the next 300,000 gallons) per month in excess of 300,000 gallons per month	3.87
Per 1,000 gallons (for the next 400,000 gallons) per month in excess of 600,000 gallons per month	4.42
Per 1,000 gallons per month in excess of 1,000,000 gallons per month	5.37

There shall be no maximum monthly charges for commercial users.

Outside City Limits:

The rates for sewer outside the City Limits shall be two times those established for commercial rates.

**Old Sewer Rates
(Effective October 1, 2017)**

Inside City Limits	
Residential:	
Monthly minimum, including the use of 2,000 gallons per month	9.66
Per 1,000 gallons (for the next 2,000 gallons) per month in excess of 2,000 gallons	3.30
Per 1,000 gallons (for the next 6,000 gallons) per month in excess of 4,000 gallons per month	3.36
Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 10,000 gallons per month	3.54
Per 1,000 gallons (for the next 10,000 gallons) per month in excess of 20,000 gallons per month	3.79
Commercial:	
Monthly minimum, including use of 2,000 gallons per month	25.87
Per 1,000 gallons (for the next 2,000 gallons) per month in excess of 2,000 gallons per month	2.46
Per 1,000 gallons (for the next 6,000 gallons) per month in excess of 4,000 gallons per month	2.51
Per 1,000 gallons (for the next 20,000 gallons) per month in excess of 10,000 gallons per month	2.87
Per 1,000 gallons (for the next 110,000 gallons) per month in excess of 40,000 gallons per month	2.97
Per 1,000 gallons (for the next 150,000 gallons) per month in excess of 150,000 gallons per month	3.79
Per 1,000 gallons (for the next 300,000 gallons) per month in excess of 300,000 gallons per month	3.79
Per 1,000 gallons (for the next 400,000 gallons) per month in excess of 600,000 gallons per month	4.34
Per 1,000 gallons per month in excess of 1,000,000 gallons per month	5.26

There shall be no maximum monthly charges for commercial users.

Outside City Limits:

The rates for sewer outside the City Limits shall be two times those established for commercial rates.

WATER CONSERVATION PROGRAM

The Utilities Department Water Conservation Program is designed to provide practices, techniques, and technologies that help reduce the consumption of water, reduce the loss or waste of water, improve efficiency in the use of water, and increase the recycling and reuse of water for the ultimate purpose of making available a water supply for future or alternative uses. The Water Conservation Program operates to implement and enforce the Water Conservation and Drought Contingency Ordinance. The program is divided into two sections; enforcement and public education. For enforcement, there were a total of 113 warnings issued and 9 citations. For public education, there were 19 events that included hosting proclamations, groundbreaking ceremonies, ribbon cutting ceremonies, career day events, and other City/civic events.

As part of the City's water conservation efforts, the Utilities Department manages the WaterSense High Efficiency Toilet (HET) Rebate Program, which is designed to encourage water customers to replace old water wasting toilets with new high efficiency toilets that carry the WaterSense label. For each toilet replaced (maximum 2 per household per year, if more than two toilets in home), the City of Laredo Utilities Department provides the water customer with a standard one-hundred dollar (\$100) rebate, which is applied as a credit to the participant water account. Each installation of toilet is verified by water conservation inspectors as a condition of the rebate approval, and the old water wasting toilet(s) are destroyed (tank only) by the participating customer. The old water wasting toilets are reported to the Solid Waste Department and are scheduled for collection at each participant's address to be transported to the City of Laredo Landfill. During fiscal year 2018-2019, there were a total of 89 approved toilet rebates applied to customer accounts. A total of 3 vehicle car wash permits were issued during this fiscal year.

TABLE 7: VALUE OF SYSTEM - CITY OF LAREDO UTILITIES

For Fiscal Year Ended
September 30,

		2019			2018			2017		
		Water	Sewer	Total Utilities	Water	Sewer	Total Utilities	Water	Sewer	Total Utilities
System Improvements	\$	238,117,115	166,303,200	404,420,315	231,650,209	160,578,310	392,228,519	220,079,310	147,779,878	367,859,188
Vehicles and Equipment		12,295,038	15,185,117	27,480,155	11,958,954	13,909,694	25,868,648	12,230,670	12,804,366	25,035,036
Buildings		185,954,205	96,734,124	282,688,329	185,873,115	93,433,984	279,307,099	185,707,175	45,273,703	230,980,878
Land and Improvements		56,596,726	9,749,688	66,346,414	56,596,726	9,749,688	66,346,414	55,809,226	8,719,483	64,528,709
Easements		4,024,225	1,038,012	5,062,237	4,024,225	1,038,012	5,062,237	3,654,058	1,018,169	4,672,227
Construction in Progress		5,503,407	29,396,361	34,899,768	4,232,990	24,846,911	29,079,901	1,543,418	66,699,941	68,243,359
Less: Total Depreciation		(171,710,361)	(115,575,411)	(287,285,772)	(160,745,832)	(108,141,433)	(268,887,265)	(149,523,980)	(101,087,511)	(250,611,491)
Value After Depreciation	\$	<u>330,780,355</u>	<u>202,831,091</u>	<u>533,611,446</u>	<u>333,590,387</u>	<u>195,415,166</u>	<u>529,005,553</u>	<u>329,499,877</u>	<u>181,208,029</u>	<u>510,707,906</u>
		2016			2015			2014		
		Water	Sewer	Total Utilities	Water	Sewer	Total Utilities	Water	Sewer	Total Utilities
System Improvements	\$	192,761,074	142,714,252	335,475,326	189,316,812	139,046,539	328,363,351	179,983,483	126,911,984	306,895,467
Vehicles and Equipment		12,031,162	12,636,646	24,667,808	11,771,180	12,258,403	24,029,583	10,775,057	11,803,394	22,578,451
Buildings		180,552,155	43,985,694	224,537,849	180,537,830	43,276,125	223,813,955	179,552,009	43,266,210	222,818,219
Land and Improvements		54,218,446	9,017,104	63,235,550	49,857,546	5,270,559	55,128,105	48,077,778	5,240,513	53,318,291
Easements		3,023,577	852,199	3,875,776	1,856,984	572,519	2,429,503	658,929	253,880	912,809
Construction in Progress		23,777,372	54,956,454	78,733,826	21,180,364	55,425,994	76,606,358	23,280,822	58,682,600	81,963,422
Less: Total Depreciation		(138,571,644)	(94,321,130)	(232,892,774)	(127,758,039)	(87,424,004)	(215,182,043)	(116,947,749)	(80,933,880)	(197,881,629)
Value After Depreciation	\$	<u>327,792,142</u>	<u>169,841,219</u>	<u>497,633,361</u>	<u>326,762,677</u>	<u>168,426,135</u>	<u>495,188,812</u>	<u>325,380,329</u>	<u>165,224,701</u>	<u>490,605,030</u>

TABLE 8: CITY'S EQUITY IN UTILITY SYSTEM

For Fiscal Year Ended
September 30,

September 30,		2019			2018			2017		
		Water	Sewer	Total Utilities	Water	Sewer	Total Utilities	Water	Sewer	Total Utilities
Resources:										
Net System Value	\$	330,780,355	202,831,091	533,611,446	333,590,387	195,415,166	529,005,553	329,499,877	181,208,029	510,707,906
Cash and Investments		71,259,027	68,564,644	139,823,671	67,614,459	76,860,849	144,475,308	69,423,048	68,566,862	137,989,910
Other Sources		30,150,522	10,443,565	40,594,087	23,057,501	8,514,823	31,572,324	19,634,858	8,667,894	28,302,752
Total Resources		432,189,904	281,839,300	714,029,204	424,262,347	280,790,838	705,053,185	418,557,783	258,442,785	677,000,568
Obligations:										
Bonds Payable		234,286,228	158,122,220	392,408,448	240,611,024	162,958,724	403,569,748	245,008,424	148,911,953	393,920,377
Less: Bond Funds		(12,098,738)	(10,084,746)	(22,183,484)	(12,104,558)	(10,109,539)	(22,214,097)	(29,904,668)	(8,936,524)	(38,841,192)
		222,187,490	148,037,474	370,224,964	228,506,466	152,849,185	381,355,651	215,103,756	139,975,429	355,079,185
Other Obligations		44,933,705	20,296,795	65,230,500	39,273,583	20,712,989	59,986,572	58,225,699	19,493,465	77,719,164
Total Obligations		267,121,195	168,334,269	435,455,464	267,780,049	173,562,174	441,342,223	273,329,455	159,468,894	432,798,349
City's Equity in System	\$	165,068,709	113,505,031	278,573,740	156,482,298	107,228,664	263,710,962	145,228,328	98,973,891	244,202,219
Percentage City's Equity In System		38.19%	40.27%	39.01%	36.88%	38.19%	37.40%	34.70%	38.30%	36.07%
For Fiscal Year Ended September 30,										
		2016			2015			2014		
		Water	Sewer	Total Utilities	Water	Sewer	Total Utilities	Water	Sewer	Total Utilities
Resources:										
Net System Value	\$	327,792,142	169,841,219	497,633,361	326,762,677	168,426,135	495,188,812	325,380,329	165,224,701	490,605,030
Cash and Investments		72,421,282	79,700,362	152,121,644	71,561,005	69,663,599	141,224,604	71,965,756	71,424,687	143,390,443
Other Sources		21,273,458	9,234,460	30,507,918	11,178,167	6,895,648	18,073,815	8,170,889	5,278,605	13,449,494
Total Resources		421,486,882	258,776,041	680,262,923	409,501,849	244,985,382	654,487,231	405,516,974	241,927,993	647,444,967
Obligations:										
Bonds Payable		252,728,946	155,384,654	408,113,600	232,162,040	136,431,409	368,593,449	221,870,994	130,825,233	352,696,227
Less: Bond Funds		(29,748,964)	(8,988,269)	(38,737,233)	(12,187,063)	(7,953,603)	(20,140,666)	(13,886,950)	(8,924,685)	(22,811,635)
		222,979,982	146,396,385	369,376,367	219,974,977	128,477,806	348,452,783	207,984,044	121,900,548	329,884,592
Other Obligations		59,301,285	18,739,204	78,040,489	44,035,449	18,713,553	62,749,002	30,236,743	14,810,857	45,047,600
Total Obligations		282,281,267	165,135,589	447,416,856	264,010,426	147,191,359	411,201,785	238,220,787	136,711,405	374,932,192
City's Equity in System	\$	139,205,615	93,640,452	232,846,067	145,491,423	97,794,023	243,285,446	167,296,187	105,216,588	272,512,775
Percentage City's Equity In System		33.03%	36.19%	34.23%	35.53%	39.92%	37.17%	41.26%	43.49%	42.09%

TABLE 9: UTILITY SYSTEM CONDENSED STATEMENT OF OPERATIONS PART 1

For Fiscal Year Ended

September 30,

	2019			2018			2017		
	Water	Sewer	Total Utilities	Water	Sewer	Total Utilities	Water	Sewer	Total Utilities
<u>Revenues</u>									
Charges for Services	\$ 41,236,282	33,384,360	74,620,642	41,288,759	33,452,820	74,741,579	39,526,105	32,670,580	72,196,685
Interest	1,087,037	822,361	1,909,398	589,686	511,757	1,101,443	280,299	260,129	540,428
Miscellaneous	6,441,697	450,068	6,891,765	6,304,388	371,998	6,676,386	6,921,551	375,134	7,296,685
Total Revenues	48,765,016	34,656,789	83,421,805	48,182,833	34,336,575	82,519,408	46,727,955	33,305,843	80,033,798
<u>Expenses</u>									
Administrative	4,825,503	7,777,227	12,602,730	4,443,854	7,645,345	12,089,199	5,115,237	7,983,696	13,098,933
GIS	381,436	-	381,436	403,400	-	403,400	360,277	-	360,277
Utility Engineering	1,079,208	-	1,079,208	1,164,377	-	1,164,377	1,176,223	-	1,176,223
Utility Billing	4,822,283	-	4,822,283	4,463,130	-	4,463,130	4,472,158	-	4,472,158
Asset Management	390,009	-	390,009	389,503	-	389,503	376,033	-	376,033
Water Treatment Plant	9,611,710	-	9,611,710	8,958,087	-	8,958,087	9,509,601	-	9,509,601
Transmission and Distribution	4,177,647	-	4,177,647	4,421,314	-	4,421,314	4,163,536	-	4,163,536
Water Pollution Control	636,480	-	636,480	660,348	-	660,348	582,402	-	582,402
Wastewater Treatment	-	7,067,958	7,067,958	-	7,114,399	7,114,399	-	7,669,561	7,669,561
Wastewater Collection	-	4,620,344	4,620,344	-	4,441,543	4,441,543	-	4,357,744	4,357,744
Total Expenses	25,924,276	19,465,529	45,389,805	24,904,013	19,201,287	44,105,300	25,755,467	20,011,001	45,766,468
Net Available for Debt Service	\$ 22,840,740	15,191,260	38,032,000	23,278,820	15,135,288	38,414,108	20,972,488	13,294,842	34,267,330
Number of Customers	74,097	68,753		72,859	67,676		71,788	66,707	

TABLE 9: UTILITY SYSTEM CONDENSED STATEMENT OF OPERATIONS PART 2

For Fiscal Year Ended

September 30,

	2016			2015			2014		
	Water	Sewer	Total Utilities	Water	Sewer	Total Utilities	Water	Sewer	Total Utilities
<u>Revenues</u>									
Charges for Services	\$ 39,459,935	31,509,797	70,969,732	34,643,695	27,994,808	62,638,503	36,738,275	30,178,398	66,916,673
Interest	143,573	156,096	299,669	93,307	114,088	207,395	66,707	77,484	144,191
Miscellaneous	6,545,404	333,916	6,879,320	4,954,663	414,542	5,369,205	5,121,754	217,778	5,339,532
Total Revenues	46,148,912	31,999,809	78,148,721	39,691,665	28,523,438	68,215,103	41,926,736	30,473,660	72,400,396
<u>Expenses</u>									
Administrative	5,764,291	8,051,170	13,815,461	4,521,549	6,361,486	10,883,035	4,380,112	6,353,152	10,733,264
GIS	-	-	-	-	-	-	-	-	-
Utility Engineering	1,401,321	-	1,401,321	1,005,318	-	1,005,318	1,239,415	-	1,239,415
Utility Billing	4,029,783	-	4,029,783	3,813,221	-	3,813,221	3,594,252	-	3,594,252
Asset Management	370,581	-	370,581	351,625	-	351,625	345,740	-	345,740
Water Treatment Plant	8,925,619	-	8,925,619	8,618,483	-	8,618,483	8,602,608	-	8,602,608
Transmission and Distribution	4,155,910	-	4,155,910	3,566,371	-	3,566,371	3,175,360	-	3,175,360
Water Pollution Control	441,826	-	441,826	356,376	-	356,376	341,477	-	341,477
Wastewater Treatment	-	7,377,534	7,377,534	-	6,938,751	6,938,751	-	6,496,735	6,496,735
Wastewater Collection	-	3,335,723	3,335,723	-	3,217,873	3,217,873	-	3,564,648	3,564,648
Total Expenses	25,089,331	18,764,427	43,853,758	22,232,943	16,518,110	38,751,053	21,678,964	16,414,535	38,093,499
Net Available for Debt Service	\$ 21,059,581	13,235,382	34,294,963	17,458,722	12,005,328	29,464,050	20,247,772	14,059,125	34,306,897
Number of Customers	70,545	65,291		69,343	64,286		68,213	63,410	

TABLE 10 Debt Service Requirements

Fiscal Year Ended <u>9-30</u>	Water Revenue Debt <u>Requirement</u>	Plus Contractual & General Obligation Water System Debt Service <u>Requirements</u>	Water <u>Total</u>	Sewer Revenue Debt	Plus Contractual & General Obligation Sewer System Debt Service <u>Requirements</u>	Sewer <u>Total</u>	Utility Grand <u>Total</u>	% of Grand Total <u>Retired</u>
2020	11,338,640	5,345,361	16,684,001	8,719,301	3,175,108	11,894,409	28,578,410	
2021	10,839,869	5,331,930	16,171,799	8,696,204	3,177,166	11,873,370	28,045,169	
2022	10,884,667	6,448,645	17,333,312	8,650,775	2,063,845	10,714,620	28,047,932	
2023	10,997,195	6,101,395	17,098,590	8,775,397	1,997,438	10,772,835	27,871,425	
2024	10,980,826	6,189,941	17,170,767	8,764,656	1,803,296	10,567,952	27,738,719	21.12%
2025	10,558,201	6,175,527	16,733,728	8,488,174	1,797,204	10,285,378	27,019,106	
2026	11,244,262	4,789,153	16,033,415	8,442,193	1,420,837	9,863,030	25,896,445	
2027	10,375,110	4,791,027	15,166,137	8,067,368	1,415,268	9,482,636	24,648,773	
2028	9,742,180	4,789,590	14,531,770	7,367,120	1,419,862	8,786,982	23,318,752	
2029	9,684,600	4,785,642	14,470,242	7,335,836	1,416,130	8,751,966	23,222,208	44.24%
2030	9,690,335	4,776,925	14,467,260	7,338,500	1,416,000	8,754,500	23,221,760	
2031	9,696,602	4,776,124	14,472,726	7,342,682	1,416,875	8,759,557	23,232,283	
2032	9,692,361	4,774,876	14,467,237	7,336,944	1,415,724	8,752,668	23,219,905	
2033	9,688,733	4,769,500	14,458,233	7,346,326	1,418,249	8,764,575	23,222,808	
2034	9,689,169	3,043,125	12,732,294	7,342,912	-	7,342,912	20,075,206	65.44%
2035	9,698,121	3,039,500	12,737,621	7,335,506	-	7,335,506	20,073,127	
2036	9,730,978	3,030,125	12,761,103	7,300,786	-	7,300,786	20,061,889	
2037	9,737,636	3,029,625	12,767,261	7,299,757	-	7,299,757	20,067,018	
2038	9,729,913	3,027,500	12,757,413	7,299,638	-	7,299,638	20,057,051	
2039	9,718,121	3,018,629	12,736,750	7,315,118	-	7,315,118	20,051,868	84.26%
2040	9,732,196	-	9,732,196	7,306,462	-	7,306,462	17,038,658	
2041	5,050,734	-	5,050,734	6,687,714	-	6,687,714	11,738,448	
2042	4,035,412	-	4,035,412	5,791,745	-	5,791,745	9,827,157	
2043	2,308,456	-	2,308,456	3,243,120	-	3,243,120	5,551,576	
2044	1,728,162	-	1,728,162	2,668,962	-	2,668,962	4,397,124	93.37%
2045	1,469,414	-	1,469,414	2,412,450	-	2,412,450	3,881,864	
2046	553,516	-	553,516	1,153,000	-	1,153,000	1,706,516	
2047	-	-	-	1,153,125	-	1,153,125	1,153,125	100.00%
Total	228,595,409	92,034,140	320,629,549	186,981,771	25,353,002	212,334,773	532,964,322	

TABLE 11: COVERAGE AND FUND BALANCES**Waterworks:**

Average Annual Principal and Interest Requirements	\$	8,673,937
Coverage of Average Requirements by 2019 Net Income		2.63
<i>Maximum Principal and Interest Revenue Bond Requirements</i>		
After Fiscal Year Ended September 30, 2019	\$	11,338,640
Coverage of Maximum Requirements by 2019 Net Income		2.01
Outstanding New Series Water Revenue Bonds	\$	152,957,612
Interest and Sinking Fund as of September 30, 2019	\$	3,424,802
Reserve Fund as of September 30, 2019	\$	8,673,937

Sewer:

Average Annual Principal and Interest Requirements	\$	7,025,521
Coverage of Average Requirements by 2019 Net Income		2.16
<i>Maximum Principal and Interest Revenue Bond Requirements</i>		
After Fiscal Year Ended September 30, 2019	\$	8,775,397
Coverage of Maximum Requirements by 2019 Net Income		1.73
Outstanding New Series Sewer Revenue Bonds	\$	130,999,388
Interest and Sinking Fund as of September 30, 2019	\$	3,059,225
Reserve Fund as of September 30, 2019	\$	7,025,521

TABLE 12: COVERAGE AND FUND BALANCES – UTILITY SYSTEM

	Waterworks	Sewer	Total
Net Funds Available for Debt Service	\$ 22,840,740	15,191,260	38,032,000
Average Annual Principal and Interest Requirements	\$ 8,673,937	7,025,521	15,699,458
Coverage of Average Annual Requirements by Funds Available for Debt Service	2.63	2.16	2.42
Maximum Principal and Interest Revenue Bond Requirements	\$ 11,338,640	8,775,397	20,114,037
Coverage of Maximum Requirement by Funds Available for Debt Service	2.01	1.73	1.89
Outstanding Revenue Bonds as of 09/30/2019	\$ 152,957,612	130,999,388	283,957,000
Interest and Sinking Fund as of 9/30/2019	\$ 3,424,802	3,059,225	6,484,027
Reserve Funds as of 9/30/2019	\$ 8,673,937	7,025,521	15,699,458

SPORTS VENUE SALES TAX REVENUE BONDS

SAMES AUTO ARENA

The City of Laredo, Texas issued the Sports Venue Sales Tax Revenue Improvement and Refunding Bonds, Series 2005, to acquire and construct additional parking facilities for the Sames Auto Arena, to achieve a debt service savings by partially refunding outstanding Sports Venue Tax Revenue Bonds, Series 2001, used to construct a sports venue project for a multipurpose entertainment arena and related infrastructure, and to pay for the issuance costs of the Bonds. The principal and interest due on the Sports Venue Tax Revenue Bonds, Series 2005, are to be paid on the scheduled interest payment dates from funds deposited with an escrow agent until discharged.

The bonds constitute special and limited obligations of the City and are payable solely from, and secured solely by a first lien on and pledge of the Sales Tax Revenues, as approved by the citizens on a special election on August 12, 2000. The Sales Tax Revenues consist of the gross receipts from $\frac{1}{4}$ of 1% sales and use tax collected within the boundaries of the City. The bonds were issued pursuant to the provisions of (i) Chapter 334 of the Texas Local Government code, as amended (the "Act"), and (ii) an authorizing ordinance (the "Ordinance") adopted by the City Council of the City on May 23, 2001.

The bonds are payable solely from, and secured solely by, a first lien on and pledge of the Sales Tax Revenues as provided in the Ordinance and not from any other revenues, properties or income of the City. Neither the State of Texas nor any political corporation, subdivision, or agency of the State other than the City will be obligated to pay the bonds or the interest thereon, and neither the faith and credit nor the taxing power of the State or any political corporation, subdivision, or agency thereof is pledged to the payment of principal of or interest on the bonds.

The construction of the arena was completed by September 2002 under the name Laredo Entertainment Center. This enormous entertainment center provides inexpensive world class entertainment for the whole family such as concerts, rodeos, circuses, civic events, sporting events, and more. After the construction was completed, approximately 220 new jobs were created for the operation of the facility. Furthermore, contracts were awarded to local businesses whose products are required for the Arena's daily operations.

The 178,000 square foot, \$36.5 million facility opened in October 2002. It has a 10,000 seating capacity and over 2,000 parking spaces. On March 18, 2010, the City of Laredo changed the Laredo Entertainment Center name to Laredo Energy Arena after signing a four year naming rights agreement with Laredo Energy, with options for extension.

With the City of Laredo's approval on July 1st, 2018, the arena signed a five year contract with the oldest local dealership Sames Auto Group. The now Sames Auto Arena continued to host more than 130 events that include concerts, sporting events, entertainment shows, assemblies, family shows, festivals, carnivals, graduations and other special events.

Major concerts included top artists Maluma, Gloria Trevi with Karol G, DJ Snoopadelic, 90s Pop Tour, Los Angeles Azules and George Lopez. Other major entertainment and special events included Monster X, Disney On Ice, Harlem Globetrotters, local school and college graduations, International Sisters Cities Festival, Holiday Skate Days, two carnivals, the WBCA Commander's Reception, the Society of Martha Washington Colonial Pageant and Ball and many more.

UNITRADE STADIUM

The City of Laredo, Texas issued the Sports Venue Sales Tax Revenue, Taxable Series 2011, for the purpose of acquiring, constructing and equipping a baseball stadium (Laredo Ballpark) and related infrastructure and to pay costs of issuance. The Laredo Ballpark was approved by the voters of the City at an election held on November 4, 2008 as a related venue project to a previously approved and constructed multi-purpose entertainment arena. The Laredo Ballpark has over 3,940 seats, which includes ten suites, a party suite, club seating and fixed general admission seating. Grass berm areas will accommodate an additional 1,700 spectators and picnic tables another 370 visitors. Restrooms, typical fan amenities and cooking concession stands are distributed throughout the 10 acre ballpark. A club with bar, press box, team offices, clubhouses, and maintenance areas are included. The remaining 29 acres of the site is utilized for parking approximately 985 vehicles, with an area for future parking expansion; the City has spent approximately \$21 million on construction costs for this project.

The City of Laredo, Texas approved a naming rights contract on March 19, 2018 with Unitrade for a period of two years. The City has entered a lease agreement with 2L4L, LLC for hosting Laredo Tecos baseball events. Such lease agreement is for a five-year term starting March 1, 2018 and ending October 31, of each lease term year. Since March 1, 2018, the UniTrade Stadium has been serving as the Laredo home stadium for the Tecolotes "Tecos" Baseball team. The stadium is also home to many other special events.

TABLE 1 – SALES TAX RECEIPTS

Fiscal Year Ending 9/30	Actual 1% Sales & Use Tax Receipts	1/4 of 1% Sales Tax Receipts	Maximum Annual Debt Service	Estimated Coverage
2010	23,471,292	5,867,823	3,121,125	1.88
2011	26,935,219	6,733,805	3,871,463	1.74
2012	29,985,452	7,496,363	3,871,463	1.94
2013	31,937,374	7,984,344	3,871,463	2.06
2014	32,019,659	8,004,915	3,871,463	2.07
2015	33,091,316	8,272,829	3,867,826	2.14
2016	30,948,457	7,737,114	3,385,660	2.29
2017	31,534,286	7,883,571	3,385,660	2.33
2018	33,208,996	8,302,249	3,385,660	2.45
2019	34,643,906	8,660,976	3,385,660	2.56

(*) These amounts were generated by multiplying, for each Fiscal Year, the amount of actual 1.0% sales and use tax receipts for such Fiscal Year by .25. These figures therein are provided for illustrative purposes only.

TABLE 2 - COVERAGE

Average Annual Principal and Interest Requirements, 2020-2036	1,387,468
Fiscal Year 2019 Sales Tax Revenues	8,660,976
Coverage of Average Requirements for Fiscal Year 2019	6.24
Maximum Principal and Interest Requirements, 2020-2036	3,385,660
Fiscal Year 2019 Sales Tax Revenues	8,660,976
Coverage of Maximum Requirements for Fiscal 2019	2.56

TABLE 3 – DEBT SERVICE REQUIREMENTS

Fiscal Year Ended 9-30	Sports Venue Sales Tax Revenue Bonds, Taxable Series-2016			Total Outstanding Debt	% of Debt Service Retired
	Outstanding Debt	Principal	Interest		
2020	2,717,000	390,000	271,012	3,378,012	
2021	2,715,750	395,000	263,414	3,374,164	
2022	2,713,875	405,000	254,788	3,373,663	
2023	2,720,875	415,000	245,087	3,380,962	
2024	2,721,375	430,000	234,285	3,385,660	68.06%
2025	-	440,000	222,537	662,537	
2026	-	450,000	210,075	660,075	
2027	-	465,000	196,571	661,571	
2028	-	480,000	180,840	660,840	
2029	-	500,000	163,200	663,200	81.38%
2030	-	515,000	144,930	659,930	
2031	-	535,000	126,030	661,030	
2032	-	555,000	105,633	660,633	
2033	-	575,000	83,711	658,711	
2034	-	600,000	60,916	660,916	94.68%
2035	-	625,000	37,151	662,151	
2036	-	645,000	12,513	657,513	100.00%
	<u>\$ 13,588,875</u>	<u>8,420,000</u>	<u>\$ 2,812,693</u>	<u>\$ 24,821,568</u>	

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SINGLE AUDIT

Aaron Canales, CPA
Juan José Garza, CPA
J. Clayton Baum, CPA (Ret.)
Guadalupe Garcia-Wright, CPA



INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM
AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY THE UNIFORM
GUIDANCE AND THE STATE OF TEXAS SINGLE AUDIT CIRCULAR

To the Honorable Mayor and Members of the City Council
City of Laredo, Texas

Report on Compliance for Each Major Federal Program

We have audited City of Laredo, Texas, compliance with the types of compliance requirements described in the *OMB Compliance Supplement* and the *State of Texas Single Audit Circular* that could have a direct and material effect on each of the City of Laredo, Texas' major federal and state programs for the year ended September 30, 2019. The City of Laredo, Texas' major federal and state programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the City of Laredo, Texas' major federal and state programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; the audit requirements of Title 2 U.S. Code of Federal regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance); and the provisions of the *State of Texas Single Audit Circular*. Those standards, the Uniform Guidance, and the State of Texas Single Audit Circular require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal or state program occurred. An audit includes examining, on a test basis, evidence about the City of Laredo, Texas' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the City of Laredo, Texas' compliance.

Opinion on Each Major Federal and State Program

In our opinion, the City of Laredo, Texas, complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal and state programs for the year ended September 30, 2019.

Report on Internal Control over Compliance

Management of the City of Laredo, Texas, is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the City of Laredo, Texas' internal control over compliance with the types of requirements that could have a direct and material effect on a major federal or state program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal and state program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the City of Laredo, Texas', internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal or state program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal or state program will not be prevented, or detected and corrected, on a timely basis. *A significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal or state program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

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

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of the testing based on the requirements of the Uniform Guidance and the *State of Texas Single Audit Circular*. Accordingly, this report is not suitable for any other purpose.

Canales, Garza & Bawn, PLLC

Laredo, Texas
March 13, 2020

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
PERIOD ENDED SEPTEMBER 30, 2019**

CITY OF LAREDO, TEXAS

GRANT NAME

Federal Grantor / Pass Through Grantor / Program Title	Federal CFDA Number	Pass Through Grantor's Number	Program or Award Amount	Accrued (Deferred) Revenue at September 30, 2018	Revenue Recognized	Receipts	Accrued (Deferred) Revenue at September 30, 2019
U.S. Department of Health and Human Services							
Center for Disease Control and Prevention							
Passed Through Texas Department of State Health Services:							
Center for Disease Control and Prevention:							
Project Grants and Cooperative Assistance for							
Tuberculosis Control							
Tuberculosis Control Programs - '18	93.116	HHS000036000007	\$ 178,721	12,286	46,937	59,223	-
Tuberculosis Control Programs - '19	93.116	HHS000036000007	178,721	-	124,338	89,661	34,677
Center for Disease Control and Prevention, Public Health Services:							
Immunization Cooperative Agreements:							
Immunization Cooperative Agreements 18	93.268	537-18-0061-00001	102,553	15,949	-	15,949	-
Immunization Cooperative Agreements 19	93.268	HHS000103500001	102,553	19,513	83,040	102,553	-
Immunization Cooperative Agreements 20	93.268	HHS000103500001	102,553	-	14,761	-	14,761
Center for Disease Control and Prevention							
Hospital Preparedness Program and Public Health Emergency Preparedness:							
Passed Through Texas Department of State Health Services:							
Public Health Emergency Preparedness Cooperative Agreements:							
Public Health Emergency Preparedness - 17-18	93.074	537-18-0168-00001	333,635	31,211	-	31,211	-
Public Health Emergency Preparedness - 18-19	93.074	537-18-0168-00001	331,135	72,130	222,856	294,986	-
Public Health Emergency Preparedness - 19-20	93.069	537-18-0168-00001	331,135	-	70,150	43,088	27,062
Center for Disease Control and Prevention							
Epidemiology and Laboratory Capacity of Infectious Diseases:							
Passed Through Texas Department of State Health Services:							
Epidemiology & Laboratory Capacity for Infectious Diseases	93.323	537-18-0346-00001	715,013	83,220	312,746	357,213	38,753
Epidemiology & Laboratory Capacity for Infectious Diseases-Vector Control	93.323	537-18-0346-00001	80,186	2,040	-	2,040	-
Center for Disease Control and Prevention							
Public Health Crisis Response Awards							
Passed Through Texas Department of State Health Services:							
Hurricane Public Health Crisis Response	93.354	HHS000371500023	120,590	-	22,473	9,429	13,044
Department of Health and Human Services, Office of the Secretary							
State Partnership Grant Program to Improve Minority Health 18-19	93.296	529-16-0131-00001	30,000	82	29,507	23,964	5,625
State Partnership Grant Program to Improve Minority Health 18-19	93.296	529-16-0131-00001	30,000	-	3,536	-	3,536
Health Resources and Services Administration:							
Passed Through The University of Texas Health Science Center							
Special Projects of National Significance: Tackle HIV/ HCV	93.928	U90HA31461-01-00	231,319	12,228	-	12,228	-
Grants to Provide Outpatient Early Intervention Services							
Ryan White HIV/AIDS Program Part C Early Intervention Services- 18-19	93.918	1H76HA31754-01-00	300,000	9,862	197,180	207,042	-
Ryan White HIV/AIDS Program Part C Early Intervention Services- 19-20	93.918	1H76HA31754-01-01	300,000	-	120,538	90,093	30,445
Health Resources and Services Administration:							
Passed Through Texas Department of State Health Services							
Maternal and Child Health Services Block Grant							
Maternal and Child Health Services Block Grant- 18-18	93.994	HHS000085000001	50,625	21,592	-	21,592	-
Maternal and Child Health Services Block Grant- 18-19	93.994	HHS000085000001-1	67,500	4,569	62,890	50,516	16,943
Maternal and Child Health Services Block Grant- 19-20	93.994	HHS000085000001-1	117,500	-	5,355	-	5,355
Maternal and Child Health Services Block Grant- 17-18 THAI Program	93.994	2016-048897-002A	200,000	31,092	-	31,092	-
Primary Child Health, Genetics and Dental Serv. - 18	93.994	2016-003934-02	115,750	28,327	-	28,327	-
Primary Child Health, Genetics and Dental Serv. - 19	93.994	2016-003934-02	115,750	9,270	97,421	99,814	6,877
Primary Child Health, Genetics and Dental Serv. - 20	93.994	HHS000136500033	115,750	-	7,332	-	7,332
Maternal and Child Health Services Block Grant- 18-19 Zika Health Care Outreach	93.994	HHS000059700001	146,864	26,200	80,053	106,253	-
Maternal and Child Health Services Block Grant- 19-20 Zika Health Care Outreach	93.994	HHS000059700001-1	143,864	-	22,856	3,546	19,310
Maternal and Child Health Services Block Grant- 18-19 Zika Health Care Clinic	93.994	HHS000059700001	320,735	30,175	175,630	205,805	-
Maternal and Child Health Services Block Grant- 19-20 Zika Health Care Clinic	93.994	HHS000059700001-1	\$ 323,746	-	90,015	13,029	76,986

(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
PERIOD ENDED SEPTEMBER 30, 2019**

CITY OF LAREDO, TEXAS

GRANT NAME

Federal Grantor / Pass Through Grantor / Program Title	Federal CFDA Number	Pass Through Grantor's Number	Program or Award Amount	Accrued (Deferred) Revenue at September 30, 2018	Revenue Recognized	Receipts	Accrued (Deferred) Revenue at September 30, 2019
Temporary Assistance for Needy Families:							
Passed Through Texas Nurse-Family Partnership Program:							
Nurse-Family Partnership Program - '17-18	93.558	529-16-0069-00001	\$ 590,159	70,729	-	70,729	-
Nurse-Family Partnership Program - '18-19	93.558	529-16-0069-00001	590,159	32,647	509,754	459,868	82,533
Nurse-Family Partnership Program - '19-20	93.558	529-16-0069-00001	295,080	-	-	-	-
Health Resources and Services Administration							
Passed Through South Texas Development Council:							
HIV Care Formula Grants:							
H.I.V. Care Formula Grant - 18-19	93.917	019-01-18 (19)	391,367	123,693	168,565	292,258	-
H.I.V. Care Formula Grant - 19-20	93.917	019-01-19 (20)	392,303	-	138,082	80,210	57,872
H.I.V. Care Formula Grant (Supplemental) - 18-18	93.917	019-01-18 (19)	15,000	13,343	-	13,343	-
H.I.V. Care Formula Grant (Supplemental) - 18-19	93.917	019-01-18 (19)	10,000	-	7,659	7,659	-
H.I.V. Care Formula Grant (Supplemental) - 19-19	93.917	019-01-19 (20)	10,000	-	9,984	3,600	6,384
H.I.V. Care Formula Grant (Supplemental) - 19-20	93.917	019-01-19 (20)	10,000	-	-	-	-
H.I.V. Care Formula Grant (Supplemental) - 19-20 State Rebate	93.917	019-01-19 (20)	123,921	-	5,380	-	5,380
Center for Disease Control and Prevention							
Passed Through Texas Department of State Health Services							
H.I.V. Prevention Program Cooperative Agreements							
H.I.V. Prevention Program Cooperative Agreements 19	93.940	2016-001325-00	150,300	-	150,300	123,461	26,839
Centers for Disease Control and Prevention:							
Preventive Health & Health Services Block Grant							
Passed Through Texas Department of State Health Services							
Preventive Health and Health Service Block Grant - 17-18/ O.P.H.P.	93.758	537-18-0230-00001	497,072	64,933	-	64,933	-
Preventive Health and Health Service Block Grant - 18-19 / O.P.H.P.	93.758	537-18-0230-00001	497,072	-	208,105	71,374	136,731
Preventive Health and Health Service Block Grant - 19-20/ O.P.H.P.	93.758	HHS0000485600042	188,887	-	15,003	-	15,003
Preventive Health & Health Svs Block Grant - Texas Healthy Communities'18	93.758	2016-003854-02	50,000	10,771	393	11,164	-
Preventive Health & Health Svs Block Grant - Texas Healthy Communities'19	93.758	2016-003854-02	50,000	-	46,973	35,864	11,109
Preventive Health and Health Service Block Grant - 18-19 / OCDS	93.758	HHS000069100001	250,000	76,287	129,516	154,827	50,976
Office of Population Affairs:							
Family Planning Services - Title X Family Planning Services	93.217	N/A	-	(104,417)	94,298	198,247	(208,366)
Substance Abuse and Mental Health Services Administration							
Center for Substance Abuse Treatment							
Substance Abuse & Mental Health Svs Prj of Regional&Nat'l Significance 17-18	93.243	5H79TI025893-04	500,000	58,115	6,333	64,448	-
Total U. S. Department of Health and Human Services			\$ 9,797,518	755,847	3,279,959	3,550,639	485,167

U.S. Department of Housing and Urban Development (HUD)

Direct Programs:

Community Planning and Development:

Community Development Block Grants / Entitlement Grants 10	*	14.218	B-10-MC-48-0505	\$ 3,678,968	22,500	3,059	25,559	-
Community Development Block Grants / Entitlement Grants 11	*	14.218	B-11-MC-48-0505	3,290,569	-	61,163	61,163	-
Community Development Block Grants / Entitlement Grants 14	*	14.218	B-14-MC-48-0505	3,553,204	37,020	57,858	94,878	-
Community Development Block Grants / Entitlement Grants 15	*	14.218	B-15-MC-48-0505	3,459,923	17,803	-	17,753	50
Community Development Block Grants / Entitlement Grants 16	*	14.218	B-16-MC-48-0505	3,436,805	111,188	369,711	451,839	29,060
Community Development Block Grants / Entitlement Grants 17	*	14.218	B-17-MC-48-0505	3,401,417	231,520	998,312	1,128,135	101,697
Community Development Block Grants / Entitlement Grants 18	*	14.218	B-18-MC-48-0505	3,729,949	-	1,941,320	1,707,746	233,574
Emergency Solutions Grant Program 2017		14.231	E-17-MC-48-0505	309,407	32,335	271,408	281,345	22,398
Emergency Solutions Grant Program 2018		14.231	E-18-MC-48-0505	306,204	-	10,154	8,976	1,178
HOME Investment Partnerships Program 2014 GRANT		14.239	M-14-MC-48-0505	685,083	-	111,054	108,905	2,149
HOME Investment Partnerships Program 2015 GRANT		14.239	M-15-MC-48-0505	810,705	-	210,133	201,454	8,679
HOME Investment Partnerships Program 2016 GRANT		14.239	M-16-MC-48-0505	854,378	86,817	240,120	326,937	-
HOME Investment Partnerships Program 2017 GRANT		14.239	M-17-MC-48-0505	847,266	7,783	166,599	163,425	10,957
HOME Investment Partnerships Program 2018 GRANT		14.239	M-18-MC-48-0505	1,178,458	-	248,010	157,215	90,795
Passed Through South Texas Development Council:								
Housing Opportunities for Persons with AIDS:								
Housing Opportunities for Persons with Aids - 18-19		14.241	019-3-18 (19)	201,076	30,289	43,849	74,138	-
Housing Opportunities for Persons with Aids - 19-20		14.241	019-3-19 (20)	248,536	-	60,739	41,866	18,873

(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
PERIOD ENDED SEPTEMBER 30, 2019**

CITY OF LAREDO, TEXAS

GRANT NAME

Federal Grantor / Pass Through Grantor / Program Title	Federal CFDA Number	Pass Through Grantor's Number	Program or Award Amount	Accrued (Deferred) Revenue at September 30, 2018	Revenue Recognized	Receipts	Accrued (Deferred) Revenue at September 30, 2019
U. S. Department of Transportation							
Direct Programs:							
Federal Transit Administration:							
Federal Transit Capital Investment Grants:							
Fixed Guideway Modernization Bus & Bus Facility New Starts	*	20.500	TX040047	\$ 714,000	7,707	14,468	22,175
Fixed Guideway Modernization Bus & Bus Facility New Starts	*	20.500	TX040055	2,549,000	-	-	-
Federal Transit Formula Grants:							
Urbanized Area Formula Program	*	20.507	TX2018078	3,404,493	3,401,493	-	3,401,493
Urbanized Area Formula Program	*	20.507	TX2019056	3,466,384	-	3,466,384	3,466,384
Enhanced Mobility of Seniors and Individuals with Disabilities		20.513	TX2016052	247,845	-	52,527	52,527
Enhanced Mobility of Seniors and Individuals with Disabilities		20.513	TX2019063	103,550	-	-	-
Bus and Bus Facilities Formula Program:							
Fixed Guideway Modernization Bus & Bus Facility New Starts	*	20.526	TX340005	346,697	31,396	55,771	87,167
Fixed Guideway Modernization Bus & Bus Facility New Starts	*	20.526	TX2017066	320,797	-	252,349	252,349
Fixed Guideway Modernization Bus & Bus Facility New Starts	*	20.526	TX2018079	437,379	-	-	-
Fixed Guideway Modernization Bus & Bus Facility New Starts	*	20.526	TX2018080	9,875,083	-	-	-
Fixed Guideway Modernization Bus & Bus Facility New Starts	*	20.526	TX2019057	401,862	-	-	-
Federal Aviation Administration:							
Airport Improvement Program (Airport Improv)		20.106	3-48-0136-78-2014	4,000,000	70,903	14,021	84,924
Airport Improvement Program		20.106	3-48-0136-80-2015	6,000,000	74,906	863,097	924,626
Airport Improvement Program		20.106	3-48-0136-81-2016	5,000,000	1,931	584,186	586,117
Airport Improvement Program		20.106	3-48-0136-82-2016	7,819,990	1	-	1
Airport Improvement Program		20.106	3-48-0136-84-2018	5,796,502	399,434	379,232	778,666
Airport Improvement Program		20.106	3-48-0136-85-2018	9,200,000	-	3,574,110	3,324,331
Airport Improvement Program		20.106	3-48-0136-86-2016	2,000,000	-	7,716	-
Airport Improvement Program		20.106	3-48-0136-87-2016	7,549,126	-	3,809,288	2,481,846
Transportation Security Administration-Law Enf. Officer Reimb. Program		97.090	HSTS0216HSLR878	41,400	12,294	-	12,294
FY 16 Law Enforcement Officer Reimbursement Program		97.090	HSTS0216HSLR879	41,400	-	40,223	29,117
Pass Through Texas Department of Transportation:							
National Highway Traffic Safety - State and Community Highway Safety							
STEP - 2018 CMV		20.600	2018-LAREDO-PD-S-IYG-0056	87,989	23,243	-	23,243
STEP - 2019 CMV		21.600	2018-LAREDO-PD-S-IYG-00024	89,971	-	88,447	54,389
STEP - 2018 Comprehensive		20.600	2018-LAREDO-PD-S-1YG-0040	100,000	13,920	-	13,920
STEP - 2019 Comprehensive		21.600	2018-LAREDO-PD-S-1YG-00119	109,972	-	109,775	98,532
STEP - Click It Or Ticket		20.600	2018-LAREDO-PD-CIOT-00017	20,436	-	20,436	-
National Highway Traffic Safety -Alcohol Impaired Driving							
Countermeasures Incentive Grants I							
Step - Impaired Driving Mobilization 2018		20.601	2018-LAREDO-PD-IDM-00019	37,946	15,265	-	15,265
Step - Impaired Driving Mobilization 2019		20.601	2019-LAREDO-PD-IDM-00025	45,856	-	45,856	15,372
Highway Planning & Const.-Federal Aid Hwy Pgm, Fed Lands Hwy Pgm	*	20.205	50-19XF0011	810,000	-	329,125	173,165
Highway Planning & Const.-Federal Aid Hwy Pgm, Fed Lands Hwy Pgm	*	20.205	50-18XF0011	508,553	188,007	-	188,007
Highway Planning and Construction-Scott & Sanchez Streets RR Grade Separation	*	20.205	CSJ-0922-33-105	393,873	-	-	-
Highway Planning and Construction-Zacate Creek Hike & Bike Trail	*	20.205	CSJ-0922-33-170	1,000,000	34,560	836,587	85,557
Highway Planning and Construction-West Laredo Multimodal Trade Corridor-II	*	20.205	CSJ-0922-33-076	2,845,747	244,177	5,303	7,711
Highway Planning and Construction- West Laredo Multimodal Trade Corridor-III	*	20.205	CSJ-0922-33-093	18,889,751	174,048	7,710	7,717
Highway Planning and Construction- Chacon Creek Hike & Bike Phase II	*	20.205	CSJ-0922-33-142	1,482,244	999	-	999
Highway Planning and Construction- Chacon Creek Hike & Bike Phase III	*	20.205	CSJ-0922-33-149/150	1,243,767	-	-	-
Highway Planning and Construction- Citywide Traffic Signal Upgrade-Synchronizati	*	20.205	CSJ-0922-33-158	480,000	92,734	264,000	356,734
Total U. S. Department of Transportation				\$ 97,461,613	4,787,018	14,820,611	16,544,628

U. S. Department of Agriculture

Passed Through Texas Department of State Health Services:

Food & Nutrition Service - Special Supplemental Nutrition Program for WIC:

Women, Infants and Children 17-18	10.557	2017-049856-001	\$ 4,228,002	1,225,572	108,298	1,333,870	-
Women, Infants and Children 18-19	10.557	2017-049856-001	5,142,631	-	4,228,459	3,291,200	937,259
Women, Infants and Children Counties 17-18	10.557	2017-049856-001	1,087,715	310,735	1,274	312,009	-
Women, Infants and Children Counties 17-18	10.557	2017-049856-001	1,183,714	-	1,088,143	861,080	227,063

Total U. S. Department of Agriculture

\$ 11,642,062 1,536,307 5,426,174 5,798,159 1,164,322

(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
PERIOD ENDED SEPTEMBER 30, 2019**

CITY OF LAREDO, TEXAS

GRANT NAME

Federal Grantor / Pass Through Grantor / Program Title	Federal CFDA Number	Pass Through Grantor's Number	Program or Award Amount	Accrued (Deferred) Revenue at September 30, 2018	Revenue Recognized	Receipts	Accrued (Deferred) Revenue at September 30, 2019
U. S. Department of Justice							
Passed Through State Department of Criminal Justice:							
Criminal Justice Discretionary Grant Program							
Office of Justice Program - Bureau of Justice Assistance -							
Edward Byrne Memorial Justice Assistance Grant Program:							
Edward Byrne Memorial Justice Assistance Grant Program FY16 JAG Program	16.738	2016-DJ-BX-0019	\$ 81,341	-	32,685	23,274	9,411
Edward Byrne Memorial Justice Assistance Grant Program FY17 JAG Program	16.738	2017-DJ-BX-0333	76,374	67	1,841	2,196	(288)
Edward Byrne Memorial Justice Assistance Grant Program FY18 JAG Program	17.738	2018-DJ-BX-0420	76,375	-	40,578	40,578	-
Edward Byrne Memorial Justice Assistance Grant Program	16.738	3609001	39,669	-	34,292	25,604	8,688
Edward Byrne Memorial Justice Assistance Grant Program - Body Worn Camera	16.738	3610001	52,000	-	52,000	52,000	-
Public Safety Partnership and Community Policing Grants							
COPS Hiring Program - 2018	16.71	2017-UL-WX-0016	1,500,000	150,510	785,256	766,606	169,160
Passed Through Office of the Governor:							
Victims of Crime Act Formula Grant Program	16.575	3362901	33,257	7,833	-	7,833	-
Victims of Crime Act Formula Grant Program	16.575	3362902	102,100	-	47,444	36,463	10,981
The Department of Justice Asset Forfeiture Program - Laredo Police Department	16.922	N/A	-	-	187,550	187,550	-
Total U. S. Department of Justice			\$ 1,961,116	158,410	1,181,646	1,142,104	197,952
Executive Office of the President							
High Intensity Drug Trafficking Areas Program							
Financial Task Force 17	95.001	G17SS0001A	\$ 920,009	20,049	192,915	208,177	4,787
Financial Task Force 18	95.001	G18SS0001A	815,071	179,031	519,926	619,063	79,894
Financial Task Force 19	95.001	G19SS0001A	872,271	-	110,759	59,746	51,013
Total Executive of the President			\$ 2,607,351	199,080	823,600	886,986	135,694
U.S. Department of Homeland Security							
Federal Emergency Management Agency							
Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-1931-DR-PA	\$ -	(99,134)	-	-	(99,134)
Disaster Grants-Public Assistance (Presidentially Declared Disasters)	97.036	FEMA-1709-DR-PA	-	-	220,416	220,416	-
Passed Through Texas Division of Emergency Management:							
Hurricane Harvey Emergency Shelters	97.024	N/A	-	76,471	-	76,471	-
Passed Through Office of the Governor:							
Staffing for Adequate Fire and Emergency Response (SAFER)	* 97.083	EMW-2016-FH-00621	5,312,952	272,225	1,312,556	1,454,654	130,127
Homeland Security Grant Program - 2016 Stone Garden Grant	* 97.067	3075302	1,031,232	135,592	-	135,592	-
Homeland Security Grant Program - 2017 Stone Garden Grant	* 97.067	3075303	1,243,814	124,535	1,119,279	1,243,814	-
Homeland Security Grant Program - 2018 Stone Garden Grant	* 97.067	3075304	1,402,488	-	557,328	392,122	165,206
Homeland Security Grant Program - Jim Hogg - 2016	* 97.067	3709901	123,581	-	123,581	123,581	-
Homeland Security Grant Program - Fully Equipped Bomb Unit Vehicle	* 97.067	3380901	83,183	-	13,115	13,115	-
Homeland Security Grant Program - 2017 Stone Garden Grant	* 97.067	3335702	10,000	3,742	4,025	7,767	-
Total U. S. Department of Homeland Security			\$ 9,207,250	513,431	3,350,300	3,667,532	196,199
Institute of Museum and Library Services							
Passed Through Texas State Library & Archives Commission							
InterLibrary Loan Reimbursement Funds	45.310	N/A	\$ -	-	21,012	13,929	7,083
Family Place Libraries Project	45.310	N/A	-	-	5,945	5,945	-
Total Institute of Museum and Library Services			\$ -	-	26,957	19,874	7,083
U. S. Department of Environmental Protection Agency							
Survey, Studies, Investigations & Special Purpose Grants							
Air Pollution Control Program Support:							
Clean Water State Revolving Loan	66.458	L1000357	\$ 22,075,000	(6,000,483)	3,729,943	69,226	(2,339,766)
Drinking Water State Revolving Loan	66.468	L1000358	4,600,000	(62,597)	62,597	-	-
Drinking Water State Revolving Loan	66.468	L1000339	5,500,000	(2,358,086)	1,024,039	36,499	(1,370,546)
Total U. S. of Environmental Protection Agency			\$ 32,175,000	(8,421,166)	4,816,579	105,725	(3,710,312)

(Continued)

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
PERIOD ENDED SEPTEMBER 30, 2019

CITY OF LAREDO, TEXAS

GRANT NAME

Federal Grantor / Pass Through Grantor / Program Title	Federal CFDA Number	Pass Through Grantor's Number	Program or Award Amount	Accrued (Deferred) Revenue at September 30, 2018	Revenue Recognized	Receipts	Accrued (Deferred) Revenue at September 30, 2019
U. S. Department of Agriculture							
Natural Resource Conservation Service	10.902	NR187442XXXXC046	\$ 25,000	-	21,525	13,674	7,851
Total U. S. of Department of Agriculture			\$ 25,000	-	21,525	13,674	7,851
U. S. Department of Treasury							
The Department of Treasury Asset Forfeiture Program - Laredo Police Department *	21.016	N/A	\$ -	-	1,213,976	1,213,976	-
Total U. S. of Department of Treasury			\$ -	-	1,213,976	1,213,976	-
Total Federal Assistance			\$ 194,875,858	106,182	39,754,816	37,794,631	2,066,367
STATE AWARDS							
Texas Department of State Health Services:							
HIV Prevention 2018	N/A	2016-001325	\$ 300,600	27,199	98,523	125,722	-
HIV Prevention 2019	N/A	2016-001325	150,300	-	37,686	-	37,686
Primary Health Care Program 17-18	N/A	2016-048591-002	159,171	41,936	-	41,936	-
Primary Health Care Program 18-19	N/A	2016-048591-002	159,171	13,693	126,472	116,217	23,948
Primary Health Care Program 19-20	N/A	2016-048591-002	144,171	-	4,578	-	4,578
Tuberculosis Prevention and Control 17-18	N/A	537-18-0030-00001	156,757	19,640	360	20,000	-
Tuberculosis Prevention and Control 18-19	N/A	537-18-0030-00001	156,757	3,595	153,162	98,760	57,997
Tuberculosis Prevention and Control 19-20	N/A	HHS000491700001	156,757	-	10,296	-	10,296
Immunization Cooperative Agreements 18	N/A	537-18-0061-00001	127,938	50,738	-	50,738	-
Immunization Cooperative Agreements 19	N/A	HHS000103500001	127,938	-	123,306	105,459	17,847
Immunization Cooperative Agreements 20	N/A	HHS000103500001	127,938	-	-	-	-
Preventive Health and Health Service Block Grant - 17-18/ O.P.H.P.	N/A	537-18-0230-00001	44,413	77,695	-	77,695	-
Preventive Health and Health Service Block Grant - 18-19 / O.P.H.P.	N/A	537-18-0230-00001	27,496	16,496	11,000	27,496	-
Preventive Health and Health Service Block Grant - 19-20/ O.P.H.P.	N/A	HHS0000485600042	59,649	-	-	-	-
Maternal and Child Health Svs. Block Grant to the States: Prenatal - 18	N/A	2016-003885-02	40,446	1,668	-	1,668	-
Maternal and Child Health Svs. Block Grant to the States: Prenatal - 19	N/A	2016-003885-02	40,446	576	22,562	22,057	1,081
Maternal and Child Health Svs. Block Grant to the States: Prenatal - 20	N/A	HHS000558100021	37,000	-	789	-	789
Infectious Disease Control Unit/Surveillance & Epidemiology Eboa Activities 17-18	N/A	537-18-0306-00001	82,500	9,019	-	9,019	-
Infectious Disease Control Unit/Surveillance & Epidemiology Eboa Activities 18-19	N/A	537-18-0306-00001	82,500	5,159	77,341	75,685	6,815
Infectious Disease Control Unit/Surveillance & Epidemiology Eboa Activities 19-20	N/A	HHS000436300018	82,500	-	7,261	-	7,261
Infectious Disease Control Unit/Surveillance & Epidemiology Eboa Activities 20-21	N/A	HHS000436300018	82,500	-	-	-	-
Office of Border Health - Border Health	N/A	53700-6-0000-425303	60,000	(15,381)	-	-	(15,381)
Office of Border Health - Border Health	N/A	53700-6-0000-427806	1,600	(12)	-	-	(12)
Office of Border Health - Border Health	N/A	HHS000435300001	14,600	-	-	-	-
Laredo Influenza Drive Thru Vaccine Clinic	N/A	53700-7-0000431293	3,200	(185)	-	-	(185)
Laredo Influenza Drive Thru Vaccine Clinic	N/A	HHSTX-8-0000002348	1,640	(1,640)	-	-	(1,640)
Laredo Zika Day Event	N/A	HHSTX-8-0000022261	8,000	1,001	-	8,000	(6,999)
Laredo Vector Surveillance	N/A	HHSTX-9-0000189323	13,399	-	10,589	10,589	-
Passed Through South Texas Development Council:							
H. I. V. Social Services 17-18	N/A	19-2-17 (18)	134,260	15,950	-	15,950	-
H. I. V. Social Services Rebate 17-18	N/A	19-2-17 (18)	188,812	40,794	-	40,794	-
H. I. V. Social Services 18-19	N/A	19-2-18 (19)	130,381	9,156	114,302	102,114	21,344
H. I. V. Social Services Rebate 18-19	N/A	19-2-18 (19)	185,975	10,652	171,572	135,397	46,827
H. I. V. Social Services 19-20	N/A	19-2-19 (20)	130,381	-	9,067	-	9,067
Seven Flags Regional Advisory Council	N/A	N/A	5,163	(671)	5,163	4,492	-
Total - Texas Department of State Health Services			\$ 3,224,359	327,078	984,029	1,089,788	221,319
Commission on Law Enforcement Officers Standards and Education							
Law Enforcement Officer Standards and Education	N/A	N/A	\$ 28,863	(4,121)	4,121	-	-
Law Enforcement Officer Standards and Education	N/A	N/A	30,001	-	17,208	30,001	(12,793)
Law Enforcement Officer Standards and Education - 2017	N/A	N/A	1,622	(816)	540	-	(276)
Law Enforcement Officer Standards and Education - 2018	N/A	N/A	1,785	(1,785)	-	-	(1,785)
Law Enforcement Officer Standards and Education - 2019	N/A	N/A	1,785	-	-	1,768	(1,768)
Total - Commission on Law Enforcement Officers Standards and Education			\$ 64,056	(6,722)	21,869	31,769	(16,622)
State Department of Motor Vehicles:							
Auto Theft Task Force	**	N/A	\$ 637,768	159,768	-	159,768	-
Auto Theft Task Force	**	N/A	637,768	59,444	578,324	472,260	165,508
Auto Theft Task Force	**	N/A	685,000	-	59,690	-	59,690
Total - State Department of Motor Vehicles			\$ 1,960,536	219,212	638,014	632,028	225,198

(Continued)

**SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
PERIOD ENDED SEPTEMBER 30, 2019**

CITY OF LAREDO, TEXAS

GRANT NAME

Federal Grantor / Pass Through Grantor / Program Title	Federal CFDA Number	Pass Through Grantor's Number	Program or Award Amount	Accrued (Deferred) Revenue at September 30, 2018	Revenue Recognized	Receipts	Accrued (Deferred) Revenue at September 30, 2019
State Department of Transportation:							
TX Dept. of Transportation-Routine Airport Maintenance Program '18	N/A	CSJ-42M1822LRED	\$ 50,000	22,794	-	22,794	-
TX Dept. of Transportation-Routine Airport Maintenance Program '19	N/A	CSJ-42M1922LRED	50,000	-	49,372	48,867	505
Formula Grants for Other Than Urbanized Areas	**	STATE-U-2018-LAREDO-00068	671,023	-	671,023	671,023	-
Total - State Department of Transportation			\$ 771,023	22,794	720,395	742,684	505
Texas Commission on Environmental Quality							
Passed Through STDC:							
T.C.E.Q.-City of Laredo Solid Waste Management	N/A	19-19-01	\$ 28,000	-	28,000	2,310	25,690
Total - Texas Commission on Environmental Quality			\$ 28,000	-	28,000	2,310	25,690
Passed Through Office of the Governor:							
Local Border Security Program FY -2019	N/A	2995404	\$ 140,500	-	140,500	140,500	-
Total - State Department of Public Safety			\$ 140,500	-	140,500	140,500	-
Texas Health and Human Services Commission:							
Passed Through Texas Nurse-Family Partnership Program:							
Nurse-Family Partnership Program - '19-20	N/A	529-16-0069-00001	\$ 295,079	-	59,890	-	59,890
Passed Through Webb County:							
Regional Healthcare Partnership (1115 Xavier)	N/A	N/A	-	(1,931,797)	847,481	890,150	(1,974,466)
Passed Through Family Planning Grant:							
Family Planning Open Enrollment	N/A	529-16-0102-00042-B	42,750	14,207	-	14,207	-
Family Planning Open Enrollment	N/A	529-16-0102-00042-C	42,750	9,220	28,262	28,421	9,061
Family Planning Open Enrollment	N/A	529-16-0102-00042-D	42,750	-	3,840	-	3,840
Healthy Texas Women	N/A	529-16-0132-00009-B	405,010	48,116	-	48,116	-
Healthy Texas Women	N/A	529-16-0132-00009-C	405,010	15,367	222,812	185,598	52,581
Healthy Texas Women	N/A	529-16-0132-00009-D	405,010	-	14,093	-	14,093
Texas Ambulance Supplemental Payment Program	N/A	N/A	-	1,233,825	1,416,247	1,233,825	1,416,247
Total - Texas Health and Human Services Commission			\$ 1,638,359	(611,062)	2,592,625	2,400,317	(418,754)
Total State Assistance			\$ 7,826,833	(48,700)	5,125,432	5,039,396	37,336
OTHER ASSISTANCE							
ICE- Custom-Narcotics 2018	N/A	118SA1598	\$ 91,000	26,376	-	24,070	2,306
ICE- Custom-Narcotics 2019	N/A	119SA1599	91,000	-	53,187	35,477	17,710
OCEDETF-DEA0982 Sand Castle	N/A	SW-TXS-0982	6,295	2,299	-	2,299	-
OCEDETF-DEA1025 Dusty Crop Hopper	N/A	SW-TXS-1025	18,042	-	17,862	12,830	5,032
OCEDETF-DEA11299 Hair Today Gone Tomorrow	N/A	SW-TXS-1129	18,042	-	17,661	12,691	4,970
Laredo Joint Terrorism TF 2018	N/A	N/A	17,202	5,035	-	5,035	-
Laredo Joint Terrorism TF 2019	N/A	N/A	17,202	-	15,534	12,587	2,947
Safe Streets Task Force 2018	N/A	N/A	34,404	8,511	-	8,511	-
Safe Streets Task Force 2019	N/A	N/A	34,404	-	27,090	21,293	5,797
Fugitive Apprehension Task Force 2019	N/A	M-19-D79-O-000164	17,500	-	17,375	12,403	4,972
Bureau of Alcohol and Tobacco 2018	N/A	N/A	72,168	5,460	-	5,460	-
Bureau of Alcohol and Tobacco 2019	N/A	N/A	72,168	-	72,883	54,138	18,745
TEOAF- CBP Task Force 2018	N/A	418LR0029	100,000	21,636	-	21,636	-
TEOAF- CBP Task Force 2019	N/A	419LR0030	100,000	-	165,841	165,841	-
State Energy Conservation Office	N/A	CL300	1,033,558	1,000,683	446,977	50,917	1,396,743
911 Regional Communications Grant - FY2017	N/A	N/A	2,820,774	50,426	164,508	214,934	-
911 Regional Communications Grant - FY2017 Equipment Replacement	N/A	N/A	699,206	45,568	-	45,568	-
911 Regional Communications Grant - FY2017 Use of Revenue	N/A	N/A	314,120	-	312,096	312,096	-
911 Regional Communications Grant - FY2018	N/A	N/A	1,313,297	(147,059)	49,348	(97,711)	-
911 Regional Communications Grant - FY2019	N/A	N/A	3,517,036	(461,221)	2,184,485	1,723,935	(671)
911 Regional Communications Grant - FY2020	N/A	N/A	2,553,504	-	31,654	-	31,654
Mexican Consulate - Ventanilla de Salud Program	N/A	N/A	-	(18,558)	39,294	5,450	15,286
Mexican Consulate - Ventanilla de Salud Emocional Program	N/A	N/A	25,000	-	25,000	25,000	-
Pillar- SAMSHA 18-19	N/A	N/A	234,087	1,547	189,635	121,081	70,101
Pillar- SAMSHA 19-20	N/A	N/A	195,131	-	-	-	-
Fernando Salinas Trust	N/A	N/A	40,000	(1,508)	-	-	(1,508)
Paso del Norte Foundation	N/A	N/A	2,500	(423)	411	-	(12)
Valley Aids - Ryan White Part D 17-18	N/A	N/A	49,195	5,634	-	5,634	-
Valley Aids - Ryan White Part D 18-19	N/A	N/A	49,195	6,058	41,027	47,085	-
Valley Aids - Ryan White Part D 19-20	N/A	N/A	\$ 49,195	-	8,118	-	8,118

(Continued)

SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS
PERIOD ENDED SEPTEMBER 30, 2019

CITY OF LAREDO, TEXAS

GRANT NAME

Federal Grantor / Pass Through Grantor / Program Title	Federal CFDA Number	Pass Through Grantor's Number	Program or Award Amount	Accrued (Deferred) Revenue at September 30, 2018	Revenue Recognized	Receipts	Accrued (Deferred) Revenue at September 30, 2019
TAMIU - SI 18-19	N/A	N/A	\$ 479,656	38,809	231,917	270,726	-
Coastal Bend Wellness Foundation 17-18	N/A	N/A	10,000	2,500	-	2,500	-
Coastal Bend Wellness Foundation 18-19	N/A	N/A	10,000	-	10,000	10,000	-
American Library Association-Institute for Global Environmental	N/A	N/A	1,000	-	1,000	1,000	-
American Library Association-NASA	N/A	N/A	500	-	1,500	1,500	-
Total - Other Assistance			14,086,381	591,773	4,124,403	3,133,986	1,582,190
Total Federal, State and Other Assistance			\$ 216,789,072	649,255	49,004,651	45,968,013	3,685,893

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AND STATE AWARDS

- * Major Federal Program
- ** Major State Program

NOTE A - BASIS OF PRESENTATION

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

NOTE B - FEDERAL INDIRECT RATE

The City has elected to use the 10 percent de minimis indirect cost rate allowed under the Uniform Guidance.

NOTE C - FEDERAL LOANS

Drinking Water State Revolving Loan:

The City was approved by EPA to receive a loan totalling \$5.5 Million to build an elevated water tank. The amount listed for this loan includes the proceeds used and interest earned during the year, and the outstanding loan balance from prior years.

Drinking Water State Revolving Loan:

The City was approved by EPA to receive a loan totalling \$4.6 Million to build an elevated water tank and waterline improvements. The Amount listed for this loan includes the proceeds used and interest earned during the year, and the outstanding loan balance from prior years.

Clean Water State Revolving Loan:

The City was approved by EPA to receive a loan totalling \$22.075 Million to build a sewer treatment plant. The amount listed for this loan includes the proceeds used and interest earned during the year, and the outstanding loan balance from prior years.

Clean Water State Revolving Loan:

The City was approved by EPA to receive a loan totalling \$48.75 Million to build a sewer treatment plant. The amount listed for this loan includes the proceeds used and interest earned during the year, and the outstanding loan balance from prior years.

Aaron Canales, CPA
Juan José Garza, CPA
J. Clayton Baum, CPA (Ret.)
Guadalupe García-Wright, CPA



INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL
REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT
AUDITING STANDARDS

To the Honorable Mayor and Members of the City Council
City of Laredo, Texas

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Laredo, Texas, as of and for the year ended September 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Laredo, Texas' basic financial statements and have issued our report thereon dated March 13, 2020.

Internal Control Over Financial Reporting

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

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

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

Compliance and Other Matters

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

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Conales, Larga & Baum, PLLC

Laredo, Texas
March 13, 2020

City of Laredo, Texas
Federal Schedule of Findings and Questioned Costs
Year Ended September 30, 2019

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no

Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal Control over major programs:

Material weakness(es) identified? _____ yes X no

Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? _____ yes X no

Identification of major programs:

<u>CFDA Number(s)</u>	<u>Name of Federal Program or Cluster</u>
14.218	Community Development Block Grants
20.205	Highway Planning and Construction
	Transit Cluster
20.500	Fixed Guideway Modernization Bus & Bus Facility New Starts
20.507	Urbanized Area Program
20.526	Fixed Guideway Modernization Bus & Bus Facility New Starts
21.016	The Department of Treasury Asset Forfeiture Program
97.067	Homeland Security Grant Program
97.083	Staffing for Adequate Fire and Emergency Response (SAFER)

Dollar threshold used to distinguish between Type A and Type B programs: \$1,192,644

Auditee qualified as low-risk auditee? X yes _____ no

City of Laredo, Texas
Federal Schedule of Findings and Questioned Costs
Year Ended September 30, 2019

Section II - Financial Statement Findings

None.

Section III - Federal Award Findings and Questioned Costs

None.

City of Laredo, Texas
State Schedule of Findings and Questioned Costs
Year Ended September 30, 2019

Section I - Summary of Auditors' Results

Financial Statements

Type of auditors' report issued: Unqualified

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no

Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

Noncompliance material to financial statements noted? _____ yes X no

State Awards

Internal Control over major programs:

Material weakness(es) identified? _____ yes X no

Significant deficiencies identified that are not considered to be material weaknesses? _____ yes X none reported

Type of auditors' report issued on compliance for major programs: Unqualified

Any audit findings disclosed that are required to be reported in accordance with the State of Texas Single Audit Circular? _____ yes X no

Identification of major programs:

Number(s) Name of State Program or Cluster

None Auto Theft Task Force

None Formula Grants for Other Than Urbanized Areas

Dollar threshold used to distinguish between Type A and Type B programs: \$ 750,000

Auditee qualified as low-risk auditee? X yes _____ no

Section II - Financial Statement Findings

None.

Section III - State Award Findings and Questioned Costs

None.

City of Laredo, Texas
Federal Summary Schedule of Prior Audit Findings
Year Ended September 30, 2019

Summary of Prior Audit Findings

Federal Award Findings and Questioned Costs

None.

City of Laredo, Texas
State Summary Schedule of Prior Audit Findings
Year Ended September 30, 2019

Summary of Prior Audit Findings

State Award Findings and Questioned Costs

None.